

Van de Velde

29.02.2024 – 08u00

Regulated information – Year results 2023

Van de Velde reports stable turnover in 2023.

- Van de Velde reports a comparable turnover of m€ 212.1.
- The comparable EBITDA decreases by 2.3% to m€ 56.6 and corresponds to 26.7% of the comparable turnover.
- The cash position increases and amounts to m€ 60.6 due to a strong continued focus on working capital.
- Net group profit for the period amounts to m€ 33.6, a decline of 8.7%.
- A dividend of € 2.40 per share entitled to dividends will be proposed to the General Meeting of Shareholders. This is an increase of 5.5% versus 2022 (€ 2.276).
- A new share buy-back program will be initiated.

CONSOLIDATED KEY FIGURES PROFIT AND LOSS STATEMENT (PREPARED IN ACCORDANCE WITH IFRS AND AUDITED)

Consolidated key figures	31.12.2023	31.12.2022	%
Profit and loss statement (in m€)			
Turnover ⁽¹⁾	211.3	211.7	-0.2%
Operating profit before depreciation and amortization ('EBITDA') ⁽³⁾	56.1	58.2	-3.7%
EBIT or operating profit	45.3	48.1	-5.7%
Group profit	33.6	36.8	-8.7%
Turnover	211.3	211.7	-0.2%
Effect of early deliveries	0.8	-0.4	
Turnover on a comparable basis ⁽²⁾	212.1	211.4	+0.3%
EBITDA on a comparable basis ⁽²⁾	56.6	58.0	-2.3%

⁽¹⁾ The turnover in the first half of the year includes the swim collection, which leads to a higher turnover compared to the second half of the year.

⁽²⁾ Turnover and EBITDA on a comparable basis are the turnover and EBITDA adjusted for the effect of early deliveries in order to show the same seasons. In 2022, this adjustment was -m€ 0.4, being the invoiced turnover in 2022 for deliveries of the 2023 summer collection, corrected with the invoiced turnover in 2021 for deliveries of the 2022 summer collection. In 2023, this was an adjustment of m€ 0.8, being the invoiced turnover in 2022 for deliveries of the 2023 summer collection corrected with the in 2023 invoiced turnover for deliveries of the 2024 summer collection.

⁽³⁾ EBITDA equals operating profit plus depreciation and amortization of intangible and tangible fixed assets.

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TURNOVER

On a comparable basis (including comparable seasonal deliveries), the consolidated turnover shows a 0.3% increase in 2023, from m€ 211.4 to m€ 212.1. The reported turnover experienced a 0.2% decrease, dropping from m€ 211.7 to m€ 211.3.

This comparable turnover evolution comprises the following elements:

In m€	31.12.2023	31.12.2022	%
Turnover B2B segment ⁽¹⁾	163.2	168.7	-3.2%
Turnover D2C segment ⁽²⁾	48.0	43.1	11.5%
Total turnover	211.3	211.7	-0.2%
Early deliveries summer collection in 2023 and 2022	-4.6	-5.4	
Early deliveries summer collection in 2022 and 2021	5.4	5.0	
Comparable turnover B2B segment	164.3	168.2	-2.3%
Comparable turnover D2C segment	47.8	43.2	10.6%
Total comparable turnover	212.1	211.4	0.3%

In the B2B segment, the comparable turnover decreases by 2.3% to m€ 164.3 and in the D2C segment, there is once again an increase (10.6%) in comparable turnover to m€ 47.8. This result confirms the successful implementation of our optichannel strategy, completed by additional marketing efforts. The following trends are noticeable:

- In the first half of the year, we still experienced a sales growth of 4.3% driven by the resurgence in swim sales. This growth outpaced lower lingerie sales due to high inventory levels with our retail partners at the end of 2022. In the second half of the year, sales ended at m€ 89.6, down 4.6% compared to the second half of 2022. Characteristic of the slow recovery of retail traffic in 2023.
- A substantial growth of 10.6% in the D2C segment, which includes our own store network, our own e-commerce websites, concession sales in department stores and marketplaces.

EBITDA

On a comparable basis (including comparable seasonal deliveries), the consolidated EBITDA in 2023 drops by 2.3%, from m€ 58.0 in 2022 to m€ 56.6. The reported EBITDA decreases by 3.7%, from m€ 58.2 in 2022 to m€ 56.1 in 2023.

The EBITDA on a comparable basis equals 26.7% of the turnover. This strong EBITDA came about through a positive price impact combined with strict cost control. This without cutting back on essential marketing efforts, in a difficult economic environment subject to volume and inflationary pressures.

⁽¹⁾ The B2B segment refers to sales realized at wholesale price. Today, this concerns the business with independent retail, e-tail partners, franchisees and department stores.

⁽²⁾ The D2C segment refers to sales realized at retail price. Today, this concerns the business from our own store network, our own websites and the concession sales in department stores and marketplaces.

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FINANCIAL RESULT

The financial result amounts to -m€ 0.3 in 2023 compared to -m€ 1.3 in 2022. The variance of m€ 1.1 can be primarily attributed to the impact of exchange rate conversions and interest earned on cash and cash equivalents.

MINORITY STAKE

The result of the participation in Top Form International Ltd (25.66%) is -m€ 2.3, based on the equity-method. The final results were published by Top Form International Ltd on February 22, 2024.

Van de Velde values the participation in Top Form International Ltd based on Van de Velde's share in the equity of Top Form International Ltd, being 25.66% of equity. The carrying amount of the stake amounts to m€ 10.6 on December 31, 2023. The value of this participation based on the share price on that date is m€ 3.1. Analyses and audits indicate that there is no need for impairing the financial fixed asset.

INCOME TAX AND NET PROFIT

The tax rate of 20.2% is stable compared to 19.7% in 2022.

In 2023, the net profit totals up to m€ 33.6 versus m€ 36.8 in 2022, a 8.7% decline.

CONSOLIDATED KEY FIGURES BALANCE SHEET (PREPARED IN ACCORDANCE WITH IFRS AND AUDITED)

Consolidated key figures	31.12.2023	31.12.2022	%
Balance sheet (in m€)			
Fixed assets	76.4	72.1	6.1%
Current assets	126.5	136.4	-7.2%
Total assets	203.0	208.4	-2.6%
Equity	165.9	168.1	-1.3%
Grants	0.1	0.2	-40.0%
Total non-current liabilities	9.1	8.0	12.9%
Total current liabilities	27.9	32.1	-13.2%
Total equity and liabilities	203.0	208.4	-2.6%

INVESTMENTS

Capital expenditures (excluding right of use assets) add up to m€ 13.1 in 2023 versus m€ 8.1 in 2022. These investments relate to the purchase of land for the expansion of our distribution site in Wichelen as well as the expansion of our existing production site in Tunisia. Furthermore, we invested in the ongoing enhancement of digital platforms as well as in sustainability through the purchase of new cutting machines and the installation of solar panels and electric charging stations.

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WORKING CAPITAL AND SOLVENCY

Working capital (current assets excluding cash and cash equivalents less current liabilities excluding financial debts) declines and totals up to m€ 41.0 in 2023 versus m€ 48.1 in 2022. This drop is the result of lower inventory levels leading to a more normal stock position than last year.

The solvency (share of equity in total equity) of Van de Velde remains high (81.7%). The current assets represent 4.5 times the current liabilities, which indicates a strong liquidity.

EVENTS AFTER THE BALANCE SHEET DATE

No events happened after the balance sheet date that could have had a major impact on the state of the group.

RISKS

The conflict between Ukraine and Russia has no direct impact on Van de Velde. The ongoing geopolitical turmoil does affect consumer confidence.

PROSPECTS

Van de Velde continues to invest in a complementary brand portfolio and logistical support, with a focus on the long term.

In 2024 we reposition the Andres Sarda brand following a thorough and extensive preparation period initiated in 2022. Since its creation in 1962, Andres Sarda has been renowned for its visionary and pioneering designs. Thanks to a revitalized and strengthened strategy, the brand's DNA comes even more alive. The brand addresses a target group seeking easy-to-wear lingerie that makes a fashion statement. To reinforce the repositioning, the name Andres Sarda transitions to **Sarda**. Pre-sales started in January, with the official launch scheduled for the second half of 2024.

DIVIDEND

For the financial year 2023, the Board of Directors proposes to the General Meeting of Shareholders to pay a dividend of € 2.40 per share entitled to dividends (net € 1.68). After approval by the General Meeting of Shareholders the financial dividend will be made payable May 6, 2024. The remaining financial resources will allow to make all investments necessary to ensure the competitiveness of the company.

SHARE BUY-BACK PROGRAM

On March 1, 2023, the Board of Directors approved a share buy-back program for a maximum amount of m€ 15. This program will come to an end on March 1, 2024.

In 2023, 132.543 shares were purchased as part of this program. The Board of Directors decided on June 12, 2023 to destroy 260.063 own shares. In total, 249.401 shares are in possession of Van de Velde on December 31, 2023.

On February 28, 2024, the Board of Directors approved a share buy-back program for a maximum amount of m€ 15. This buy-back program begins on March 4, 2024, and has a planned duration of one year. The goal of this program is to reduce the cash surplus of the company.

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The purchases are made in accordance with the applicable laws and regulations and within the framework of the mandate granted by the Extraordinary General Meeting of April 27, 2022. The program is carried out by an independent broker with a discretionary mandate, which means that the purchases take place in both open and closed periods. Van de Velde regularly provides information about the purchase transactions carried out.

CONSOLIDATED KEY FIGURES

The exhaustive financial report (including regulated information and the statement of limited supervision of the commissioner) can be consulted [through this link](#).

STATUTORY AUDITOR'S REPORT ON THE ANNUAL INFORMATION AS OF DECEMBER 31, 2023

Our statutory auditor, EY Bedrijfsrevisoren BV, represented by Francis Boelens, has confirmed that his audit procedures on the consolidated financial statements have been thoroughly completed and that they have not revealed any significant corrections that should be made to the accounting data included in this press release.



Van de Velde creates fashionable lingerie of superior quality with its premium, complementary brands PrimaDonna, Marie Jo and Andres Sarda. We believe in 'we ignite the power in women': we want to make a difference in women's lives with our beautiful and perfectly fitted lingerie. For us, an impeccable in-store service is key, an approach which we have consolidated in our Lingerie Styling concept.

We work in close partnership with 3.600 independent lingerie boutiques worldwide. In addition to that, we have our own retail network with retail brands Rigby & Peller and Lincherie. Our geographical center of gravity is Europe and North America. Van de Velde employs 1.500 employees and is listed on Euronext Brussels.

CONTACTS

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