

CMO Group Plc

("CMO" or "the Group")

Full Year Update (unaudited)

Another year of growth

Unique proposition positioned to continue to grow market share

CMO Group PLC, the UK's largest online-only retailer of building materials, today announces an update on trading for the full year to 31 December 2022.

- Total sales growth of 9% to £83.1m (2021 £76.3m)
- Like-for-Like sales growth 2%
- Adjusted EBITDA* c.£2.1m (2021 £3.7m)
- Closing cash balance of £6.2m (Net cash of £1.4m)

2022 has marked another year of growth with total sales for the year up 9% to £83.1m (2020: £76.3m). Like-for-Like sales continued to grow, with a year-on-year improvement of 2% despite widely reported industry headwinds, which was 32% above pre-pandemic levels (FY19). Adjusted EBITDA* is anticipated to be approximately £2.1m.

Pleasingly, the last two months of 2022 saw strong growth of 8% in Superstore orders over 2021. As previously advised, we experienced a slower unwind of the order book in this period which impacted dispatched sales. There was a particularly strong performance from Plumbing SUPERSTORE, the newly launched platform which combined the acquisitions of JTM Plumbing Merchants and clickbasin.com into a focussed vertical.

The Group closed the year with cash balances at £6.2m. The net cash position at the year-end of c. £1.4m, higher than previously guided, was assisted by the increased order intake in November and December.

The cash generative nature of our operations, a flexible banking partner, and an undrawn working capital facility of up to £4m, provides the Group with a sound financial position and more than sufficient headroom for continued Group development.

Our strategic growth projects during 2022, particularly development of the new plumbing SUPERSTORE vertical, contributed to the ongoing development of the Group. It's unique proposition of direct sales to customers, a product range of over 100,000 SKUs and an efficient direct service through its dropship model enables the Group to continue to disrupt the traditional market. The Group's strategy is delivering growth and will further expand the share of its chosen markets.

In January 2023, exciting new branding was launched across all eight of the SUPERSTORES including CMO Trade which became Building SUPERSTORE. The brand refresh is part of the ongoing development of the online portfolio. Our Good Build SUPERSTORE, where customers can be inspired and buy everything they need for their project, is expected to launch in Q1.

*Adjusted EBITDA is defined as earnings before interest, tax, depreciation, amortisation, foreign exchange, exceptional and acquisition costs.

Dean Murray, CEO of CMO Group Plc, said:

"Our strategy to disrupt and build market share continues to deliver growth. Despite the macro-economic and industry headwinds seen in 2022, CMO delivered significant sales growth.

"We will continue to drive penetration across sectors where we have existing operational strength and also seek new verticals to take advantage of our differentiated proposition which continues to deliver an unrivalled breadth of products, a differentiated delivery proposition and uncompromising customer service.

"As we look to 2023, despite market conditions remaining challenging, we are confident that we can deliver further progress."

3 February 2023

Enquiries:

CMO Group PLC
Dean Murray, CEO
Jonathan Lamb, CFO

Via Instinctif

Liberum Capital Limited (Nominated Adviser & Broker)
Andrew Godber
Lauren Kettle
Cara Murphy

Tel: +44 20 3100 2000

Instinctif Partners
Matthew Smallwood
Justine Warren

Tel: +44 20 7457 2005

Tel: +44 20 7457 2010

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

TSTEAXAAELPDEFA