



ABEO posts solid full-year 2023/24 results

- › Organic revenue growth of 4.6%
- › Recurring EBITDA €29.0m (up 4.6%), EBITDA margin 11.7%
- › Net income impacted by non-recurring items
- › €3.2m positive free cash flow
- › Strong sales momentum for 2024/25

ABEO, a leading global supplier of sports and leisure equipment, today announces its consolidated results for the 2023/24 financial year.

- › **Consolidated 2023/24 results** (1 April 2023 to 31 March 2024) – audited. ABEO’s Board of Directors met on 4 June 2024 to approve the 2023/24 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 2024 Universal Registration Document will have been completed.

€ million	31.03.2023 ¹	31.03.2024	Change
Revenue	238.3	248.4	+4.2%
Current EBITDA ²	27.8	29.0	+4.6%
% revenue	11.6%	11.7%	+0.1 pt
Recurring operating income	15.6	16.7	+7.5%
Operating income	15.0	13.6	-9.3%
Net income	6.5	1.2	€-5.3m
Net income – Groupe share	6.7	1.7	€-5.0m

ABEO Group CEO Olivier Estèves commented on the publication of the full-year 2023/24 results: *“Despite the significant challenges encountered in the United States, which affected our Sportainment business, operating performance in 2023/24 remained solid. This is the result of our product mix model and the commitment of all our teams worldwide. The change in net income, affected by non-recurring items, was not significant. Moreover, our financial discipline continues to lie at the heart of our strategy, ensuring that our long-term financial balances remain under control, while still providing the flexibility we need to sustain our development.*

We can look forward to the 2024/25 financial year with momentum and confidence, underpinned by robust business and with a particular focus on the relaunch of the Sportainment activity in North America.

Lastly, we will once again be taking part in the world’s biggest sporting event, the Olympic and Paralympic Games in Paris 2024. This exceptional opportunity will allow us to demonstrate our expertise as well as the quality of our products and services to match the sporting performances of the world’s top athletes. All the ABEO teams are ready to take on this challenge and promote the values of the sporting world through our state-of-the-art equipment.”

¹ The 2022/23 financial statements presented and commented on have been restated for the impact of the disposal of ABEO’s stake in Vogoscope, in accordance with IFRS 5 (see Appendix, page 5 of the press release)

² Recurring operating income + depreciation of fixed assets

³ Excluding IFRS 16, 2023/24 current EBITDA was €22.3m, or 9.0% of revenue



Continued growth: revenue up 4.6% like-for-like

ABEO posted revenue of €248.4m for the 2023/24 financial year, representing organic growth of 4.6% (up 4.2% as reported). This performance was mainly driven by the Sports division, which posted organic growth of 9.3% (up 9.2% as reported), and by the resilience of the Changing Rooms division. The climbing wall segment within the Sportainment & Climbing division recorded organic growth of 24.0%, offsetting a Sportainment business that remained severely disrupted in the United States (down 45%), largely due to aggressive Chinese competition.

The Fun Spot subsidiary has implemented an action plan to return to profitable growth, which involves refocusing the business on the secondary equipment market (services and bespoke solutions). At the same time, Fun Spot has also redesigned its value chain to adapt its offering to the highly competitive primary equipment market. Excluding Fun Spot, the Group posted organic growth of 7.8%.

Operating performance maintained: Recurring EBITDA of €29.0m, representing 11.7% of revenue

Recurring EBITDA³ for 2023/24 was up 4.6% to €29.0m, giving a margin of 11.7% of revenue, stable compared to 2022/23 (11.6%). Excluding Fun Spot, the Group recurring EBITDA represented 12.8% of revenue.

Compared to the pre-crisis 2019/20 financial year, the Group recurring EBITDA margin improved by 2.3 percentage points, confirming the sustainable profitability trajectory.

This change is attributable to:

- › a 1.2 percentage point increase in the gross margin reflecting the full impact of the pass-through of inflation into sale prices and the optimisation of the supply chain;
- › increasing staff costs in a challenging recruitment market (29.0% of revenue compared to 27.9% in 2022/23);
- › a limited increase in other operating expenses (up 7.4%) to support business growth.

The **Sports** division posted recurring EBITDA of €19.0m, representing 14.0% of the division's revenue, stable compared to the previous year (down 0.1 percentage point), thanks to a 0.8 percentage point improvement in the gross margin to 59.7% and a limited increase in overheads against a backdrop of growth (division revenue up 9.3% like-for-like over the period).

The **Sportainment & Climbing** division posted recurring EBITDA of €1.4m and a margin of 2.9%, down only 0.4 percentage point from the previous year. Despite the negative impact of Fun Spot, the division remained profitable thanks to a significant increase in the climbing wall segment, for which volumes and profitability have risen sharply to an all-time high. The 1.1 percentage point increase in gross margin attributable to the product mix largely offset the discontinuation of COVID support measures, which amounted to €0.9m last year.

Recurring EBITDA for the **Changing Rooms** division amounted to €8.7m, representing 13.3% of the division's sales, stable compared to the previous year, thus confirming its high level of performance.

After depreciation of fixed assets (€-12.3m, including €-6.0m related to IFRS 16), recurring operating income amounted to €16.7m, up 7.5% and representing 6.7% of revenue (compared to 6.5% in 2022/23).

Non-recurring operating income and expenses amounted to a €3.1m net expense (compared to a €0.6m net expense in 2022/23), partly comprising costs relating to the restructuring of the Fun Spot subsidiary and M&A transactions during the year. Accordingly, operating income amounted to €13.6m for the year, compared to €15.0m a year earlier.

Lastly, after taking into account the cost of debt of €4.3m (compared to €3.8m in 2022/23), a foreign exchange loss of €0.1m and an exceptionally high tax charge of €8.7m (including €2.9m in non-activated tax losses and €2.9m in derecognised deferred taxes), net income Group share for the period amounted to €1.7m.

³ Excluding IFRS 16, 2023/24 current EBITDA was €22.3m, or 9.0% of revenue



Financial structure under control

Full-year cash flow from operations (after tax) improved to a €16.1m inflow (compared to a €9.9m inflow in 2022/23), the result of €25.8m positive cash flow from operations before change in working capital and tax and a €4.9m outflow from a controlled change in working capital (compared to a €12.7m outflow in 2022/23).

Cash flow from investing activities amounted to a €13.0m outflow, €6.4m of which was allocated to the acquisition of a stake in VOGO and the completion of the BigAirBag acquisition. As a result, free cash flow was positive at €3.2m for the year.

Cash and cash equivalents amounted to €11.0m at 31 March 2024. Net debt stood at €96.4m (€63.0m excluding IFRS 16) and Group shareholders' equity amounted to €109.7m (€111.1m excluding IFRS 16). Accordingly, excluding IFRS 16, gearing⁴ (0.58) and the leverage ratio⁵ (2.8) were both under control.

Proposed dividend of €0.20 per share for the 2023/24 financial year

At the Annual Shareholders' Meeting scheduled on 16 July 2024, the Board of Directors will propose that a dividend of €0.20 per share be distributed in respect of the 2023/24 financial year.

Trends and outlook

Business activity at 31 March 2024 remained buoyant, with a 12-month order intake⁶ of €248.3m, up 4.6% compared to the previous year (up 4.1% as reported). ABEO is therefore confident in maintaining its commercial momentum over the 2024/25 financial year, bolstered in terms of visibility by its participation in the Paris 2024 Olympic Games, at which it will be represented through three of its brands: Gymnova (Gymnastics), EP (Climbing) and Schelde Sports (Basketball).

The Group is also forecasting an improvement in its operating performance, driven by the expected positive impact of the repositioning of Fun Spot and the continued momentum of its business activities.

Paris 2024, 52 days to go

With 52 days to go until the Opening Ceremony of the Paris 2024 Olympic Games, and as the city prepares to welcome more than 10,000 athletes, ABEO's teams are busy installing all the equipment for the Gymnastics (Bercy Arena and Porte de la Chapelle Arena), Climbing (Le Bourget) and Basketball events (Concorde Urban Park for the 3x3 basketball competitions, Bercy Arena and Pierre Mauroy stadium for the 5x5 basketball).

The Olympic Games are one of the most effective marketing platforms, reaching billions of people around the world, and remain an unrivalled global sporting, economic and cultural event.

ABEO is fully committed to ensuring the success of the Games and keeping the Olympic spirit alive.

Upcoming events

16 July 2024 - Annual Shareholders' Meeting (Rioz)

18 July 2024 Q1 2024/25 revenue (after close of trading)

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

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

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.



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 € 248.4 million for the year ended 31 March 2024, 73% 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.



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APPENDICES

Condensed consolidated income € million	31.03.2023 reported	31.03.2023 IFRS 5 restated
Revenue	238.8	238.3
<i>Incl Sport</i>	124.1	123.6
Current EBITDA	27.5	27.8
<i>% revenue</i>	11.5%	11.6%
Recurring operating income	15.2	15.6
Operating income	14.6	15.0
Net income	6.5	6.5
Net income – Groupe share	6.7	6.7

Condensed cash-flow statement € million	31.03.2023 reported	31.03.2023 IFRS 5 restated
Cash-flows from operations before change in working capital and tax	27.2	27.5
Change in working capital	(12.2)	(12.7)
Tax paid	(5.1)	(5.1)
Cash-flow from discontinued operations	-	0.2
Cash-Flow from operations after tax	9.9	9.9
Capex	(4.8)	(4.7)
M&A	(0.3)	(0.3)
Cash-flow from discontinued operations	-	(0.1)
Cash-Flow from investing activities	(5.1)	(5.1)
Free cash-flows	4.8	4.8
Dividends	(3.0)	(3.0)
New borrowings	-	-
Repayment of borrowings and others	(27.5)	(27.5)
Net interest paid	(3.0)	(3.0)
Cash-Flow from financing activities	(33.5)	(33.5)
Currency translation difference	(0.2)	(0.2)
Change in cash and cash equivalents	(28.9)	(28.9)