

**ASX RELEASE****CYG – H1 FY21 Trading Update****19th January 2021**

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

H1 FY21 Group sales of \$138.1m up +12.5% on the prior year and up +11.9% excluding H.I.S Hose.

Robert Bulluss, Group CEO and Managing Director of Coventry Group said, "We are pleased with the Group's momentum despite challenging conditions. We continue to execute on our strategy with positive results from all parts of the business. The integration and financial performance of our recent acquisitions is pleasing with acquisitions being an important part of our growth strategy."

**Segment sales growth**

Sales growth is continuing to be driven by our strong value proposition, activity in our key market sectors and diversification into new markets. Percentage sales growth change in the first half when compared with the prior year is shown below:

Sales change	H1 FY21 vs H1 FY20 % sales change inc. acquisitions	H1 FY21 vs H1 FY20 % sales change exc. acquisitions
Fluid Systems (FS)	+21.1%	+19.4%
Trade Distribution (TD)	+7.5%	+7.5%
<b>Consolidated Group</b>	<b>+12.5%</b>	<b>+11.9%</b>

**Segment Commentary**

- FS sales H1 FY21 up +21.1% on the prior year. \$5.5m of the large \$8.0m order reported in the Q1 update has been delivered to date.
- TD sales H1 FY21 up +7.5% on the prior year. All business units in TD have improved contribution in H1.

**COVID-19**

All business units are operating with COVID-safe plans and are fully operational.

**H.I.S Hose acquisition**

The acquisition of H.I.S Hose was completed on 1 December 2020. Integration is progressing to plan.

**Balance sheet**

The Group has a solid balance sheet with Net Assets of \$105.3m as at 31 December 2020 (\$102.1m at 30 June 2020).

**Outlook**

The markets in which FS and TD operate are to date performing well. We expect some of these markets to benefit from further Government stimulus measures. While undeniably pleased to report positive growth in the first half, the Group does not necessarily see this performance as illustrative of the remainder of the financial year due to the timing of large project sales, Covid-19 pandemic uncertainty and trade concerns between Australia and China.

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

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