

30 August 2019

Dear Shareholder

The Company has released its results for the 2019 financial year. The Statutory Audited Annual Accounts are now accessible on our website www.ctilogistics.com. The Annual Report to shareholders, with the addition of the Company's Corporate Governance Statement, Chairman's Report and Shareholder Information, will also be available on our website in October. Printed copies will be mailed in October to those shareholders who have not opted to receive their Annual Report by email.

Revenue from operations was up 15.9% to \$212,030,564. Reported profit before tax for the year was \$1,793,863. After adding back the charge for the contingent consideration of \$2,340,000 relating to the purchase of Jayde Transport the profit before tax was \$4,133,863, down 31.7% on a comparable basis with the previous corresponding period after excluding the sale of a non-core property in the previous year of \$293,365. Including the effect of the one-off non-tax deductible contingent consideration, the reported net profit after tax is \$788,074 which represents earnings per share for the year of 1.05 cents. EBITDA for the year, after adding back the contingent consideration, was \$15,210,571, down 5.9% on the previous year.

The Company increased interest bearing debt by \$4,683,107. The increase in debt included funding of the Stirling Freight acquisition and related working capital as well as the contingent consideration paid in February 2019 in respect of the Jayde Transport acquisition and after allowing for the cost of plant, equipment and motor vehicles.

Given the above results for the year, the directors have not declared a final dividend. The total dividend in respect of the 2019 financial year therefore remains at the fully franked 2 cents paid on 17 April 2019.

As advised in our Trading Update release to the ASX on 9 August, our 2019 financial results have been impacted by the state of the economy, particularly in Western Australia, with significant reductions in activity and increased margin pressure across a wide range of clients.

Yours faithfully

David Watson
EXECUTIVE CHAIRMAN