

Silk Logistics Holdings commences trading on the ASX

Highlights

- Silk Logistics Holdings Limited ('Silk', 'SLH' or the 'Company') lists on the Australian Securities Exchange ('ASX') today under code SLH after completing a \$70.0 million Initial Public Offering ('IPO' or 'Offer') at \$2.00 per share.
- Silk is an Australian-owned logistics business providing a technology enabled, 'port-to-door' service to some of the world's best-known brands.
- The Company generated total pro forma revenue of \$258.4 million in FY20, delivering compound annual growth of 19.0% for the prior six-year period.

Silk Logistics Holdings Limited commences trading on the ASX today following the completion of a well supported IPO. The Offer of \$70.0 million consists of a primary raise of \$10.0 million and a secondary raise of \$60.0 million to facilitate the partial equity sell-down of Silk's longstanding financial partner and investor, Tor Investment Management.

The IPO received strong support from institutional and retail investors, achieving a market capitalisation of \$151.0 million at the time of listing.

Silk provides three distinct services across two primary divisions: its Port Logistics division provides wharf cartage services, whilst its Contract Logistics Division offers warehousing and distribution services. Silk's long-standing blue-chip customer base spans several key industries, including FMCG, light industrial, food, specialised retail, and containerised agriculture.

In FY21 Silk expects to achieve its prospectus pro forma forecast EBIT (pre AASB16) of \$17.8 million. Silk's FY22 prospectus EBIT forecast is \$20.9 million. Over the past twelve months, management has also moved to strengthen the balance sheet and will end FY21 conservatively geared and with substantial cash reserves. Silk expects to deliver further growth through a continued increase in share of wallet by expanding its service and geographic offering to existing customers, and from new customer wins.

Chief Executive Officer (CEO) & Managing Director Brendan Boyd, who founded the company with Chief Customer Officer (CCO) & Executive Director John Sood, said:

"Silk successfully blends its physical logistics capabilities, with a cutting-edge data analytics technology platform. We are capable of providing predictive insights and supply chain visibility from wharf to warehouse to last mile. We have designed our technology platform and service delivery model to ensure

it can consistently exceed our customers' requirements through configurable systems that allow them to fine-tune their supply chains and control costs. We look forward to continued growth and delivering sustained financial performance for our shareholders."

Silk's Board also includes experienced industrial and resources executive Terry Sinclair as Chairman and corporate advisory and M&A law partner Stephen Moulton as a Non-Executive Director.

Morgans and Shaw & Partners were Joint Lead Managers to the IPO. 333 Capital acted as Financial Adviser to Silk.

This announcement is authorised for release by the Board of Directors of Silk Logistics Holdings Limited.

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