

19 November 2020

Company Announcements

ASX

Via ASX Online

CTI LOGISTICS LIMITED – TRADING UPDATE

CTI Logistics Limited (CTI) revenue growth for this financial year up to 31 October 2020 is 7% up on the previous corresponding period across both the transport and logistics segments. This has been driven by growth in demand for transport and warehousing services due to a number of factors including improved retail sales of CTI customers, increased demand in online volumes and related parcel activity as well as changes in customer supply chains to ensure sufficient product is available close to the point of sale.

The growth in demand, in part driven by additional activity related to COVID, coupled with new opportunities, as well as ongoing cost control measures has seen the EBITDA margin excluding receipts relating to JobKeeper for the financial year to date increase to between 8% and 9% (before accounting for AASB 16 lease adjustments), significantly up on the corresponding period to 31 October 2019 at 6%.

There remains ongoing uncertainty associated with COVID and the varying state-based restrictions and the associated costs that may result, and we remain cautious that trading volumes and activity could slow once all borders open. The safety of our staff, customers and suppliers remains a key priority and significant costs have been incurred to ensure CTI provides a COVID-safe work environment.

The Company continues to generate strong cash flow and continues to invest in information technology to enhance our operating systems and performance, in both transport and warehousing.

The complete financial results for the half year to 31 December 2020 will be released to the market in February 2021.



Owen Venter
COMPANY SECRETARY

This announcement was authorised to be given to the ASX by the CTI Logistics Limited board.