
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 7, 2024

FORWARD AIR CORPORATION

(Exact name of registrant as specified in its charter)

TN (State or other jurisdiction of incorporation)	62-1120025 (I.R.S. Employer Identification No.)
1915 Snapps Ferry Road Building N Greenville TN	37745
(Address of principal executive offices)	(Zip Code)

000-22490

(Commission File Number)

Registrant's telephone number, including area code: **(423) 636-7000**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	FWRD	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

SECTION 2. FINANCIAL INFORMATION.

Item 2.02. Results of Operations and Financial Condition.

On August 7, 2024, Forward Air Corporation (the “Company”) issued a press release (the “Press Release”) announcing its financial results for the three months ended June 30, 2024. On August 7, 2024, the Company also posted an Earnings Presentation (the “Earnings Presentation”), dated August 7, 2024, on the Company’s Investor Relations website at ir.forwardaircorp.com.

Copies of the Press Release and Earnings Presentation are being furnished as Exhibits 99.1 and 99.2, attached hereto, respectively, and are incorporated herein by reference. The information furnished pursuant to Items 2.02 and 9.01, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act.

SECTION 9. FINANCIAL STATEMENTS AND EXHIBITS.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are being furnished as part of this Report.

<u>No.</u>	<u>Exhibit</u>
99.1	Press Release of Forward Air Corporation, dated August 7, 2024
99.2	Forward Air Q2 2024 Earnings and Business Update Presentation Slides
104	Cover Page Interactive File (the cover page tags are embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 7, 2024

FORWARD AIR CORPORATION

By: /s/ Jamie Pierson

Jamie Pierson
Chief Financial Officer



NEWS RELEASE

FORWARD AIR CORPORATION REPORTS SECOND QUARTER 2024 RESULTS

Positive momentum despite softness in freight market

Continues to accelerate integration, synergy capture and cost elimination

GREENEVILLE, Tenn. – (BUSINESS WIRE) – August 7, 2024 – Forward Air Corporation (NASDAQ:FWRD) (the “Company”, “we”, “our”, or “us”) today reported financial results for the three months ended June 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.

Shawn Stewart, Forward’s recently appointed Chief Executive Officer, said, “As a result of the Omni transaction, the combined company now has a unique platform to drive long-term growth through continued best in class domestic expedited and intermodal services and now global freight forwarding and contract logistics services. In our first full quarter as one company, we are beginning to see the power of the combination. We have recently closed several exciting sales wins, and operationally, we are laser-focused on capturing the previously announced synergies as well as other additional cost saving opportunities that were not previously identified. Our achievements in such a short period of time have only added to my confidence in our combined ability to build on the strengths of our legacy companies.”

Mr. Stewart continued, “I am thrilled to have Jamie Pierson on board as our Chief Financial Officer. Jamie has already made a significant impact at the company, especially to our finance organization’s processes and reporting capabilities. I look forward to working alongside him as we chart a new course for the Company.”

Mr. Pierson said, “While we continue to face challenging market conditions, we experienced positive momentum as Consolidated EBITDA, a non-GAAP financial measure calculated pursuant to our credit agreement, increased from approximately \$55 million in the first quarter of this year to \$81 million in the second quarter. Our results demonstrate progress in our business, and we expect to see additional improvement as we continue to realize synergies associated with the transaction. This quarter, we realized approximately \$14 million in cost synergy capture, in line with the original estimates and anticipate being at full run-rate savings earlier than previously anticipated. According to our revised integration plans, we believe that we will be operating at full run rate synergy levels by the end of the first quarter of 2025, and despite the noise of the integration and softness in the broader freight market, we believe that we will deliver somewhere between \$310 to \$325 million in Consolidated EBITDA for 2024.”

Mr. Stewart added, “Obviously, integrations of this size, magnitude and complexity do not progress in a linear fashion, and while the market at large remains uncertain, we believe in the power of the combined company and expect to demonstrate continued improvement in the quarters to come.”

Three Months Ended

(in thousands, except per share data)	June 30, 2024	June 30, 2023	Change	Percent Change
Operating revenue	\$ 643,666	\$ 333,622	\$ 310,044	92.9 %
(Loss) income from operations	\$ (1,095,755)	\$ 26,325	\$ (1,122,080)	(4,262.4)%
Operating margin	(170.2)%	7.9 %	(17,810) bps	
Net (loss) income	\$ (966,471)	\$ 17,127	\$ (983,598)	(5,743.0)%
Net (loss) income per diluted share	\$ (23.29)	\$ 0.65	\$ (23.94)	(3,683.1)%
Cash (used in) provided by operating activities	\$ (45,200)	\$ 56,615	\$ (101,815)	(179.8)%
<i>Non-GAAP Financial Measures: ¹</i>				
Adjusted net income -consolidated EBITDA	\$ 81,325	\$ 101,688	\$ (20,363)	(20.0)%
Free cash flow	\$ (59,069)	\$ 47,654	\$ (106,723)	(224.0)%

¹ 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 second quarter 2024 results on Wednesday, August 7, 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 or by dialing (800) 343-4136, Access Code: FWRDQ224.

A replay of the conference call will be available on the Investor Relations portion of the Company's website at www.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.

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

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Operating revenues:				
Expedited Freight	\$ 291,282	\$ 269,436	\$ 564,577	\$ 539,013
Intermodal	59,299	64,251	115,591	152,420
Omni Logistics	311,856	—	536,694	—
Eliminations and other operations	(18,771)	(65)	(31,383)	(102)
Operating revenues	<u>643,666</u>	<u>333,622</u>	<u>1,185,479</u>	<u>691,331</u>
Operating expenses:				
Purchased transportation	321,587	141,967	598,602	287,138
Salaries, wages and employee benefits	144,000	73,963	272,867	140,610
Operating leases	46,258	22,896	85,061	46,969
Depreciation and amortization	48,639	13,245	80,425	25,617
Insurance and claims	14,698	12,761	27,579	26,019
Fuel expense	5,859	5,202	11,105	10,888
Other operating expenses	65,666	37,263	178,613	80,569
Impairment of goodwill	1,092,714	—	1,092,714	—
Total operating expenses	<u>1,739,421</u>	<u>307,297</u>	<u>2,346,966</u>	<u>617,810</u>
Income (loss) from continuing operations:				
Expedited Freight	21,946	27,063	41,444	56,748
Intermodal	5,317	4,312	8,903	15,515
Omni Logistics	(1,105,871)	—	(1,134,456)	—
Other Operations	(17,147)	(5,050)	(77,378)	1,258
(Loss) income from continuing operations	<u>(1,095,755)</u>	<u>26,325</u>	<u>(1,161,487)</u>	<u>73,521</u>
Other expense:				
Interest expense, net	(47,265)	(2,585)	(88,018)	(4,940)
Foreign exchange gain	1,567	—	899	—
Other income, net	40	—	49	—
Total other expense	<u>(45,658)</u>	<u>(2,585)</u>	<u>(87,070)</u>	<u>(4,940)</u>
(Loss) income before income taxes	(1,141,413)	23,740	(1,248,557)	68,581
Income tax (benefit) expense	(174,942)	6,613	(193,292)	17,550
Net (loss) income from continuing operations	(966,471)	17,127	(1,055,265)	51,031
(Loss) income from discontinued operation, net of tax	(4,876)	2,824	(4,876)	5,288
Net (loss) income	(971,347)	19,951	\$ (1,060,141)	\$ 56,319
Net (loss) attributable to noncontrolling interest	(325,914)	—	(352,996)	—
Net (loss) income attributable to Forward Air	<u>\$ (645,433)</u>	<u>\$ 19,951</u>	<u>\$ (707,145)</u>	<u>\$ 56,319</u>
Net income per common share:				
Basic net (loss) income per share				
Continuing operations	\$ (23.29)	\$ 0.65	\$ (27.53)	\$ 1.94
Discontinued operation	(0.18)	0.11	(0.18)	0.20
Basic	<u>\$ (23.47)</u>	<u>\$ 0.76</u>	<u>\$ (27.71)</u>	<u>\$ 2.14</u>
Diluted net (loss) income per share				
Continuing operations	\$ (23.29)	\$ 0.65	\$ (27.53)	\$ 1.93
Discontinued operation	(0.18)	0.11	(0.18)	0.20
Diluted	<u>\$ (23.47)</u>	<u>\$ 0.76</u>	<u>\$ (27.71)</u>	<u>\$ 2.13</u>
Dividends per share:				
	<u>\$ —</u>	<u>\$ 0.24</u>	<u>\$ —</u>	<u>\$ 0.48</u>
Net (loss) income				
	\$ (971,347)	\$ 19,951	\$ (1,060,141)	\$ 56,319
Other comprehensive (loss) income:				
Foreign currency translation adjustments	(849)	—	(1,000)	—
Comprehensive (loss) income	<u>\$ (972,196)</u>	<u>\$ 19,951</u>	<u>\$ (1,059,141)</u>	<u>\$ 56,319</u>

Expedited Freight Segment Information
(In thousands)
(Unaudited)

Three Months Ended

	June 30, 2024	Percent of Revenue	June 30, 2023	Percent of Revenue	Change	Percent Change
Operating revenues:						
Network ¹	\$ 223,334	76.7 %	\$ 205,762	76.4 %	\$ 17,572	8.5 %
Truckload	44,678	15.3	40,432	15.0	4,246	10.5
Other	23,270	8.0	23,242	8.6	28	0.1
Total operating revenues	291,282	100.0	269,436	100.0	21,846	8.1
Operating expenses:						
Purchased transportation	142,512	48.9	124,122	46.1	18,390	14.8
Salaries, wages and employee benefits	63,845	21.9	57,637	21.4	6,208	10.8
Operating leases	14,730	5.1	16,201	6.0	(1,471)	(9.1)
Depreciation and amortization	10,692	3.7	8,439	3.1	2,253	26.7
Insurance and claims	10,969	3.8	10,104	3.8	865	8.6
Fuel expense	2,434	0.8	2,511	0.9	(77)	(3.1)
Other operating expenses	24,154	8.3	23,359	8.7	795	3.4
Total operating expenses	269,336	92.5	242,373	90.0	26,963	11.1
Income from operations	\$ 21,946	7.5 %	\$ 27,063	10.0 %	\$ (5,117)	(18.9)%

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

Expedited Freight Operating Statistics			
	Three Months Ended		
	June 30, 2024	June 30, 2023	Percent Change
Business days	64	64	— %
Tonnage ^{1,2}			
Total pounds	713,919	673,878	5.9
Pounds per day	11,155	10,529	5.9
Shipments ^{1,2}			
Total shipments	870	842	1.4
Shipments per day	13.6	13.2	1.4
Weight per shipment	821	801	2.5
Revenue per hundredweight ³	\$ 31.29	\$ 30.79	1.6
Revenue per hundredweight, ex fuel ³	\$ 24.38	\$ 24.08	1.2
Revenue per shipment ³	\$ 256.80	\$ 246.59	4.1
Revenue per shipment, ex fuel ³	\$ 200.05	\$ 192.85	3.7

¹ In thousands

² Excludes accessorial and Truckload and products

³ Includes intercompany revenue between the Network and Truckload revenue streams

Intermodal Segment Information
(In thousands)
(Unaudited)

Three Months Ended

	June 30, 2024	Percent of Revenue	June 30, 2023	Percent of Revenue	Change	Percent Change
Operating revenue	\$ 59,299	100.0 %	\$ 64,251	100.0 %	\$ (4,952)	(7.7)%
Operating expenses:						
Purchased transportation	19,173	32.3	17,909	27.9	1,264	7.1
Salaries, wages and employee benefits	14,899	25.1	16,650	25.9	(1,751)	(10.5)
Operating leases	4,776	8.1	6,695	10.4	(1,919)	(28.7)
Depreciation and amortization	4,712	7.9	4,806	7.5	(94)	(2.0)
Insurance and claims	2,619	4.4	2,815	4.4	(196)	(7.0)
Fuel expense	2,243	3.8	2,692	4.2	(449)	(16.7)
Other operating expenses	5,560	9.4	8,372	13.0	(2,812)	(33.6)
Total operating expenses	53,982	91.0	59,939	93.3	(5,957)	(9.9)
Income from operations	\$ 5,317	9.0 %	\$ 4,312	6.7 %	\$ 1,005	23.3 %

Intermodal Operating Statistics

Three Months Ended

	June 30, 2024	June 30, 2023	Percent Change
Drayage shipments	64,877	68,180	(4.8)%
Drayage revenue per shipment	\$ 826	\$ 853	(3.2)%

Omni Logistics Segment Information
(In thousands)
(Unaudited)

	Three Months Ended	
	June 30, 2024	Percent of Revenue
Operating revenue	\$ 311,856	100.0 %
Operating expenses:		
Purchased transportation	178,674	57.3
Salaries, wages and employee benefits	57,536	18.4
Operating leases	26,751	8.6
Depreciation and amortization	33,235	10.7
Insurance and claims	2,845	0.9
Fuel expense	1,182	0.4
Other operating expenses	24,790	7.9
Impairment of goodwill	1,092,714	350.4
Total operating expenses	<u>1,417,727</u>	<u>454.6</u>
Loss from operations	<u>\$ (1,105,871)</u>	<u>(354.6)%</u>

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

	June 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 84,886	\$ 121,969
Restricted cash and restricted cash equivalents	19,769	39,604
Accounts receivable, net	368,927	153,267
Other receivables	1,476	5,408
Prepaid expenses	39,186	25,682
Other current assets	44,379	1,098
Total current assets	558,623	347,028
Noncurrent restricted cash equivalents	—	1,790,500
Property and equipment	607,961	508,280
Less accumulated depreciation and amortization	279,027	250,185
Property and equipment, net	328,934	258,095
Operating lease right-of-use assets	323,821	111,552
Goodwill	545,380	278,706
Other acquired intangibles, net	1,230,699	134,789
Other assets	79,859	58,863
Total assets	\$ 3,067,316	\$ 2,979,533
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 143,455	\$ 45,430
Accrued expenses	117,431	62,948
Other current liabilities	53,064	71,727
Current portion of debt and finance lease obligations	16,875	12,645
Current portion of operating lease liabilities	89,188	44,344
Total current liabilities	420,013	237,094
Finance lease obligations, less current portion	34,957	26,736
Long-term debt, less current portion	1,677,315	—
Long-term debt held in escrow	—	1,790,500
Operating lease liabilities, less current portion	243,217	71,598
Liabilities under tax receivable agreement	13,270	—
Other long-term liabilities	43,126	47,144
Deferred income taxes	271,201	42,200
Shareholders' equity:		
Preferred stock	—	—
Common stock	277	257
Additional paid-in capital	512,638	283,684
Retained earnings	(228,151)	480,320
Accumulated other comprehensive loss	(1,000)	—
Total Forward Air shareholders' equity	283,764	764,261
Noncontrolling interest	80,453	—
Total shareholders' equity	364,217	764,261
Total liabilities and shareholders' equity	\$ 3,067,316	\$ 2,979,533

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

	Three Months Ended	
	June 30, 2024	June 30, 2023
Operating activities:		
Net (loss) income from continuing operations	\$ (966,471)	\$ 17,127
Adjustments to reconcile net (loss) income of continuing operations to net cash (used in) provided by operating activities of continuing operations		
Depreciation and amortization	48,639	13,244
Impairment of goodwill	1,092,714	—
Share-based compensation expense	3,620	2,890
Provision for revenue adjustments	1,121	1,714
Deferred income tax (benefit) expense	(166,549)	325
Other	2,300	(642)
Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses:		
Accounts receivable	(21,770)	22,293
Other receivables	164	—
Other current and noncurrent assets	(49,528)	(300)
Accounts payable and accrued expenses	10,560	(36)
Net cash (used in) provided by operating activities of continuing operations	(45,200)	56,615
Investing activities:		
Proceeds from sale of property and equipment	557	1,356
Purchases of property and equipment	(14,426)	(10,317)
Purchases of a business, net of cash acquired	—	(136)
Other	(85)	—
Net cash used in investing activities of continuing operations	(13,954)	(9,097)
Financing activities:		
Repayments of finance lease obligations	(4,567)	(1,837)
Payments on credit facility	—	(30,750)
Payments of dividends to shareholders	—	(6,255)
Repurchases and retirement of common stock	—	(25,009)
Proceeds from common stock issued under employee stock purchase plan	369	421
Payment of minimum tax withholdings on share-based awards	(33)	(4,292)
Contributions from subsidiary held for sale	—	6,457
Net cash used in financing activities of continuing operations	(4,231)	(61,265)
Effect of exchange rate changes on cash	646	—
Net decrease in cash, cash equivalents, restricted cash, and restricted cash equivalents from continuing operations	(62,739)	(13,747)
Cash from discontinued operation:		
Net cash (used in) provided by operating activities of discontinued operation	(4,876)	6,958
Net cash used in investing activities of discontinued operation	—	(469)
Net cash used in financing activities of discontinued operation	—	(6,489)
Net decrease in cash, cash equivalents, restricted cash and restricted cash equivalents	(67,615)	(13,747)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period of continuing operations	172,270	32,028
Cash at beginning of period of discontinued operation	—	—
Net decrease in cash, cash equivalents, restricted cash and restricted cash equivalents	(67,615)	(13,747)
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period of continuing operations	<u>\$ 104,655</u>	<u>\$ 18,281</u>

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

	Six Months Ended	
	June 30, 2024	June 30, 2023
Operating activities:		
Net (loss) income from operations	\$ (1,055,265)	\$ 51,031
Adjustments to reconcile net income of operations to net cash provided by operating activities of operations		
Depreciation and amortization	80,425	25,617
Impairment of goodwill	1,092,714	—
Share-based compensation expense	5,187	5,796
Provision for revenue adjustments	2,159	2,812
Deferred income tax (benefit) expense	(163,604)	2,182
Other	6,469	(1,733)
Changes in operating assets and liabilities, net of effects from the purchase of acquired businesses:		
Accounts receivable	(42,265)	38,690
Other receivables	5,531	—
Other current and noncurrent assets	(56,637)	10,609
Accounts payable and accrued expenses	28,362	(17,550)
Net cash provided by operating activities	(96,924)	117,454
Investing activities:		
Proceeds from sale of property and equipment	1,406	3,171
Purchases of property and equipment	(19,396)	(16,836)
Purchase of a business, net of cash acquired	(1,565,242)	(56,703)
Other	(174)	—
Net cash used in investing activities	(1,583,406)	(70,368)
Financing activities:		
Repayments of finance lease obligations	(9,127)	(3,923)
Proceeds from credit facility	—	45,000
Payments on credit facility	(80,000)	(30,750)
Payment of debt issuance costs	(60,591)	—
Payment of earn-out liability	(12,247)	—
Payments of dividends to shareholders	—	(12,600)
Repurchases and retirement of common stock	—	(79,792)
Proceeds from common stock issued under employee stock purchase plan	369	421
Payment of minimum tax withholdings on share-based awards	(1,361)	(4,292)
Contributions from (distributions to) subsidiary held for sale	—	11,309
Net cash used in financing activities	(162,957)	(74,627)
Effect of exchange rate changes on cash	745	—
Net (decrease) increase in cash and cash equivalents	(1,842,542)	(27,541)
Cash from discontinued operation:		
Net cash used in operating activities of discontinued operation	(4,876)	12,112
Net cash provided by (used in) investing activities of discontinued operation	—	(739)
Net cash (used in) provided by financing activities of discontinued operation	—	(11,373)
Net increase (decrease) in cash and cash equivalents	(1,847,418)	(27,541)
Cash and cash equivalents at beginning of period	1,952,073	45,822
Cash and cash equivalents at end of period	\$ 104,655	\$ 18,281

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 June 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 six months ended June 30, 2024 and 2023 (in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net (loss) income	\$ (966,471)	\$ 17,127	\$ (1,055,265)	\$ 51,031
Interest expense	47,265	2,585	88,018	4,940
Income tax (benefit) expense	(174,942)	6,613	(193,292)	17,550
Depreciation and amortization	48,639	13,245	80,425	25,617
Reported EBITDA	(1,045,509)	39,570	(1,080,114)	99,138
Impairment of goodwill	1,092,714	—	1,092,714	—
Transaction and integration costs	10,018	5,500	71,942	5,500
Severance costs	4,029	113	11,585	161
Cost synergies	5,747	—	16,254	—
RIF cost savings	4,878	5,280	10,576	10,366
Other	9,448	2,353	12,926	4,115
Pro forma -Omni adjusted EBITDA	—	48,872	—	93,290
Consolidated EBITDA	\$ 81,325	\$ 101,688	\$ 135,883	\$ 212,570

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

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net cash (used in) provided by operating activities of continuing operations	\$ (45,200)	\$ 56,615	\$ (96,924)	\$ 117,454
Proceeds from sale of property and equipment	557	1,356	1,406	3,171
Purchases of property and equipment	(14,426)	(10,317)	(19,396)	(16,836)
Free cash flow	\$ (59,069)	\$ 47,654	\$ (114,914)	\$ 103,789

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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Forward Air

2Q24 Earnings Presentation

August 7, 2024



Forward Looking Statements

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Non-GAAP Measures

To supplement the financial measures prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), we have included Adjusted Operating Income, Consolidated EBITDA and Consolidated EBITDA excluding RIF, 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 and Net Leverage Ratio calculated in accordance with Forward's credit agreement as we believe it provides investors with important information regarding our financial condition and compliance with our obligations under our credit agreement.



All figures throughout presentation in \$ millions where applicable

AGENDA

- 01 2Q24 Highlights
- 02 LTL KPIs
- 03 Integration Update
- 04 Leverage and Liquidity
- 05 Cash Flow
- 06 Capital Allocation / Deleveraging
- 07 Conclusion



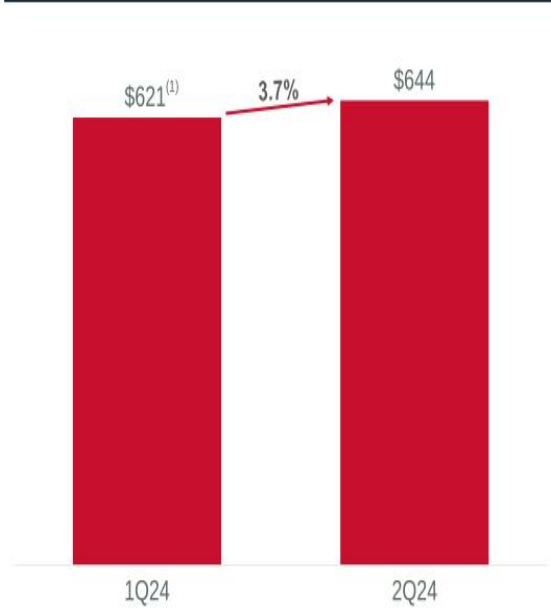
2Q24 Results Affected by Softness in Freight Cycle but Sequentially Improved



1. Non-GAAP financial measure. Reconciliations and other information required by Regulation G can be found in the Appendix section of the presentation. Excludes goodwill impairment charge of \$1.1B
2. Non-GAAP financial measure. Please note that this is calculated pursuant to our credit agreement
3. Includes \$20M of restricted cash and \$17M of cash in foreign subsidiaries

Strong 2Q24 Performance Relative to 1Q24 Positions The Business Well For 2H

Pro Forma Revenue

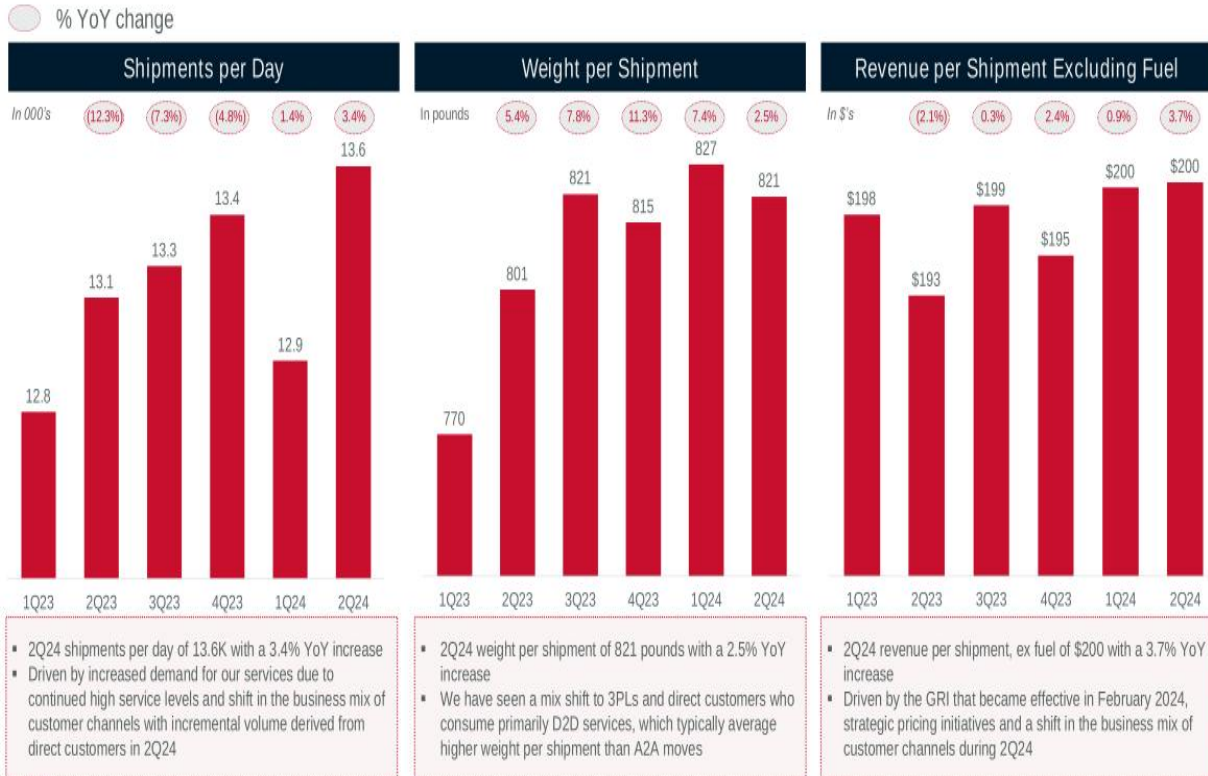


Consolidated EBITDA⁽²⁾



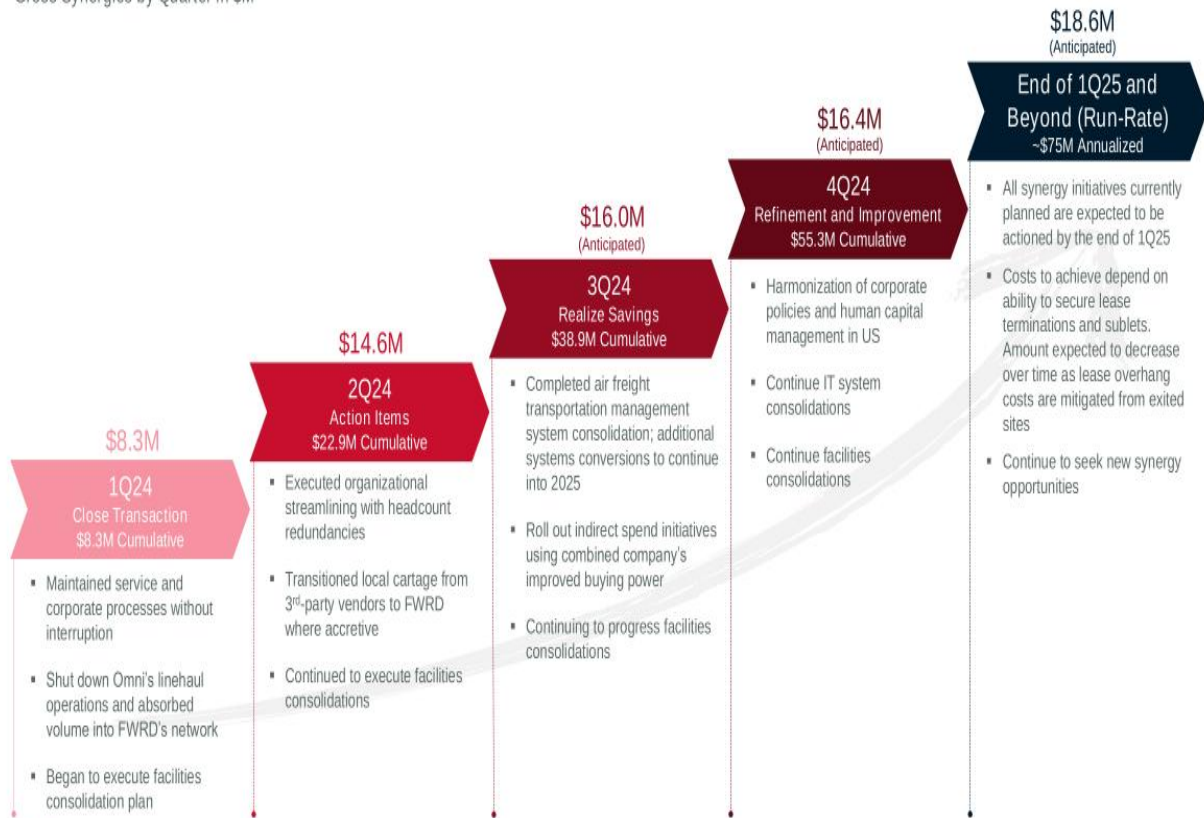
1. Pro Forma for Omni acquisition calculated in accordance with Article 11 of Regulation S-X. For more information, please see our 8-K filed on June 10, 2024
2. Non-GAAP financial measure. Please note that Consolidated EBITDA is calculated pursuant to our credit agreement

Legacy Forward Air LTL Metrics Stable to Improving



Omni Integration on Track

Gross Synergies by Quarter in \$M



Continuous Improvement Culture

New Leadership



- April 2024: Shawn Stewart named CEO
 - Three decades of experience in Global Supply Chain
 - Has held numerous leadership positions across logistics and transportation - most recently served as President and Managing Director, North America at CEVA Logistics
- July 2024: Jamie Pierson named CFO
 - Extensive experience in transportation and logistics with a demonstrated track record in financial leadership positions
 - Former A&M operational restructuring professional
- July 2024: James Faught named as CAO
 - Most recently served as CFO of EVO Transportation
 - Prior to this role, served as Chief Accounting Officer at Yellow Corporation

Right Sizing the Business



- Right-sizing NewCo for combined back office and operations / network
- ~\$20M of run-rate cost savings incremental to synergies expected by 2025, stemming from SG&A cost-cutting actions already taken
- Several synergy projects are establishing a base for more efficient go-forward business model:
 - Streamlining of IT systems, eliminating duplicative operating locations, restructuring domestic forwarding operating functions
- Cost-cutting focus continues with ad hoc initiatives identified inside and outside of synergy capture, from terminal-level vendor spend to procurement initiatives rolling out enterprise-wide discounts

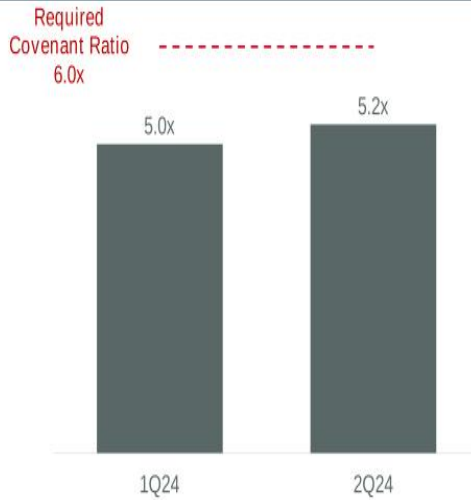
Unifying and Streamlining Business / Culture



- Promoting a culture of collaboration and cooperation
- Consolidating business rules, org structures and processes
 - SOPs
 - DOA
 - Benefit policies
- Improved efficiency from operating as one company
 - Back-office integration
 - Joint operations

Deleveraging Remains a Key Priority for Management Through Asset Sales and Operational Improvement

Net Leverage⁽¹⁾



	1Q24	2Q24
Term Loan B	\$1,045	\$1,045
Senior Sec. Notes	\$725	\$725
First Lien Debt ⁽²⁾	\$1,770	\$1,770
Net Cash ⁽³⁾	\$136	\$68
Net Debt	\$1,634	\$1,702
Consolidated LTM EBITDA ⁽¹⁾	\$324	\$325

Liquidity

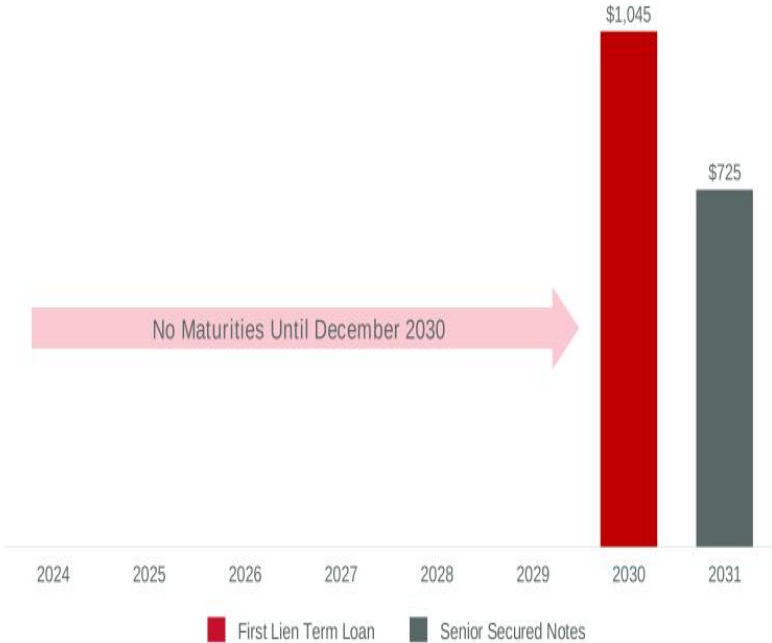


■ Revolving Credit Facility⁽⁴⁾
■ Net Cash
 Restricted Cash Deduction
 Foreign Subsidiary Deduction



1. Non-GAAP financial measure. Please note that is calculated pursuant to our credit agreement.
 2. Includes Term Loan, Senior Secured Notes, and Revolving Credit Facility; excludes finance leases
 3. Excludes foreign subsidiaries and restricted cash
 4. Undrawn revolver balance

No Maturities Over Next 6 Years

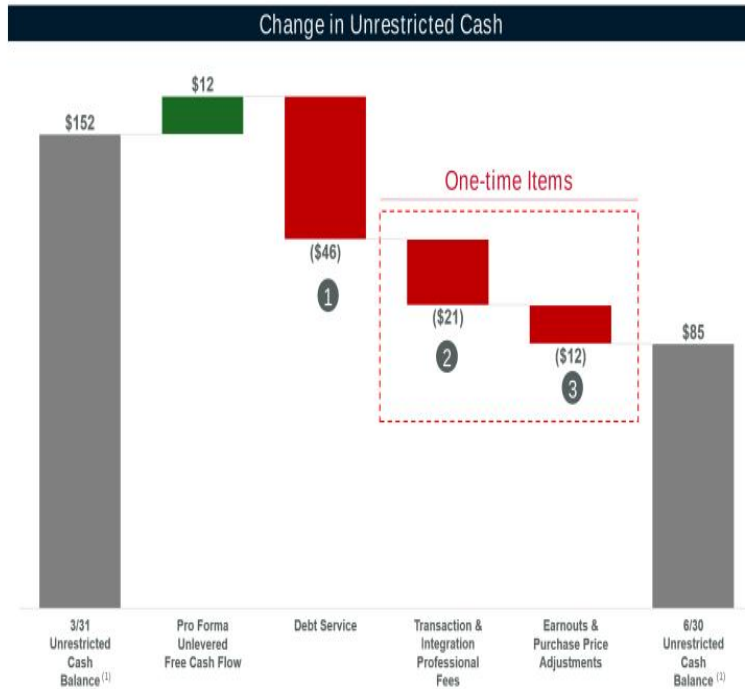


Key Commentary

- No material maturities within the next 6 years
- Plenty of time to effectuate integration and garner benefits of combination



Cash Consumption Continues to Moderate Through 2Q24



Pro Forma Free Cash Flow

Pro Forma Unlevered Free Cash Flow	\$12
① (-) Debt Service	(46)
Pro Forma Levered Free Cash Flow	(\$34)
② (-) Transaction/Integration Fees	(21)
③ (-) Earnouts & Purchase Price Adjustments	(12)
Net Change in Unrestricted Cash	(\$67)

Key Commentary

- ① \$37M interest payment on Senior Secured Notes, \$9M interest payment on Term Loan B
- ② Professional fees associated with Omni transaction, integration, and subsequent amendment
- ③ Final earnout payments and net working capital purchase price adjustments related to prior acquisitions



1. Amounts exclude letters of credit restricted cash collateral

Remain Committed to Previously Announced Capital Allocation Plan with a Focus on Improving Performance

-  **1 Operational Improvement**
 - Improve operating performance and successfully integrate Omni to function as ONE company
-  **2 Deleverage**
 - Deleveraging is a key priority, demonstrated by repayment of \$80M of term loans in 1Q
 - Actively reviewing portfolio to identify opportunities to dispose of any non-core assets
-  **3 Dividend & Share Repurchases**
 - Dividends and repurchases stand suspended with focus on deleveraging

2Q24 Summary – Integration and Cost Reductions Progressing and Performance Improving



Completed transaction in 1Q24



Actioned cost reduction items in late 1Q24 and 2Q24 (i.e., this quarter)



Brought in new senior leadership in April and May



Transforming from separate legal entity driven organizations to a product, service and operations driven team with stronger back-office support, process and procedure



Continuing as an industry leader in on-time service and claims rates



Significant sequential Consolidated EBITDA⁽¹⁾ improvement



Transactional cash consumption significantly moderated in 2Q24 and anticipated to inflect in 3Q / 4Q24



Deleveraging remains focused via asset rationalization and improved performance



Currently, have adequate covenant cushion and liquidity to complete the integration and garner the increased cash generating capability of the combined companies

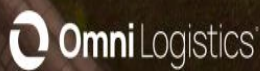


1. Non-GAAP financial measure. Please note that Consolidated EBITDA is calculated pursuant to our credit agreement





Appendix



Covenant Leverage Reconciliation

Consolidated EBITDA Reconciliation	3Q23	4Q23	1Q24	2Q24	TTM (6/30/24)
Net Income	(\$59)	\$30	(\$159) ⁽¹⁾	(\$966)	(\$1,155)
Business Dispositions (Final Mile)	(2)	(117)	(0)	(0)	(120)
Impairment Charge / Asset Write-Off	-	-	-	1,093	1,093
Omni Merger Transaction Costs	36	61	96	2	195
Other (severance, retention, change in fair value etc)	9	(20)	43	34	65
Consolidated Net Income	(\$17)	(\$46)	(\$21)	\$162	\$79
Net Interest Expense	45	67	53	47	213
Taxes	5	0	(16)	(174)	(184)
Depreciation and Amortization	30	33	20	37	119
Trans. Expenses, Integration Costs, & Other Normalizing Adjustments	8	15	2	(2)	23
Pro Forma Cost Synergies	19	19	11	6	54
Consolidated EBITDA Excluding RIF⁽¹⁾	\$90	\$88	\$49	\$76	\$303
PF June 2024 Headcount Reduction Savings	6	6	6	5	22
Consolidated EBITDA⁽²⁾	\$96	\$94	\$55	\$81	\$325
Consolidated First Lien Indebtedness ⁽³⁾					1,770
Net Cash and Cash Equivalents ⁽⁴⁾					(68)
Net Debt					\$1,702
Consolidated First Lien Net Leverage Ratio					5.2x



1. Non-GAAP financial measure. Reconciliations and other information required by Regulation G can be found in the Appendix section of the presentation
2. Non-GAAP financial measure. Please note that Consolidated EBITDA is calculated pursuant to our credit agreement
3. As defined in the RCFTL (Revolving Credit Facility Term Loan) credit agreement, represents total amount of debt outstanding, including Term Loan, Senior Secured Notes, and Revolving Credit Facility; excludes finance leases
4. As defined in the RCFTL credit agreement, excludes foreign subsidiaries of \$16M (1Q24) and \$17M (2Q24) and restricted cash of \$20M (1Q24) and \$20M (2Q24)

GAAP to Non-GAAP Reconciliation

Adjusted Operating Income Reconciliation		2Q24
Loss from Continuing Operations		(\$1,096)
Impairment of Goodwill		1,093
Adjusted Operating Income		(\$3)

Pro Forma Net Income Reconciliation		1Q24
1Q 2024 Reported Net Income		(\$89)
Standalone Omni (January 1 – January 24, 2024) Net Income		(71)
Pro Forma 1Q24 Net Income		(\$159)



