

November 4, 2024



# Forward Air Corporation Reports Third Quarter 2024 Results

*Focus pivoting from completing Omni integration and capturing cost synergies to global transformation*

*Stronger cash flow from operations led to increase in liquidity*

*Announces addition of new Chief Commercial Officer*

GREENEVILLE, Tenn.--(BUSINESS WIRE)-- Forward Air Corporation (NASDAQ:FWRD) (the "Company", "we", "our", or "us") today reported financial results for the three months ended September 30, 2024, as presented in the tables below on a continuing operations basis, with the Company's former Final Mile business being reported as discontinued operations.

"Our team continues to focus on harnessing the power of the combined legacy Forward and Omni companies as we begin the transition from integration to transformation and remain on schedule to capture the previously identified \$75 million of synergies by end of the first quarter of 2025," said Shawn Stewart, Chief Executive Officer. "We also recently enhanced our operations by opening a new certified container freight station in Miami, enabling us to offer direct air and ocean import and export services in and out of South and Central America. Our new breath of end-to-end services has also led to several collective wins since closing the acquisition.

"Beyond the near-term synergy and sales wins, we are beginning to transform for longer-term success; a company that shares a common fabric and a common customer-first DNA. Going forward we will be working to collaborate across legacy entities, eliminate previously unidentified redundancies, automate and digitize repetitive processes and unifying under a new brand with a common goal and mission. Transforming a company of this size, complexity and geographic diversity is not an event and will take time, but I am confident in our strategy.

"Part of that strategy is strengthening our team with industry leading talent. To that end, I am excited to announce that we have hired a new Chief Commercial Officer who is slated to join us in January. He has over 20 years of experience in global logistics and is well prepared to collaborate with our customers. I am excited about his industry expertise and ability to hit the ground running in the first quarter of next year.

"Looking ahead, it is difficult to forecast the next freight cycle, but we remain focused on actively integrating and transforming the Company so we can be prepared to capitalize on the market upturn as a comprehensive vertical global logistics company with ground, air, ocean, contract logistics and customers brokerage services," concluded Stewart.

Jamie Pierson, Chief Financial Officer added, “For the third quarter of 2024, we reported revenue of \$656 million and operating income of \$23 million. On a segment basis, Omni Logistics continued to improve and sequentially grew revenue and operating income. However, the Expedited Freight segment did not perform up to our expectations due largely to a decrease in year-over-year revenue per hundredweight, excluding fuel surcharge, which was primarily attributable to customer mix and the associated pricing. Revenue at the Intermodal segment was down but tight cost management strategies kept operating income essentially flat year-over-year.

“For the third quarter, Consolidated EBITDA ("Consolidated EBITDA"), a non-GAAP measure calculated pursuant to our Senior Secured Term Loan Credit Agreement (the "Credit Agreement"), was \$77 million compared to \$81 million last quarter showing resilience and stability in the face of a challenging macro environment. For the twelve months ending September 30, 2024, Consolidated EBITDA was \$307 million which resulted in an approximate \$32 million cushion under the Credit Agreement’s consolidated first lien net leverage ratio covenant.

“On the heels of robust operating cash flow, we ended the third quarter in a stronger liquidity position as cash increased \$33 million from the previous quarter and liquidity increased \$15 million to \$460 million. With the third quarter behind us, we expect 2024 Consolidated EBITDA guidance to \$300 to \$310 million, which reflects our expectation of continued softness in the overall macro environment.” noted Pierson.

| (in thousands, except per share data)            | Three Months Ended |                    |             |                |
|--|--------------------|--------------------|-------------|----------------|
|  | September 30, 2024 | September 30, 2023 | Change      | Percent Change |
| Operating revenue                                | \$ 655,937         | \$ 340,976         | \$314,961   | 92.4%          |
| (Loss) income from operations                    | \$ 22,697          | \$ 11,689          | \$ 11,008   | 94.2%          |
| Operating margin                                 | 3.5%               | 3.4%               |             | 10 bps         |
| Net (loss) income                                | \$ (34,198)        | \$ 6,493           | \$ (40,691) | (626.7)%       |
| Net (loss) income per diluted share              | \$ (2.62)          | \$ 0.25            | \$ (2.87)   | (1,148.0)%     |
| Cash (used in) provided by operating activities  | \$ 52,597          | \$ 24,666          | \$ 27,931   | 113.2%         |
| <i>Non-GAAP Financial Measures: <sup>1</sup></i> |                    |                    |             |                |
| Consolidated EBITDA                              | \$ 76,997          | \$ 92,714          | \$ (15,717) | (17.0)%        |
| Free cash flow                                   | \$ 43,270          | \$ 19,526          | \$ 23,744   | 121.6%         |

<sup>1</sup> Reconciliation of these non-GAAP financial measures are provided below the financial tables.

## Review of Financial Results

Forward Air will hold a conference call to discuss third quarter 2024 results on Monday, November 4, 2024 at 4:30 p.m. ET. The Company's conference call will be available online on the Investor Relations portion of the Company's website at [ir.forwardaircorp.com](http://ir.forwardaircorp.com) or by dialing (800) 225-9448, Access Code: FWRDQ324.

A replay of the conference call will be available on the Investor Relations portion of the Company’s website at [ir.forwardaircorp.com](http://ir.forwardaircorp.com), which we use as a primary mechanism to communicate with our investors. Investors are urged to monitor the Investor Relations portion of the Company’s website to easily find or navigate to current and pertinent information about us.

## About Forward Air Corporation

Forward Air is a leading asset-light provider of transportation services across the United States, Canada and Mexico. We provide expedited less-than-truckload services, including local pick-up and delivery, shipment consolidation/deconsolidation, warehousing, and customs brokerage by utilizing a comprehensive national network of terminals. In addition, we offer truckload brokerage services, including dedicated fleet services, and intermodal, first- and last-mile, high-value drayage services, both to and from seaports and railheads, dedicated contract and Container Freight Station warehouse and handling services. Forward also operates a full portfolio of multimodal solutions, both domestically and internationally, via Omni Logistics. Omni Logistics is a global provider of air, ocean and ground services for mission-critical freight. We are more than a transportation company. Forward is a single resource for your shipping needs. For more information, visit our website at [www.forwardaircorp.com](http://www.forwardaircorp.com).

**Forward Air Corporation**  
**Condensed Consolidated Statements of Comprehensive (Loss) Income**  
(Unaudited, in thousands, except per share data)

|  | Three Months Ended    |                       | Nine Months Ended     |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
|  | September 30,<br>2024 | September 30,<br>2023 | September 30,<br>2024 | September 30,<br>2023 |
| <b>Operating revenues:</b>                       |                       |                       |                       |                       |
| Expedited Freight                                | \$ 284,707            | \$ 278,875            | \$ 849,284            | \$ 817,888            |
| Intermodal                                       | 57,412                | 62,183                | 173,003               | 214,603               |
| Omni Logistics                                   | 334,538               | —                     | 871,232               | —                     |
| Eliminations and other operations                | (20,720)              | (82)                  | (52,103)              | (184)                 |
| Operating revenues                               | 655,937               | 340,976               | 1,841,416             | 1,032,307             |
| <b>Operating expenses:</b>                       |                       |                       |                       |                       |
| Purchased transportation                         | 332,469               | 148,706               | 931,072               | 435,844               |
| Salaries, wages and employee benefits            | 133,516               | 75,373                | 406,382               | 215,983               |
| Operating leases                                 | 48,810                | 19,536                | 133,871               | 66,505                |
| Depreciation and amortization                    | 25,893                | 14,209                | 106,321               | 39,826                |
| Insurance and claims                             | 17,382                | 12,969                | 44,961                | 38,988                |
| Fuel expense                                     | 4,855                 | 5,845                 | 15,960                | 16,733                |
| Other operating expenses                         | 55,564                | 52,649                | 234,175               | 133,218               |
| Impairment of goodwill                           | 14,751                | —                     | 1,107,465             | —                     |
|  | 633,240               | 329,287               | 2,980,207             | 947,097               |
| Total operating expenses                         |                       |                       |                       |                       |
| <b>Income (loss) from continuing operations:</b> |                       |                       |                       |                       |
| Expedited Freight                                | 19,269                | 32,547                | 60,713                | 89,295                |
| Intermodal                                       | 4,091                 | 4,744                 | 12,994                | 20,259                |
| Omni Logistics                                   | 1,136                 | —                     | (1,133,323)           | —                     |
| Other Operations                                 | (1,799)               | (25,602)              | (79,175)              | (24,344)              |
| Income from continuing operations                | 22,697                | 11,689                | (1,138,791)           | 85,210                |
| <b>Other expense:</b>                            |                       |                       |                       |                       |
| Interest expense, net                            | (52,770)              | (2,655)               | (140,788)             | (7,595)               |
| Foreign exchange (loss) gain                     | (2,812)               | —                     | (1,912)               | —                     |
| Other income (expense), net                      | (11)                  | —                     | 38                    | —                     |
| Total other expense                              | (55,593)              | (2,655)               | (142,662)             | (7,595)               |
| (Loss) income before income taxes                | (32,896)              | 9,034                 | (1,281,453)           | 77,615                |
| Income tax (benefit) expense                     | 1,302                 | 2,541                 | (191,990)             | 20,091                |
| Net (loss) income from continuing operations     | (34,198)              | 6,493                 | (1,089,463)           | 57,524                |

|   |             |          |                |           |
|---|-------------|----------|----------------|-----------|
| (Loss) income from discontinued operation, net of tax     | (1,137)     | 2,795    | (6,013)        | 8,083     |
| Net (loss) income   | (35,335)    | 9,288    | (1,095,476)    | 65,607    |
| Net income (loss) attributable to noncontrolling interest | 38,073      | —        | (314,923)      | —         |
| Net (loss) income attributable to Forward Air             | \$ (73,408) | \$ 9,288 | \$ (780,553)   | \$ 65,607 |
| <b>Net income per common share:</b>                       |             |          |                |           |
| Basic net (loss) income per share                         |             |          |                |           |
| Continuing operations                                     | \$ (2.62)   | \$ 0.25  | \$ (27.98)     | \$ 2.20   |
| Discontinued operation                                    | (0.04)      | 0.11     | (0.22)         | 0.31      |
| Basic   | \$ (2.66)   | \$ 0.36  | \$ (28.20)     | \$ 2.51   |
| Diluted net (loss) income per share                       |             |          |                |           |
| Continuing operations                                     | \$ (2.62)   | \$ 0.25  | \$ (27.98)     | \$ 2.19   |
| Discontinued operation                                    | (0.04)      | 0.11     | (0.22)         | 0.31      |
| Diluted   | \$ (2.66)   | \$ 0.36  | \$ (28.20)     | \$ 2.50   |
| <b>Dividends per share:</b>                               | \$ —        | \$ 0.24  | \$ —           | \$ 0.72   |
| <b>Net (loss) income</b>                                  | \$ (35,335) | \$ 9,288 | \$ (1,095,476) | \$ 65,607 |
| Other comprehensive (loss) income:                        |             |          |                |           |
| Foreign currency translation adjustments                  | 176         | —        | (824)          | —         |
| <b>Comprehensive (loss) income</b>                        | \$ (35,159) | \$ 9,288 | \$ (1,094,652) | \$ 65,607 |

**Expedited Freight Segment Information**  
(In thousands)  
(Unaudited)

|                                       | Three Months Ended    |                       |                       |                       |            |                   |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------|-------------------|
|                                       | September 30,<br>2024 | Percent of<br>Revenue | September 30,<br>2023 | Percent of<br>Revenue | Change     | Percent<br>Change |
| Operating revenues:                   |                       |                       |                       |                       |            |                   |
| Network <sup>1</sup>                  | \$ 217,289            | 76.3%                 | \$ 216,977            | 77.8%                 | \$ 312     | 0.1%              |
| Truckload                             | 43,635                | 15.3                  | 38,800                | 13.9                  | 4,835      | 12.5              |
| Other                                 | 23,783                | 8.4                   | 23,098                | 8.3                   | 685        | 3.0               |
| Total operating revenues              | 284,707               | 100.0                 | 278,875               | 100.0                 | 5,832      | 2.1               |
| Operating expenses:                   |                       |                       |                       |                       |            |                   |
| Purchased transportation              | 140,035               | 49.2                  | 129,850               | 46.6                  | 10,185     | 7.8               |
| Salaries, wages and employee benefits | 59,426                | 20.9                  | 56,682                | 20.3                  | 2,744      | 4.8               |
| Operating leases                      | 15,556                | 5.5                   | 14,392                | 5.2                   | 1,164      | 8.1               |
| Depreciation and amortization         | 10,481                | 3.7                   | 9,022                 | 3.2                   | 1,459      | 16.2              |
| Insurance and claims                  | 11,672                | 4.1                   | 9,533                 | 3.4                   | 2,139      | 22.4              |
| Fuel expense                          | 2,113                 | 0.7                   | 2,954                 | 1.1                   | (841)      | (28.5)            |
| Other operating expenses              | 26,155                | 9.1                   | 23,895                | 8.5                   | 2,260      | 9.5               |
| Total operating expenses              | 265,438               | 93.2                  | 246,328               | 88.3                  | 19,110     | 7.8               |
| Income from operations                | \$ 19,269             | 6.8%                  | \$ 32,547             | 11.7%                 | \$(13,278) | (40.8)%           |

<sup>1</sup> Network revenue is comprised of all revenue, including linehaul, pickup and/or delivery, and fuel surcharge revenue, excluding accessorial and Truckload revenue.

|   |
|---|
| <b>Expedited Freight Operating Statistics</b> |
|---|

|   | Three Months Ended |                    |                |
|---|--------------------|--------------------|----------------|
|   | September 30, 2024 | September 30, 2023 | Percent Change |
| Business days                                   | 64                 | 63                 | 1.6 %          |
| Tonnage <sup>1,2</sup>                          |                    |                    |                |
| Total pounds                                    | 713,212            | 685,756            | 4.0            |
| Pounds per day                                  | 11,144             | 10,885             | 2.4            |
| Shipments <sup>1,2</sup>                        |                    |                    |                |
| Total shipments                                 | 831                | 835                | (0.5)          |
| Shipments per day                               | 13.0               | 13.3               | (2.3)          |
| Weight per shipment                             | 858                | 821                | 4.5            |
| Revenue per hundredweight <sup>3</sup>          | \$ 30.47           | \$ 31.66           | (3.8)          |
| Revenue per hundredweight, ex fuel <sup>3</sup> | \$ 24.09           | \$ 24.20           | (0.5)          |
| Revenue per shipment <sup>3</sup>               | \$ 261.55          | \$ 259.94          | 0.6            |
| Revenue per shipment, ex fuel <sup>3</sup>      | \$ 206.73          | \$ 198.71          | 4.0            |

<sup>1</sup> In thousands

<sup>2</sup> Excludes accessorial and Truckload and products

<sup>3</sup> Includes intercompany revenue between the Network and Truckload revenue streams

**Intermodal Segment Information**  
(In thousands)  
(Unaudited)

|                                       | Three Months Ended |                    |                    |                    |          |                |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|----------|----------------|
|                                       | September 30, 2024 | Percent of Revenue | September 30, 2023 | Percent of Revenue | Change   | Percent Change |
| Operating revenue                     | \$ 57,412          | 100.0 %            | \$ 62,183          | 100.0 %            | (4,771)  | (7.7) %        |
| Operating expenses:                   |                    |                    |                    |                    |          |                |
| Purchased transportation              | 18,300             | 31.9               | 18,945             | 30.5               | (645)    | (3.4)          |
| Salaries, wages and employee benefits | 14,506             | 25.3               | 16,118             | 25.9               | (1,612)  | (10.0)         |
| Operating leases                      | 5,668              | 9.9                | 5,144              | 8.3                | 524      | 10.2           |
| Depreciation and amortization         | 4,582              | 8.0                | 5,187              | 8.3                | (605)    | (11.7)         |
| Insurance and claims                  | 2,528              | 4.4                | 2,758              | 4.4                | (230)    | (8.3)          |
| Fuel expense                          | 1,942              | 3.4                | 2,892              | 4.7                | (950)    | (32.8)         |
| Other operating expenses              | 5,795              | 10.0               | 6,395              | 10.3               | (600)    | (9.4)          |
| Total operating expenses              | 53,321             | 92.9               | 57,439             | 92.4               | (4,118)  | (7.2)          |
| Income from operations                | \$ 4,091           | 7.1 %              | \$ 4,744           | 7.6 %              | \$ (653) | (13.8) %       |

|  |
|--|
| <b>Intermodal Operating Statistics</b> |
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|                              | <b>Three Months Ended</b> |                           |                       |
|------------------------------|---------------------------|---------------------------|-----------------------|
|                              | <b>September 30, 2024</b> | <b>September 30, 2023</b> | <b>Percent Change</b> |
| Drayage shipments            | 62,616                    | 68,576                    | (8.7) %               |
| Drayage revenue per shipment | \$ 824                    | \$ 823                    | 0.1 %                 |

**Omni Logistics Segment Information**  
(In thousands)  
(Unaudited)

|                                       | <b>Three Months Ended</b> |                           |
|---------------------------------------|---------------------------|---------------------------|
|                                       | <b>September 30, 2024</b> | <b>Percent of Revenue</b> |
| Operating revenue                     | \$ 334,538                | 100.0 %                   |
| Operating expenses:                   |                           |                           |
| Purchased transportation              | 194,853                   | 58.2                      |
| Salaries, wages and employee benefits | 55,151                    | 16.5                      |
| Operating leases                      | 27,586                    | 8.2                       |
| Depreciation and amortization         | 10,830                    | 3.2                       |
| Insurance and claims                  | 3,488                     | 1.0                       |
| Fuel expense                          | 800                       | 0.2                       |
| Other operating expenses              | 25,943                    | 7.8                       |
| Impairment of goodwill                | 14,751                    | 4.4                       |
| Total operating expenses              | 333,402                   | 99.7                      |
| Income from operations                | \$ 1,136                  | 0.3 %                     |

**Forward Air Corporation**  
**Condensed Consolidated Balance Sheets**  
(In thousands)  
(Unaudited)

**September 30, 2024**   **December 31, 2023**

| <b>Assets</b>   |                     |                     |
|---|---------------------|---------------------|
| Current assets:                                       |                     |                     |
| Cash and cash equivalents                             | \$ 136,616          | \$ 121,969          |
| Restricted cash and restricted cash equivalents       | 1,540               | 39,604              |
| Accounts receivable, net                              | 361,003             | 153,267             |
| Other receivables                                     | 1,695               | 5,408               |
| Prepaid expenses                                      | 31,174              | 25,682              |
| Other current assets                                  | 13,053              | 1,098               |
| <b>Total current assets</b>                           | <b>545,081</b>      | <b>347,028</b>      |
| Noncurrent restricted cash equivalents                | —                   | 1,790,500           |
| Property and equipment                                | 606,418             | 508,280             |
| Less accumulated depreciation and amortization        | 281,636             | 250,185             |
| Property and equipment, net                           | 324,782             | 258,095             |
| Operating lease right-of-use assets                   | 355,139             | 111,552             |
| Goodwill  | 716,071             | 278,706             |
| Other acquired intangibles, net                       | 1,033,352           | 134,789             |
| Other assets  | 81,415              | 58,863              |
| <b>Total assets</b>                                   | <b>\$ 3,055,840</b> | <b>\$ 2,979,533</b> |
| <b>Liabilities and Shareholders' Equity</b>           |                     |                     |
| Current liabilities:                                  |                     |                     |
| Accounts payable                                      | \$ 157,230          | \$ 45,430           |
| Accrued expenses                                      | 135,590             | 62,948              |
| Other current liabilities                             | 49,571              | 71,727              |
| Current portion of debt and finance lease obligations | 16,741              | 12,645              |
| Current portion of operating lease liabilities        | 89,566              | 44,344              |
| <b>Total current liabilities</b>                      | <b>448,698</b>      | <b>237,094</b>      |
| Finance lease obligations, less current portion       | 32,731              | 26,736              |
| Long-term debt, less current portion                  | 1,673,292           | —                   |
| Long-term debt held in escrow                         | —                   | 1,790,500           |
| Operating lease liabilities, less current portion     | 275,843             | 71,598              |
| Liabilities under tax receivable agreement            | 36,797              | —                   |
| Other long-term liabilities                           | 42,423              | 47,144              |
| Deferred income taxes                                 | 209,522             | 42,200              |
| Shareholders' equity:                                 |                     |                     |
| Preferred stock                                       | —                   | —                   |
| Common stock  | 287                 | 257                 |
| Additional paid-in capital                            | 528,255             | 283,684             |
| Retained (deficit) earnings                           | (301,634)           | 480,320             |
| Accumulated other comprehensive loss                  | (824)               | —                   |
| <b>Total Forward Air shareholders' equity</b>         | <b>226,084</b>      | <b>764,261</b>      |
| Noncontrolling interest                               | 110,450             | —                   |
| <b>Total shareholders' equity</b>                     | <b>336,534</b>      | <b>764,261</b>      |
| <b>Total liabilities and shareholders' equity</b>     | <b>\$ 3,055,840</b> | <b>\$ 2,979,533</b> |

**Forward Air Corporation**  
**Condensed Consolidated Statements of Cash Flows**  
(In thousands)  
(Unaudited)

|   | <b>Three Months Ended</b>     |                               |
|---|-------------------------------|-------------------------------|
|   | <b>September<br/>30, 2024</b> | <b>September<br/>30, 2023</b> |
| <b>Operating activities:</b>  |                               |                               |
| Net (loss) income from continuing operations  | \$ (34,198)                   | \$ 6,493                      |
| Adjustments to reconcile net (loss) income of continuing operations to net cash (used in) provided by operating activities of continuing operations |                               |                               |
| Depreciation and amortization   | 25,893                        | 14,209                        |
| Impairment of goodwill  | 14,751                        | —                             |
| Share-based compensation expense  | 2,901                         | 2,774                         |
| Provision for revenue adjustments   | 602                           | 1,214                         |
| Deferred income tax (benefit) expense   | (33,552)                      | 17                            |
| Other   | (730)                         | 688                           |
| Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses:   |                               |                               |
| Accounts receivable   | 8,215                         | (17,723)                      |
| Other receivables   | 628                           | —                             |
| Other current and noncurrent assets   | 38,422                        | (7,000)                       |
| Accounts payable and accrued expenses   | 29,665                        | 23,994                        |
| Net cash provided by operating activities of continuing operations  | 52,597                        | 24,666                        |
| <b>Investing activities:</b>  |                               |                               |
| Proceeds from sale of property and equipment  | 1,087                         | 104                           |
| Purchases of property and equipment   | (10,414)                      | (5,244)                       |
| Other   | (145)                         | —                             |
| Net cash used in investing activities of continuing operations  | (9,472)                       | (5,140)                       |
| <b>Financing activities:</b>  |                               |                               |
| Repayments of finance lease obligations   | (6,212)                       | (2,917)                       |
| Payments on credit facility   | —                             | (375)                         |
| Payment of debt issuance costs  | (1,443)                       | —                             |
| Payments of dividends to shareholders   | —                             | (6,198)                       |
| Repurchases and retirement of common stock  | —                             | (14,019)                      |
| Proceeds from common stock issued under employee stock purchase plan  | (14)                          | —                             |
| Payment of minimum tax withholdings on share-based awards   | (211)                         | (23)                          |
| Contributions from subsidiary held for sale   | —                             | 4,568                         |
| Net cash used in financing activities of continuing operations  | (7,880)                       | (18,964)                      |
| Effect of exchange rate changes on cash   | (607)                         | —                             |
| Net increase in cash, cash equivalents, restricted cash, and restricted cash equivalents from continuing operations                                 | 34,638                        | 562                           |
| <b>Cash from discontinued operation:</b>  |                               |                               |
| Net cash (used in) provided by operating activities of discontinued operation   | (1,137)                       | 5,199                         |
| Net cash used in investing activities of discontinued operation   | —                             | (599)                         |
| Net cash used in financing activities of discontinued operation   | —                             | (4,600)                       |
| <b>Net increase in cash, cash equivalents, restricted cash and restricted cash equivalents</b>  | <b>33,501</b>                 | <b>562</b>                    |
| Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period of continuing operations                             | 104,655                       | 18,281                        |
| Cash at beginning of period of discontinued operation   | —                             | —                             |
| Net increase in cash, cash equivalents, restricted cash and restricted cash equivalents   | 33,501                        | 562                           |
| Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period of continuing operations                                   | \$ 138,156                    | \$ 18,843                     |



**Forward Air Corporation**  
**Condensed Consolidated Statements of Cash Flows**  
(In thousands)  
(Unaudited)

|  | Nine Months Ended     |                       |
|--|-----------------------|-----------------------|
|  | September 30,<br>2024 | September 30,<br>2023 |
| <b>Operating activities:</b>   |                       |                       |
| Net (loss) income from operations  | \$ (1,089,463)        | \$ 57,524             |
| Adjustments to reconcile net income of operations to net cash provided by operating activities of operations |                       |                       |
| Depreciation and amortization  | 106,321               | 39,826                |
| Impairment of goodwill   | 1,107,465             | —                     |
| Share-based compensation expense   | 8,088                 | 8,570                 |
| Provision for revenue adjustments  | 2,761                 | 4,026                 |
| Deferred income tax (benefit) expense  | (197,156)             | 2,199                 |
| Other  | 5,739                 | (1,045)               |
| Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses:        |                       |                       |
| Accounts receivable  | (34,050)              | 20,967                |
| Other receivables  | 6,159                 | —                     |
| Other current and noncurrent assets  | (18,215)              | 3,609                 |
| Accounts payable and accrued expenses  | 58,024                | 6,444                 |
| Net cash (used in) provided by operating activities  | (44,327)              | 142,120               |
| <b>Investing activities:</b>   |                       |                       |
| Proceeds from sale of property and equipment   | 2,493                 | 3,275                 |
| Purchases of property and equipment  | (29,810)              | (22,080)              |
| Purchase of a business, net of cash acquired   | (1,565,242)           | (56,703)              |
| Other  | (319)                 | —                     |
| Net cash used in investing activities  | (1,592,878)           | (75,508)              |
| <b>Financing activities:</b>   |                       |                       |
| Repayments of finance lease obligations  | (15,339)              | (6,840)               |
| Proceeds from credit facility  | —                     | 45,000                |
| Payments on credit facility  | (80,000)              | (31,125)              |
| Payment of debt issuance costs   | (62,034)              | —                     |
| Payment of earn-out liability  | (12,247)              | —                     |
| Payments of dividends to shareholders  | —                     | (18,798)              |
| Repurchases and retirement of common stock   | —                     | (93,811)              |
| Proceeds from common stock issued under employee stock purchase plan   | 355                   | 421                   |
| Payment of minimum tax withholdings on share-based awards  | (1,572)               | (4,315)               |
| Contributions from (distributions to) subsidiary held for sale   | —                     | 15,877                |
| Net cash used in financing activities  | (170,837)             | (93,591)              |
|  | 138                   | —                     |
| Effect of exchange rate changes on cash  |                       |                       |
| Net (decrease) increase in cash and cash equivalents   | (1,807,904)           | (26,979)              |
| <b>Cash from discontinued operation:</b>   |                       |                       |
| Net cash (used in) provided by operating activities of discontinued operation                                | (6,013)               | 17,311                |
| Net cash used in investing activities of discontinued operation  | —                     | (1,338)               |
| Net cash used in financing activities of discontinued operation  | —                     | (15,973)              |
| Net decrease in cash and cash equivalents  | (1,813,917)           | (26,979)              |
| Cash and cash equivalents at beginning of period   | 1,952,073             | 45,822                |
| <b>Cash and cash equivalents at end of period</b>  | <b>\$ 138,156</b>     | <b>\$ 18,843</b>      |

## Forward Air Corporation Reconciliation of Non-GAAP Financial Measures

In this press release, the Company includes financial measures that are derived on the basis of methodologies other than in accordance with accounting principles generally accepted in the United States (GAAP). The Company believes that meaningful analysis of its financial performance requires an understanding of the factors underlying that performance, including an understanding of items that are non-operational. Management uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions as well as evaluating the Company's performance.

For the three months ended September 30, 2024 and 2023, this press release contains the following non-GAAP financial measures: earnings before interest, taxes, depreciation and amortization ("EBITDA"), and free cash flow.

All non-GAAP financial measures are presented on a continuing operations basis.

The Company believes that EBITDA improves comparability from period to period by removing the impact of its capital structure (interest and financing expenses), asset base (depreciation and amortization) and tax impacts. The Company believes that free cash flow is an important measure of its ability to repay maturing debt or fund other uses of capital that it believes will enhance shareholder value.

The Company is also providing Consolidated EBITDA calculated in accordance with our credit agreement as we believe it provides investors with important information regarding our financial condition and compliance with our obligations under our credit agreement.

Non-GAAP financial measures should be viewed in addition to, and not as an alternative to or substitute for, the Company's financial results prepared in accordance with GAAP. The Company has included, for the periods indicated, a reconciliation of the non-GAAP financial measure to the most directly comparable GAAP financial measure. Investors and other readers are encouraged to review the related U.S. GAAP financial measures and the reconciliations of the non-GAAP measures to their most directly comparable U.S. GAAP measures set forth below.

With respect to the 2024 Consolidated EBITDA guidance, please note that the Company is not providing a quantitative reconciliation of Consolidated EBITDA to Net Income because it is not available without unreasonable efforts. The Company does not currently have sufficient data to accurately estimate the variables and individual adjustments for such reconciliation, or to quantify the probable significance of these items. The adjustments required for any such reconciliation of the Company's forward-looking non-GAAP financial measures cannot be accurately forecast by the Company, and therefore the reconciliation has been omitted.

The following is a reconciliation of net income to Consolidated EBITDA for the three and nine months ended September 30, 2024 and 2023 (in thousands):

|   | Three Months Ended |                    | Nine Months Ended  |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | September 30, 2024 | September 30, 2023 | September 30, 2024 | September 30, 2023 |
| <b>Income (loss) from continuing operations</b> | \$ (34,198)        | \$ 6,493           | \$ (1,089,463)     | \$ 57,524          |
| Interest expense                                | 52,770             | 2,655              | 140,788            | 7,595              |
| Income tax (benefit) expense                    | 1,302              | 2,541              | (191,990)          | 20,091             |
| Depreciation and amortization                   | 25,893             | 14,209             | 106,321            | 39,826             |
| <b>Reported EBITDA</b>                          | <b>45,767</b>      | <b>25,898</b>      | <b>(1,034,344)</b> | <b>125,036</b>     |
| Impairment of goodwill                          | 14,751             | —                  | 1,107,465          | —                  |
| Transaction and integration costs               | (549)              | 22,371             | 71,393             | 27,871             |
| Severance costs                                 | 2,829              | 158                | 14,414             | 319                |
| Cost synergies                                  | 7,267              | —                  | 23,518             | —                  |
| RIF cost savings                                | —                  | 5,509              | 10,576             | 15,875             |
| Other   | 6,932              | 1,485              | 19,858             | 2,328              |
| Pro forma -Omni adjusted EBITDA                 | —                  | 37,293             | —                  | 128,574            |
| <b>Consolidated EBITDA</b>                      | <b>\$ 76,997</b>   | <b>\$ 92,714</b>   | <b>\$ 212,880</b>  | <b>\$ 300,003</b>  |

The following is a reconciliation of net cash provided by operating activities to free cash flow for the three and nine months ended September 30, 2024 and 2023 (in thousands):

|   | Three Months Ended |                    | Nine Months Ended  |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | September 30, 2024 | September 30, 2023 | September 30, 2024 | September 30, 2023 |
| <b>Net cash provided by (used in) operating activities of continuing operations</b> | \$ 52,597          | \$ 24,666          | \$ (44,327)        | \$ 142,120         |
| Proceeds from sale of property and equipment  | 1,087              | 104                | 2,493              | 3,275              |
| Purchases of property and equipment   | (10,414)           | (5,244)            | (29,810)           | (22,080)           |
| <b>Free cash flow</b>   | <b>\$ 43,270</b>   | <b>\$ 19,526</b>   | <b>\$ (71,644)</b> | <b>\$ 123,315</b>  |

## Note Regarding Forward-Looking Statements

*This press release 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 press release relate to expectations regarding the Company’s long-term growth; ability to achieve and accelerate synergy capture and eliminate costs from our structure; expectations regarding the Company’s expedited freight business; ability to achieve the intended benefits of the acquisition of Omni Logistics, including any revenue and cost synergies; the Company’s expectations regarding the Company’s financial performance, including Consolidated EBITDA, and the impact it may have on the business and results of operations; and expectations regarding the Company’s revenue growth strategies, including with respect to operational efficiency and cost control.*

*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 unduly 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 Company's 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, 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, 2023, 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 press release 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.*

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