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28 February 2018

CTI Logistics Limited is pleased to attach an updated copy of its corporate presentation used in the promotion of the Company's activities to investors and other interested parties.

A handwritten signature in black ink, appearing to read 'Owen Venter', is positioned above the printed name.

Owen Venter
Company Secretary

December 2017 Half-year Results Presentation



CTI Victoria's new warehousing facility - Truganina

- CTI Logistics Limited is a transport and logistics provider in couriers, parcels, taxi trucks, fleet management, interstate and regional freight, general and contracted warehousing, specialised flooring logistics and security services
- CTI has been a listed public company since 1987 with its transport and logistics origins dating back to 1972
- CTI has more than 750 vehicles on the road ranging from courier vehicles to triple road train combinations

Refer to page 20 for Disclaimer Statement

HY December 2017 Results

The group is pleased to report our December 2017 half year results showing: Revenue up 10.9%, EBITDA up 5.4%, NPBT up 21.5% and EPS up 9.8% after excluding property related adjustments.

These positive results have been achieved despite continued challenging market conditions in WA.

The current and previous half year results include profit on sale of \$0.3m and \$2.9m respectively in respect of the sale of non-core properties in Western Australia.

The group's continued focus over the past two years on "cost down and productivity program" has positioned the Company to generate solid uplifts in margins when the Western Australian economy improves.

Revenue \$87.8m	↑ 10.9%	EBITDA ⁽¹⁾ \$9.5m	↑ 5.4%	NPBT ⁽¹⁾ \$4.5m	↑ 21.5%
NPAT ⁽¹⁾ \$3.0m	↑ 15.7%	EPS ⁽¹⁾ 4.21 cps	↑ 9.8%	DPS 2.00 cps	↑ 14.3%

(1) Excluding property related adjustments

Reconciliation of Net Profit Before Tax	HY Dec 17 \$m	HY Dec 16 \$m
Reported Net Profit		
Before Tax	4.8	6.6
Property related adjustments		
Less: Profit on sale of properties	(0.3)	(2.9)
Profit before tax excluding above adjustments	4.5	3.7

CTI acquires Jayde Transport

On 30 October 2017 the group acquired the business operations and assets of the interstate road, rail and warehousing business trading as Jayde Transport ("Jayde").

The purchase price includes a cash payment of \$6.5m at settlement (funded through borrowings), a deferred payment of \$1m on 30 April 2018 and contingent consideration of up to \$2.85m on or before 15 February 2019.

Jayde has 37 years' experience in interstate road and rail freight services across Australia operating their own depots in Perth, Adelaide and Melbourne, with agency agreements in Sydney, Brisbane and Darwin.

Following the Jayde acquisition the Company now has approximately 60% of its revenues generated within Western Australia and 40% from the Eastern States.



Why Jayde Transport

The acquisition of Jayde Transport is in line with our stated objective of growing a national transport and logistics business in a measured and fiscally responsible way.

Jayde's mature national interstate road and rail freight network provides the group with a solid backbone across the country to support our goal of developing transport and warehousing services in all States. This will be achieved organically and by complementary acquisitions in the same service disciplines we have been providing to clients in Western Australia for 46 years.

These services will include on-demand transport, parcel distribution, e-commerce fulfilment, 3PL warehousing and contracted supply chain logistics.



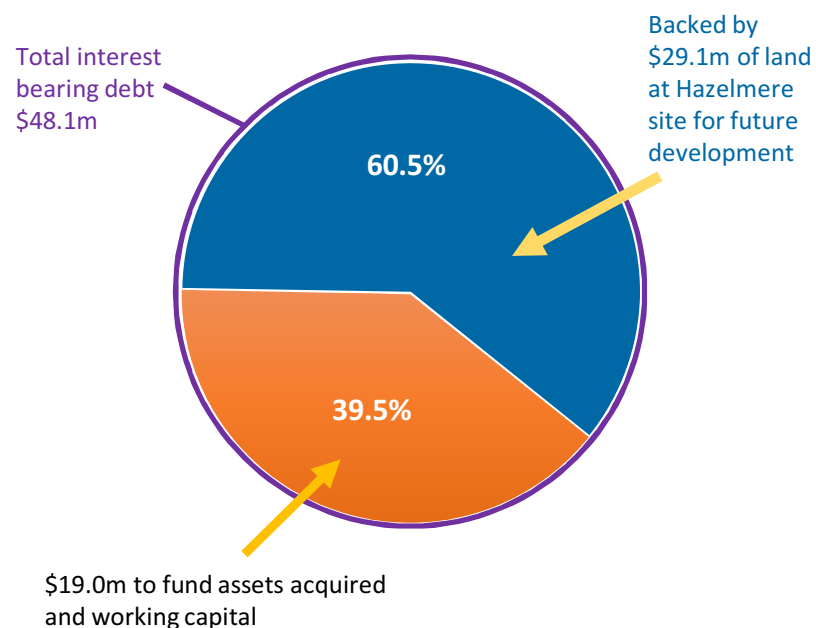
Lower average debt levels

The group generated strong underlying cash flows sufficient to repay \$4.5m of borrowings in the period. Interest has fallen 18% period over period due mainly to lower levels of borrowings in the first half of FY18 consistent with our strategy to lower the overall gearing ratio.

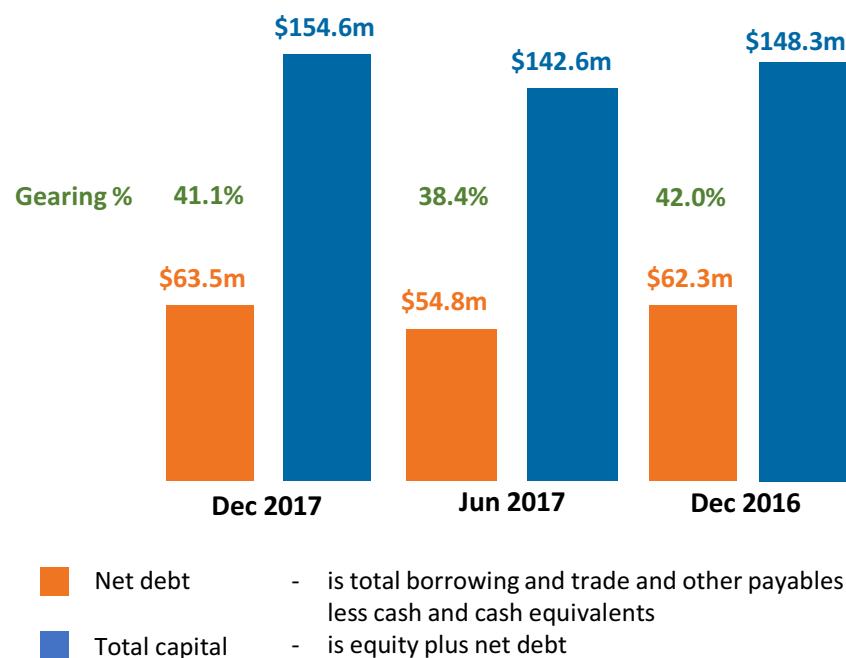
The initial acquisition payment of \$6.5m for Jayde Transport was made from available banking facilities. The group also funded through available cash the working capital requirements for Jayde of \$1.5m as part of ongoing operations.

Including the impact of the Jayde acquisition, the investment in fixed assets, proceeds from the sale of non-core property and the dividend which was funded through a placement, current debt stands at \$48.1m (up from \$44.5m at 30 June 2017), with \$29.1m of that debt relating to the 95,000 square metres of undeveloped land held at Hazelmere, Western Australia. This land adjoins our Company-owned Hazelmere warehousing facility which presently covers 54,000m².

Asset backed lending



Maintaining gearing levels



Property underpinning the share price

The group has always owned a number of properties which over the years have served the Company well by adding strength to the Company's balance sheet.

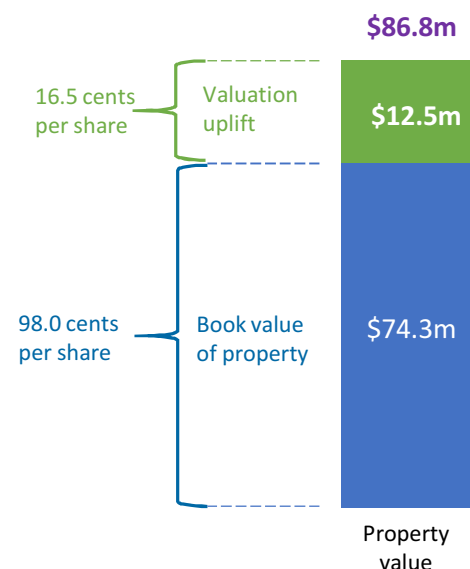
In the half year ending December 2017 the Company sold one of its non-core properties for \$1.6m. The profit was reinvested into the business to facilitate the purchase of Jayde Transport.

The group accounts for its property at cost. At 31 December 2017, the property holdings at book value were \$74.3m, against a valuation of \$86.8m, amounting to a \$12.5m upside difference, equating to 16.5 cents per share.

The business units that operate from Company-owned properties pay commercial lease rates and outgoings.

The group's medium-to-long term plan is to fully develop Hazelmere as a state of the art warehousing and freight hub that will allow the Company to consolidate several complementary business units as leases expire, as well the possible sale of other Company-owned properties, resulting in significant operational efficiency gains and cost savings.

Property backed share price



Property value **114.5 cps**

Share price 27 February 2018 **113.5 cps**

75.8m CTI shares on issue



Financial review



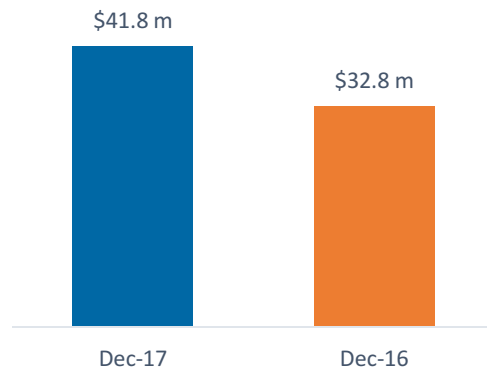
Broome Freighlines - North West WA floods - January 2018

Financial review for Transport Segment

For the half year ended 31 December 2017

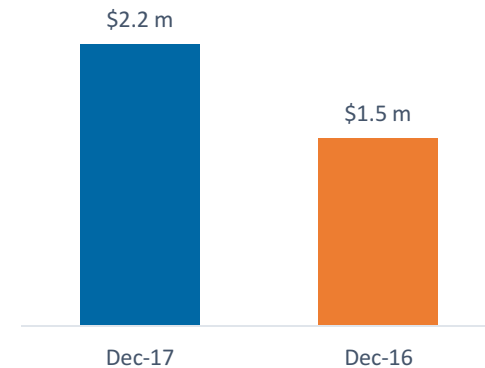
Revenue **\$41.8m**

27.2% up



Net Profit Before Tax **\$2.2m**

50.2% up



Purchase of Jayde Transport on 30 October 2017 has bolstered revenue

Parcel revenue has grown strongly with on-boarding of clients and growth in e-commerce activity

Courier volumes have remained flat

Difficult market conditions have continued in certain sectors in the Western Australian market

Parcel margins have benefitted from increased volume and improved utilisation

Continued focus on efficiency and cost reduction has mitigated impact on margins

Contribution from the Jayde acquisition

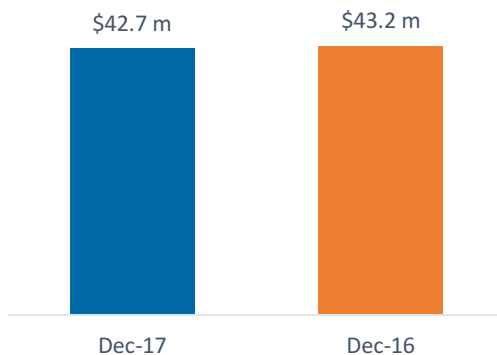
Courier and Taxi Truck margins remain under pressure in Western Australia

Financial review for Logistics Segment

For the half year ended 31 December 2017

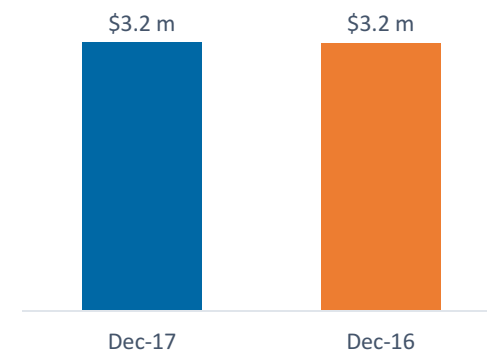
Revenue **\$42.7m**

1.0% down



Net Profit Before Tax **\$3.2m**

0.04% up



Revenue for the segment is marginally down on last year

Lower revenue due to weaker than expected warehousing demand in Western Australia

Minerals and Energy activity declined in line with expectations

Margin pressure from warehouse clients across all sites continues to be a challenge in Western Australia

Increased costs incurred relating to closure of intermodal provider in the period

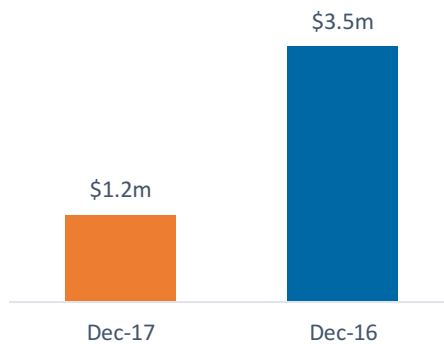
Residual lease costs incurred relating to Minerals and Energy activity

The above has largely been offset by the cost down and productivity gains over the period

Financial review for Property Segment

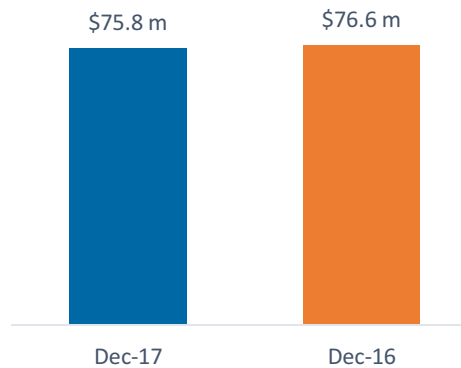
For the half year ended 31 December 2017

Profit **\$1.2m**



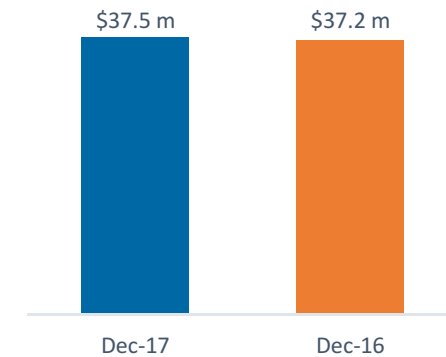
Assets **\$75.8m**

1.1% down



Liabilities **\$37.5m**

0.8% up



Sale of one non-core property in 2017 as well as two non-core properties in 2016.

Profit on sale of \$0.3m and \$2.9m respectively

Sale of non-core property net of depreciation in the period with limited capital improvements in the period

Valuation of properties based on market conditions with no impairments at December 2017

Proceeds on sale of non-core properties have been used to repay bank debt

Consolidated Balance Sheet

For the half year ended 31 December 2017



	Dec-17 \$m	Jun 2017 \$m	Dec 2016 \$m	Commentary
Assets				
Cash and cash equivalents	3.8	4.3	3.8	Strong cash flow generated in the period taking into account Jayde working capital requirements of \$1.5m
Receivables and prepayments	27.5	20.1	23.4	Debtors at December higher than in June due to seasonal nature of the business noting December 2017 includes Jayde receivables not included in December 2016
Inventories	0.2	0.1	0.1	
Income tax receivable	-	-	0.8	
Property held-for-sale	-	1.3	-	Sale of one non-core property in September 2017
Current assets	31.5	25.8	28.2	
Other	0.1	0.1	0.1	
Property, plant & equipment	97.9	96.9	97.7	Additions and Jayde assets of \$1.9m acquired net of depreciation for the period
Investment properties	2.2	2.2	3.6	One remaining non-core investment property
Intangibles	34.9	29.6	29.6	Goodwill, customer relationships and brand names relating to Jayde acquisition net of amortisation of intangible assets in the period
Non-current assets	135.1	128.8	130.9	
Total assets	166.5	154.6	159.1	
Liabilities				
Trade and other payables	19.1	14.6	16.2	Increased trade levels at December, including Jayde liabilities post acquisition along with movements in accruals relating to PAYG, payroll tax and GST
Borrowings	1.8	1.6	1.5	Current portion of financed assets
Current tax liabilities	1.3	1.3	-	
Provisions	4.4	4.2	4.3	Current portion of leave provisions including transferring employees from Jayde
Current liabilities	26.7	21.7	22.0	
Borrowings	46.3	42.9	48.9	Interest bearing debt reduced from proceeds of sale of property and strong cash flow generated in the period
Deferred tax liabilities	0.2	0.7	1.1	
Provisions and other liabilities	2.2	1.5	1.1	Long term portion of leave provisions
Non-current liabilities	48.8	45.2	51.1	
Total liabilities	75.4	66.9	73.1	
Total net assets	91.1	87.8	86.0	
Number of shares on issue	75.8	74.4	70.7	1.2m shares issued in Nov 17 for DRP, BSP and placement for dividend as well as 0.2m contingent issuable shares under Employee Share Plan

Corporate Dashboard



	Shareholders at 31 January 2018	Number of FPO	Percentage of Issued Capital (%)
1	David R Watson	25,324,082	33.42%
2	JP Morgan Nominees Australia Ltd	8,455,067	11.16%
3	Simon Dirk Kenworthy-Groen	3,906,399	5.15%
4	David A Mellor	3,694,319	4.87%
5	Bruce E Saxild	3,329,793	4.39%
6	Parmelia Pty Ltd	3,274,634	4.32%
7	HSBC Custody Nominees Ltd	2,874,598	3.79%
8	Dixson Trust Pty Ltd	1,686,633	2.23%
9	Bond Street Custodians Ltd	855,468	1.13%
10	Coram Pty Ltd	615,729	0.81%
	Other	21,764,567	28.72%
	Total	75,781,289	100.00%

Corporate Information

ASX Code	CLX
Shares on Issue	75.8M
Options on Issue	Nil
Share Price at 27 February 2018	\$1.135
Market Capitalisation	\$86.01M

CTI Logistics Limited – share price trading volume



Movement in Share Capital

	Movement	Total
At 30 June 2016		70.7M
January 2017 – Employee Share Plan	0.3M	71.0M
April 2017 – BSB and DRP	0.2M	71.2M
May 2017 – Share issue	3.2M	74.4M
At 30 June 2017		74.4M
November 2017 – BSB and DRP	0.2M	74.6M
November 2017 – Share issue	1.0M	75.6M
December 2017 – Employee Share Plan	0.2M	75.8M
At 31 December 2017		75.8M

FY18 first-half highlights

- **Reduced debt by \$4.5m** – interest down 18% period over period
- **GMK Logistics** - completed Stage 2 of GMK's Gregory Hills (New South Wales) 3PL facility – adding an additional 6,300m² warehousing capacity to support current clients' demand and new opportunities
- **Jayde Transport** - successfully integrated Jayde Transport into the CTI group
- **CTI Victoria** - entered into an agreement to lease a new 15,000m² fit-for-purpose warehousing facility in Truganina, Victoria – majority of lease cost already underwritten by several clients
- **CTI South Australia** - successfully on-boarded a significant global wine group into our CTI South Australia warehouse
- **CTI New South Wales** - entered into an agreement with a global tyre manufacturer to take over their Sydney warehousing operations – commencement date April 18



FY18 second-half initiatives

- Continue to assess and execute value-adding acquisitions
- Expand and strengthen the Western Australian regional freight network
- Focus on extracting savings and improved margins by better utilisation of assets across the group
- Establish Brisbane and Sydney depot for Jayde Transport (currently handled by agents)
- Organically build our local transport footprint in South Australia and Victoria
- Continue cost saving and sustainable productivity initiatives across all business units



Couriers

- On demand express services
- Technical courier services (eftpos and computer swap outs)
- Vehicles range from pushbikes in the CBD to two tonne capacity

Taxi Trucks

- On demand express services
- Exclusive hourly hire services
- Vehicles range from two tonne capacity through to semi-trailers

Parcels

- Same day and overnight distribution
- E-commerce "last mile" home delivery system
- Two and four runs a day services



Interstate Freight Services

- Scheduled road and rail services to and from Perth, Adelaide, Melbourne, Sydney and Brisbane

Regional Freight

- Scheduled line-haul services to the South West and North West of Western Australia
- Vehicles range from rigid to triple road trains

Specialised Transport

- Rail and wharf container transport
- Truck mounted cranes
- Tail lift vehicles
- Hot shot services

Fleet Management

- Provision of dedicated trucks and trailers on permanent hire



Warehousing and Distribution

- Third party and overflow warehousing
- Contracted distribution centre services
- Pick and pack handling
- Bulk products storage
- Temperature-controlled storage and distribution
- Wine storage and stock management
- Food product storage
- Temperature-controlled delivery



Minerals and Energy Logistics

- Supply base warehousing and asset management
- Labour hire
- Plant and equipment hire
- Quarantine cleaning and fumigation
- Pest control
- Plant and equipment preservation wrapping



Security

- Installation and servicing of monitored alarms, CCTV and access control products for residential and commercial markets
- ASIAL graded A1 24/7 control room monitoring of alarms, lone worker, medical alerts and CCTV video verification for own clients and third party security businesses



Document Storage and Destruction

- Secure storage of documents, computer media and mineral samples
- Cataloguing of documents
- Supervised destruction of documents and computer media



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Transport



Logistics



Security Services

