

9 August 2024

CMO Group PLC
("CMO" or "the Group")
Trading Update (unaudited)

CMO Group PLC, the UK's largest online-only retailer of building materials, today announces a trading update for the seven months ended 31 July 2024.

Trading

As reported at the preliminary results in May, poor weather in Q1 had a detrimental effect on sales, with sales particularly soft in the Tiles business. The Group has seen an improving sales trend and positive momentum through Q2 and July. Sales for H1 2024 were £30.3m (H1 2023: £36.9m). In July, there was a strong performance from the PLUMBING SUPERSTORE where like-for-like sales increased 9.6%.

Like-for-like sales ¹	Q1	Q2	H1	July
Building	(16.2)%	(10.0)%	(13.0)%	(0.4)%
Plumbing	(19.5)%	(3.3)%	(12.4)%	9.6%
Tiles	(41.9)%	(30.1)%	(36.3)%	(27.5)%
Total	(21.3)%	(12.8)%	(17.0)%	(3.4)%

Average Order Value (AOV) is improving as we see consumer confidence returning to larger RMI projects, in line with trends reported in the wider market.

Whilst market conditions remain challenging, the Group continues to be optimistic about maintaining the improving sales trend given developments in the market and the recent cut in interest rates.

Continued Progress on Strategy

Group Margin remains stable with continued focus on improving product margin, maintaining carriage cost recovery as well as bringing digital marketing spend down to or below 6%. We have been effective at reducing costs in H1 and will continue to focus on this in H2.

Our new loyalty programme 'Super Rewards' was launched in June and early indicators are positive, with orders within the 'Super Rewards' programme around double normal AOV so far.

We continue our mission to bring the widest range to the market with LANDSCAPING SUPERSTORE fully launched and taking orders.

Balance sheet

The Group continues to have a sound financial position. Cash at the end of H1 2024 stood at £2.3m (H1 2023: £4.7m), with net debt of £2.5m and available facilities of £3.0m.

Dean Murray, CEO of CMO Group PLC, said:

"We are pleased to see early signs of market recovery and are further encouraged by the interest rate cut last week, which will stimulate the market.

The Group also has LANDSCAPING SUPERSTORE, a £6.5m investment in a new business, which is currently in the

The full launch of the LANDSCAPING SUPERSTORE marks further, great progress in our mission to provide our customers with everything they need to build or maintain a home. We also look forward to seeing how the 'Super Rewards' programme enhances customer loyalty as it rewards for spend and behaviours.

The positive sales momentum shown throughout Q2 and into July, combined with our focus on profitable sales and becoming a more efficient business, means that we remain confident about the future."

1. Note: like-for-like sales numbers provided are for sales, which are slightly different to the order intake figures provided in the preliminary results in May

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