

Belysse Group nv FY 2024 Results and Q4 2024 Trading Update

Highlights

- FY 2024 consolidated Group Revenue was €280.4m (-6.8% YoY)
 - Revenue growth by division: United States (US) -3.9% (-3.8% organic, -0.1% FX), Europe -10.2%
- FY 2024 Adjusted EBITDA improved to €42.4m (+26.0% YoY) with a stronger Adjusted EBITDA margin of 15.1% (11.2% in FY 2023)
 - US Adjusted EBITDA: €32.0m (+4.6% YoY)
 - Europe Adjusted EBITDA: €10.4m (+241.6% YoY)
- Net Debt at the end of 2024 was €135.0m (including €26.6m of IFRS 16 lease liabilities), €4.2m lower than the 30 June 2024 figure.
- Net leverage¹ significantly reduced to 3.1x at the end of 2024 from 4.5x reported at the end of 2023.
- Total available liquidity (including headroom under the RCF) increased to €52.7m at the end of Q4 2024 (versus €41.0m at the end of H1 2024).

Business Update

In Bentley Mills, the full year 2024 Revenue of €154.5m was slightly lower than prior year (-3.9%), due to lower volumes in the first half of 2024 and stable average selling prices.

Full year 2024 Adjusted EBITDA of €32.0m improved by 4.6% versus prior year with an Adjusted EBITDA margin of 20.7% (19.0% in 2023). Further improved efficiencies more than offset the impact from the slight decline in volumes.

In the second half of the year, volumes and revenues stabilized, with Q4 2024 Revenue at €37.6m being on par with the prior year.

In Europe, the full year 2024 Revenue of €125.9m decreased by 10.2% versus prior year. The market backdrop remained weak throughout the year, in particular in the Residential business line. Despite the lower volumes, average selling prices remained stable vs. prior year.

Full year 2024 Adjusted EBITDA recovered materially to €10.4m (vs. €3.0m in 2023) with an Adjusted EBITDA margin of 8.3% (2.2% in 2023). This was the result of a recovery of unitary margins, a higher margin product portfolio and fixed cost savings, which overcompensated the lower volumes and wage inflation.

¹ Excluding IFRS 16 impacts, but including sale and leaseback

James Neuling, CEO of Belysse Group, commented:

“Despite continued soft market backdrop, Group margins and EBITDA have significantly improved, with both regions contributing.

I want to thank the team who continue to work hard on commercial excellence, efficiency and costs while we are waiting for the markets to recover.

We also progressed well in our sustainability program, achieving further reductions in CO₂ emissions per m² produced, increasing the share of certified recycled content and successfully re-certifying collections to the latest Cradle-to-Cradle standards. Additionally, we established SBT² targets taking us through to 2030.”

² SBTi: Science Based Targets initiative

Full Year 2024 Revenue and Adjusted EBITDA per Division

(€ million, unless otherwise mentioned)	FY 2024	FY 2023	% Change	o/w organic	o/w FX
Europe	125.9	140.1	(10.2)%		
US	154.5	160.8	(3.9)%		
Consolidated Revenue	280.4	300.9	(6.8)%	(6.8)%	(0.0)%
Europe	10.4	3.0	241.6%		
US	32.0	30.6	4.6%		
Consolidated Adjusted EBITDA	42.4	33.7	26.0%	26.1%	(0.1)%
Europe	8.3%	2.2%			
US	20.7%	19.0%			
Consolidated Adjusted EBITDA Margin	15.1%	11.2%			

Q4 2024 Revenue per Division

(€ million, unless otherwise mentioned)	Q4 2024	Q4 2023	% Change	o/w organic	o/w FX
Europe	30.0	34.2	(12.3)%		
US	37.6	37.5	0.3%		
Consolidated Revenue	67.6	71.7	(5.7)%	(6.1)%	0.3%

Other Financial Items Review

Non-Recurring Items below Adjusted EBITDA

The net impact of non-recurring items on 2024 net result was a positive €0.1m (€0.00 per share) vs. a negative €3.1m (€0.09 per share) in 2023. The benefit in 2024 is mainly driven by a true-up of strategic advisory fees, which was partly offset by one-off costs linked to the execution of a fixed expense reduction program that was implemented in Europe.

Net Financing Costs

The net financing cost of €10.1m (€18.4m in 2023) primarily represent the interest expenses on external borrowings. This decrease is mainly driven by the refinancing transaction and the one-time positive effect of the settlement of the Senior Secured Note that matured in 2024.

Taxation

The Group reported a tax expense for 2024 of €2.3m (€3.4m in 2023) based on an overall profit before tax of €12.9m (loss before tax of €7.7m in 2023). This amount results from the taxing of the profits at our US division.

Earnings per Share

Earnings per share of €0.29 in 2024 compared to loss per share of €0.31 in 2023.

Dividends

Given our focus remains on deleveraging and further investing into the business, the Board does not propose a dividend for the year.

Glossary: Alternative Performance Measures

The following alternative performance measures (non-IFRS) have been used as management believes that they are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. The alternative performance measures may not be comparable to similarly-titled measures of other companies, have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results, our performance, or our liquidity under IFRS.

Organic Growth is defined as growth excluding (i) FX impacts, which comprise the translation of key foreign entities and (ii) M&A impacts.

Adjusted EBITDA is defined as operating profit / (loss) adjusted for (i) the impact of the purchase price allocation mainly on change in inventories, (ii) gains on asset disposals, (iii) integration and restructuring expenses, (iv) depreciation / amortization and (v) impairment and write-offs

Adjusted EBITDA margin is defined as the Adjusted EBITDA as a percentage of revenue.

Net Debt is defined consistent versus previous reporting as (i) Term Loan, (ii) Notes maturing in 2030, (iii) Bank and other borrowings (and where noted IFRS 16 liabilities) less (iv) cash and cash equivalents.

Leverage is defined as the ratio of Net Debt to Adjusted EBITDA (both excluding IFRS 16 impacts as per previous reporting, except for sale and leaseback transactions).

Reconciliation of Alternative Performance Measures

Net Debt and Leverage⁽¹⁾

(€ million)	December 31, 2024			December 31, 2023		
	Non Current	Current	Total	Non Current	Current	Total
Term Facility	124.3	0.5	124.8	-	-	-
Senior Secured Notes	1.8	0.0	1.9	1.8	135.2	137.0
Bank and other borrowings	11.5	1.8	13.2	14.4	2.1	16.5
Less: Cash and Cash equivalents	-	(38.6)	(38.6)	-	(35.8)	(35.8)
Adjusted for capitalized financing fees	4.9	2.3	7.2	0.2	0.2	0.4
Net Debt (excl. IFRS16 Impact)	142.5	(34.1)	108.4	16.5	101.7	118.2
Adjusted EBITDA (excl. IFRS16)			34.8			26.2
Leverage¹			3.1x			4.5x
IFRS16 impact	18.9	7.7	26.6	20.4	6.8	27.1
Reported Net Debt	161.4	(26.4)	135.0	36.9	108.5	145.3

⁽¹⁾ Leverage excludes IFRS16 impacts, but includes sale and leaseback transactions

Financial Statements

Statutory Auditor's Note on the Financial Information for the Year Ended 31 December 2024

"The statutory auditor has confirmed that the audit, which is substantially complete, has not to-date revealed any material misstatements in the draft consolidated accounts, and that the accounting data reported in the press release is consistent, in all material respects, with the draft accounts from which it has been derived."

The statutory auditor
PwC Bedrijfsrevisoren BV / Reviseurs d'Entreprises SRL

Represented by

Wouter Coppens*
Bedrijfsrevisor/Réviser d'Entreprises

*: Acting on behalf of Wouter Coppens BV

Consolidated Statement of Comprehensive Income

(€ thousands)	For the year ended December 31	
	2024	2023
I. CONSOLIDATED INCOME STATEMENT		
Revenue	280,381	300,918
Raw material expenses	(109,418)	(124,174)
Changes in inventories	(424)	(11,018)
Employee benefit expenses	(76,532)	(76,021)
Other income	891	929
Other expenses	(52,459)	(56,956)
Depreciation / amortization	(19,582)	(19,890)
Adjusted Operating Profit	22,857	13,788
Integration and restructuring expenses	133	(3,069)
Operating profit / (loss)	22,990	10,718
Finance income	14,199	367
Finance expenses	(24,288)	(18,795)
Net finance expenses	(10,089)	(18,428)
Profit / (loss) before income taxes	12,901	(7,710)
Income tax benefit / (expense)	(2,328)	(3,386)
Profit / (loss) for the period	10,573	(11,095)
II. CONSOLIDATED OTHER COMPREHENSIVE INCOME		
<i>Items in other comprehensive income that may be subsequently reclassified to P&L</i>		
Exchange differences on translating foreign operations	7,556	(4,529)
<i>Items in other comprehensive income that will not be reclassified to P&L</i>		
Changes in deferred taxes	123	(40)
Changes in employee defined benefit obligations	(478)	(13)
Other comprehensive income for the period, net of tax	7,201	(4,583)
Total comprehensive income for the period	17,774	(15,678)

Consolidated Balance Sheet

	For the year ended December 31	
(€ thousands)	2024	2023
Property, plant and equipment	99,615	100,795
<i>Of which IFRS 16 related right-of-use assets (excluding sales-and-leaseback)</i>	22,557	23,533
<i>Land and buildings</i>	42,170	44,963
<i>Plant and machinery</i>	51,825	49,742
<i>Other fixtures and fittings, tools and equipment</i>	5,620	6,090
Goodwill	107,668	103,046
Intangible assets	4,698	5,212
Deferred income tax asset	1,372	426
Trade and other receivables	624	586
Total non-current assets	213,978	210,066
Inventories	49,608	52,257
Trade and other receivables	17,503	28,377
Current income tax assets	585	1,045
Cash and cash equivalents	38,605	35,812
Total current assets	106,301	117,491
Total assets	320,279	327,557
Share capital	252,950	252,950
Share premium	65,660	65,660
Other comprehensive income	8,485	1,283
Retained earnings	(191,717)	(202,298)
Other reserves	(39,876)	(39,876)
Total equity	95,502	77,720
Senior Secured Notes	1,839	1,839
Term Facility	124,319	-
Bank and Other Borrowings	30,353	34,778
<i>Of which IFRS 16 related lease liabilities (excluding sales-and-leaseback)</i>	18,888	20,375
Deferred income tax liabilities	3,842	5,814
Provisions for other liabilities and charges	2,689	2,229
Employee benefit obligations	631	159
Derivative Financial Instruments	1,547	-
Total non-current liabilities	165,220	44,818
Senior Secured Notes	17	135,203
Term Facility	503	-
Bank and Other Borrowings	9,439	8,875
<i>Of which IFRS 16 related lease liabilities (excluding sales-and-leaseback)</i>	7,685	6,757
Other payroll and social related payables	14,415	14,444
Trade and other payables	35,087	46,462
Income tax liabilities	97	36
Total current liabilities	59,557	205,019
Total liabilities	224,778	249,837
Total equity and liabilities	320,279	327,557

Consolidated Statement of Cash Flow

(€ thousands)	For the year ended December 31	
	2024	2023
I. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) from the period	10,573	(11,095)
Adjustments for:		
Income tax expense/(income)	2,328	3,386
Finance income	(14,199)	(367)
Financial expense	24,288	18,795
Depreciation, amortisation	19,582	19,890
(Gain) / loss on disposal of non-current assets	(119)	-
Movement in provisions	645	(1,999)
Expense recognised in respect of equity-settled share-based payments	8	6
Cash generated before changes in working capital	43,106	28,615
Changes in working capital:		
Inventories	3,733	24,459
Trade receivables	6,312	979
Trade payables	(7,887)	(9,124)
Other working capital	(302)	(8,476)
Cash generated after changes in working capital	44,962	36,452
Net income tax (paid)	(4,830)	(5,400)
Net cash generated / (used)	40,132	31,053
II. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition & disposal of property, plant and equipment	(9,286)	(10,458)
Acquisition of intangibles	(915)	(1,332)
Net cash used by investing activities	(10,200)	(11,790)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Interest and other finance charges paid, net	(21,630)	(13,565)
Proceeds from borrowings with third parties	120,000	-
Repayments of Senior Secured Notes	(118,624)	-
Repayments of borrowings with third parties	(8,517)	(7,892)
Net cash generated / (used) by financing activities	(28,770)	(21,457)
NET INCREASE/ (DECREASE) IN CASH AND BANK OVERDRAFTS	1,162	(2,195)
Cash, cash equivalents and bank overdrafts at the beginning of the period	35,812	38,488
Exchange gains/(losses) on cash and cash equivalents	1,631	(482)
Cash, cash equivalents and bank overdrafts at the end of the period	38,605	35,812

Consolidated Statement of Change in Shareholder Equity

	Share capital	Share premium	Other comprehensive income	Retained earnings	Other reserves	Total equity
(€ thousands)						
Balance at 31 December 2022	252,950	65,660	5,866	(191,208)	(39,876)	93,392
Profit / (loss) for the period	-	-	-	(11,095)	-	(11,095)
Other comprehensive income						
Exchange differences on translating foreign operations	-	-	(4,529)	-	-	(4,529)
Cumulative changes in deferred taxes	-	-	(40)	-	-	(40)
Cumulative changes in employee defined benefit obligations	-	-	(13)	-	-	(13)
Total comprehensive income for the period	-	-	(4,583)	(11,095)	-	(15,678)
Equity-settled share-based payment plans	-	-	-	6	-	6
Balance at 31 December 2023	252,950	65,660	1,283	(202,298)	(39,876)	77,720

	Share capital	Share premium	Other comprehensive income	Retained earnings	Other reserves	Total equity
(€ thousands)						
Balance 31 December 2023	252,950	65,660	1,283	(202,298)	(39,876)	77,720
Profit / (loss) for the period	-	-	-	10,573	-	10,573
Other comprehensive income						
Exchange differences on translating foreign operations	-	-	7,556	-	-	7,556
Cumulative changes in deferred taxes	-	-	123	-	-	123
Cumulative changes in employee defined benefit obligations	-	-	(478)	-	-	(478)
Total comprehensive income for the period	-	-	7,201	10,573	-	17,774
Equity-settled share-based payment plans	-	-	-	8	-	8
Balance at 31 December 2024	252,950	65,660	8,485	(191,717)	(39,876)	95,502

Earnings Call

The FY 2024 Results will be presented on **7 March 2025 at 10.00 am CET**, via a webcast, by CEO James Neuling and CFO Andy Rogiest. The results presentation will be made available on www.belysse.com/investors.

For Further Information, Please Contact

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Additional Information Notice

We kindly refer you to our website www.belysse.com/en/investors/company-results where the FY 2024 results presentation is available, which includes more detailed information on our results.

About BELYSSE

Belysse manufactures textile floor coverings for commercial and residential applications and sells its products primarily in North America and Europe under the premium brands Bentley (U.S.), modulyss, arc edition and ITC (Europe). Headquartered in Waregem (Belgium), Belysse employs roughly 1,000 people and operates three manufacturing sites across Belgium (Tielt and Zele) and the United States (Los Angeles). Belysse had revenue of €280 million in 2024 and is listed on Euronext exchange (Euronext: BELYS).

Important Notice

Certain financial data included in this press release are “non-IFRS financial measures.” These non-IFRS financial measures may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with International Financial Reporting Standards. Although Belysse Group nv believes these non-IFRS financial measures provide useful information to users in measuring the financial performance and condition of its business, users are cautioned not to place undue reliance on any non-IFRS financial measures or any ratios included in this presentation. This press release may include projections and other “forward-looking” statements. Any such projections or statements reflect the current views of the issuer about further events and financial performance. No assurances can be given that such events or performance will occur as projected and actual results may differ materially from these projections. Belysse Group nv expressly disclaims any obligation or undertaking to publicly update or revise these forward-looking statements other than as required by applicable law. The fact that the current press release includes certain forward-looking statements does not imply an obligation of or constitute a guarantee by Belysse Group nv to include such forward-looking statements in future press releases or communication. Rounding adjustments have been made in calculating some of the financial information included in this press release. As a result, figures shown as totals may not be exact arithmetic aggregations of the figures that precede them.

NEXT SCHEDULED ANNOUNCEMENT

Belysse Group nv intends to publish a Q1 2025 trading update in April 2025.