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Rioz, June 9th, 2021

ABEO: Full-year 2020/21 results, a well-controlled crisis

> Business hit by unprecedented global health crisis
> Impressive recurring EBITDA margin[1] up 1.6 pp to 11%
> Positive free cash flows of €15.4m
> Tight cash management including reduction in net debt
> 2021/22: encouraging signs of recovery

ABEO, a world leader in sports and leisure equipment, today announces its consolidated results for the 2020/21 financial year.

> **Consolidated 2020/21 results** (1 April 2020 to 31 March 2021) – audited. ABEO's Board of Directors met on 9 June 2021 to approve the 2020/21 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 2021 Universal Registration Document have been completed.

€m	31.03.20 12 months	31.03.21 12 months	Change
Revenue	235.7	174.0	-26.2%
Recurring EBITDA[1]	22.2	19.1	-13.8%
% revenue	*9.4%*	*11.0%*	*+1.6 pp*
Recurring operating income	10.0	8.0	-19.6%
Operating income	8.6	3.9	-55.1%
Net income/(loss)	0.5	(0.6)	-
Group net income/(loss)	0.7	(0.6)	-

Business hit hard by the health crisis

The 2020/21 financial year was marked by an unprecedented crisis resulting in exceptional changes in business volumes. Although the crisis impacted all Group markets, with sports and leisure facilities closed for most of the year, ABEO showed proof of resilience and the ability to adapt rapidly. With revenue of €174.0m for the full 2020/21 financial year, the fall in sales was limited to 26.2%.

[1] Recurring operating income + depreciation of fixed assets

Operating performance held up well: recurring EBITDA margin improved to 11%

To cope with the crisis, ABEO reacted quickly to limit the impact of revenue losses and protect Group profit margins.
As a result, 2020/21[2] recurring EBITDA came to €19.1m versus €22.2m the previous year, while the EBITDA margin rose 1.6 percentage points to 11% of revenue.
This resilient operating performance reflects the efficiency of the measures rapidly implemented through the performance plan (cost structure optimisation).
In line with its targets, the Group managed to lower its breakeven point by over 20% on a full-year basis.

The **Sports** division posted recurring EBITDA of €12.8m and an EBITDA margin of 15%, up 4.1 percentage points. This excellent operating performance was achieved through tight management of fixed costs and the use of government grants in France, Germany, USA and the Netherlands.

Business volumes in the **Sportainment & Climbing** division were hit harder by the health crisis, resulting in a recurring EBITDA loss of €0.7m and an EBITDA margin down 5.8 percentage points to -1.8%. The substantial improvement in the gross margin, as well as the implementation of an even more drastic cost-cutting plan still underway, allowed the Company to lower the breakeven point and curtail the impact of revenue losses on operating margins, particularly in the USA.

The **Changing Rooms** division posted recurring EBITDA of €7.0m giving an EBITDA margin of 13.3%, up 1.1 percentage points. The 0.6-pp improvement in the gross margin, strict implementation of the performance plan and the use of the government support mechanisms limited the impact of revenue losses.

After depreciation of fixed assets (€11.1m, including €5.1m related to IFRS 16), recurring operating income amounted to €8.0m (versus €10.0m the previous year) or 4.6% of revenue, up 0.4 percentage point.

Non-recurring operating income and expenses amounted to a net expense of €4.2m (versus €1.4m in 2019/20), mainly due to restructuring costs related to the performance plan. 2020/21 operating income amounted to €3.9m.

After a net financial expense of €4.0m and a tax charge of €0.5m, the Group posted a net loss Group share of €0.6m for 2020/21.

A strengthened financial structure despite the crisis

In response to the health and economic crisis, the Group endeavoured to preserve its financial structure. Group cash flow from operations before change in working capital and tax was largely positive and free cash flow came to €15.4m, mainly due to the reduction in working capital and prudent management of capital expenditure (€3.0m versus €4.6m the previous year).

In order to preserve funds during the crisis, in H1 2020/21 ABEO obtained two loans totalling €10m from BPI France plus state-guaranteed PGE loans totalling €23m from its banking partners, thereby renewing their full trust in the Group's ability to bounce back.

Cash and cash equivalents amounted to €72m at 31 March 2021, up €15.5m. The €20m short-term line drawn at 31 March 2020 was repaid in July 2020 and remains available. Net debt stood at €90.9m (€58.9m excluding IFRS 16), down €7.8m from €98.7m at 31 March 2020 (€65.2m excluding IFRS 16).

[2] 2020/21 EBITDA excl. IFRS 16: €14.1m or 8.1% of revenue versus €16.6m or 7.0% of revenue in 2019/20.

The gearing ratio[3] (excluding IFRS 16) was kept under control at 0.6 at 31 March 2021, compared to 0.7 at 31 March 2020, and is in compliance with bank covenants.

No dividend for the 2020/21 financial year

At the Annual Shareholders' Meeting scheduled for 20 July, ABEO's Board of Directors will recommend that no dividend be paid in respect of the 2020/21 financial year.

Trends and outlook: rebound in 2021/22

Order intake for the 2020/21 financial year totalled €171.0m, down 29.3% compared to 2019/20. Q4 2020/21 order intake was boosted by a distinct recovery in the Sports and Changing Room divisions, which enabled the Group to post a healthy order backlog at the 31 March closing date.

After a 2020/21 financial year marked by a decline in business volumes, initial 2021/22 indicators are encouraging. The exit from the global crisis will lead to the gradual reopening of the Group's key markets.

Encouraged by the continuing impact of the performance plan, strengthened synergies and a market that remains buoyant, ABEO is ready to reap the benefits of a recovery in business.

ABEO Group CEO Olivier Estèves said: "*In a totally unprecedented context, the Group was able to adapt and rethink its organisation in order to maintain its profitability and financial resources. Thanks to the agility, commitment and professionalism of its teams, ABEO has emerged stronger from this period and intends to take full advantage of post-crisis opportunities.*"

> Next release

20 July 2021 - Annual Shareholders' Meeting (Rioz)
20 July 2021 - Q1 2021/22 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 € 174 million for the year ended 31 March 2021, 73% of which was generated outside France, and has 1,339 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

For any questions relating to this press release or the ABEO Group, please contact **ACTUS finance & communication**

Investor relations – Corinne Puissant	investor@beo.fr	Tel: +33 (0)1 53 67 36 77
Press relations – Serena Boni	presse@beo.fr	Tel: +33 (0)4 72 18 04 92

[3] Net debt/equity