

**ASX RELEASE****CYG – Q1 FY23 Trading Update****13 October 2022**

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

FY23 Q1 Group sales up +14.8% on FY22 Q1 with adjusted EBIT up 20.3%.

Robert Bulluss, Group CEO and Managing Director of Coventry Group said, "The Group delivered pleasing Q1 sales and adjusted EBIT growth despite a continuing volatile macroenvironment and unplanned public holidays. All acquisitions are continuing to perform strongly."

**Trading update**

Sales growth is being driven by our strong value proposition, activity in our key market sectors, acquisitions and diversification into new markets. Percentage sales and adjusted EBIT growth change for Q1 FY23 when compared with the prior year is shown below:

Segment	Q1 FY23 vs Q1 FY22 % change
Fluid Systems (FS) Sales	+6.4%
Trade Distribution (TD) Sales <sup>1</sup>	+20.8%
<b>Consolidated Group Sales <sup>1</sup></b>	<b>+14.8%</b>
<b>Consolidated Group Adjusted EBIT <sup>1 2</sup></b>	<b>+20.3%</b>

**Notes**

1. TD Sales growth and adjusted EBIT positively impacted by the New Zealand Government lockdown in FY22.
2. For comparison purposes, unaudited EBIT has been adjusted for the estimated impact of the application of AASB16.

**Global volatility and COVID-19**

The macroenvironment remains challenging with continuing global volatility, devaluation of the AUD and labour and skills shortages. We are starting to see price and cost inflation ease and supply chain challenges and stock shortages reduce.

**Outlook**

There are significant growth opportunities across all segments of the business – market share gains, new branches, product range extension and acquisitions.

Given continuing market uncertainty we will not be providing full year guidance but will continue to provide quarterly trading updates to the market.

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

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