



Rioz, 6 June 2019

ABEO: Full-year 2018/19 results

- > Strong business growth of 22.7%
- > Recurring EBITDA¹ of €17.7m
- > Net income, Group share of €7.2m

ABEO, a world leader in sports and leisure equipment, today announces its consolidated results for the 2018/19 financial year.

- > **Consolidated 2018/19 results** (1 April 2018 to 31 March 2019) – audited – ABEO’s Board of Directors met on 5 June 2019 to approve the 2018/19 financial statements.

€m	31/03/2018 12 months	31/03/2019 12 months	Change
Revenue	187.9	230.4	+22.7%
Recurring EBITDA ¹	17.9	17.7	-1.0%
<i>% revenue</i>	9.5%	7.7%	-1.8 pt
Recurring operating income	13.6	12.4	-9.1%
Operating income	12.0	10.5	-12.4%
Net income	7.0	7.1	+0.9%
Net income, Group share	7.0	7.2	+2.5%

Robust external growth

ABEO posted 2018/19 full-year revenue of €230.4m, a sharp increase of 22.7% from the previous year, driven by robust external growth of 19.2%. 2018/19 organic growth amounted to 3.5%, an increase versus the previous year. On the basis of full-year consolidation of Fun Spot Manufacturing, revenue would have amounted to €260m².

Varied performance across divisions

Full-year recurring EBITDA amounted to €17.7m, compared to €17.9m the previous year. The EBITDA margin³ amounted to 7.7%, down 1.8 bp versus the previous year reflecting varied performance across divisions.

The **Sports** division with 16.9% growth in activity (1% organic growth) posted recurring EBITDA of €7.2m and an EBITDA margin of 6.2%, both down compared to the previous year reflecting a slower-than-anticipated integration of two acquisitions, an adverse mix variance, the impact of a repositioning in China and fourth quarter revenue falling short of Group forecasts.

¹ Recurring operating income + depreciation of fixed assets

² Unaudited

³ Recurring EBITDA/revenue

The **Sportainment & Climbing** division with 40.7% growth in activity (13.2% organic growth) posted recurring EBITDA of €4.1m, up €0.9m, and a margin of 7.8%, down by just 0.8 bp, primarily due to the strengthening of the teams to support the division's strong growth momentum and the non-recurring impact of its participation in the Youth Olympic Games in Buenos Aires.

Finally, ongoing optimisation initiatives in the **Changing Rooms** division enabled to generate 20.8% growth in activity including 1.2% organic growth and to confirm the upward trend in its EBITDA margin, which improved by 1.7 bp with recurring EBITDA of €6.4m, up €2.0m.

Accordingly, recurring operating income amounted to €12.4m versus €13.6m last year. Operating income amounted to €10.5m, including restructuring charges and expenses related to acquisitions, compared to €12.0m the previous year.

Finally, after taking into account the cost of debt of €2.1m, a foreign exchange gain of €1.5m, other net financial expense of €0.4m and a tax charge of €2.5m, net income Group share for the year ended 31 March 2019 amounted to €7.2m, up 2.5%.

A solid financial structure to support the development plan

In December 2018, ABEO signed a €125m loan agreement with its banking pool to support its strategic development plan. This loan agreement provides for the refinancing of a large part (€55m) of the existing bank loan, the implementation of CAPEX facility (€50m), and financing for Group general expenses (€20m).

With cash and cash equivalents of €28.5m at 31 March 2019, net debt stood at €80.2m compared to €28.3m at 31 March 2018, including a €20m EuroPP-type bond issue. This change mainly reflects Fun Spot Manufacturing acquisition in November 2018.

ABEO is also in the process of acquiring the remaining 20% minority interest in Cannice.

With equity of €99.7m, ABEO posted a solid gearing ratio ⁴ of 0.8 and covenants under the credit agreement and the bond issue were met as at March 31, 2019.

ABEO, maintains the necessary financial leeway to continue its development, including its external growth policy.

Proposed dividend of €0.32 per share

ABEO will propose the payment of a dividend of €0.32 per share in respect of 2018/19 fiscal year at its Annual General Meeting on July 17, 2019.

Composition of the Board of Directors

Jean Ferrier, Deputy CEO was co-opted to the Board of Directors to replace Gérard Barbaferi, who resigned from his position. His appointment to the Board of Directors will be submitted to the shareholders for approval at the next General Meeting.

Successful in all deals for the 2020 Tokyo Olympic Games

For this global sporting event, ABEO's brand involvement covers 3 disciplines: Schelde Sports, for basketball equipment, Spieth Gymnastics, for the supply of artistic and rhythmic gymnastics equipment, and Entre-Prises, for the supply of climbing structures. Making its Olympic debut, Entre-Prises' 30 years of expertise and global leadership will be showcased at climbing events.

The Group's expertise, perfectly tailored to highly demanding competitions in terms of both quality and installation, has been recognised once again. ABEO successfully won all of the contracts it could have tendered for.

⁴ Net debt/equity

