

26 February 2021

Dear Shareholder

The Company has released its results for the six months to 31 December 2020.

Revenue from operations was up 8% to \$118,618,178. The result from operating activities excluding depreciation and amortisation expense ("EBITDA") for the half year was \$12,148,188 (excluding the impacts of AASB 16 Leases of \$7,601,331), up 75% on the previous corresponding period. This resulted in profit after tax of \$5,202,058 (6.93 cents per share) up 362% on the previous corresponding period. Between July and September the group received \$1,312,500 in JobKeeper payments and we were able to retain full employment.

As advised in the Trading Update released to the ASX on 19 November 2020, our half year results have been driven by growing demand for transport and logistics services across Australia due to a number of factors including improving retail sales of CTI customers, increasing demand in online volumes, additional activity related to COVID as well as ongoing cost control measures, in part off-set by inefficiencies due to the various state lockdowns, extreme driver shortages in Perth and supply chain disruption including interstate rail delays and cancellations in particular into WA.

The Company generated strong cash flows during the period and while maintaining significant cash liquidity has directed cash flows to targeted business investment and long-term debt reduction of \$7,770,000. The Company's net assets increased by 6.4% compared with the prior corresponding period, from \$81,614,185 to \$86,814,818, which is largely attributable to the current period's profit after tax.

As a consequence of the strong operating results, in particular towards the end of the period, the directors have declared a fully franked interim dividend of 2 cents per share payable on 28 April 2021.

Yours faithfully



David Watson
EXECUTIVE CHAIRMAN

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