

21 December 2023

Company Announcements
ASX

Via ASX Online

CTI LOGISTICS LIMITED – TRADING UPDATE

CTI Logistics Limited advises that the profit before tax for the half year to 31 December 2023 is expected to be approximately 30% lower when compared to the previous corresponding period for the half year to 31 December 2022.

As reported, the result for the previous corresponding period benefitted from increased demand for premium freight services due to supply chain disruptions and natural disasters, as well as customers incurring additional transport and warehouse storage costs to ensure their product was closer to the point of sale.

The current half year reporting period has seen a normalisation of customer supply chains, consistent with the half year to 30 June 2023, with fewer supply chain disruptions and less consequent demand for premium freight services.

Profit margins for the period have also been impacted by inflationary pressures, with increases in supply-side costs, including greater than expected wage rate rises, increased subcontractor costs, increased property and insurance costs and rising interest rates. As a result, trading volumes and activity could be impacted in the second half of the financial year to 30 June 2024.

The Company continues to generate strong cash flow and plans to complete the development of the remaining land at Hazelmere in Western Australia.

The financial results for the half year to 31 December 2023 will be released to the market in February 2024.



Owen Venter
COMPANY SECRETARY

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