

ASX RELEASE
CYG – FY24 Trading Update
18 December 2023

Coventry Group Ltd (ASX: CYG) announced today an update on the Group’s trading.

Based on year to date trading we are pleased to provide guidance for H1 FY24:

- H1 FY24 forecast Sales of around \$185.5m, up ~5.5% on H1 FY23; and
- H1 FY24 forecast unaudited Pre AASB16 EBITDA before significant items of around \$9.8m, up ~18.0% on H1 FY23.

The ERP upgrade continues to progress broadly to plan, schedule and budget.

Robert Bulluss, Group CEO and Managing Director of Coventry Group said, “The Group is on target to deliver solid half year FY24 sales and EBITDA¹ growth. Initiatives to grow EBITDA¹ % to Sales to 10% in the medium term have delivered positive improvements. These buy-side and sell-side initiatives were implemented early in the financial year. The run-rate from these initiatives continued to improve in the December quarter with forecast Q2 EBITDA¹ up ~28.5% on the pcp.

Demand remains robust in our primary end markets (mining and resources, infrastructure, commercial construction and industrial). The Group has very modest exposure to segments of the economy that are slowing, namely household discretionary expenditure and residential construction. There was some weakness in the Konnect and Artia New Zealand business due to the recessionary environment in New Zealand.

Our strategy based on specialisation and service excellence is continuing to be resilient. The Group operates in multi-billion-dollar fragmented markets and has very modest market shares. There are clear plans in place to continue to increase market share via new branch openings, branch refurbishments, product range expansion, e-commerce and an enhanced focus on sales and marketing.”

Based on current rates, percentage sales and unaudited EBITDA¹ growth change when compared with pcp. is shown below:

Segment	Q1 FY24 actual (A\$m)	pcp growth (%)	Q2 FY24 forecast (A\$m)	pcp growth (%)	H1 FY24 forecast (A\$m)	pcp growth (%)
Consolidated Group Sales	94.6	+6.1	90.9	+4.9	185.5	+5.5
Consolidated Group Unaudited EBITDA¹	5.4	+10.8	4.4	+28.5	9.8	+18.0

Note 1: All references to EBITDA are to unaudited Pre AASB16 EBITDA before Significant Items

December and January are always seasonally weaker months for the Group given the slowdown in the construction industry over the Summer break.

Authorised for release by the Board of Directors of Coventry Group Limited.

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