

CTI Logistics Limited

ABN 69 008 778 925

Appendix 4D Half Year Financial Report

Half year ended 31 December 2025

For announcement to the market

Extracts from this report for announcement to the market

\$A'000

Revenue		Up	7.56 %	to	\$178,445
Profit from ordinary activities after tax attributable to members		UP	80.30%	to	\$12,818
Net profit for the period attributable to members		Up	80.30%	to	\$12,818
Dividends		Amount per security		Franked amount per security	
Final dividend	Year ended 30 June 2025	5.5 cents		5.5 cents	
	Previous corresponding period	5.5 cents		5.5 cents	
Interim dividend	Current period	6.0 cents		6.0 cents	
	Previous corresponding period	5.0 cents		5.0 cents	
+Record date for determining entitlements to the dividend			19 March 2026		

NTA backing

	31 December 2025	30 June 2025
Net tangible asset backing per ordinary security	144.49 cents	134.00 cents

Dividend

Details of dividends declared or paid during or subsequent to the period ended 31 December 2025 are as follows:

	Payment date	Amount per security	Total dividend	Franked amount per security
Final dividend – year ended 30 June 2025 (fully franked at 30%)	2 October 2025	5.5 cents	\$4,305,664	5.5 cents
Interim dividend – Current period (fully franked at 30%)	31 March 2026	6.0 cents	\$4,709,821	6.0 cents

A Dividend Re-investment Plan and Bonus Share Plan are currently in operation.

Controlled entities acquired or disposed of

There were no acquisitions or disposals of controlled entities during the current period.

CTI Logistics Limited

ABN 69 008 778 925

Half Year Financial Report - 31 December 2025

Lodged with the ASX under Listing Rule 4.2A

This half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by CTI Logistics Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Directors' Report

Your directors present their report on the Group consisting of CTI Logistics Limited (Company) and the entities it controlled during the half year ended 31 December 2025 and the independent auditor's review report thereon.

Directors

Directors of the Company in office during the half year and up to the date of this report are:

David Robert Watson (Chairman)
David Anderson Mellor
Bruce Edmond Saxild
Owen Roy Venter
Matthew David Watson
William Edward Moncrieff
Roger Maitland Port

Principal activities of the Group

The principal activities of the Group during the half year were the provision of logistics and transport services and the provision of security services.

Review of operations and results

The Group is a national transport and logistics provider. Transport operations cover couriers and taxi trucks, business-to-business (B2B) and business-to-customer (B2C) parcel distribution, container handling, fleet management, WA regional road freight and interstate road and rail freight. Logistics includes third party logistics (3PL), offsite fourth party logistics (4PL), supply chain and distribution centre (DC) warehousing, flooring products logistics, e-commerce fulfilment, temperature-controlled warehousing, minerals and energy supply base services, quarantine and preservation wrapping and fumigation, document storage, media destruction and recycling. The Group also has a security business providing installation, maintenance and monitoring of alarms, CCTV visual verification and lone worker protection.

The current half year reporting period has seen an increase in customer demand across both transport and logistics with stronger than expected volumes experienced towards the end of the reporting period when compared to the previous corresponding period.

Revenue from operations for the half year ended 31 December 2025 was up 7.6% to \$178.4m from the previous corresponding period. The results from operating activities before depreciation and amortisation expense (EBITDA) and excluding the reversal of an impairment relating to freehold land of \$2.1m amounted to \$35.5m which was up 25.2% on the previous corresponding period.

The profit before tax for the half year ended 31 December 2025 of \$15.3m after excluding the reversal of the \$2.1m impairment was up 64.2% on the previous corresponding period. This result was driven by stronger revenue demand across all freight services, as well as the expansion of operations and project work in Western Australia, combined with increased efficiency in operations, improved utilisation of our transport fleet and an ongoing focus on cost control.

The Group generated strong operating cash flows during the period while maintaining significant cash liquidity. The Group invested \$9.0m on vehicle and equipment upgrades in the period and the development of the 10,000sqm facility in Hazelmere WA has now been completed.

The Group's net assets have increased by 7.0% compared with 30 June 2025, up from \$128.5m to \$137.4m, which is largely attributable to the half year profit after income tax, net of dividend distributions.

The Group has historically invested in owner-occupied property for its WA operations, which has generated significant returns through capital appreciation and operational efficiencies. Property assets are recognised on the balance sheet at historical cost less accumulated depreciation. The Group also obtains independent external valuations for bank mortgage purposes on a rolling 3-year basis for material owned properties. Property values of the property assets have increased to \$184.1m, representing a significant value premium of \$71.7m or 64% above the reported carrying value as at 31 December 2025. The property assets support a strong balance sheet to pursue further growth and underpin the current share price.

Considering the strong operating results, the directors have declared an interim dividend of 6.0 cents per share fully franked, payable on 31 March 2026.

Forecasting the operating environment and outlook remains difficult, however we remain positive on the freight industry as Australia's population, regional development and online spending continue to grow. We expect continued consolidation within the transport industry as operators pursue growth and scale. The Group continues to evaluate synergistic acquisition prospects and is well positioned to capture growth opportunities following recent national capacity expansions and substantial investments in property, vehicles and equipment.

Dividends

Dividends paid or declared by the Company to members:

	Cents per share	Total amount	Franked	Date of payment
Declared and paid during the half year				
Final 2025 - ordinary	5.5	\$4,305,815	Fully Franked	2 October 2025
Declared after end of half year				
Interim 2026 - ordinary	6.0	\$4,709,821	Fully Franked	31 March 2026

The financial effect of this post half year dividend has not been brought to account in the financial statements for the half year ended 31 December 2025 and will be recognised in subsequent financial reports.

Changes in the state of affairs

No other significant changes in the state of affairs of the Group have occurred.

Subsequent events

Subsequent to the end of the period the Group has acquired an additional property in Karratha, Western Australia for \$5,750,000, excluding stamp duty. This property is adjacent to the property currently owned by the Group and has been purchased as part of the strategic expansion and development of the regional transport business in Western Australia.

Aside from the above, the directors are not aware of any other matters or circumstances not otherwise dealt with in this half year report that have significantly or may significantly affect the operations of the Group, the results of those operations, or the affairs of the Group in subsequent financial years.

Likely developments

The major objectives encompassed in the Business Plan of the Group are:

- expansion of existing operations by targeted marketing and by acquisition;
- establishment or acquisition of businesses in fields related to or compatible with the Group's existing core operations; and
- to maximise the profits and returns to shareholders by constant review of existing operations.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 4 and forms part of the directors' report for the half year ended 31 December 2025.

This report is made in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'D. Watson', is positioned above the printed name and title of the Executive Chairman.

DAVID WATSON
Executive Chairman

Perth, WA
25 February 2026



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of CTI Logistics Limited

I declare that, to the best of my knowledge and belief, in relation to the review of the Half-year Financial Report of CTI Logistics Limited for the half-year ended 31 December 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A stylized, handwritten-style 'KPMG' logo in blue ink.

KPMG

A handwritten signature in blue ink, appearing to read 'Ryan Hastie'.

Ryan Hastie

Partner

Perth

25 February 2026

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Condensed consolidated statement of profit or loss and other comprehensive income for the half year ended 31 December 2025

	Notes	2025 \$	2024 \$
Revenue		178,444,861	165,899,919
Other income		678,257	593,403
Raw materials and consumables used		(797,739)	(699,888)
Employee benefits expense		(53,676,588)	(49,951,417)
Subcontractor and freight costs*		(62,727,277)	(63,529,229)
Depreciation and amortisation expense		(16,094,300)	(15,245,330)
Motor vehicle and equipment costs*		(10,496,669)	(10,092,992)
Reversal of prior impairment	3	2,055,780	-
Property costs		(5,225,661)	(4,741,476)
Other expenses		(10,702,019)	(9,128,088)
Results from operating activities		<u>21,458,645</u>	<u>13,104,902</u>
Finance income		98,191	92,622
Finance expense		(4,196,014)	(3,880,239)
Net finance costs		<u>(4,097,823)</u>	<u>(3,787,617)</u>
Profit before income tax		17,360,822	9,317,285
Income tax expense	8	<u>(4,543,181)</u>	<u>(2,208,411)</u>
Profit for the half year		<u>12,817,641</u>	<u>7,108,874</u>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Equity investments at FVOCI – net change in fair value		<u>8,308</u>	<u>3,671</u>
Total comprehensive income for the half year		<u>12,825,949</u>	<u>7,112,545</u>
		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the Company			
Basic earnings per share	7c	16.35	9.15
Diluted earnings per share	7c	16.19	9.08

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**Prior period balance has been reclassified to align with current period classification.*

Condensed consolidated statement of financial position as at 31 December 2025

	Notes	31 December 2025 \$	30 June 2025 \$
ASSETS			
Current assets			
Cash and cash equivalents		7,797,815	10,542,613
Trade and other receivables		44,061,640	42,619,412
Inventories		151,331	199,084
Total current assets		52,010,786	53,361,109
Non-current assets			
Other investments		68,133	56,265
Property, plant and equipment	3	160,147,166	154,727,062
Right-of-use assets	5	77,745,478	76,236,313
Investment properties		2,207,021	2,207,021
Deferred tax assets		4,242,908	2,797,341
Intangible assets	4	24,003,622	23,585,760
Total non-current assets		268,414,328	259,609,762
Total assets		320,425,114	312,970,871
LIABILITIES			
Current liabilities			
Trade and other payables		21,914,783	27,246,862
Lease liabilities		19,021,264	18,555,650
Current tax liabilities		1,587,740	1,235,686
Employee benefits provision		11,634,094	10,639,124
Total current liabilities		54,157,881	57,677,322
Non-current liabilities			
Lease liabilities		73,561,402	70,363,294
Loans and borrowings	6	53,010,832	54,065,832
Employee benefits provision		2,267,799	2,372,683
Total non-current liabilities		128,840,033	126,801,809
Total liabilities		182,997,914	184,479,131
Net assets		137,427,200	128,491,740
EQUITY			
Contributed equity	7a	31,668,034	31,327,019
Reserves		1,745,726	1,681,958
Retained profits		104,013,440	95,482,763
Total equity		137,427,200	128,491,740

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed consolidated statement of changes in equity for the half year ended 31 December 2025

Consolidated	Contributed equity \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2024	30,321,136	1,842,352	89,276,887	121,440,375
Total comprehensive income for the half year	-	3,671	7,108,874	7,112,545
Transactions with equity holders in their capacity as equity holders:				
Contingently issuable shares exercised	94,135	(164,065)	164,065	94,135
Dividends provided for or paid	467,391	-	(4,263,716)	(3,796,325)
Balance at 31 December 2024	<u>30,882,662</u>	<u>1,681,958</u>	<u>92,286,110</u>	<u>124,850,730</u>
Balance at 1 July 2025	31,327,019	1,681,958	95,482,763	128,491,740
Total comprehensive income for the half year	-	8,308	12,817,641	12,825,949
Transactions with equity holders in their capacity as equity holders:				
Contingently issuable shares exercised	21,750	(18,700)	18,700	21,750
Share-based payment transactions	7(b) -	74,160	-	74,160
Dividends provided for or paid	319,265	-	(4,305,664)	(3,986,399)
Balance at 31 December 2025	<u>31,668,034</u>	<u>1,745,726</u>	<u>104,013,440</u>	<u>137,427,200</u>

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed consolidated statement of cash flows for the half year ended 31 December 2025

	2025 \$	2024 \$
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	196,179,823	183,963,326
Payments to suppliers and employees (inclusive of goods and services tax)	(167,029,640)	(160,724,813)
	29,150,183	23,238,513
Interest received	98,191	92,622
Dividends received	1,311	1,242
Interest paid	(4,061,601)	(3,748,897)
Income taxes paid	(5,640,253)	(5,426,691)
Net cash inflow from operating activities	19,547,831	14,156,789
Cash flows from investing activities		
Payments for property, plant and equipment and intangibles	(10,327,495)	(20,057,856)
Proceeds from sale of property, plant and equipment	771,206	555,240
Net cash outflow from investing activities	(9,556,289)	(19,502,616)
Cash flows from financing activities		
Proceeds from borrowings and lease liabilities	14,444,400	19,679,251
Proceeds from exercise of contingently issuable shares	21,750	94,135
Repayment of borrowings	(14,000,000)	(6,500,000)
Repayment of lease liabilities	(9,216,091)	(7,998,087)
Dividend paid to Company's shareholders net of dividend reinvestment/bonus share plan shares issued	(3,986,399)	(3,796,325)
Net cash (outflow)/inflow from financing activities	(12,736,340)	1,478,974
Net decrease in cash and cash equivalents	(2,744,798)	(3,866,853)
Cash and cash equivalents at the beginning of the half year	10,542,613	10,395,674
Cash and cash equivalents at the end of the half year	7,797,815	6,528,821

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION OF HALF YEAR FINANCIAL REPORT

This general purpose financial report for the half year reporting period ended 31 December 2025 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. CTI Logistics Limited and its subsidiaries (together referred to as the “Group”) is a for-profit entity.

This condensed interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by CTI Logistics Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2025.

Reclassification of prior year data

The Group has reclassified some expenditure items in the statement of profit or loss in the current period. Certain comparative information has been re-presented so it is in conformity with the current period classification.

2. SEGMENT INFORMATION

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the Group’s Executive Chairman.

The Group’s Executive Chairman considers the business from a product and services perspective and has identified three reportable segments: transport, logistics and property.

The reportable segments include the following operations:

- Transport services - includes the provision of courier, taxi truck, parcel distribution, fleet management and line haul freight.
- Logistics - includes the provision of warehousing and distribution, specialised flooring logistics, supply based management services and document storage services.
- Property - rental of owner-occupied and investment property.

Other segments include the provision of security services. These segments do not meet any of the quantitative thresholds for determining reportable segments.

The Group’s Executive Chairman assesses the performance of the operating segments based on segment profit before income tax.

2. SEGMENT INFORMATION (continued)

(b) Information about reportable segments

The segment information provided to the Group's Executive Chairman for the reportable segments for the half year ended 31 December 2025 is as follows:

	Transport	Logistics	Property	Other	Reconciling/ unallocated	Total
Half year 2025	\$	\$	\$	\$	\$	\$
External revenues	106,760,788	67,941,032	62,654	3,679,076	1,311	178,444,861
Intra and inter-segment revenue	22,154,986	24,083	4,934,568	359,473	(27,473,110)	-
Interest expense	964,860	2,359,571	990,895	16,956	(270,681)	4,061,601
Depreciation and amortisation	5,598,521	8,929,280	784,688	260,063	521,748	16,094,300
Reversal of prior impairment	-	-	2,055,780	-	-	2,055,780
Total segment profit before income tax	10,883,251	3,336,354	4,177,445	339,368	(1,375,596)	17,360,822
31 December 2025						
Total segment assets	73,713,869	114,735,059	114,149,730	3,329,469	14,496,987	320,425,114
Total segment liabilities	33,594,050	88,685,354	45,526,275	2,161,309	13,030,926	182,997,914
Half year 2024						
External revenues	98,748,591	63,555,833	79,062	3,514,236	2,197	165,899,919
Intra and inter-segment revenue	19,084,823	20,221	4,699,042	346,379	(24,150,465)	-
Interest expense	832,465	2,253,346	530,050	-	145,008	3,760,869
Depreciation and amortisation	5,268,096	8,542,219	782,508	235,162	417,345	15,245,330
Total segment profit before income tax	4,590,645	3,147,580	2,222,689	200,265	(843,894)	9,317,285
30 June 2025						
Total segment assets	71,619,497	111,087,596	111,062,961	3,247,452	15,953,365	312,970,871
Total segment liabilities	37,294,007	87,013,021	44,648,286	2,502,314	13,021,503	184,479,131

CTI LOGISTICS LIMITED
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3. PROPERTY, PLANT AND EQUIPMENT

Consolidated	Freehold land \$	Freehold buildings \$	Plant and equipment \$	Motor vehicles \$	Total \$
At 1 July 2025					
Cost	45,499,191	80,706,992	39,268,900	59,483,694	224,958,777
Accumulated impairment	(2,655,780)	-	-	-	(2,655,780)
Accumulated depreciation	-	(12,888,185)	(24,772,460)	(29,915,290)	(67,575,935)
Net book amount	42,843,411	67,818,807	14,496,440	29,568,404	154,727,062
Half year ended 31 December 2025					
Opening net book value	42,843,411	67,818,807	14,496,440	29,568,404	154,727,062
Additions	-	781,299	2,224,181	6,769,677	9,775,157
Disposals	-	-	(2,411)	(324,156)	(326,567)
Reversal of impairment*	2,055,780	-	-	-	2,055,780
Depreciation charge	-	(1,090,632)	(1,800,961)	(3,192,673)	(6,084,266)
Closing net book amount	44,899,191	67,509,474	14,917,249	32,821,252	160,147,166
At 31 December 2025					
Cost	45,499,191	81,488,291	40,825,894	63,048,640	230,862,016
Accumulated impairment	(600,000)	-	-	-	(600,000)
Accumulated depreciation	-	(13,978,817)	(25,908,645)	(30,227,388)	(70,114,850)
Net book amount	44,899,191	67,509,474	14,917,249	32,821,252	160,147,166

*During the period construction of the new 10,000 sqm facility adjoining the Regional Freight hub at Hazelmere reached practical completion. During the year ended 30 June 2020, the land associated with the new facility was valued and as a result an impairment of \$2,055,780 recognised. For the period ended 31 December 2025 management obtained an independent valuation of the newly developed facility, which confirmed that the current value of the land and building exceeds its original cost. As such, the full amount of the original impairment on this land, being \$2,055,780, has been reversed.

Freehold land and buildings include properties owned by the Group throughout Western Australia. These properties are included in the financial statements at 31 December 2025 at \$112,408,665 (30 June 2025: \$110,662,218), being historical cost less accumulated depreciation and historical impairment charges. On a rolling 3-year basis properties owned by the Group are valued by independent external valuation experts. These valuations may be completed for bank mortgage purposes as part of compliance with bank lending facilities, or commissioned by management for internal purposes, such as assessing inter-segment rental charges.

Based on the external valuations obtained in the current and prior periods, the total value of the Group's properties is \$184,138,225 (30 June 2025: \$174,541,432) representing an additional \$71,729,560 (30 June 2025: \$63,879,214) of value above the recognised carrying value of these properties at 31 December 2025.

CTI LOGISTICS LIMITED
Half year financial report
31 December 2025

4. INTANGIBLE ASSETS

Consolidated	Goodwill	Trade names	Customer relationships	Security lines	Software	Total
	\$	\$	\$	\$	\$	\$
At 1 July 2025						
Cost	26,461,029	3,726,914	9,178,756	1,821,451	2,250,207	43,438,357
Accumulated impairment	(3,074,710)	-	-	-	-	(3,074,710)
Accumulated amortisation	-	(3,688,783)	(9,178,756)	(1,661,338)	(2,249,010)	(16,777,887)
Net book amount	<u>23,386,319</u>	<u>38,131</u>	<u>-</u>	<u>160,113</u>	<u>1,197</u>	<u>23,585,760</u>
Half year ended 31 December 2025						
Opening net book amount	23,386,319	38,131	-	160,113	1,197	23,585,760
Additions	-	-	381,734	40,900	129,704	552,338
Amortisation charge	-	(38,131)	(25,518)	(32,359)	(38,468)	(134,476)
Closing net book amount	<u>23,386,319</u>	<u>-</u>	<u>356,216</u>	<u>168,654</u>	<u>92,433</u>	<u>24,003,622</u>
At 31 December 2025						
Cost	26,461,029	3,726,914	9,560,490	1,862,351	2,379,911	43,990,695
Accumulated impairment	(3,074,710)	-	-	-	-	(3,074,710)
Accumulated amortisation	-	(3,726,914)	(9,204,274)	(1,693,697)	(2,287,478)	(16,912,363)
Net book amount	<u>23,386,319</u>	<u>-</u>	<u>356,216</u>	<u>168,654</u>	<u>92,433</u>	<u>24,003,622</u>

5. RIGHT-OF-USE ASSETS

Consolidated	Land and buildings	Plant and equipment	Total
	\$	\$	\$
At 1 July 2025			
Cost	130,630,872	11,973,999	142,604,871
Accumulated depreciation	(59,718,692)	(6,649,866)	(66,368,558)
Net book amount	<u>70,912,180</u>	<u>5,324,133</u>	<u>76,236,313</u>
Half year ended 31 December 2025			
Opening net book value	70,912,180	5,324,133	76,236,313
Additions	11,535,451	-	11,535,451
Disposals	(150,728)	-	(150,728)
Depreciation charge	(8,693,027)	(1,182,531)	(9,875,558)
Closing net book amount	<u>73,603,876</u>	<u>4,141,602</u>	<u>77,745,478</u>
At 31 December 2025			
Cost	142,015,595	11,973,999	153,989,594
Accumulated depreciation	(68,411,719)	(7,832,397)	(76,244,116)
Net book amount	<u>73,603,876</u>	<u>4,141,602</u>	<u>77,745,478</u>

6. LOANS AND BORROWINGS

At the reporting date the Group had the following outstanding loans and borrowings:

	31 December 2025	30 June 2025
	\$	\$
Bank loans	38,500,000	39,905,000
Other borrowings	14,510,832	14,160,832
Total borrowings (Non-current)	<u>53,010,832</u>	<u>54,065,832</u>
Undrawn bank loan facilities	14,383,000	13,322,623

The undrawn bank loan facilities may be drawn at any time subject to the continuance of satisfactory credit ratings and are also subject to annual review.

Other borrowings relate to the construction of a warehouse on the vacant land in Hazelmere funded by a third party financier. The loan is drawn down based on the stage of completion of construction, with the total loan facility to be \$14,710,160, repayable 3 years from completion. Interest is payable at a fixed rate of 5.36% per annum.

The undrawn portion of this loan facility has not been included in the undrawn bank loan facilities amounts above as it can only be drawn for payment of construction invoices and cannot be freely drawn by the Group.

7. CAPITAL AND RESERVES

(a) EQUITY SECURITIES

Contributed equity of \$31,668,034 (30 June 2025: \$31,327,019) represents shares on issue of 78,497,017 (30 June 2025: 78,287,555).

At 31 December 2025 there were 2,222,000 (30 June 2025 – 2,257,000) contingently issuable shares relating to shares issued under the Company's Employee Share Plan ("ESP"). During the period 35,000 (2024 – 215,000) of the previously vested contingently issuable shares were issued as a result of the exercise of options relating to these shares.

(b) SHARE-BASED PAYMENT

Employee Share Plan

During the period the Company offered certain senior employees the opportunity to receive Performance Rights (Rights) under the Company's ESP. Subject to the applicable vesting conditions being satisfied, each Right will be automatically exercised resulting in the issue for no consideration of one fully paid ordinary share in the Company.

7. CAPITAL AND RESERVES (continued)

(b) SHARE-BASED PAYMENT (continued)

The key terms and conditions related to the grant of these Rights under the ESP are as follows:

Grant Date	Number of instruments	Vesting conditions	Expiry date
1 September 2025	316,500	3 years' service from 1 July 2025 and achievement of annual individual performance requirements. Up to 126,600 of the Rights will vest based on Relative Total Shareholder Return (RTSR) being equal to or up to 5% greater than the Small Ordinary Accumulation Index over the performance period. Up to 189,900 of the Rights will vest based on Earnings per Share (EPS) compounded annual growth being between 3% and 5% over the performance period.	31 December 2028

The Rights will vest on a sliding scale with 50% of the Rights vesting on achieving the minimum RTSR or EPS and up to 100% vesting on achieving or exceeding the upper targets. The Board also holds discretion to waive the performance conditions and vest up to 50% of the Rights.

Measurement of fair values

The fair value of the Rights granted under the ESP for subject to the market based RTSR vesting condition were measured using a Monte Carlo simulation. The fair value of Rights subject to the EPS growth rate vesting condition were measured based on the Black-Scholes formula. Expected volatility is estimated by considering historic average share price volatility over a period commensurate with the term.

The inputs used in the measurement of the fair values at grant date of the share-based payment plan were as follows.

	Performance rights Senior employees 2025
Fair value at grant date	\$0.92 - \$1.665
Share price at grant date	\$1.86
Exercise price	Nil
Expected volatility (weighted average)	30%
Term	3 years
Risk-free interest rate	3.4%
Fair value recognised as remuneration during the period	\$74,160

There were no shares issued under the ESP in the prior period.

7. CAPITAL AND RESERVES (continued)

(c) EARNINGS PER SHARE

The calculation of basic and diluted earnings per share at 31 December 2025 are as follows:

	2025	2024
(i) Basic earnings per share	16.35 cents	9.15 cents
Profit attributable to ordinary shareholders	12,817,641	\$7,108,874
Weighted average number of shares	78,379,544	77,721,972
(ii) Diluted earnings per share	16.19 cents	9.08 cents
Profit attributable to ordinary shareholders (diluted)	12,817,641	\$7,108,874
<i>Weighted average number of shares (diluted)</i>		
Weighted average number of shares (basic)	78,379,544	77,721,972
The effect of the vesting of contingently issuable shares	812,677	546,356
Weighted average number of shares (diluted) at 31 December	<u>79,192,221</u>	<u>78,268,328</u>

The average market value of the Company's shares for the purposes of calculating the dilutive effect of the vesting of contingently issuable shares was based on quoted market prices for the period during which the contingently issuable shares were outstanding.

(d) DIVIDENDS

Dividends not recognised at the end of the reporting period

Subsequent to the end of the period the directors have declared an interim dividend of 6.0 cents per fully paid ordinary share, (2024 – 5.0 cents) fully franked based on income tax paid at 30%. The aggregate amount of the proposed dividend to be paid on 31 March 2026 out of retained profits at 31 December 2025, but not recognised as a liability at period end, is \$4,709,821 (30 June 2025 - \$4,305,815).

8. INCOME TAX EXPENSE

The group's consolidated effective tax rate in respect of continuing operations for the six months ended 31 December 2025 was 26% (2024: 24%). The change in effective tax rate was driven by:

- Adjustment for prior period under provision of \$196,550 (2024: over provision - \$508,915)
- Reversal of prior impairment of land has no tax effect.

9. COMMITMENTS

Capital commitments contracted for at the reporting date but not recognised as liabilities relate to plant and equipment purchases of \$3,258,631 (30 June 2025 - plant and equipment purchases of \$3,726,884). The commitments are payable within one year.

10. SUBSEQUENT EVENTS

Subsequent to the end of the period the Group has acquired an additional property in Karratha, Western Australia for \$5,750,000, excluding stamp duty. This property is adjacent to the property currently owned by the Group and has been purchased as part of the strategic expansion and development of the regional transport business in Western Australia. There were no other material subsequent events that have occurred since the end of the half year.

Directors' Declaration

In the opinion of the directors of CTI Logistics Limited:

- (a) the consolidated financial statements and notes that are set out on pages 6 to 16 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



DAVID WATSON
Executive Chairman

Perth, WA
25 February 2026



Independent Auditor's Review Report

To the shareholders of CTI Logistics Limited

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of CTI Logistics Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of CTI Logistics Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Condensed consolidated statement of financial position as at 31 December 2025;
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the half-year ended on that date
- Notes 1 to 10 comprising material accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises CTI Logistics Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The KPMG logo, consisting of the letters 'KPMG' in a stylized, blue, sans-serif font.

KPMG

A handwritten signature in blue ink, appearing to read 'Ryan Hastie'.

Ryan Hastie

Partner

Perth

25 February 2026