



[Mountfield Group plc](#) - MOGP

Trading Statement

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Mountfield Group Plc ("Group")

and its Subsidiaries, Connaught Access Flooring Limited ("CAF") and

Mountfield Building Group Limited ("MBG")

Trading Statement

Mountfield Group Plc, the AIM quoted commercial flooring and specialist construction services company, is pleased to provide an update on its financial year to 31 December 2018 ahead of commencing its audit.

Highlights

- The Group improved strongly upon 2017 performance.
- 2018 also saw the Group achieve a record turnover.
- Demand for the Group's services is outperforming the general sector.
- The Group's secured order book is at a post-Admission record high level.
- The Directors expect another strong performance in 2019.

The Group's Performance in 2018

The Directors are pleased to be able to report, based on the unaudited management accounts, that:

- the Group's turnover for the accounting year of 2018 will exceed that of the year to 2017 and therefore it will be the highest recorded in any accounting year since its Admission to AIM in 2008; and
- the Directors are confident that the net profit before tax for 2018 will exceed £864k - the figure achieved in the year ended 31 December 2017.

Whilst much of the construction industry has been impacted by the unresolved Brexit negotiations, the Group has continued to experience buoyant demand for its services. This is reflected in the

increase in the value of the Group's secured work at this point of 2019 as against that of the previous year.

In the Trading Statement of 27 March 2018, the Directors reported that the Group "had [orders secured] for 2018 [of] £8.8m, a record high for the Group at this point of the year." As at the end of January 2019, the value of work secured stood at £10m, another new high for the Group.

The Directors have highlighted two features in particular of what was a very satisfactory year for the Group:

- that CAF had another year of growth and further enhanced its position amongst the elite in its sector. Its order book currently stands at c. £3m; and
- that MBG continued to increase its level of profitability. With the increased demand for its services from leading telecoms companies on data centre projects and associated works it is particularly well positioned for future growth. The significant progression of MBG's business is underlined by the value of its secured order book currently standing at £7m; the value at 27 March 2018 was £2.3m.

The Directors are confident that, with the record amount of work secured at this point of the year and the demand for its services remaining high, the Group will produce another strong performance during 2019.

Andy Collins, Group CEO commented:

"We are delighted that the Group performed so well in 2018. Both CAF and MBG delivered the strong performance that the Directors expected and we believe that the quality and strength of the Group's client base will result in further projects secured and continued growth.

About the Group

Admitted to AIM in 2008, the Group is comprised of MBG and CAF, two companies that specialise in aspects of the construction and refurbishment of data centres and telecoms infrastructure.

MBG provides specialist construction services primarily to telecommunication and IT clients and provides the fitting out and refurbishment of data centres, switch sites and IT equipment rooms. In addition, the company provides fit-out and refurbishment to the wider commercial office sector.

CAF supplies and installs specialist raised access flooring systems for data centres and commercial offices and remains one of the very few contractors trusted to deliver the largest contracts in the market.

The clients of both MBG and CAF are primarily of a blue-chip/multi-national standing.

The Group benefits from the fact that the contracts that MBG and CAF enter into with clients are often multi-stage and potentially continue for a period of years or are part of a client's long-term programme that offers the prospect of work over a period of a number of years.

The sectors of the construction industry in which MBG and CAF operate have in general recovered strongly over the last few years and the Directors are confident that its clients will require the continued provision of the services provided by the Group for the next few years, at least.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

Mountfield Group plc

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