



Rioz, 6 June 2023

ABEO posts solid full-year 2022/23 results

- › Revenue growth target achieved: 16.3%
- › Recurring EBITDA¹ €27.5m, EBITDA margin 11.5%
- › €4.8m positive free cash flow
- › Promising outlook for 2023/24

ABEO, a leading global supplier of sports and leisure equipment, today announces its consolidated results for the 2022/23 financial year.

- › **Consolidated 2022/23 results** (1 April 2022 to 31 March 2023) – audited. ABEO’s Board of Directors met on 6 June 2023 to approve the 2022/23 financial statements. The statutory auditors have conducted their audit and the certification report will be issued once the procedures required for the publication of the 2023 Universal Registration Document will have been completed.

€ million	31.03.2022	31.03.2023	Change
Revenue	205.3	238.8	+16.3%
Current EBITDA ¹	26.4	27.5	+4.1%
% revenue	12.8%	11.5%	-1.3 pt
Recurring operating income	15.1	15.2	+0.5%
Operating income	14.2	14.6	+3.0%
Net income	7.1	6.5	€-0.6m
Net income – Group share	7.2	6.7	€-0.5m

ABEO Group CEO Olivier Estèves commented on the publication of the full-year 2022/23 results: “Against a complex macroeconomic backdrop, the Group once again achieved a solid financial year in line with its guidelines. Despite the impact of inflation on our profit margins, the quality of our results illustrates the relevance of our business model and especially its broad geographical and market diversity, as well as the commitment and responsiveness of our teams in adapting to a volatile environment.

In 2023/24, the Group will continue to rely on its expertise, organisational structure and optimised operating performance model to sustain profitable growth.

Finally, as an Official Supporter of the 2024 Paris Olympic and Paralympic Games, we will have the honour of showcasing the quality of our products and services to match the sporting performances of the world’s top athletes.”

¹ Recurring operating income + depreciation of fixed assets

Revenue up 16.3% including 12.2% organic growth, in line with the roadmap

ABEO reported a revenue of €238.8m for the 2022/23 financial year, up by 16.3% (12.2% organic growth) and clearly in line with its announced targets. All three Group divisions showed a healthy growth for the second year running: Sports 22.0%, Sportainment & Climbing 8.4%, Changing Rooms 12.4%.

Operating performance maintained despite a highly inflationary environment

Driven by the recovery in business and tight control of operating expenses, 2022/23 recurring EBITDA amounted to €27.5m², up 4.1%. The recurring EBITDA margin amounted to 11.5% of revenue, down 1.3 percentage point versus 2021/22 amid an inflationary environment and a challenging recruitment market.

This change includes:

- › a limited 0.7 percentage point decline in the gross margin to 60.4% achieved through the policy of passing raw material price increases on to selling,
- › tight control of operating expenses³ (up 15%), down 0.6 percentage point in proportion of revenue (51.7% versus 52.3% in FY 2021/22).

Compared to the 2019/20 pre-crisis financial year, the Group recurring EBITDA margin improved by 2.1 percentage points, thereby confirming the continuous effects of the performance plan.

The **Sports** division declared a recurring EBITDA of €17.1m equivalent to 13.8% of division total revenues, showing 1.6 percentage point of margin erosion versus prior year, mainly due to inflation during the first half of 2022/23, which tailed off in the second half (recurring EBITDA margin of 15% of revenue).

The **Sportainment & Climbing** division reported a recurring EBITDA of €1.6m with a margin level at 3.3%, down 0.5 percentage point versus prior year. The tight control of fixed costs enabled the division to confirm a good operational resilience despite a more competitive environment in the second half and market conditions still below pre-covid levels.

The **Changing Rooms** division delivered a recurring EBITDA of €8.8m showing an EBITDA margin rate at 13.3%, down 2.1 percentage points versus prior year mainly impacted by inflation, while maintaining an optimised cost structure.

After depreciation of fixed assets (€12.2m, including €5.6m related to IFRS 16), the recurring operating income amounted to €15.2m, up 0.5% and representing 6.4% of revenue.

Finally, operating income amounted to €14.6m in 2022/23, up 3.0% compared to prior year. Net income Group share showed a slight decrease from €7.2m last year to €6.7m this year, mainly impacted by unfavourable foreign exchange trend (€1.1m loss versus a gain of €0.6m in 2021/22).

Sound financial structure

2022/23 cash flow from operations before change effect in working capital and tax amounted to a €27.2m. As anticipated, free cash flow improved significantly during the second half (€19.6m inflow versus €14.8m outflow in H1) to reach €4.8m positive cash position p on a full year basis, thanks to tight control of working capital during the second half (€10.0m inflow versus €22.2m outflow in H1 2022/23).

At 31st of march cash and cash equivalents amounted to €31.6m Net debt stood at €87.1m (€53.1m excluding IFRS 16) versus an equity of €111.2m (€112.4m excluding IFRS 16). Therefore, excluding IFRS 16, gearing⁴ was at 0.47 and the leverage ratio⁵ was under control at 2.4.

² Excluding IFRS 16, 2022/23 current EBITDA was €21.5m, or 9.0% of revenue

³ of which staff costs excluding government grants

⁴ Net debt to equity ratio (excl. IFRS 16)

⁵ Net debt to recurring EBITDA ratio (excl. IFRS 16)

Proposed dividend payment of €0.33 per share for the 2022/23 financial year

At the next Annual Shareholders' Meeting scheduled on 18 July 2023, the Board of Directors will propose to distribute a €0.33 dividend per share in respect of the 2022/23 financial year.

Board of Directors changes

The Board of Directors, which met today, took note of the resignation of Crédit Mutuel Equity SCR, represented by Agnès Tixier, from its position as Director with immediate effect. The Board thanked Agnès Tixier for her commitment during her mandate. ABEO's Board of Directors now comprises 7 directors, including 3 independent directors.

Trends and outlook

ABEO recorded brisk business during the 2022/23 financial year and generated a healthy order intake⁶ of €238.6m, up 7.2% compared to prior year. ABEO is therefore confident in maintaining its business development at a sustained pace during the 2023/24 financial year, setting its sight on preparations for the Paris 2024 Olympic Games, where ABEO will be present in three disciplines through its brands, Gymnova (gymnastics), EP (climbing) and Schelde Sports (basketball).

While making allowance for the ongoing inflationary environment, the Group reaffirms its priorities:

- › maintain a solid operating performance against a backdrop of growth,
- › generate free cash flow through (i) expected growth in operating cash flow and (ii) a return to a more normal level of working capital.

Lastly, the Group intends to pursue its value creation strategy combining organic growth with targeted acquisitions in order to consolidate its market share, expand its brand portfolio and conquer new market segments.

Upcoming events

18 July 2023 - Annual Shareholders' Meeting (Rioz)

20 July 2023 Q1 2023/24 revenue (after close of trading)

Find more at www.abeo-bourse.com

ABOUT ABEO

ABEO is a major player in the sports and leisure market. The Group posted turnover of € 238.8 million for the year ended 31 March 2023, 74% of which was generated outside France, and has 1,446 employees.

ABEO is a designer, manufacturer and distributor of sports and leisure equipment. It also provides assistance in implementing projects to professional customers in the following sectors: specialised sports halls and clubs, leisure centres, education, local authorities, construction professionals, etc.

ABEO has a unique global offering, and operates in a wide variety of market segments, including gymnastics apparatus and landing mats, team sports equipment, physical education, climbing walls, leisure equipment and changing room fittings. The Group has a portfolio of strong brands which partner sports federations and are featured at major sporting events, including the Olympic Games.

ABEO (ISIN code: FR0013185857, ABEO) is listed on Euronext Paris – Compartment C.



Contacts

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⁶ Non-financial data – to measure the sales momentum of its business activities, the Group uses, among other things, the quantified amount of its order intake over a given period. The sales momentum indicator represents the aggregate value of all orders booked over the relevant period, as compared to the same period for the previous financial year.