



Omni Logistics

# Forward Air Corporation Earnings Presentation

1Q25

May 7, 2025

# Statements & Disclaimers

## Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: “anticipate,” “intend,” “plan,” “goal,” “seek,” “believe,” “project,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “should,” “will” and similar references to future periods. Forward-looking statements included in this presentation relate to expectations regarding customer demand for services of Forward Air Corporation (“Forward”, “we” or “us”) as well as expectations regarding the freight market; ability to achieve and the timing of capturing the intended benefits of the acquisition of Omni, including any revenue and cost synergies, including the streamlining of duplicative internal systems; projections with respect to revenue growth following the realization of such synergies; beliefs regarding customer retention, growth, pricing and customer retention drivers; plans to transition to financial reporting by product and service, consisting of ground, intermodal, air and ocean, and warehousing and value-added services; estimates regarding the geographic breakdown of our revenue; beliefs regarding cross-selling opportunities and resulting effects on growth; expectations and beliefs regarding the strategic alternative process; beliefs regarding the impact of tariffs and their potential effects on consumer confidence and downstream and volumes; plans regarding our transformation strategy, including with respect to cost synergies, cross-selling services, consolidation of back office and corporate support and our ongoing review of strategic alternatives; ability of Forward to identify opportunities to dispose of any non-core assets; and expectations regarding Forward’s ability to execute on its plan to integrate Omni Logistics, remain focused on the consumer and grow the Company to generate long-term value for shareholders. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements.

The following is a list of factors, among others, that could cause actual results to differ materially from those contemplated by the forward-looking statements: economic factors such as recessions, inflation, higher interest rates and downturns in customer business cycles, the timing of our review of any strategic alternatives; whether we will be able to identify or develop any strategic alternatives to its strategic plan as a standalone company; our ability to execute on material aspects of any strategic alternatives that are identified and pursued; whether we can achieve the potential benefits of any strategic alternatives or our strategic plan as a standalone company, our ability to achieve the expected strategic, financial and other benefits of the acquisition of Omni Logistics, including the realization of expected synergies and the achievement of deleveraging targets within the expected timeframes or at all, the risk that the businesses will not be integrated successfully or that integration may be more difficult, time-consuming or costly than expected, the risk that operating costs, customer loss, management and employee retention and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) as a result of the acquisition of Omni Logistics may be greater than expected, continued weakening of the freight environment, future debt and financing levels, our ability to deleverage, including, without limitation, through capital allocation or

divestitures of non-core businesses, our ability to secure terminal facilities in desirable locations at reasonable rates, more limited liquidity than expected which limits our ability to make key investments, the creditworthiness of our customers and their ability to pay for services rendered, our inability to maintain our historical growth rate because of a decreased volume of freight or decreased average revenue per pound of freight moving through our network, the availability and compensation of qualified Leased Capacity Providers and freight handlers as well as contracted, third-party carriers needed to serve our customers’ transportation needs, our inability to manage our information systems and inability of our information systems to handle an increased volume of freight moving through our network, the occurrence of cybersecurity risks and events, market acceptance of our service offerings, claims for property damage, personal injuries or workers’ compensation, enforcement of and changes in governmental regulations, environmental, tax, insurance and accounting matters, the handling of hazardous materials, changes in fuel prices, loss of a major customer, increasing competition, and pricing pressure, evolving macroeconomic factors, including the imposition of additional tariffs, potential escalation from trading partners, the uncertainty surrounding trade policy, including the extent to which increased tariffs will affect our operations and strategic plan, and our limited visibility into the impact of tariffs on third-party shipments, our dependence on our senior management team and the potential effects of changes in employee status, seasonal trends, the occurrence of certain weather events, restrictions in our charter and bylaws and the risks described in our Annual Report on Form 10-K for the year ended December 31, 2024, and as may be identified in our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

We caution readers that any forward-looking statement made by us in this presentation is based only on information currently available to us and they should not place undue reliance on these forward-looking statements, which reflect management’s opinion as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise unless required by law.

## Non-GAAP Measures

To supplement the financial measures prepared in accordance with generally accepted accounting principles in the United States (“GAAP”), we have included Consolidated EBITDA, Consolidated EBITDA Margin %, Net Leverage Ratio, Net Debt, Reported EBITDA, Reported EBITDA Margin %, LTM Reported EBITDA, LTM Reported EBITDA Margin, Unlevered Free Cash Flow, Operating Cash Flow, Excluding Impairment of Goodwill, each a non-GAAP financial measure (each, a “Non-GAAP Measure”), in this presentation. The reconciliation of each Non-GAAP Measure to the most directly comparable financial measure calculated and presented in accordance with GAAP can be found in the Appendix to this presentation. Because each Non-GAAP Measure excludes certain items as described herein, it may not be indicative of the results that Forward expects to recognize for future periods. As a result, each Non-GAAP Measure should be considered in addition to, and not a substitute for, financial information prepared in accordance with GAAP. The Company is also providing Consolidated EBITDA, Liquidity, and Net Leverage Ratio calculated in accordance with Forward’s credit agreement as we believe it provides investors with important information regarding our liquidity, financial condition and compliance with our obligations under our credit agreement.



# Agenda

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Earnings Presentation

# Combined Overview

# Who We Are: A Story of Transformation and Excellence

## Our Heritage

Forward Air's revolutionary expedited ground freight network, established in 1981, and Omni's innovative logistics solutions, founded in 2000, represent decades of excellence in logistics innovation.

## Our Combined Strength

Together, we have created a logistics powerhouse that combines Forward Air's robust North American LTL network with Omni's global logistics solutions, delivering unprecedented value and capabilities to our customers.

## Our Future

This strategic union positions us as a leading force in global logistics, offering comprehensive solutions that span continents and streamline supply chains.



# By the Numbers

All figures for FY24

\$2.5B

FY 2024 Revenue



\$308M

FY 2024 CEBITDA<sup>1</sup>

6K+

Total Employees




2K

Freight Handlers<sup>2</sup>

4M+

Total Shipments<sup>3</sup>



0.1%

Claims Ratio<sup>4</sup>

250+

Global Facilities



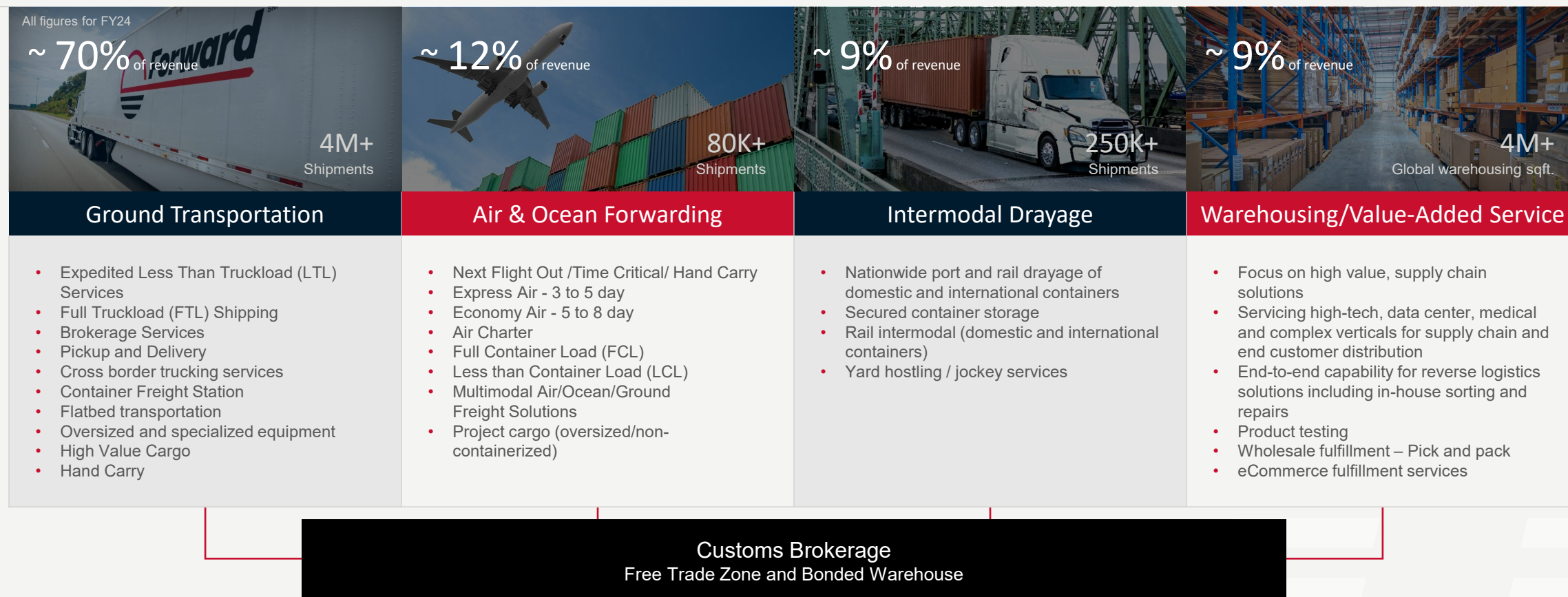
21

Countries

1. Consolidated EBITDA ("CEBITDA"). Reconciliation of Non-GAAP financial measures available in the Appendix.  
2. Freight handlers included in Total Employees.  
3. Total Ground, Intermodal, Air and Ocean shipments per year managed by Expedited Freight, Intermodal, and Omni segments.  
4. Combined claims ratio for Expedited Freight and Omni. Calculated as claims amount paid divided by revenue for FY24.



# Our key product groups provide end-to-end capabilities



# Differentiated and diversified solutions

All figures for FY24

		Reporting Segments			
		Expedited Freight	Omni Logistics	Intermodal	Combined
Key Product Groups	Ground Transportation	●	●		●
	Intermodal Drayage			●	●
	Air / Ocean Forwarding		●		●
	Warehousing / VAS		●		●
Countries <sup>1</sup>		3	21	1	21

Diversified portfolio of vertically-integrated solutions

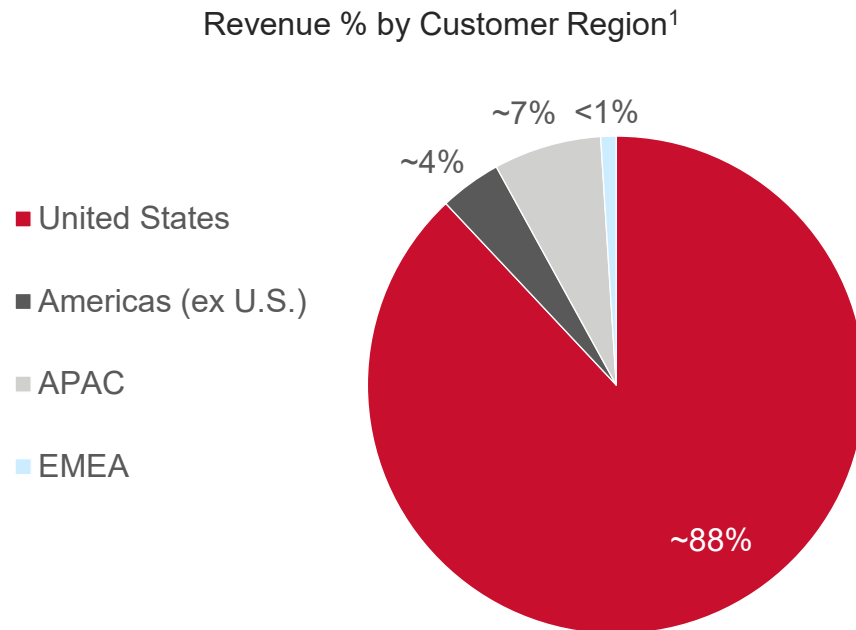
Global presence in key high demand locations

1. Countries with leased or owned properties.



# Scalable global footprint

All figures for FY24



- **~12%** of revenue generated outside of the United States.<sup>1</sup>
- **250+** global facilities in **21** countries.
- No single customer represents more than **10%** of revenue.
- Top 10 customers account for **~24%** of revenue.



Earnings Presentation

# 1Q25 Results

# 1Q25 Highlights

In millions, except for LTM Net Leverage

1Q25

\$613

Revenue

\$5

Operating Income

\$69

Consolidated EBITDA<sup>1</sup>

11.2% Margin

\$393

Liquidity<sup>2</sup>

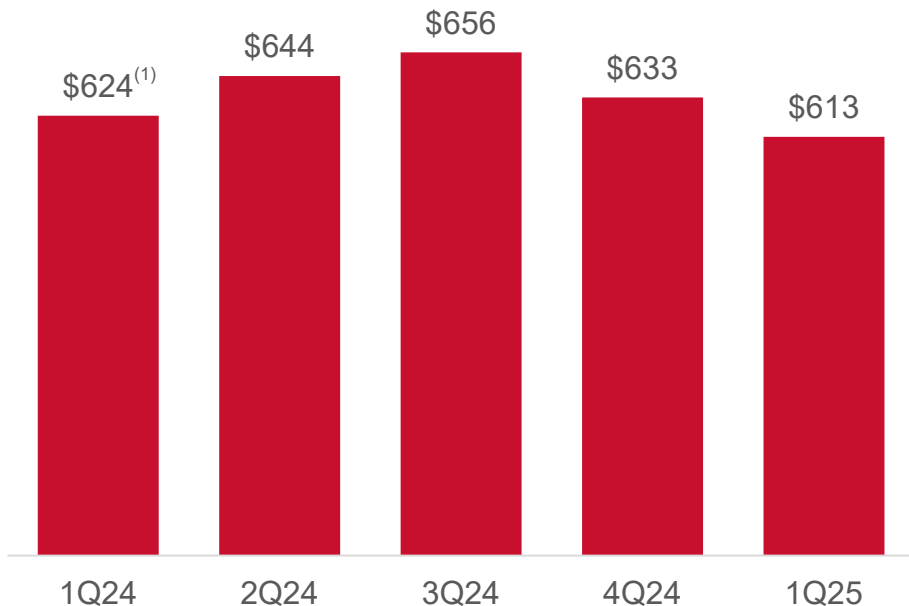
5.3x

LTM Net Leverage<sup>2</sup>

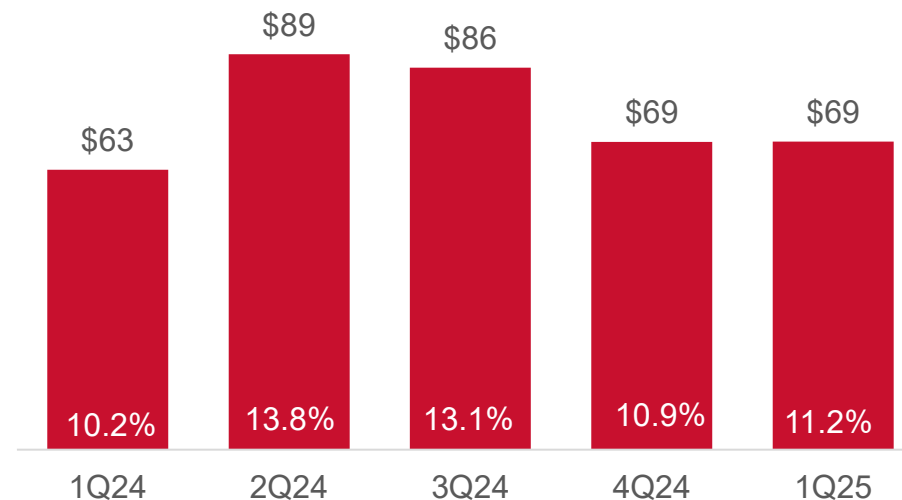
# Consolidated Results by Quarter

In millions, except for margin

## Revenue



## Consolidated EBITDA<sup>2</sup> & Consolidated EBITDA Margin %<sup>2</sup>

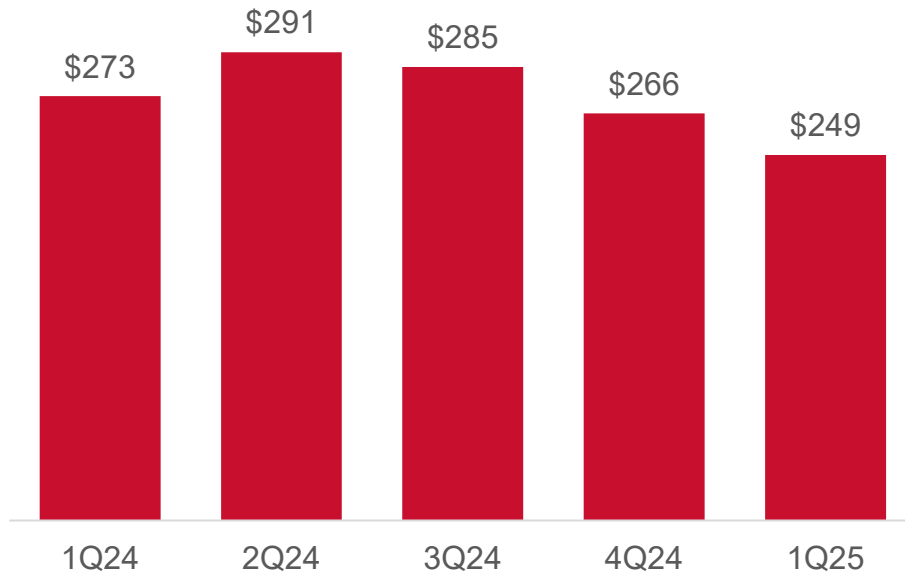




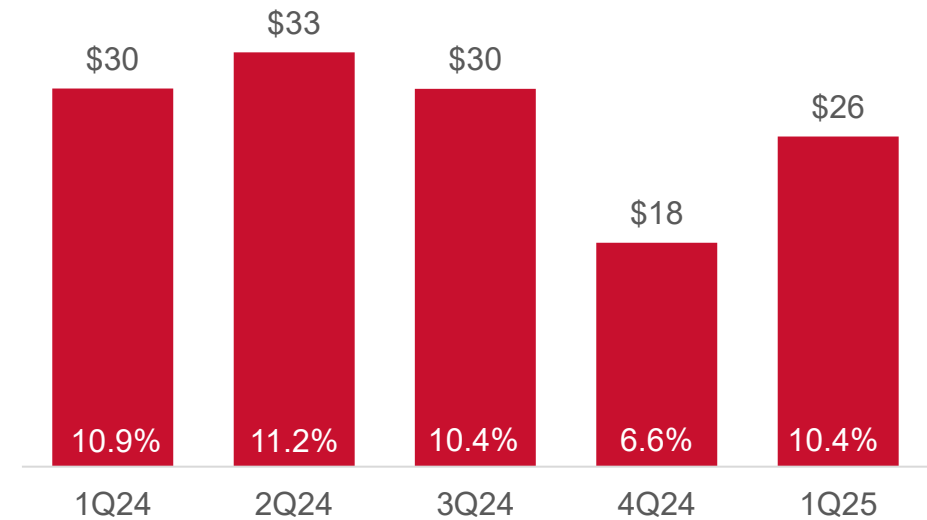
## Expedited Freight Segment Results by Quarter

In millions, except for margin

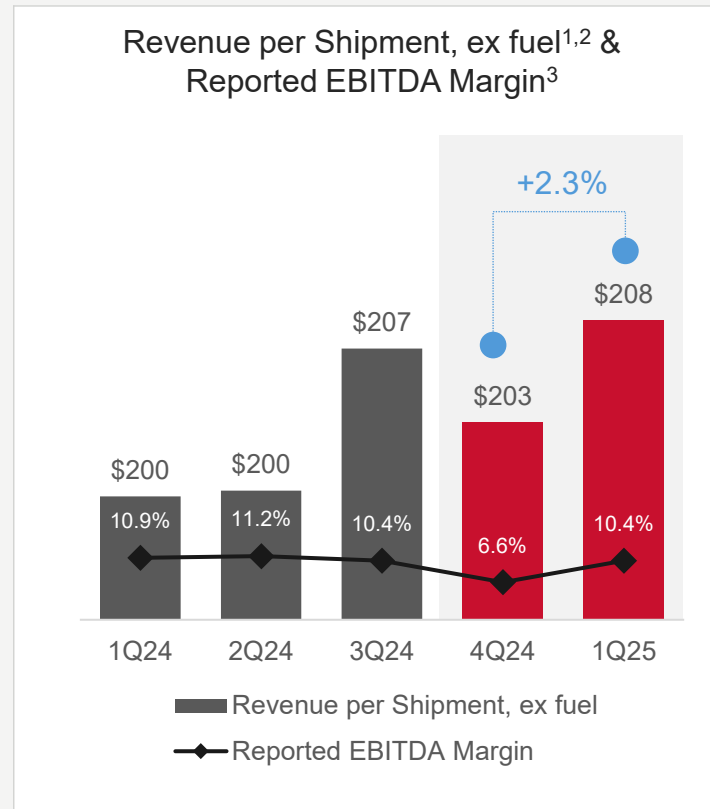
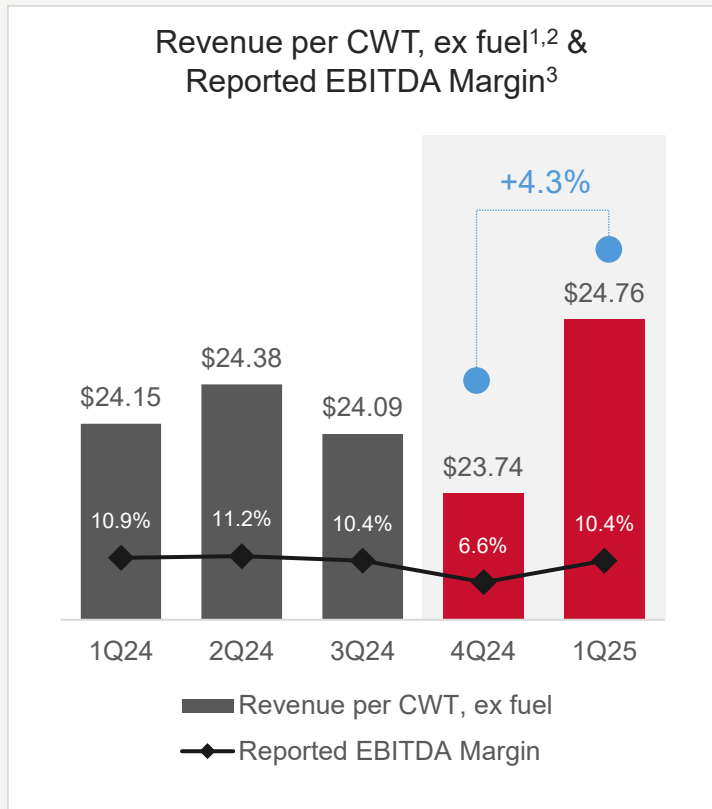
Segment Revenue<sup>1</sup>



Reported EBITDA<sup>2</sup> & Reported EBITDA Margin<sup>2</sup>



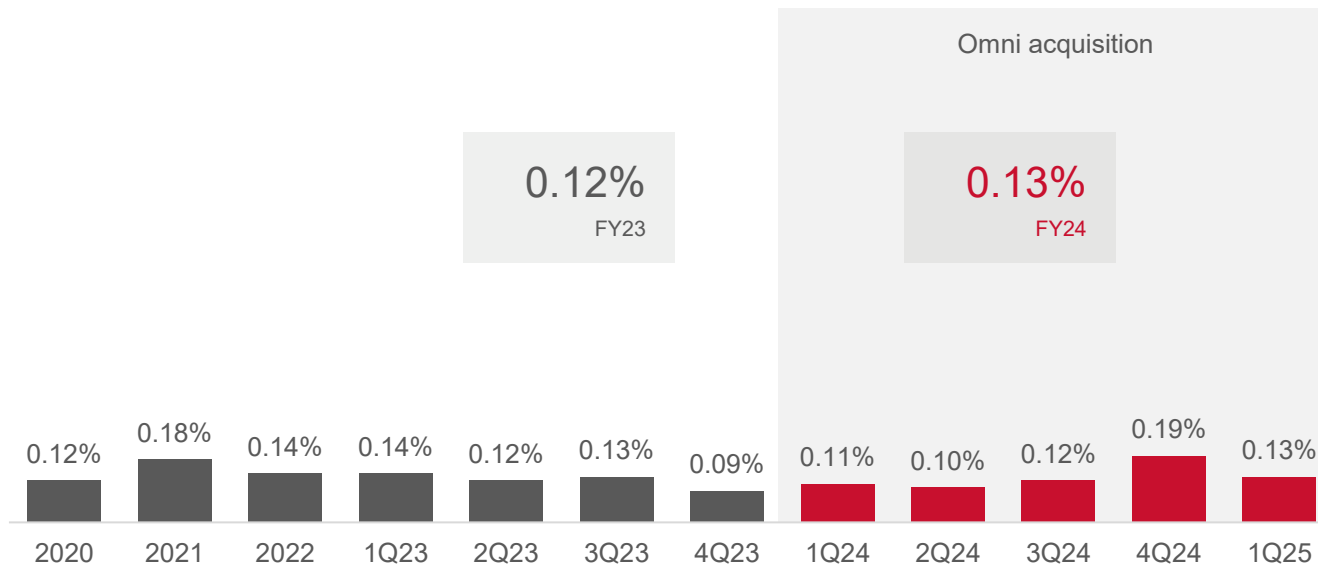
## Expedited Freight Segment: Sequential pricing and margin improvement



- Corrective pricing action implemented 4Q24 and was completed **late in 1Q25**.
- Sequential and year-over-year pricing improvement.
- **380 bps** sequential margin growth from 4Q24.

## Expedited Freight Segment: Continued superior service following acquisition

Expedited Freight Segment Claims Ratio<sup>1</sup>

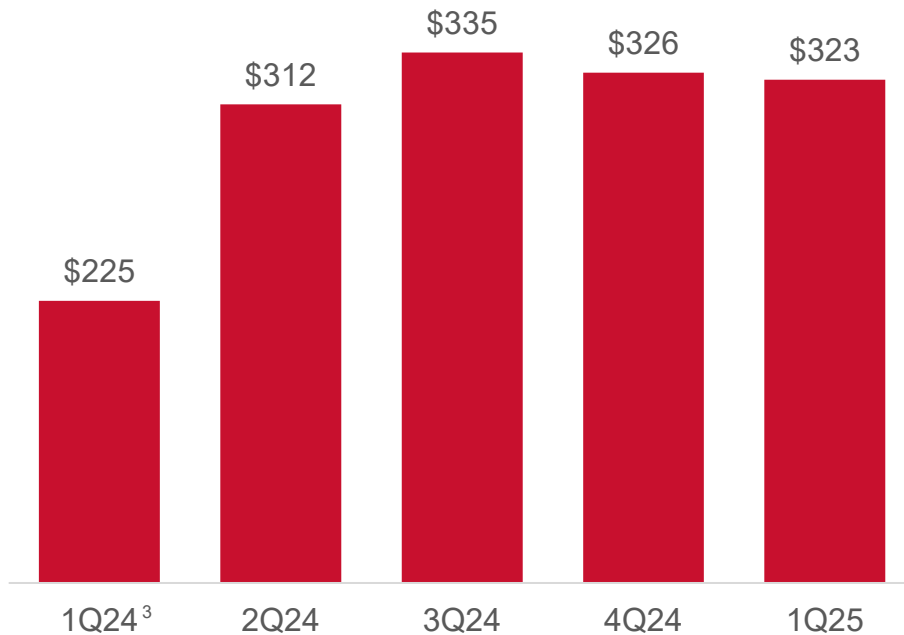


- Industry-leading claims ratio of **~0.1%**.
- Superior service to 96% of all continental United States zip codes.
- Maintaining priority focus on customer service during integration and transformation.

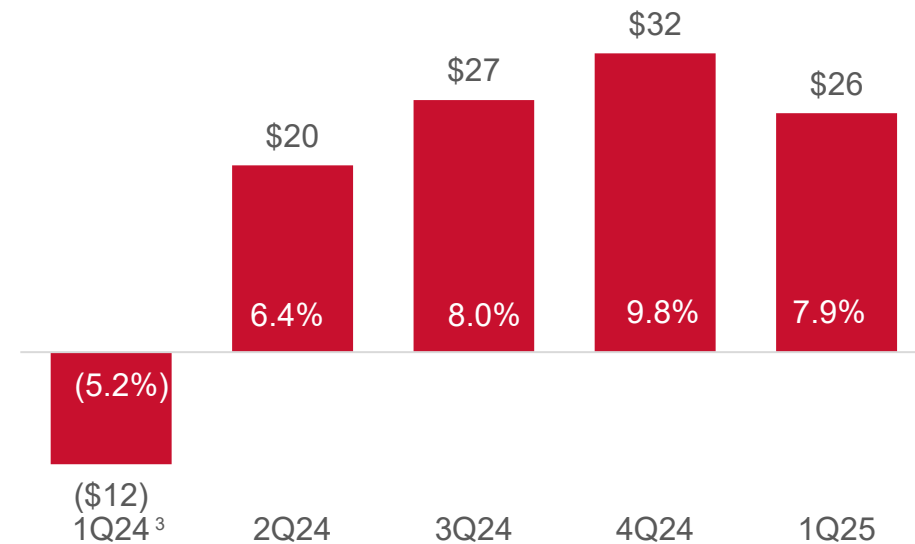
# Omni Logistics Segment Results by Quarter

In millions, except for margin

Segment Revenue<sup>1</sup>



Reported EBITDA<sup>2</sup> & Reported EBITDA Margin %<sup>2</sup>

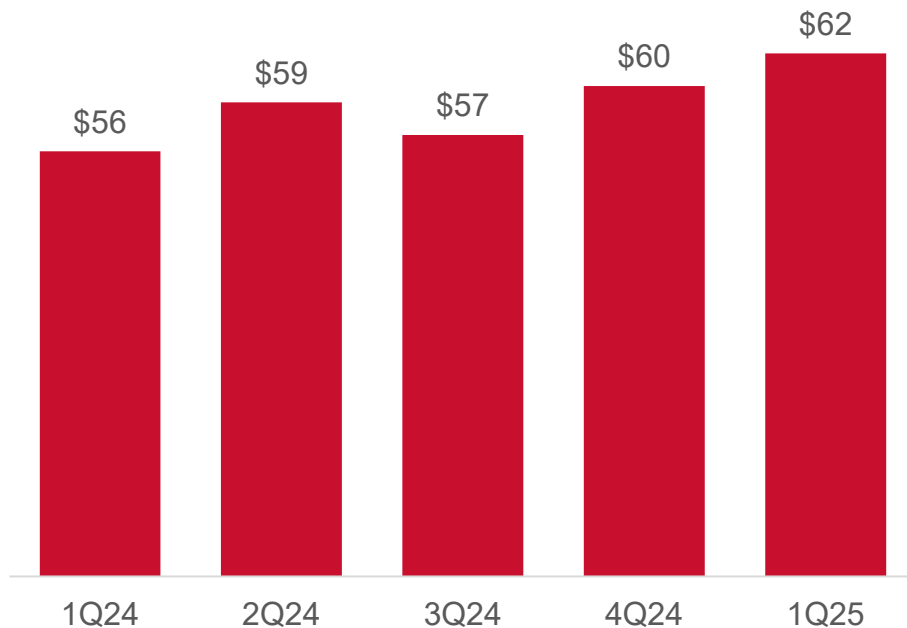




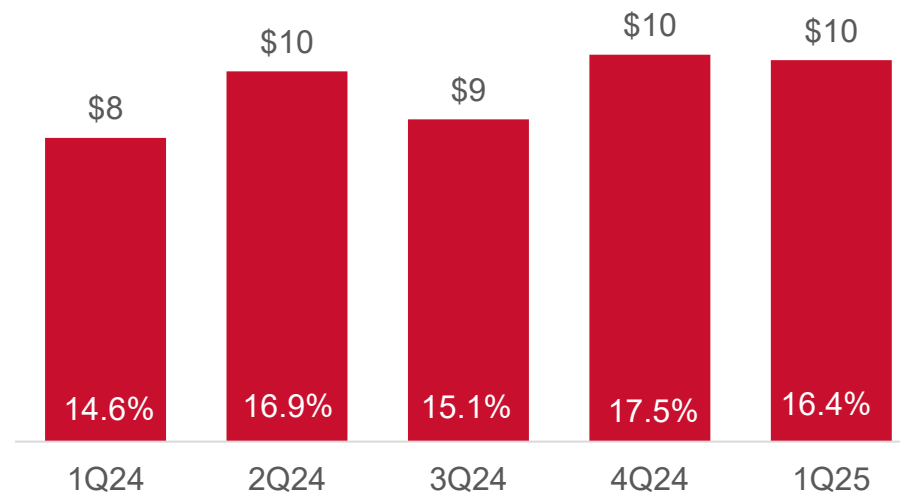
## Intermodal Segment Results by Quarter

In millions, except for margin

Segment Revenue<sup>1</sup>



Reported EBITDA<sup>2</sup> & Reported EBITDA Margin %<sup>2</sup>



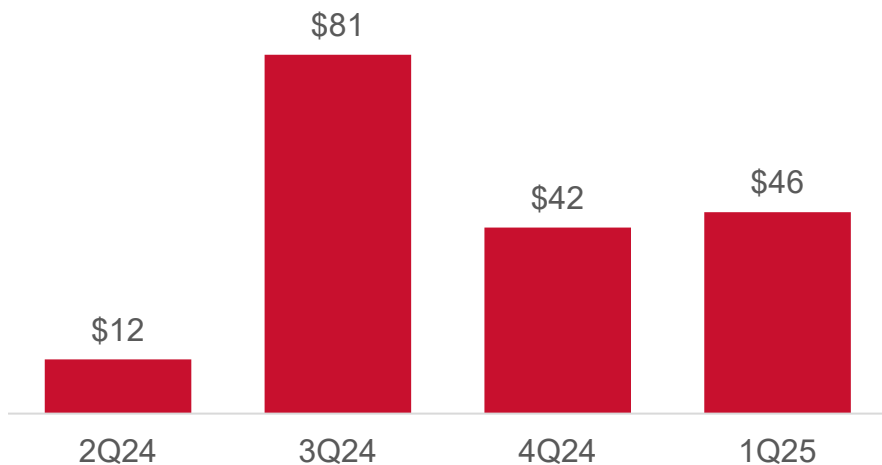


Earnings Presentation

# Liquidity, Leverage and Cash Flow

# Normalizing cash flow generation

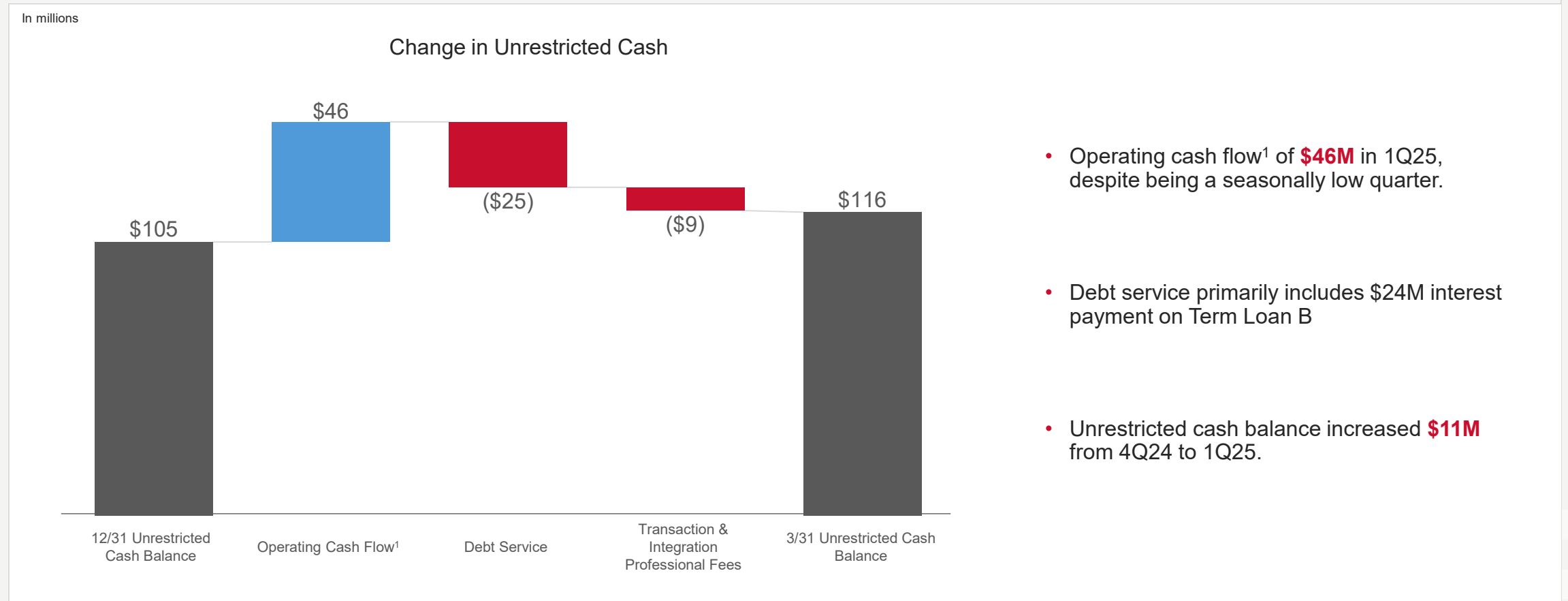
In millions

Operating Cash Flow<sup>1</sup>

	2Q24	3Q24	4Q24	1Q25
<b>Change in Unrestricted Cash</b>	<b>(\$67)</b>	<b>\$52</b>	<b>(\$32)</b>	<b>\$11</b>
(+) Debt Service	46	27	64	25
(-) LC Release	0	(19)	(2)	0
<b>Unlevered Free Cash Flow<sup>1</sup></b>	<b>(\$21)</b>	<b>\$60</b>	<b>\$31</b>	<b>\$37</b>
(+) Transaction/Integration Fees	21	22	12	9
(+) Earnouts & Purchase Price Adjustments	12	0	0	0
<b>Operating Cash Flow<sup>1</sup></b>	<b>\$12</b>	<b>\$81</b>	<b>\$42</b>	<b>\$46</b>

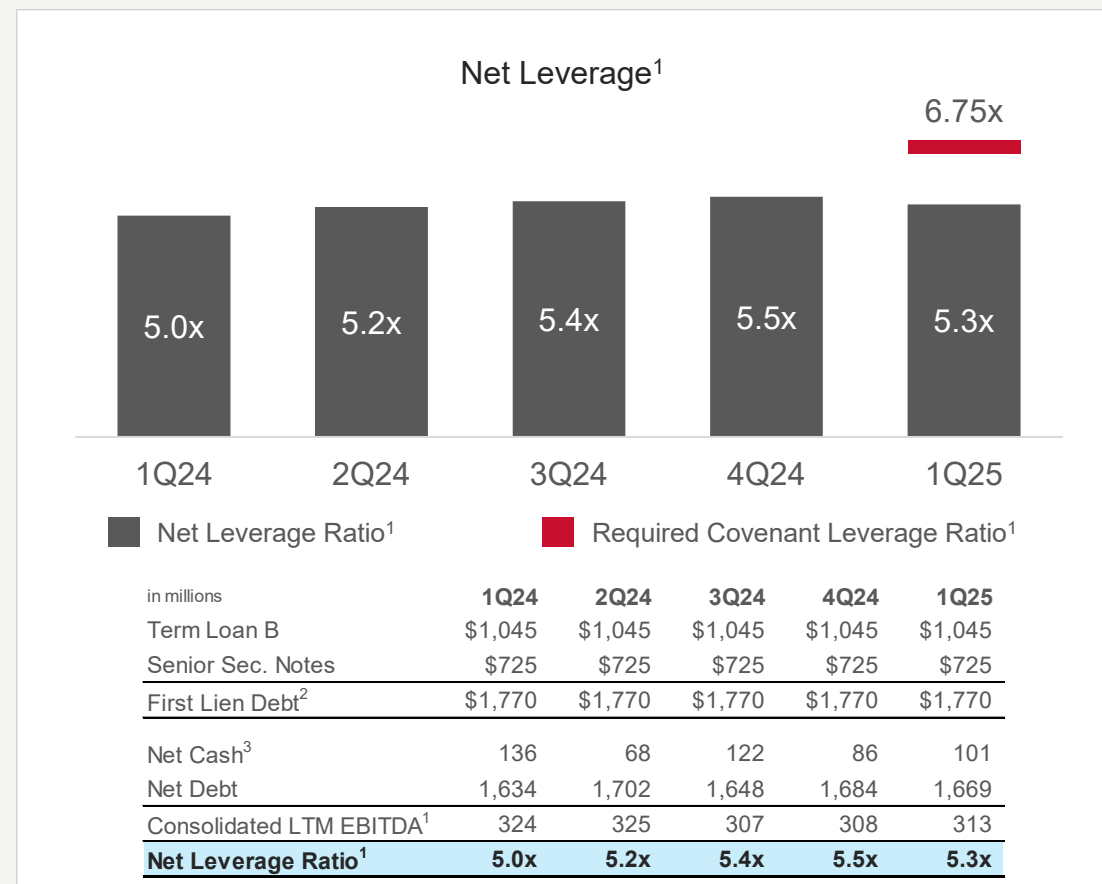
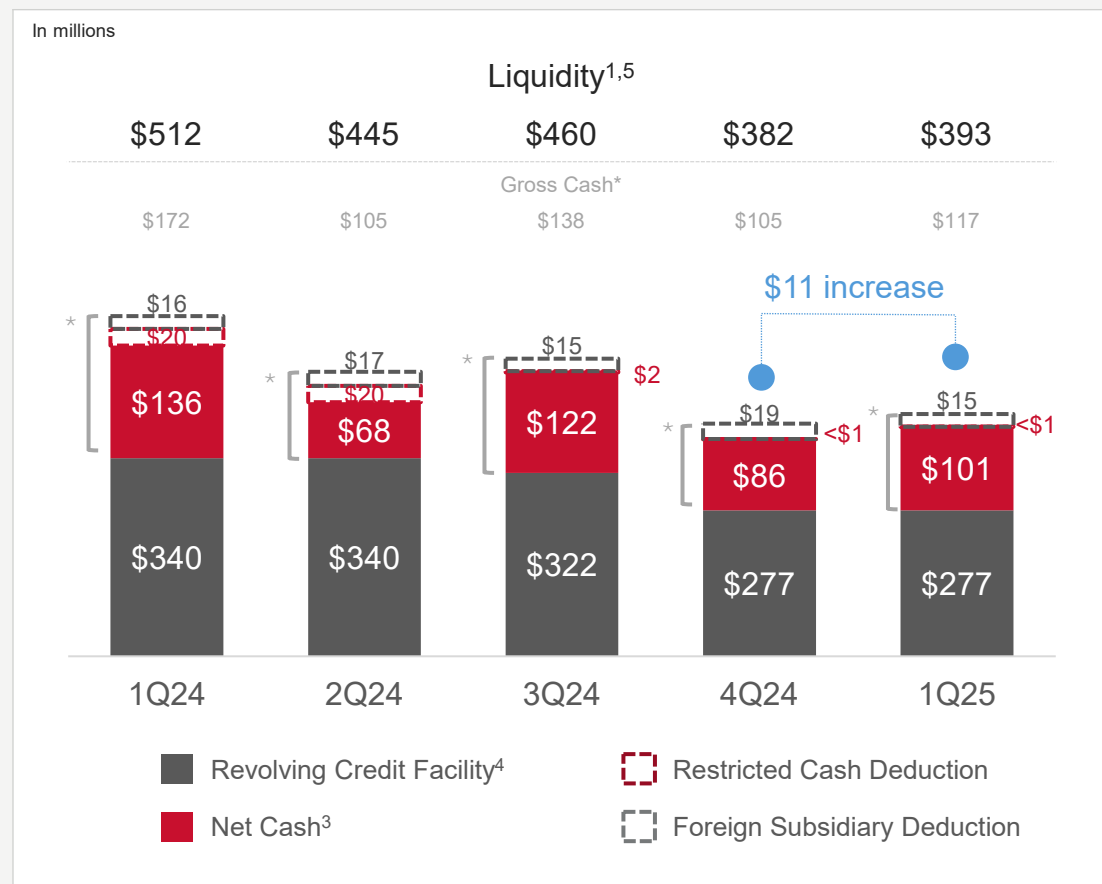
- Cash flow generation improving with margin growth, unwinding cash transaction expenses, and more efficient working capital management
- Asset-light business model with meaningful upside as cost savings measures are recognized

# 1Q25 Cash Bridge

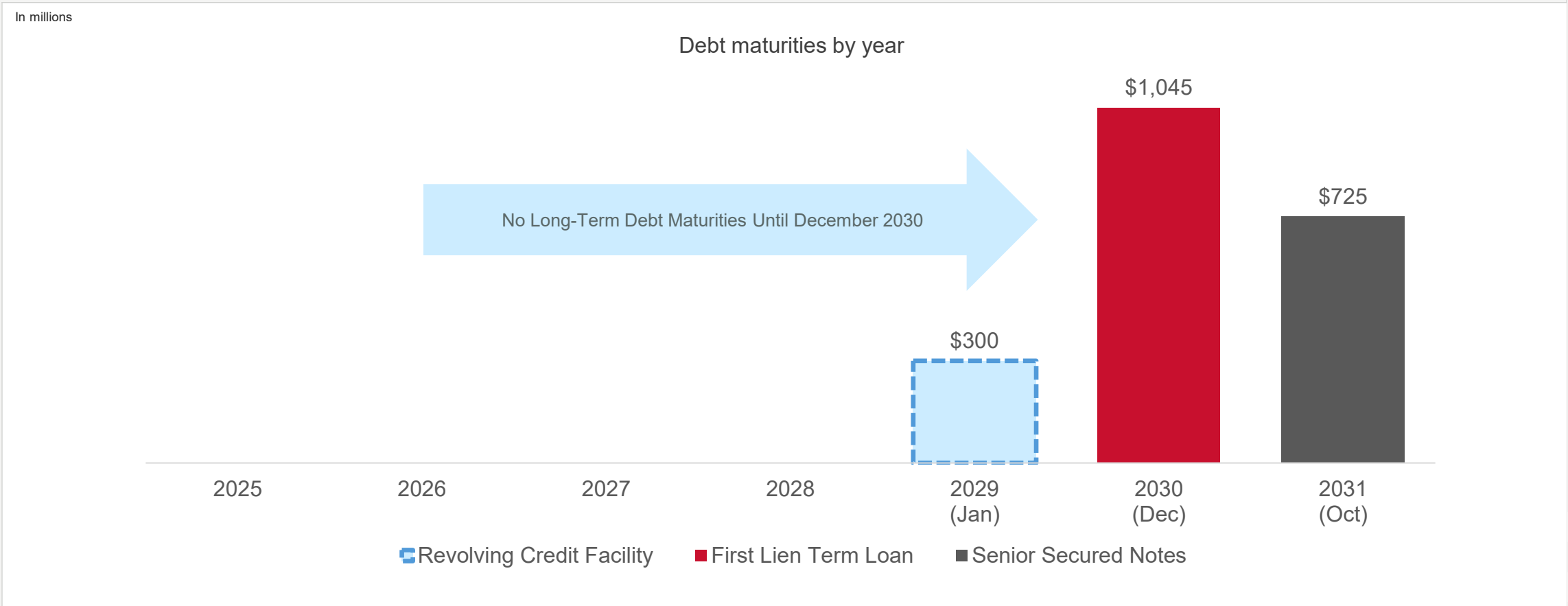




# Liquidity and Leverage



# No debt maturities over the next 5 years



1. Credit Facility undrawn as of 3/31/2025 other than \$23 million letters of credit issued through facility.



Earnings Presentation

# Investment Rationale

# Laying the foundation for future profitable growth

Strong brand, customer value proposition and loyalty

Robust North American LTL network with international logistics capabilities

Superior service with consistently low claims ratio of 0.1%<sup>1</sup>

Differentiated and diversified solutions with global scale

Highly customizable and specialized service offering of vertically-integrated solutions

Scalable growth with over 250 global facilities in 21 countries

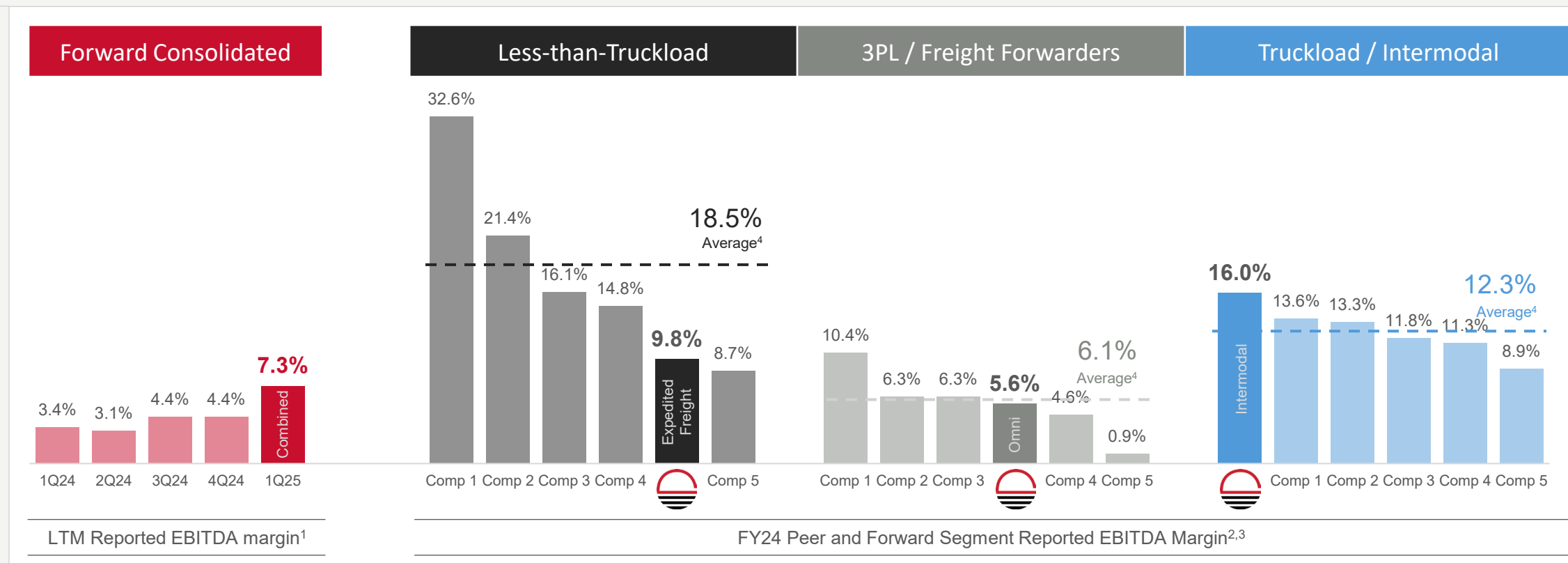
Rationalized cost structure poised for profitable growth

Asset-light business model with normalizing free cash flow generation

Realized over \$100M in annualized cost savings<sup>2</sup>

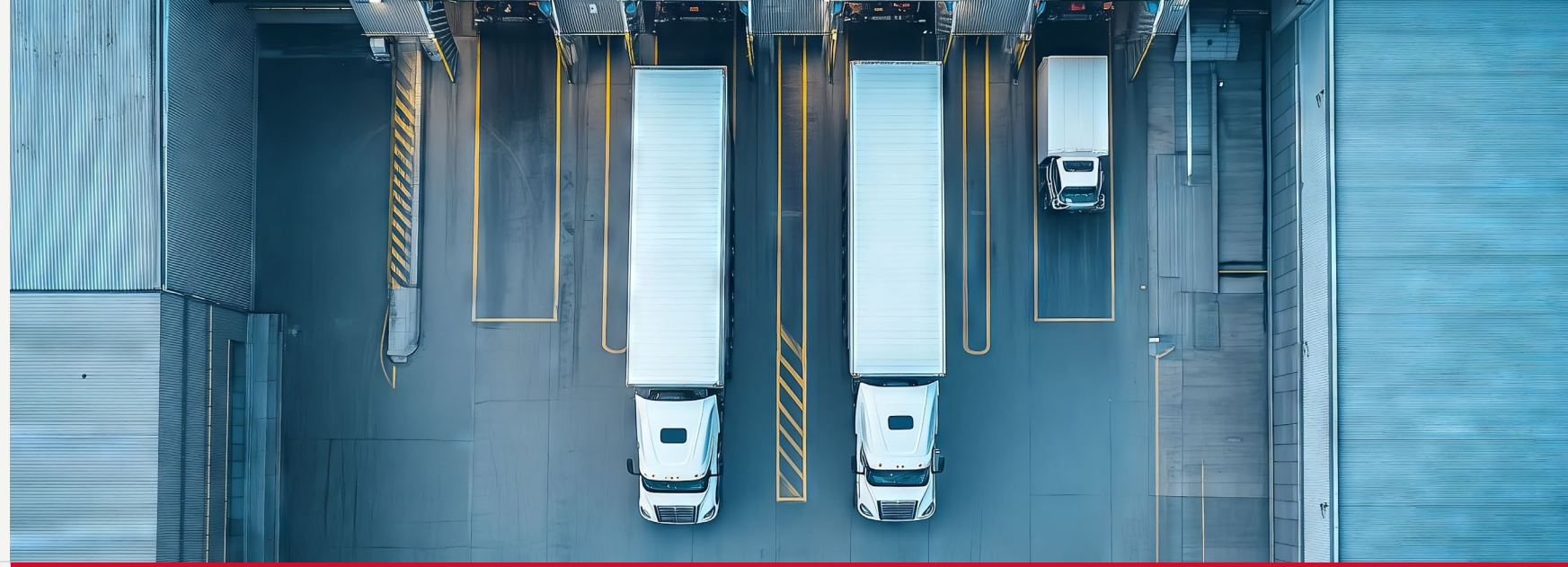


# Meaningful upside as we close margin gap with peers



## Closing Summary

- 01 Enhanced visibility on key product groups and geographic exposure
- 02 Sequential pricing and margin improvement in Expedited Freight
- 03 Steady and superior performance from Omni Logistics and Intermodal
- 04 Positive cash flow from operations and improved liquidity
- 05 Normalizing cash flow generation
- 06 Seeing the benefits of diversified product portfolio



Earnings Presentation

# Appendix

# Net Income to Consolidated EBITDA Reconciliation

In millions, except for LTM Net Leverage

Consolidated EBITDA Reconciliation	2Q24	3Q24	4Q24	1Q25	LTM (3/31/2025)
Net (loss) income from continuing operations	(\$966)	(\$34)	(\$35)	(\$61)	(\$1,097)
Interest expense	47	53	48	46	194
Income tax (benefit) expense	(175)	1	67	20	(87)
Depreciation and amortization	49	26	38	37	150
<b>Reported EBITDA<sup>1,2</sup></b>	<b>(\$1,046)</b>	<b>\$46</b>	<b>\$118</b>	<b>\$41</b>	<b>(\$841)</b>
Impairment of goodwill	1,093	15	(79)	--	1,028
Transaction and integration costs	10	(1)	10	14	33
Severance costs	4	3	2	2	10
Optimization project costs	--	--	10	1	11
Pro forma synergies	6	5	1	--	12
Pro forma savings	10	6	5	--	21
Other	12	13	2	11	38
<b>Consolidated EBITDA<sup>1,2</sup></b>	<b>\$89</b>	<b>\$86</b>	<b>\$69</b>	<b>\$69</b>	<b>\$313</b>
Consolidated First Lien Indebtedness					1,770
Net Cash & Cash Equivalents					(101)
<b>Net Debt</b>					<b>\$1,669</b>
<i>Consolidated First Lien Net Leverage Ratio</i>					5.3x

# Segment Performance – Expedited Freight

In millions, except for margin

<b>Expedited Freight<sup>1,2</sup></b>	<b>1Q24</b>	<b>2Q24</b>	<b>3Q24</b>	<b>4Q24</b>	<b>1Q25</b>	<b>LTM 1Q25</b>
<b>Operating revenue</b>	<b>\$273</b>	<b>\$291</b>	<b>\$285</b>	<b>\$266</b>	<b>\$249</b>	<b>\$1,091</b>
<b>Operating expenses</b>						
Purchased transportation	128	143	140	136	121	539
Salaries, wages, and employee benefits	63	64	59	57	53	232
Operating leases	15	15	16	18	15	64
Depreciation and amortization	10	11	10	10	10	42
Insurance and claims	11	11	12	10	10	43
Fuel expense	3	2	2	3	2	10
Other operating expenses	25	24	26	24	22	97
<b>Total operating expenses</b>	<b>254</b>	<b>269</b>	<b>265</b>	<b>259</b>	<b>234</b>	<b>1,027</b>
<b>Income (loss) from operations</b>	<b>\$19</b>	<b>\$22</b>	<b>\$19</b>	<b>\$7</b>	<b>\$16</b>	<b>\$64</b>
(+) Depreciation and amortization	10	11	10	10	10	42
<b>Reported EBITDA</b>	<b>\$30</b>	<b>\$33</b>	<b>\$30</b>	<b>\$18</b>	<b>\$26</b>	<b>\$106</b>
<b>Reported EBITDA Margin %</b>	<b>10.9%</b>	<b>11.2%</b>	<b>10.4%</b>	<b>6.6%</b>	<b>10.4%</b>	<b>9.7%</b>

## Segment Performance – Omni Logistics

In millions, except for margin

### Omni Logistics<sup>1,2</sup>

#### Operating revenue

#### Operating expenses

Purchased transportation  
Salaries, wages, and employee benefits  
Operating leases  
Depreciation and amortization  
Insurance and claims  
Fuel expense  
Other operating expenses  
Impairment of goodwill

#### Total operating expenses

#### Income (loss) from operations

(+) Impairment of goodwill

#### Adjusted income (loss) from operations

(+) Depreciation and amortization

#### Reported EBITDA<sup>3</sup>

#### Reported EBITDA Margin %<sup>3</sup>

	1Q24	2Q24	3Q24	4Q24	1Q25	LTM 1Q25
Operating revenue	\$225	\$312	\$335	\$326	\$323	\$1,295
Purchased transportation	144	179	195	183	186	742
Salaries, wages, and employee benefits	49	58	55	54	57	224
Operating leases	19	27	28	23	27	104
Depreciation and amortization	17	33	11	23	22	89
Insurance and claims	2	3	3	4	3	13
Fuel expense	0	1	1	1	1	4
Other operating expenses	22	25	26	29	25	104
Impairment of goodwill	-	1,093	15	(79)	-	1,028
Total operating expenses	253	1,418	333	237	320	2,308
Income (loss) from operations	(\$29)	(\$1,106)	\$1	\$89	\$3	(\$1,013)
(+) Impairment of goodwill	-	1,093	15	(79)	-	1,028
Adjusted income (loss) from operations	(\$29)	(\$13)	\$16	\$9	\$3	\$16
(+) Depreciation and amortization	17	33	11	23	22	89
Reported EBITDA <sup>3</sup>	(\$12)	\$20	\$27	\$32	\$26	\$104
Reported EBITDA Margin % <sup>3</sup>	-5.2%	6.4%	8.0%	9.8%	7.9%	8.1%



## Segment Performance – Intermodal

In millions, except for margin

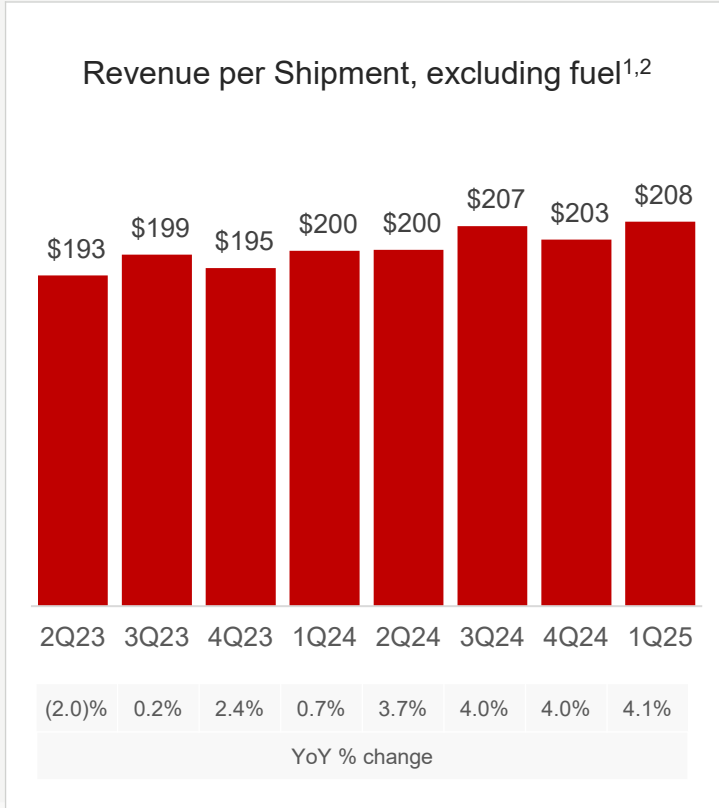
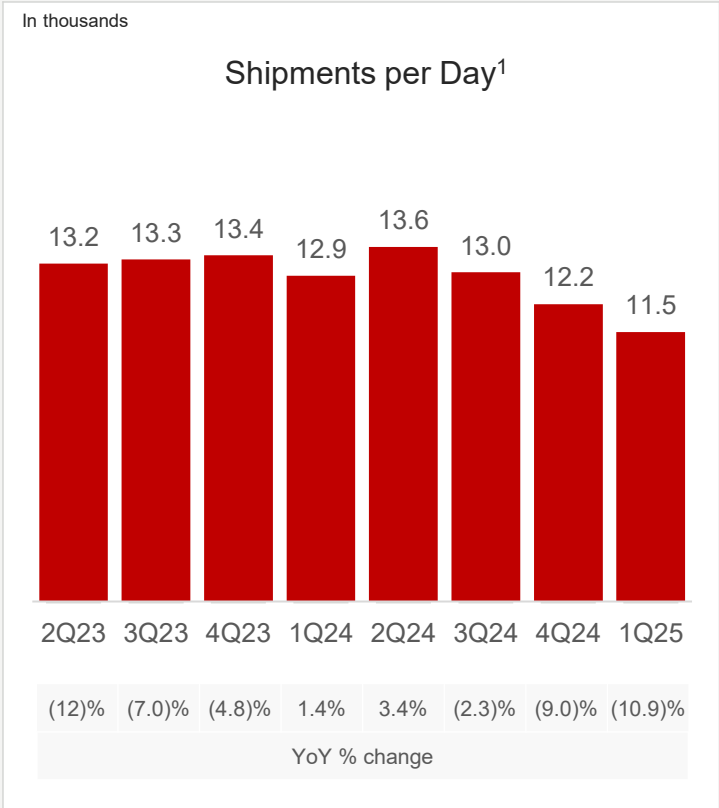
Intermodal <sup>1,2</sup>	1Q24	2Q24	3Q24	4Q24	1Q25	LTM 1Q25
<b>Operating revenue</b>	<b>\$56</b>	<b>\$59</b>	<b>\$57</b>	<b>\$60</b>	<b>\$62</b>	<b>\$239</b>
<b>Operating expenses</b>						
Purchased transportation	17	19	18	19	20	77
Salaries, wages, and employee benefits	15	15	15	14	16	60
Operating leases	5	5	6	6	6	23
Depreciation and amortization	5	5	5	5	5	19
Insurance and claims	3	3	3	2	3	10
Fuel expense	2	2	2	2	2	8
Other operating expenses	6	6	6	5	5	22
<b>Total operating expenses</b>	<b>53</b>	<b>54</b>	<b>53</b>	<b>54</b>	<b>57</b>	<b>218</b>
<b>Income (loss) from operations</b>	<b>\$4</b>	<b>\$5</b>	<b>\$4</b>	<b>\$6</b>	<b>\$6</b>	<b>\$21</b>
(+) Depreciation and amortization	5	5	5	5	5	19
<b>Reported EBITDA</b>	<b>\$8</b>	<b>\$10</b>	<b>\$9</b>	<b>\$10</b>	<b>\$10</b>	<b>\$39</b>
<b>Reported EBITDA Margin %</b>	<b>14.6%</b>	<b>16.9%</b>	<b>15.1%</b>	<b>17.5%</b>	<b>16.4%</b>	<b>16.5%</b>

# Consolidated LTM Financials by Quarter

In millions, except for margin

Consolidated <sup>1</sup>	LTM 1Q24	LTM 2Q24	LTM 3Q24	LTM 4Q24	LTM 1Q25
<b>Operating revenue</b>	<b>\$1,555</b>	<b>\$1,865</b>	<b>\$2,180</b>	<b>\$2,474</b>	<b>\$2,546</b>
<b>Operating expenses</b>					
Purchased transportation	718	898	1,081	1,251	1,278
Salaries, wages, and employee benefits	350	420	478	536	549
Operating leases	102	126	155	182	192
Depreciation and amortization	77	112	124	144	150
Insurance and claims	50	52	56	65	67
Fuel expense	22	22	21	21	22
Other operating expenses	261	290	293	310	252
Impairment of goodwill	-	1,093	1,107	1,028	1,028
<b>Total operating expenses</b>	<b>1,580</b>	<b>3,012</b>	<b>3,316</b>	<b>3,537</b>	<b>3,538</b>
<b>Income (loss) from operations</b>	<b>(\$25)</b>	<b>(\$1,147)</b>	<b>(\$1,136)</b>	<b>(\$1,063)</b>	<b>(\$992)</b>
(+) Impairment of goodwill	-	1,093	1,107	1,028	1,028
<b>Adjusted income (loss) from operations</b>	<b>(\$25)</b>	<b>(\$54)</b>	<b>(\$28)</b>	<b>(\$35)</b>	<b>\$36</b>
(+) Depreciation and amortization	77	112	124	144	150
<b>Reported EBITDA<sup>2</sup></b>	<b>\$52</b>	<b>\$58</b>	<b>\$96</b>	<b>\$109</b>	<b>\$186</b>
<b>Reported EBITDA Margin %<sup>2</sup></b>	<b>3.4%</b>	<b>3.1%</b>	<b>4.4%</b>	<b>4.4%</b>	<b>7.3%</b>

# Expedited Freight Segment Operating Metrics



1. Excludes assessorial and Truckload products.  
2. Includes intercompany revenue between the Network and Truckload revenue streams.



Forward Air Corporation (NASDAQ: FWRD)

IR Contact | Tony Carreño

✉ [investorrelations@forwardair.com](mailto:investorrelations@forwardair.com)

🌐 <https://ir.forwardaircorp.com>