

ASX RELEASE
2025 Half Year Results
19 February 2025
Highlights

- Group Sales for H1 FY25 \$185.2m (\$185.3m H1 FY24).
- Group underlying EBITDA¹ up +0.8% to \$9.9m (\$9.8m H1 FY24).
- Group underlying EBIT² \$7.8m (\$7.8m H1 FY24).
- Statutory net loss for the half of -\$0.7m (-\$0.4m H1 FY24). NPAT impacted by \$5.2m of costs relating to the ERP project.

Sales growth of +6.0% on pcp after 6 weeks of 2025.

Robert Bulluss, Group CEO and Managing Director of Coventry Group said, “The FY25 first half result was delivered against a backdrop of difficult economic conditions in some jurisdictions and the distraction of the ERP upgrade go-lives across 73 branches. Initiatives to grow EBITDA¹ % to Sales to 10% in the medium term continue to deliver positive results with sustained improvement in gross margins and diligent cost control. Given the Group’s low market shares and its strong value proposition, we expect sales growth can be delivered even in tougher economic conditions. To that end, and with the distraction of the ERP upgrade largely behind us, our teams are focussing their full attention on profitable sales growth in calendar year 2025.

Pleasingly, our recent acquisition, Steelmasters, has continued to perform to expectations.

Our organic growth continues with the FY24 new stores performing strongly and plans to continue organic growth through new stores (5), store makeovers (4-5) and store relocations (4-5) in FY25 progressing well”.

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

Note 2: All references to EBIT are before Significant Items

Sales and EBITDA¹ Growth

Percentage sales and EBITDA¹ growth change for H1 FY25 when compared with the prior year is shown below:

Segment	Q1 FY25 actual (A\$m)	pcp growth (%)	Q2 FY25 actual (A\$m)	pcp growth (%)	H1 FY25 actual (A\$m)	pcp growth (%)
Trade Distribution	59.1	+4.0	52.8	+2.8	111.9	+3.9
Fluid Systems	36.0	-5.7	37.3	-5.1	73.3	-5.4
Consolidated Group Sales	95.1	0.0	90.1	0.0	185.2	0.0
Consolidated Group Unaudited EBITDA ¹	5.5	+0.7	4.4	-0.5	9.9	+0.8

Divisional Commentary

- Fluid Systems (FS) sales for the half year of \$73.3m down -5.4% on the prior year. FS EBITDA¹ down -23.0% to \$7.2m compared to \$9.4m in H1 FY24.
- Trade Distribution (TD) sales for the half year of \$111.9m up 3.9% on the prior year. TD EBITDA¹ up +19.0% to \$10.1m compared to \$8.5m in H1 FY24.

Net debt position

Net debt at 31 December 2024 of \$52.9m (Net debt at 30 June 2024 of \$47.3m). This was higher than planned but was impacted by some larger customer payments (\$2.3m) which were not received at the end of the half as expected, but were collected in January 2025, and the balance of the ERP project costs (\$5.2m).

Balance sheet

At 31 December 2024, the Group has Net Assets of \$140.8m, Current Assets exceeding Current Liabilities by \$31.5m and Net Tangible Assets of \$32.0m.

Dividends

The Board has determined that no interim dividend be declared.

Outlook

The Group operates in multi-billion-dollar fragmented markets and has very modest market shares. With its latest technology ERP platform now fully operational, the number one priority for the Group is profitable sales growth. In order to achieve this, our plans are geared to increasing market share via new branch openings, branch refurbishments, business development, product range expansion and additional targeted marketing.

We will continue to provide quarterly trading updates to the market.

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

For further information contact:

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