

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): April 24, 2024

GXO

GXO LOGISTICS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-40470
(Commission File Number)

86-2098312
(IRS Employer Identification No.)

Two American Lane
Greenwich, Connecticut
(Address of principal executive offices)

06831
(Zip Code)

Registrant's telephone number, including area code: (203) 489-1287

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:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.01 per share	GXO	New York Stock Exchange

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.

Item 2.02. Results of Operations and Financial Condition.

On April 24, 2024, GXO Logistics, Inc. (the “Company”) issued a press release announcing its preliminary first quarter 2024 results, full-year 2024 guidance and updated 2027 financial targets. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 2.02 is unaudited and preliminary and does not present all information necessary for an understanding of the Company’s financial condition as of March 31, 2024 and its results of operations for the three months ended March 31, 2024. The preliminary first quarter 2024 results are subject to completion of the Company’s financial closing procedures. As a result, the preliminary first quarter 2024 results may differ materially from the amount that will be reflected in the Company’s financial statements as of and for the three months ended March 31, 2024.

Item 7.01. Regulation FD Disclosure.

On April 24, 2024, the Company released a slide presentation expected to be used by the Company in connection with certain future investor presentations. A copy of the slide presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

The information furnished pursuant to Items 2.02 and 7.01, including Exhibit 99.1 and Exhibit 99.2 shall not be deemed “filed” for the 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 filings of the Company under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Forward-Looking Statements

This report includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including our preliminary first quarter 2024 results, updated full-year 2024 guidance, and updated 2027 financial targets. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as “anticipate,” “estimate,” “believe,” “continue,” “could,” “intend,” “may,” “plan,” “potential,” “predict,” “should,” “will,” “expect,” “objective,” “projection,” “forecast,” “goal,” “guidance,” “outlook,” “effort,” “target,” “trajectory” or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate in the circumstances.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include, but are not limited to, the risks discussed in our filings with the SEC and the following: economic conditions generally; supply chain challenges, including labor shortages; our ability to align our investments in capital assets, including equipment, and warehouses, to our customers’ demands; our ability to successfully integrate and realize anticipated synergies, cost savings and profit improvement opportunities with respect to acquired companies; unsuccessful acquisitions or other risks or developments that adversely affect our financial condition and results; our ability to develop and implement suitable information technology systems and prevent failures in or breaches of such systems; our indebtedness; our ability to raise debt and equity capital; litigation; labor matters, including our ability to manage our subcontractors, and risks associated with labor disputes at our customers’ facilities and efforts by labor organizations to organize our employees; risks associated with defined benefit plans for our current and former employees; our inability to attract or retain necessary talent; the increased costs associated with labor; fluctuations in currency exchange rates; fluctuations in fixed and floating interest rates; seasonal fluctuations; issues related to our intellectual property rights; governmental regulation, including environmental laws, trade compliance laws, as well as changes in international trade policies and tax regimes; governmental or political actions, including the United Kingdom’s exit

from the European Union; natural disasters, terrorist attacks or similar incidents; damage to our reputation; a material disruption of the Company's operations; the inability to achieve the level of revenue growth, cash generation, cost savings, improvement in profitability and margins, fiscal discipline, or strengthening of competitiveness and operations anticipated or targeted; failure in properly handling the inventory of our customers; the impact of potential cyber-attacks and information technology or data security breaches; the inability to implement technology initiatives successfully; our ability to achieve our Environmental, Social and Governance goals; and a determination by the IRS that the distribution or certain related spin-off transactions should be treated as taxable transactions.

All forward-looking statements set forth in this report are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us or our business or operations. Forward-looking statements set forth in this report speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events, except to the extent required by law.

Item 9.01. Financial Statements and Exhibits

(d) The following exhibits are being filed herewith:

Exhibit Number	Description
99.1	Press Release, dated April 24, 2024, issued by GXO Logistics, Inc.
99.2	Investor Presentation, dated April 24, 2024
104	Cover Page Interactive Data File (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.

Dated: April 24, 2024

GXO LOGISTICS, INC.

By: /s/ Baris Oran
Name: Baris Oran
Title: Chief Financial Officer
(Principal Financial Officer)



GXO Releases Preliminary First Quarter 2024 Results

Company reiterates 2024 guidance; updates long-term financial targets

GREENWICH, Conn. — April 24, 2024 — GXO Logistics, Inc. (NYSE: GXO), the world's largest pure-play contract logistics provider, today announced selected preliminary financial results for the quarter ended March 31, 2024. The company also reiterated its outlook for the full year 2024 on a standalone basis, updated the full-year 2024 guidance to include the expected impact of the Wincanton acquisition and revised its 2027 financial targets in advance of its first quarter 2024 earnings announcement and conference call.

Malcolm Wilson, Chief Executive Officer of GXO, said, "Our solid preliminary first quarter results reflect the improving trend we noted earlier this year, and we anticipate continued sequential organic growth throughout 2024. As a result, we are reiterating our full-year 2024 guidance.

"Our pace of new business wins is accelerating, with a 55% increase year over year in first quarter wins. We continue to see a strong outsourcing trend, with more than half of our wins in the quarter coming from customers outsourcing to GXO or partnering with GXO for the first time, and our pipeline has increased to \$2.2 billion as of the end of the quarter. Customers are continuing to turn to GXO to improve service, drive efficiencies, and lower costs throughout their supply chains.

"We're also taking this opportunity to update the long-term guidance provided at our Investor Day in January 2023. Our revised targets reflect our performance in 2023 and guidance for 2024, which assumes the gradual recovery of consumer demand for physical goods. Additionally, following the recent approval by Wincanton shareholders of our planned acquisition, the expected impact of this transaction is also embedded in our new 2027 plan.

"Looking ahead, we're enhancing our position to capture more of the growing outsourcing opportunity. We are investing in our sales organization and strategically increasing the number of higher-margin, longer-duration automation contracts across our global footprint. We are also diversifying our business across geographies, including Germany, and verticals, particularly in beauty and luxury markets worldwide, as well as industrials and aerospace in Europe. These actions, coupled with the normalizing of consumer goods spending, underpin our confidence in our long-term growth framework to drive significant shareholder value over the long term."

Preliminary First Quarter 2024 Results

Based on information available as of April 24, 2024, the company currently expects to report for the first quarter ended March 31, 2024¹:

- Revenue of approximately \$2.5 billion;
- Net loss of approximately \$36 million, primarily driven by a \$63 million expense associated with legacy litigation;

¹ See the "Preliminary Financial Information" section in this press release.

- Adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"²) of approximately \$154 million;
- Cash and cash equivalents of approximately \$423 million;
- Long-term debt, including current debt of \$26 million, of approximately \$1,637 million; and
- New business wins in the quarter of approximately \$250 million, including new business with Boeing, Guess, Michelin and WH Smith.

Full-Year 2024 Guidance

The company reiterated its outlook for the full year 2024 on a standalone basis and updated its guidance to include the expected impact of the Wincanton acquisition, which remains subject to the satisfaction of customary conditions.

Standalone basis (unchanged):

- Organic revenue growth² of 2% to 5%;
- Adjusted EBITDA² of \$760 million to \$790 million;
- Adjusted diluted EPS² of \$2.70 to \$2.90; and
- Free cash flow conversion² of 30% to 40% of adjusted EBITDA².

Including expected impact of Wincanton acquisition, subject to the satisfaction of customary conditions:

- Organic revenue growth² of 2% to 5%;
- Adjusted EBITDA² of \$805 million to \$835 million;
- Adjusted diluted EPS² of \$2.73 to \$2.93; and
- Free cash flow conversion² of 30% to 40% of adjusted EBITDA².

Updated 2027 Financial Targets

The Company updated its 2027 financial targets, first outlined as part of its January 2023 Investor Day presentation, including expected impact of Wincanton acquisition, as follows:

- Organic revenue CAGR (2024-2027)^{2,3} of approximately 10%, to approximately \$15.5 billion to \$16.0 billion of revenue;
- Approximately 15% adjusted EBITDA CAGR (2024-2027)^{2,3}, to approximately \$1.25 billion to \$1.30 billion of adjusted EBITDA²;
- Adjusted diluted EPS CAGR (2024-2027)^{2,3} of more than 15%;
- Free cash flow conversion of greater than 30% of adjusted EBITDA (2024-2027)²; and
- Operating return on invested capital² of more than 30%.

The company posted a supplementary presentation today on GXO's Investor Relations website at investors.gxo.com.

First Quarter 2024 Conference Call

GXO will hold its first quarter 2024 conference call and webcast on Wednesday, May 8, 2024 at 8:30 a.m. Eastern Time. The company's results will be released after market close on Tuesday, May 7, 2024, and made available at that time on investors.gxo.com.

² For definitions of non-GAAP measures see the "Non-GAAP Financial Measures" section in this press release.

³ Compound Annual Growth Rate (CAGR).

About GXO Logistics

GXO Logistics, Inc. (NYSE: GXO) is the world's largest pure-play contract logistics provider and is benefiting from the rapid growth of ecommerce, automation and outsourcing. GXO is committed to providing a diverse, world-class workplace for more than 130,000 team members across more than 970 facilities totaling approximately 200 million square feet. The company partners with the world's leading blue-chip companies to solve complex logistics challenges with technologically advanced supply chain and ecommerce solutions, at scale and with speed. GXO corporate headquarters is in Greenwich, Connecticut, USA. Visit GXO.com for more information and connect with GXO on LinkedIn, X, Facebook, Instagram and YouTube.

Non-GAAP Financial Measures

As required by the rules of the Securities and Exchange Commission ("SEC"), we provide reconciliations of the non-GAAP financial measures contained in this press release to the most directly comparable measure under GAAP, which are set forth in the financial table below.

GXO's non-GAAP financial measures in this press release include: adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), adjusted EBITDA CAGR, organic revenue, organic revenue growth, organic revenue CAGR, adjusted diluted earnings per share ("adjusted diluted EPS"), adjusted diluted EPS CAGR, free cash flow, free cash flow conversion, and operating return on invested capital ("ROIC").

We believe that the above adjusted financial measures facilitate analysis of our ongoing business operations because they exclude items that may not be reflective of, or are unrelated to, GXO's core operating performance, and may assist investors with comparisons to prior periods and assessing trends in our underlying businesses. Other companies may calculate these non-GAAP financial measures differently, and therefore our measures may not be comparable to similarly titled measures used by other companies. GXO's non-GAAP financial measures should only be used as supplemental measures of our operating performance.

Adjusted EBITDA and adjusted diluted EPS includes adjustments for transaction and integration costs, litigation expenses as well as restructuring costs and other adjustments as set forth in the financial table below. Transaction and integration adjustments are generally incremental costs that result from an actual or planned acquisition, divestiture or spin-off and may include transaction costs, consulting fees, retention awards, internal salaries and wages (to the extent the individuals are assigned full-time to integration and transformation activities), and certain costs related to integrating and separating IT systems. Litigation expenses primarily relate to the settlement of ongoing legal matters. Restructuring costs primarily relate to severance costs associated with business optimization initiatives.

We believe that adjusted EBITDA improves comparability from period to period by removing the impact of our capital structure (interest and financing expenses), asset base (depreciation and amortization), tax impacts and other adjustments as set out in the attached tables, which management has determined are not reflective of core operating activities and thereby assist investors with assessing trends in our underlying businesses.

We believe that organic revenue and organic revenue growth are important measures because they exclude the impact of foreign currency exchange rate fluctuations, revenue from acquired businesses and revenue from deconsolidated operations.

We believe that adjusted diluted EPS improve the comparability of our operating results from period to period by removing the impact of certain costs and gains, which management has determined are not reflective of our core operating activities, including amortization of acquisition-related intangible assets.

We believe that free cash flow and free cash flow conversion are important measures of our ability to repay maturing debt or fund other uses of capital that we believe will enhance stockholder value. We calculate free cash flow as cash flows from operations less capital expenditures plus proceeds from sale of property and equipment. We calculate free cash flow conversion as free cash flow divided by adjusted EBITDA, expressed as a percentage.

We believe ROIC provides investors with an important perspective on how effectively GXO deploys capital and use this metric internally as a high-level target to assess overall performance throughout the business cycle.

Management uses these non-GAAP financial measures in making financial, operating and planning decisions and evaluating GXO's ongoing performance.

With respect to our updated full-year 2024 guidance and our updated 2027 financial targets, a reconciliation of these non-GAAP measures to the corresponding GAAP measures is not available without unreasonable effort due to the variability and complexity of the reconciling items described above that we exclude from these non-GAAP target measures. The variability of these items may have a significant impact on our future GAAP financial results and, as a result, we are unable to prepare the forward-looking statements of income and cash flows prepared in accordance with GAAP, that would be required to produce such a reconciliation.

Preliminary Financial Information

The preliminary financial results for the quarter ended March 31, 2024 included in this press release are preliminary and unaudited and reflect our estimated financial results as of and for the three months ended March 31, 2024. In preparing this information, management made a number of complex and subjective judgments and estimates about the appropriateness of certain reported amounts and disclosures. The preliminary financial results included in this press release have been prepared by, and are the responsibility of, our management. Our actual financial results for the first quarter of 2024 have not yet been finalized by management. In addition, the preliminary financial results presented above have not been audited, reviewed, or compiled by our independent registered public accounting firm, KPMG LLP. Accordingly, KPMG LLP does not express an opinion or any other form of assurance with respect thereto and assumes no responsibility for, and disclaims any association with, this information. These results are not a comprehensive statement of all financial results as of and for the three months ended March 31, 2024. We are required to consider all available information through the finalization of our financial statements and their possible impact on our financial conditions and results of operations for the period, including the impact of such information on the complex judgments and estimates referred to above. As a result, subsequent information or events may lead to material differences between the information about the results of operations described herein and the results of operations described in our subsequent quarterly report. Accordingly, you should not place undue reliance on these preliminary financial results.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including our continued sequential organic growth throughout 2024, the gradual recovery of consumer demand for physical goods, our preliminary expected results for the quarter ended March 31, 2024, our updated fiscal year 2024 guidance, our fiscal year 2027 financial targets and the expected closing of the Wincanton acquisition. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target," "trajectory" or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses

made by the company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors the company believes are appropriate in the circumstances.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include, but are not limited to, the risks discussed in our filings with the SEC and the following: economic conditions generally; supply chain challenges, including labor shortages; competition and pricing pressures; GXO and/or Wincanton's ability to align GXO and/or Wincanton's investments in capital assets, including equipment, service centers and warehouses, to their respective customers' demands; GXO and/or Wincanton's ability to successfully integrate and realize anticipated benefits, synergies, cost savings and profit improvement opportunities with respect to acquired companies, including the acquisition of Wincanton; acquisitions may be unsuccessful or result in other risks or developments that adversely affect GXO and/or Wincanton's financial condition and results; GXO and/or Wincanton's ability to develop and implement suitable information technology systems and prevent failures in or breaches of such systems; GXO and/or Wincanton's indebtedness; GXO and/or Wincanton's ability to raise debt and equity capital; litigation; labor matters, including GXO and/or Wincanton's ability to manage its subcontractors, and risks associated with labor disputes at GXO and/or Wincanton's customers' facilities and efforts by labor organizations to organize its employees; risks associated with defined benefit plans for GXO and/or Wincanton's current and former employees; GXO and/or Wincanton's ability to attract or retain necessary talent; the increased costs associated with labor; fluctuations in currency exchange rates; fluctuations in fixed and floating interest rates; fluctuations in customer confidence and spending; issues related to GXO and/or Wincanton's intellectual property rights; governmental regulation, including environmental laws, trade compliance laws, as well as changes in international trade policies and tax regimes; governmental or political actions, including the United Kingdom's exit from the European Union; natural disasters, terrorist attacks or similar incidents; damage to GXO and/or Wincanton's reputation; a material disruption of GXO and/or Wincanton's operations; the inability to achieve the level of revenue growth, cash generation, cost savings, improvement in profitability and margins, fiscal discipline, or strengthening of competitiveness and operations anticipated or targeted; failure in properly handling the inventory of GXO and/or Wincanton's customers; the impact of potential cyber-attacks and information technology or data security breaches; and the inability to implement technology initiatives or business systems successfully; GXO and/or Wincanton's ability to achieve Environmental, Social and Governance goals; and a determination by the IRS that the distribution or certain related spin-off transactions should be treated as taxable transactions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.

All forward-looking statements set forth in this release are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us or our business or operations. Forward-looking statements set forth in this release speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events, except to the extent required by law.

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GXO Logistics, Inc.
Reconciliation of Net Income (Loss) to Adjusted EBITDA
(Unaudited)

<i>(In millions)</i>	Three Months Ended March 31,	
	2024 ⁽¹⁾	2023
Net income (loss) attributable to GXO	\$ (37)	\$ 25
Net income attributable to noncontrolling interest	1	1
Net income (loss)	\$ (36)	\$ 26
Interest expense, net	13	13
Income tax expense (benefit)	(10)	3
Depreciation and amortization expense ⁽²⁾	92	83
Transaction and integration costs	19	13
Restructuring costs and other	16	21
Litigation expense ⁽³⁾	63	—
Unrealized gain on foreign currency options	(3)	(1)
Adjusted EBITDA⁽⁴⁾	\$ 154	\$ 158

(1) Reflects preliminary estimates for the three months ended March 31, 2024, derived from our internal records, and based on the most current information available to management. Preliminary results may differ from actual results.

(2) Includes \$19 million and \$17 million of intangible assets amortization for the three months ended March 31, 2024, and 2023, respectively.

(3) During the first quarter of 2024, a trial was held in the United States District Court for the Western District of Missouri in connection with a dispute between the Company and one of its customers related to the start-up of the customer's warehouse that occurred in 2018 (Lindt et al. v. GXO Warehouse Company, Inc., docket no. 4:22-cv-00384-BP). In March 2024, the jury returned verdicts in favor of the customer. The Company recognized an approximately

\$63 million expense in the three months ended March 31, 2024, for associated legal fees, the jury verdicts, potential post-trial awards of interest, costs and other related expenses. The Company believes that this case was incorrectly decided and intends to pursue post-verdict remedies as necessary, including an appeal, and will pursue reimbursement under its existing insurance policies.

(4) See the "Non-GAAP Financial Measures" section above.

Updated FY 2024 Guidance & 2027 Outlook

April 24, 2024

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Disclaimer

Non-GAAP Financial Measures

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Adjusted EBITDA and adjusted diluted EPS includes adjustments for transaction and integration costs, litigation expenses as well as restructuring costs and other adjustments as set forth in the financial table below. Transaction and integration adjustments are generally incremental costs that result from an actual or planned acquisition, divestiture or spin-off and may include transaction costs, consulting fees, retention awards, internal salaries and wages (to the extent the individuals are assigned full-time to integration and transformation activities), and certain costs related to integrating and separating IT systems. Litigation expenses primarily relate to the settlement of ongoing legal matters. Restructuring costs primarily relate to severance costs associated with business optimization initiatives.

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Non-GAAP Valuation Measure

Adjusted EBITDA is a valuation measure that is not specified in GAAP. Adjusted EBITDA excludes rent expense from adjusted EBITDA and is useful to management and investors in evaluating GXO's relative performance because adjusted EBITDA considers the performance of GXO's operations, excluding decisions made with respect to capital investment, financing and other non-recurring charges. Adjusted EBITDA is also a measure commonly used by management, research analysts and investors to value companies in the logistics industry. Since adjusted EBITDA excludes interest expense and rent expense, it allows research analysts and investors to compare the value of different companies without regard to differences in capital structures and leasing arrangements. As such, our presentation of Adjusted EBITDA should not be construed as a financial performance or operating measure.

With respect to our updated full-year 2024 adjusted EBITDA, a reconciliation of this non-GAAP measure to the corresponding GAAP measure is not available without unreasonable effort due to the variability and complexity of the reconciling items described above that we exclude from this non-GAAP target measure. The variability of these items may have a significant impact on our future GAAP financial results and, as a result, we are unable to prepare the forward-looking statement of income, prepared in accordance with GAAP, that would be required to produce such a reconciliation.

Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 27E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including our updated full-year 2024 guidance and our updated 2027 financial targets. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "forecast," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target," "trajectory" or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by the company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors the company believes are appropriate in the circumstances.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include, but are not limited to, the risks discussed in our filings with the SEC and the following: economic conditions generally; supply chain challenges, including labor shortages; our ability to align our investments in capital assets including equipment and warehouses, to our customers' demands; our ability to successfully integrate and realize anticipated synergies, cost savings and profit improvement opportunities with respect to acquired companies; unsuccessful acquisitions or other risks or developments that adversely affect our financial condition and result in our ability to develop and implement suitable information technology systems and prevent failures in or breaches of such systems; our indebtedness; our ability to raise debt and equity capital; litigation; labor matters, including our ability to manage our subcontractors; and risks associated with labor disputes at our customers' facilities and efforts by labor organizations to organize our employees; risks associated with defined benefit plans for our current and former employees; our inability to attract or retain necessary talent; the increased costs associated with labor; fluctuations in currency exchange rates; fluctuations in fixed and floating interest rates; seasonal fluctuations; issues related to our intellectual property rights; governmental regulation, including environmental laws, trade compliance laws, as well as changes in international trade policies and tax regimes; governmental or political actions, including the United Kingdom's exit from the European Union; natural disasters, terrorist attacks or similar incidents; damage to our reputation; a material disruption of the company's operations; the inability to achieve the level of revenue growth, cash generation, cost savings, improvement in profitability and margins, fiscal discipline, or strengthening of competitiveness and operations anticipated or targeted; failure in properly handling the inventory of our customers; the impact of potential cyber-attacks and information technology or data security breaches; the inability to implement technology initiatives successfully; our ability to achieve our Environmental, Social and Governance goals; and a determination by the IRS that the distribution or certain related spin-off transactions should be treated as taxable transactions.

All forward-looking statements set forth in this presentation are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us or our business or operations. Forward-looking statements set forth in this presentation speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events, except to the extent required by law.



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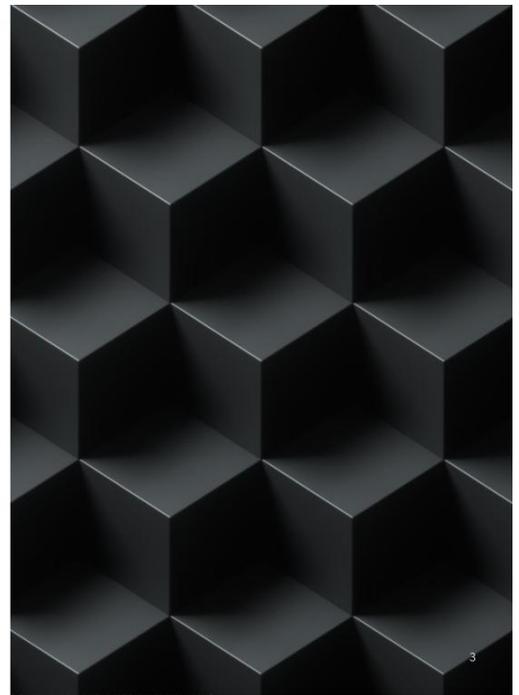
Key highlights

- 1** Solid preliminary 1st quarter 2024 results; pace of new wins increased 55% year over year in the first quarter, and sales pipeline finished at \$2.2 billion⁽¹⁾
- 2** Reiterated 2024 financial guidance reflecting improved sequential organic trends and incorporating the impact of GXO's anticipated acquisition of Wincanton
- 3** Updated long-term guidance to reflect GXO's performance in 2023 and guidance for 2024, as well as the assumed gradual recovery of consumer demand for physical goods
- 4** 2027 targets underpinned by growth in net new wins, core volumes, automation deployment, efficiencies and the impact of GXO's anticipated acquisition of Wincanton
- 5** GXO is capturing the growing long-term outsourcing opportunity by expanding across new geographies and verticals
- 6** GXO expects to deliver an adjusted diluted EPS CAGR in excess of 15% from 2024 through 2027, driving significant shareholder value creation

(1) Based on reported FX



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Updated FY 2024 guidance ⁽¹⁾

	Prior	Standalone	Standalone + Wincanton
Organic revenue growth ⁽²⁾	2% – 5%	2% – 5%	2% – 5%
Adjusted EBITDA ⁽²⁾	\$760 – \$790 million	\$760 – \$790 million	\$805 – \$835 million
Adjusted EBITDA ⁽²⁾ to free cash flow conversion	30% – 40%	30 – 40%	30 – 40%
Adjusted diluted EPS ⁽²⁾	\$2.70 – \$2.90	\$2.70 – \$2.90	\$2.73 – \$2.93
Adjusted EBITDAR ⁽³⁾	\$1.90 – \$1.95 billion	\$1.90 – \$1.95 billion	\$1.95 – \$2.0 billion

(1) Based on FX rates of 1.24 GBP/USD and 1.09 EUR/USD

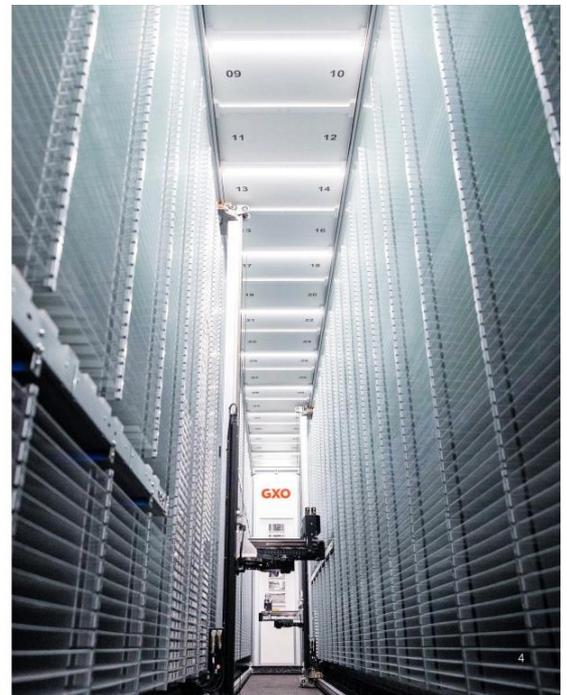
(2) Refer to the 'Non-GAAP Financial Measures' section on slide 2

(3) Adjusted EBITDAR is a valuation measure that is not specified in GAAP. Adjusted EBITDAR is commonly used by management, research analysts and investors to value companies in the logistics industry. Adjusted EBITDAR should not be construed as a financial performance or operating measure. Refer to the 'Non-GAAP Valuation Measures' section on slide 2.

(4) We anticipate the following quarterly adjusted EBITDA phasing in 2024 for the guidance current + adjusting for Wincanton's contribution: Q1 c.19%, Q2 c.22%, Q3 c.28% and Q4 c.31%.



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Updated 2027 targets

\$15.5-16.0B⁽¹⁾

Revenue

\$1.25-1.30B^(1,2)

Adjusted EBITDA

~10%⁽²⁾

Organic revenue CAGR⁽³⁾

~15%⁽²⁾

Adjusted EBITDA CAGR⁽³⁾

>15%⁽²⁾

Adjusted diluted EPS CAGR⁽³⁾

>30%⁽²⁾

FCF conversion

>30%⁽²⁾

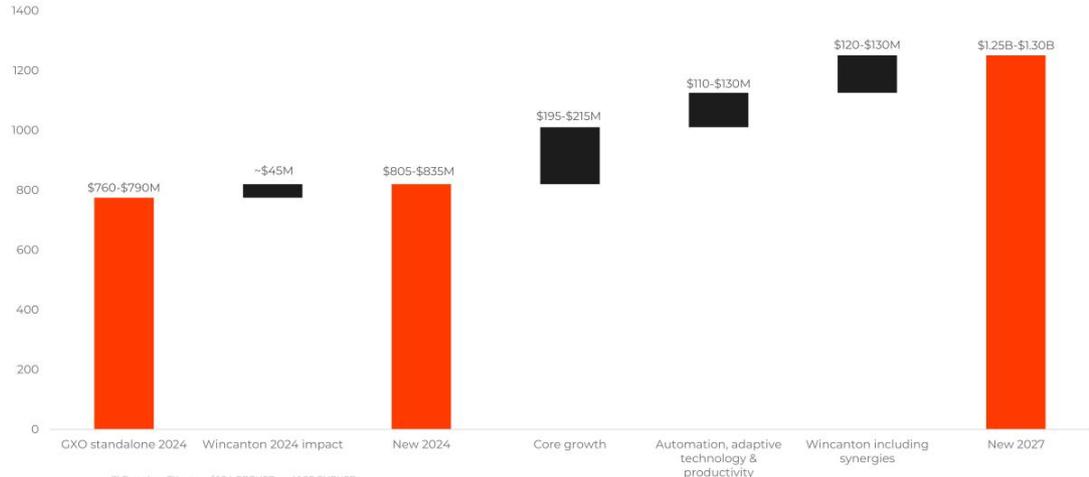
Operating ROIC

(1) Based on FX rates of 1.24 GBP/USD and 1.08 EUR/USD
(2) Refer to the 'Non-GAAP Financial Measures' section on slide 2
(3) CAGR calculated from 31 December 2024 to 31 December 2027

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2024-2027 Adjusted EBITDA bridge^(1,2)



(1) Based on FX rates of 1.24 GBP/USD and 1.08 EUR/USD
 (2) Refer to the 'Non-GAAP Financial Measures' section on slide 2



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