

Van de Velde

24.02.2022 – 08h15

Regulated information – Year results 2021

Van de Velde realizes strong growth in turnover and EBITDA

- Van de Velde reports a comparable turnover of m€ 191.2, an increase of 19.1%.
- Comparable EBITDA increases by 30.3% to m€ 52.3 and corresponds to 27.4% of the comparable turnover.
- Cash position increases by m€ 23.8 to m€ 73.5.
- Net group profit for the period amounts to m€ 32.0, an increase of m€ 17.3.
- A dividend of € 2.00 per share will be proposed to the General Meeting of Shareholders.
- A new share buy-back programme will be initiated.

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

Consolidated key figures	31.12.2021	31.12.2020	%
Profit and loss statement (in m€)			
Turnover	195.3	152.3	28.2%
Operating profit before depreciation and amortization ('EBITDA') (2)	55.0	34.7	58.4%
EBIT or operating profit	41.8	19.6	113.6%
Group profit	32.0	14.7	117.7%
Turnover	195.3	152.3	28.2%
Effect of early deliveries	-4.1	8.2	-150.0%
Turnover on a comparable basis (1)	191.2	160.5	19.1%
EBITDA on a comparable basis (1)	52.3	40.1	30.3%

CEO Marleen Vaesen: "2021 was an outstanding year for Van de Velde, despite a difficult start caused by COVID. We are very proud of our results with a strong growth in turnover and EBITDA. The second half of the year was exceptionally good with the highest turnover ever in this half of the year. We managed to achieve this by choosing the right strategical priorities. We elaborated our brands based on consumer insights and a 360° activation. The Retail Partner is our preferred partner, and we implemented an optichannel strategy. This is being supported by advanced digital platforms and systems. Only engaged employees can realize this.

Van de Velde has a strong basis to achieve further growth. We look forward to the future with confidence, and we will continue to invest in our brands, Retail Partners, optichannel strategy and supply chain to realize further growth."

⁽¹⁾ 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. For 2021, this adjustment was -m€ 4.1, being the invoiced turnover in 2021 of deliveries summer collection 2022 corrected with the invoiced turnover in 2020 of deliveries summer collection 2021. In 2020, this was a correction of m€ 8.2, being the invoiced turnover in 2019 (deliveries summer collection 2020). Due to COVID-19, there was a limited amount of summer deliveries at the end of 2020.

⁽²⁾ 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 increases in 2021 by 19.1% from m€ 160.5 to m€ 191.2. The reported turnover increases more sharply, namely by 28.2% from m€ 152.3 to m€ 195.3. This is due to a timing difference resulting from the postponement of the deliveries for summer 2021 at the end of 2020.

This comparable turnover evolution consists of the following components:

Comparable turnover (in m€)	31.12.2021	31.12.2020	%
Turnover	195.3	152.3	28.2%
Deliveries summer collection in the second half of 2021 and 2020	-5.0	-0.9	
Deliveries summer collection in the second half of 2020 and 2019	0.9	9.1	
Comparable turnover	191.2	160.5	19.1%

The comparable wholesale turnover increases by 18.4% to m€ 163.6 and the retail turnover grows by 23.7% to m€ 27.6. In Europe, the retail turnover increases by 17.8% and in the United States by 49.4%. The stronger growth in the United States reflects the fact that there were no lockdowns in 2021 compared to long lockdowns in 2020.

In both segments, wholesale and retail, the following trends can be observed:

- Lingerie sales recovered strongly and even grow compared to 2019. This growth is driven by a strong performance in the second half of the year.
- Swim sales have not yet recovered due to uncertainties and restrictions related to travelling in spring 2021.
- Sales are highly stimulated by the optichannel customer experience based on a 360° marketing activation through the different channels and improved digital platforms. The different campaigns positively impacted all channels, both physical and digital.

OTHER OPERATING INCOME AND EXPENSES

The other operating income consisting mainly of charged costs (export duties and transport costs) and recovered costs (personnel costs and insurances) ended 17.7% higher in 2021 and amounts to m€ 5.1. The increase of revenue from charged costs is a result of a higher turnover.

The increase in expenses (subcontracting, distribution, sales, and marketing) is mainly the result of higher sales volumes and marketing efforts.

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EBITDA

On a comparable basis (including comparable seasonal deliveries), the consolidated EBITDA for 2021 increases by 30.3%, from m€ 40.1 in 2020 to m€ 52.3 in 2021. The EBITDA on a non-comparable basis increases by 58.4% from m€ 34.7 in 2020 to m€ 55.0 in 2021.

Comparable EBITDA (in m€)	31.12.2021	31.12.2020	%
EBITDA (Operating profit + depreciation and amortization)	55.0	34.7	58.4%
EBITDA on comparable deliveries	-2.7	5.4	
Comparable EBITDA	52.3	40.1	30.3%

The EBITDA on a comparable basis amounts to 27.4% of the turnover compared to 25.0% in 2020. The main reason for this positive evolution is the turnover increase of 19.1%. Furthermore, there is a positive price effect due to a different mix and the improvement in production efficiency.

FINANCIAL RESULT

The financial result in 2021 amounts to -m€ 1.0 compared to -m€ 0.3 in 2020. The difference of m€ 0.7 is mainly explained by the impact of exchange rate conversions.

MINORITY STAKE

Our participation (25.66%) in Top Form International Ltd is recovering. The result, based on the equity-method, increases from m€ -1.3 in 2020 to m€ -0.4 in 2021. The result in the second half of the year was m€ +0.1 versus m€ -0.5 in the first half.

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. The carrying amount of the 25.66% stake in Top Form International Ltd. amounts to m€ 13.7 on 31/12/2021. The value of this participation based on the share price on that date is m€ 4.1. Analyses and audits show that there is no need for an impairment of the financial fixed asset.

INCOME TAX AND NET PROFIT

The tax rate amounts to 20.6%, compared to 17.9% in 2020, because of a higher tax base.

In 2021 the net profit totals up to m€ 32.0 versus m€ 14.7 in 2020.

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

Consolidated key figures	31.12.2021	31.12.2020	%
Balance sheet (in m€)			
Fixed assets	73.3	80.2	-8.6%
Current assets	133.9	105.1	27.4%
Total assets	207.2	185.3	11.8%
Equity	163.1	144.7	12.8%
Grants	0.3	0.4	-22.2%
Total non-current liabilities	11.4	16.0	-28.8%
Total current liabilities	32.4	24.3	33.5%
Total equity and liabilities	207.2	185.3	11.8%

INVESTMENTS

Capital expenditure (excluding right of use assets) amounts to m€ 4.6 in 2021, compared to m€ 2.7 in 2020. These investments primarily relate to the further development of digital platforms and systems. Also smaller investments were made to modernize buildings.

WORKING CAPITAL AND SOLVENCY

Working capital (current assets excluding cash and cash equivalents fewer current liabilities excluding financial debts) decreases and amounts to m€ 31.7 in 2021 versus m€ 35.4 in 2020. This is due to an increase in the short-term liabilities because of increased business activity and a decrease in tax and VAT receivables.

The solvency (share of equity in total equity) of Van de Velde remains high (78.7%). The current assets amount to 4.2 times the current liabilities, which indicates a strong liquidity.

COVID-19 UPDATE

In 2020, companies around the world were hit by the effects of the COVID-19 pandemic. The consequences of this pandemic also had an impact on 2021. At the beginning of 2021, many of our Retail Partners were again confronted with several weeks of shop closure and other restrictions. Just like last year, we optimally supported our Partners through various measures. This led to a further increase in customer satisfaction.

EVENTS AFTER BALANCE SHEET DATE

On May 1, 2022, a new CEO will start at Van de Velde after an induction period. More details on this in a separate press release today February,24 2022.

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PROSPECTS

After a year of recovery in 2021 it is our ambition to realize further growth in 2022. Our strategic vision for 2022 is worded as follows: 'accelerated growth through the activation of our premium brands, a customized service for our Retail Partners and customers and investments in our supply chain'.

Our strategic plan for 2022/2023 contains the following key areas: growth through our brands, focus on customers and the further deployment of the optichannel customer experience. We are confident that these strategic priorities will generate further growth.

DIVIDEND

For the financial year 2021 the Board of Directors proposes to the General Meeting of Shareholders to pay a dividend of € 2.00 per share (net € 1.40). After approval by the General Meeting of Shareholders the financial dividend will be made payable on May 5, 2022. The other financial resources (including cash position) will allow to undertake the necessary investments to guarantee the competitiveness of the company.

SHARE BUY-BACK PROGRAMME

On August 28, 2020, the Board of Directors approved a share buy-back programme for a maximum of m€ 14.59. This programme ended on September 3, 2021.

During 2020, 49.005 shares were purchased. In 2021 116.857 additional shares were purchased. In total, 194.040 shares¹ are in possession of Van de Velde NV on December 31, 2021.

On February 23, 2022 the Board of Directors approved another share buy-back programme for a maximum amount of m€ 15. The buy-back programme will start on March 1, 2022 and has a planned duration of one year. The goal of this buy-back programme is to reduce the cash surplus of the company and, optionally, to destroy partially or completely acquired shares.

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 December 11, 2019. The programme 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 consolidated profit and loss account as well as the detailed overview of the other costs and revenues can be found [through this link](#).

¹ Including the treasury shares already held by Van de Velde before August 28, 2020.

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STATUTORY AUDITOR'S REPORT ON THE ANNUAL INFORMATION AS OF 31 DECEMBER 2021

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 ontwerpt modieuze lingerie van superieure kwaliteit met de sterke complementaire merken PrimaDonna, Marie Jo en Andres Sarda. We geloven in 'Shaping the bodies and minds of women': we willen een verschil maken in het leven van vrouwen door hun zelfvertrouwen en zelfbeeld te verbeteren met onze mooie en perfect passende lingerie. Voor ons staat een onberispelijke service in de winkel centraal, een aanpak die we hebben geconsolideerd in ons Lingerie Styling-concept.

We werken nauw samen met 3.600 onafhankelijke lingerieboetieks wereldwijd. Daarnaast hebben we ons eigen retailnetwerk met de retailmerken Rigby & Peller en Lincherie. We richten ons voornamelijk op de Europese en Noord-Amerikaanse markt. Van de Velde heeft 1.500 werknemers in dienst en is genoteerd op Euronext Brussel.

CONTACTEN

Voor bijkomende inlichtingen kunt u terecht bij:

Van de Velde NV - Lageweg 4 - 9260 Schellebelle - +32 (0)9 365 21 00 - www.vandevelde.eu

Mavac BV,
vast vertegenwoordigd door
Marleen Vaesen
Voorzitter Directiecomité

Karel Verlinde CommV,
vast vertegenwoordigd door
Karel Verlinde
Financieel Directeur
