

27 August 2021

Cambria Automobiles plc
("Cambria" or the "Group")
AIM: CAMB

Pre-close Trading Update

The Board of Cambria (the "Board") is pleased to provide an update on trading for the eleven months to 31 July 2021.

Cambria is subject to a recommended Final * Cash Offer by Cambria Bidco Limited for which the first closing date is 3 September 2021 and the Independent Committee (being the Cambria Directors other than Mark Lavery) wishes for shareholders to consider this information in advance of that date.

Trading Update

The interim results to 28 February 2021 released on 5 May 2021 showed strong trading in the first half of the financial year. Trading since that date has been pleasingly in line with pre-pandemic seasonality and in line with management's expectations, despite the uncertain trading environment and a number of market challenges.

The Group's sale of new retail units to private guests in the eleven month period were down 3.9% while total new vehicle unit sales, including fleet and commercial, were down 3% on the comparable prior year period. There are supply issues in the new car market as a result of the widely documented global shortage of semi-conductors and this continues to impact the availability of new cars.

The number of used units sold in the period were down 4% compared with the same period in the prior year; however, used vehicles continue to perform well as the used car market experiences a unique set of circumstances with used vehicles appreciating in value. This performance is consistent with the updates provided by the other listed car dealer groups over the past month. The restrictions in new car supply are undoubtedly having a knock-on effect on the demand for used cars and the lack of liquidity in the used car market is driving demand to exceed supply.

Overall, the Group's aftersales operations have performed well with aftersales revenue improving by 1.8%.

As outlined in previous reports, the Group took substantive actions in relation to its cost base last year and has utilised the available Government support stimulus. During the period the Group has received the benefit of £0.9m of coronavirus job retention scheme grant and has benefitted from approximately £3.1m in business rates reduction.

During the period, the Group sold its Ford dealership in Wimbledon to Trust Ford at the same time as closing its new car department at Dees of Croydon. The Group also closed its Volvo dealership in Croydon and the Volvo new cars sales department in Horsham and Volvo Sales and Service franchises in Gatwick.

Outlook

The Board is pleased with the performance in the eleven months of the financial year, but as highlighted previously, there remains forward looking uncertainty in both the new and used car market as a result of supply issues. There will be a correction at some point in time in the used car market, but, until the new car market normalises, this remains uncertain. There also remains the challenges of associate absences resulting from COVID-19 and the general labour shortages in the UK.

The new car order bank for the important September trading month is currently significantly behind prior year and the level of new vehicle inventory available for the Group to sell from stock is significantly

reduced from prior year. The used car market looks like it will remain strong throughout September with the continued level of demand exceeding supply.

The Board will provide a further update on the timing of release of the Group's Preliminary Results in due course.

Mark Lavery, Chief Executive of Cambria Automobiles plc, commented:

"I am pleased with the performance of the Group in a highly unusual market where the supply constraints are driving up prices of the vehicles that we sell. The cost actions taken by the Group last year have reduced the operating expenses and this has enabled the Group to continue the strong performance seen in the first half of the financial year.

Given the challenges around vehicle supply and the ongoing impact of COVID 19 on the business we must maintain a cautious outlook whilst optimising the immediate returns from the strong used car market."

**Cambria Bidco Limited ("Bidco") reminds Cambria Shareholders that the Final Cash Offer is final and will not be increased, except that Bidco reserves the right to amend the Final Cash Offer if on or after the date of this Announcement, there is an announcement of a possible offer or firm intention to make an offer for Cambria by a third party.*

-Ends-

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About Cambria - www.cambriaautomobilesplc.com

Certain information contained in this announcement would have constituted inside information (as defined by Article 7 of Regulation (EU) No 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR")) prior to its release as part of this announcement and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations