

## ABO-GROUP - Annual Results for 2023

Ghent, 28 March 2024 – 18.30 CET – Press release / regulated information

### 2023 highlights

- **ABO-GROUP saw her revenue grow by 20%, to €85.2 million, thanks to 5 acquisitions and 10% organic growth**
- **The EBITDA margin increased by 13% on a year-to-year basis, thanks to the smooth integration of the acquisitions**
- **A solid balance sheet with a debt ratio of 1.5x EBITDA, and a solvency ratio of 30%**

### Outlook

- **Strengthening of the existing areas of expertise, with a focus on the growth drivers ecology, PFAS and the mining industry**
- **Continued focus on M&A: Eau & Perspectives, ABO-GROUP's first acquisition in 2024**
- **The “€100 million revenue” mark within reach, quicker than planned**



**Frank De Palmenaer, CEO ABO-GROUP Environment:** *“This year, ABO-GROUP succeeded in realising the strongest performance in recent years, growing by 20%. The accumulated experience relating to the quick integration of various acquisitions and the strategic, flexible vision of our employees in Belgium, the Netherlands and France contributed to this. Following a challenging start to 2023, we succeeded in also increasing the organic growth and boosting operational margins. Moreover, the acquisitions of DynaOpt, MEET HET and SWBO added specific areas of expertise and capacities to the Group, enabling us to be of even better service to our customers as a one-stop-shop. This also lays the foundation for the coming year, in which we will continue along the familiar path – strong internal development and value creation, combined with specific acquisitions to further strengthen our knowledge and expertise. With the acquisition of Eau & Perspectives early this year, we have already added a hydrological leg to our environmental branch, which we will also further develop in the other countries. Through this internal cross-fertilisation, we continue to strengthen the Group, and to prepare ourselves for further growth.”*

In €000	FY2023	FY2022	% change
Revenue	83 620	69 868	19.7%
<b>Total operating income</b>	<b>85 163</b>	<b>70 927</b>	<b>20.1%</b>
EBITDA <sup>1</sup>	11 171	9 880	13.1%
Depreciation, impairments and provisions	-6 482	-6 354	2.0%
<b>Operating profit</b>	<b>4 689</b>	<b>3 526</b>	<b>33.0%</b>
Financial result	-1 154	- 721	60.1%
<b>Profit before tax</b>	<b>3 534</b>	<b>2 805</b>	<b>26.0%</b>
<b>Net profit</b>	<b>2 548</b>	<b>2 216</b>	<b>15.0%</b>
Total result	2 526	2 225	13.5%
<b>Earnings per share for the shareholders</b>	<b>0.24</b>	<b>0.21</b>	<b>13.5%</b>
<b>Net cash flow from operating activities</b>	<b>7 703</b>	<b>7 062</b>	<b>9,1%</b>

In €000	FY2023	FY2022	% change
Total equity	25 831	21 760	18.7%
<b>Net financial debt</b>	<b>16 226</b>	<b>10 639</b>	<b>52.5%</b>
<b>Balance sheet total</b>	<b>86 288</b>	<b>70 761</b>	<b>21.9%</b>

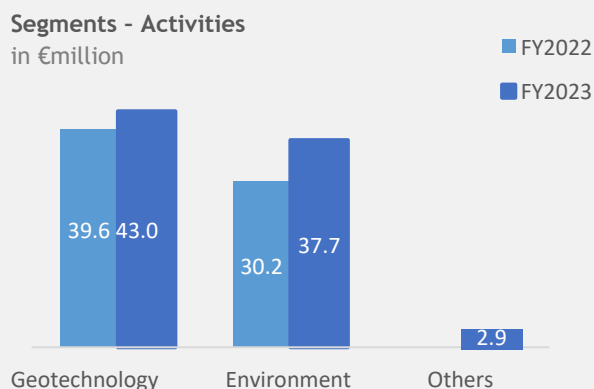
<sup>1</sup> EBITDA defined as operating profit before depreciation, impairments and provisions

## Highlights in FY2023

### Strong 20% increase in turnover, evenly distributed between organic and external growth

The five acquired entities significantly contribute to the revenue of the Group. DynaOpt (12 months), SEGED (10.5 months), MEET HET and Rimeco (each 6 months) and SWBO (3 months) ensured €6.8 million revenue. Together with the remaining impact of the acquisition of Geo-Supporting and Colsen in 2022, the acquisitions ensure 10.1% growth compared to 2022. The existing entities of the Group match these results, however – thanks to the increase of 9.6% in their activities, ABO-GROUP is able to report a total revenue of €83.6 million, a growth of 19.7% compared to 2022.

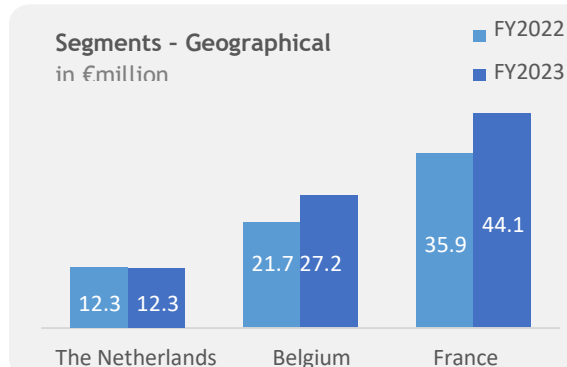
Thanks to several major orders and framework contracts, the ABO-GROUP entities in the French geotechnical market have succeeded in strengthening their position in the second half of the year. Despite the fact that geotechnical engineering remained under pressure in the Netherlands, an organic revenue growth of 8.1% resulted. Together with the residual impact of Geo-Supporting, the total turnover of the geotechnical activities



amounts to €43.0 million, an increase of 8.4% compared to €39.6 million in 2022. The environmental activities continued their strong momentum in the second half of the year: these activities grew by more than 10% in all countries. The acquisitions of SEGED, Rimeco and the last months of Colsen represented a revenue increase of the environmental activities of 13.1%, further supported by an organic growth of 11.6%. As a result, the environmental activities of 2023 can report a turnover of €37.7 million. This is 24.7% higher than in 2022, when €30.2 million were achieved. The share of the environmental activities increased further, from 43% to 45%. Finally, we see the emergence of a new pole in ABO-GROUP. The acquisitions of DynaOpt and MEET HET add activities in the field of monitoring and technical measurements, and the acquisition

of SWBO adds expertise in the design of infrastructure works. Grouped in the “Other” pole, they already contributed €2.9 million over the entire year of 2023, which represents additional growth of 4.2%.

At a national level, the Belgian activities made the biggest jump, from €21.7 million in 2022 to €27.2 million this year, a growth of 25.5%. With the three acquisitions of MEET HET, Rimeco and SWBO, revenue was given a boost of €3.0 million (14.0% compared to 2022). In addition, the operational entities ABO, Geosonda and Translab also managed to grow their turnover by 11.5%, thanks to an increase in projects related to PFAS and asbestos analyses. The French activities also increased strongly on both fronts. Organically, the fieldwork and drilling departments of Geosonic and ABO-ERG Géotechnique managed to recover in the second half of the year, and the consultancy services of ABO-INNOGEO and ABO-Geo+ Environnement, among others, continued their performance from the first half of the year, with a 12.5% turnover growth as result. Combined with the turnover contribution of SEGED and DynaOpt to the amount of 10.6%, this ensured a strong turnover increase of 23.1% for the French activities, from €35.9 million in 2022 to €44.1 million in 2023.



The continued decline in the Dutch construction and infrastructure markets, due to the increase in the prices of building materials and in the interest rates, as well as the nitrogen issue, resulted in the geotechnical activities remaining under pressure in the second half of the year, and the decrease of turnover by 13%. Thanks to the strong results of the environmental branch and the contribution from the Colsen and Geo-Supporting acquisitions from 2022, however, the Dutch turnover remained stable at €12.3 million.

## Featured projects

ABO Group constantly endeavours to take its role as a positive force in society to heart and uses its years of experience and expertise to best represent the interests of its customers, partners and society. Throughout the past year, the Group was committed to a variety of projects, which helped achieve these great results. For instance, the recently acquired French monitoring expert DynaOpt is collaborating on the restoration of Notre Dame Cathedral in Paris. In the Netherlands, our entities ABO-Geomet, Sialtech and Geosonda joined forces for a project concerning the construction of no less than 20,000 houses in Almere. In one of our R&D files, ABO in Belgium has the lead within the European subsidised LIFE CAPTURE project, where it is working with 7 European partners-specialists from academia and industry-to investigate, map PFAS contamination and develop innovative remediation techniques.

## Recovery of the operational margins and net result

The recovery of the geotechnical market in France, the increased contribution of the new entities in the Group and the focus on efficient cost management resulted in an increase of the EBITDA margin from 11.4% in the first half of the year to 13.1% for the full year. The total EBITDA thereby increased from €9.9 million (13.9% margin) in 2022 to €11.2 million in 2023, an increase of 13.1%. Depreciations and provisions increase slightly from €6.4 million to €6.5 million. Consequently, the EBIT (the operating result) increased by 33%, from €3.5 to €4.9 million.

Due to the significant increase in interest rates, the financial loss increased from €0.7 to €1.2 million. Moreover, the strong performances of the operational entities resulted in a higher expected tax burden amounting to €1.0 million, compared to €0.6 million the previous year. Net profit nevertheless increased from €2.2 million (€0.21 per share) in 2022 to €2.5 million (€0.24 per share) in 2023.

## Cash-flow generation and debt position under control, despite margin pressure

The margin recovery and management of the operating capital were partially compensated by higher cash taxes, but, despite this fact, the operating cash-flow rose from €7.1 to €7.7 million, representing an increase of 9.1%. The completed acquisitions represent a net cash-outflow of €4.0 million, resulting in the investment cash-flow for 2023 amounting to €7.9 million, almost double compared to 2022, when the acquisitions of the trade funds of Colsen and Geo-Supporting only required a cash-outflow of €0.6 million.

As a result of the investments of ABO-GROUP in the French and Belgian acquisitions, the net financial debt increased from €10.6 million at the end of 2022 to €16.2 million at the end of 2023. The debt ratio increased to 1.5x compared to the EBITDA (1.1x at the end of 2022). The EBITDA thereby remains healthy and provides the Group with space to continue its investments in assets and/or acquisitions.

Due to the various acquisitions, the balance sheet total increased by €5.5 million to €86.3 million at the end of 2023, representing an increase of 21.9%. On the assets side, this is reflected in an increase of the tangible fixed assets and customer relationships, and, on the liabilities side, in the long-term debts, while the operating capital elements increased on both sides. Total equity amounted to €25.8 million at year-end, an increase by €4.1 million, compared to end 2022. The equity ratio is 29.9% (compared to 30.8% at the end of last year).

*The full consolidated income statement and balance sheet, the statement of changes in equity, and the consolidated cash flow statement are included below.*

## Outlook

### Strong focus on mining, ecology and PFAS in 2024, with an acceleration of the 2025 plan

For 2024, ABO-GROUP will continue to focus on the developments in the European mining sector, which are expected to further increase due to the various initiatives at the European level. In addition, the Group will also make efforts to make the PFAS issue visible in France, ensuring that the necessary awareness is created with regard to this crucial topic in the area of soil remediation. Finally, the Group is also expecting much from its ecological activities, which can count on increasing interest in the three countries. Together with the further recovery and growth of the geotechnical activities, this should constitute a good basis for a new year of sustainable growth.

Thanks to the strong results of 2023, the additional contribution of the newly-acquired entities and the outlook for 2024, the revenue mark of €100 million will be within reach faster than expected – the Group is expecting to achieve a turnover between €95 and €100 million during the upcoming financial year.

### Financial calendar

25/04/2024: Publication of the 2023 annual report and convocation of the General Meeting

29/05/2024: General Meeting

19/09/2024: Publication of the Half Year Results 2024

### Statement of the statutory auditor

The statutory auditor, EY Bedrijfsrevisoren BV, represented by Paul Eelen, has confirmed that its audit work, which has been completed in all its material aspects, has not revealed any significant correction with respect to the consolidated income statement, the consolidated total result, the consolidated balance sheet, the consolidated statement of changes in equity and the consolidated cash flow statement included in this press release.

### About the ABO-GROUP

ABO-GROUP is a specialised, listed engineering office focussing on geotechnology, environment and soil remediation. Through its Consultancy and Testing & Monitoring departments, ABO-GROUP operates in Belgium, the Netherlands and France, as well as internationally. The ABO-GROUP offers and guarantees its clients a sustainable solution. For a more detailed description of the operations of the group, please consult the ABO-Group website ([www.abo-group.eu](http://www.abo-group.eu)).

### For more information:

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## Consolidated profit and loss account

In €000	For the year ended 31 December	
	2023	2022
Revenue	83 620	69 868
Other operating income	1 543	1 059
<b>Total operating income</b>	<b>85 163</b>	<b>70 927</b>
Purchases of goods and services for sale	-10 617	-8 881
Services and miscellaneous goods	-26 609	-21 803
Employee remunerations	-35 563	-29 436
Depreciation	-6 416	-5 792
Other operating expenses	-1 269	-1 489
<b>Operating profit</b>	<b>4 689</b>	<b>3 526</b>
Financial charges	-1 299	- 740
Financial income	72	19
Share of profit of associated companies	72	-
<b>Profit before tax</b>	<b>3 534</b>	<b>2 805</b>
Tax	- 986	- 589
<b>Net profit</b>	<b>2 548</b>	<b>2 216</b>
Net profit (loss) attributable to the		
shareholders of the parent company	2 526	2 225
Minority interests	22	- 9
<b>Earnings per share for the shareholders</b>		
Basic and diluted	0.24	0.21

## Segment split – Revenue

Geographic - in €000	For the year ended 31 December	
	2023	2022
Belgium	27 206	21 670
<i>% total</i>	32.5%	31.0%
The Netherlands	12 279	12 343
<i>% total</i>	14.7%	17.7%
France	44 136	35 855
<i>% total</i>	52.8%	51.3%
<b>Total</b>	<b>83 620</b>	<b>69 868</b>

Activity - in €000	For the year ended 31 December	
	2023	2022
Geotechnology	42 963	39 621
<i>% total</i>	51.4%	56.7%
Environment	37 710	30 247
<i>% total</i>	45.1%	43.3%
Others	2 946	0
<i>% total</i>	3.5%	0.0%
<b>Total</b>	<b>83 620</b>	<b>69 868</b>

**Consolidated total result**

in 000€	For the year ended 31 December	
	2023	2022
Net profit	2 548	2 216
<b>Other comprehensive income - transferable to the income statement</b>		
Change in fair value of financial assets with fair value changes through other comprehensive income	- 1	- 7
<b>Other comprehensive income - non-transferable to profit and loss account</b>		
Actuarial gain	- 1	657
Impact taxes	1	- 164
Revaluation of buildings	2 549	-
Impact taxes	- 625	-
<b>Other comprehensive income, net of tax</b>	<b>1 923</b>	<b>486</b>
<b>Total profit after tax</b>	<b>4 471</b>	<b>2 702</b>
<b>Total result attributable to the</b>		
shareholders of the mother	4 447	2 711
minority interests	24	- 9



## Consolidated balance sheet

In €000	For the year ended	
	31 December	
	2023	2022
<b>Fixed assets</b>		
Goodwill	1 603	979
Intangible fixed assets	5 874	2 262
Tangible fixed assets	28517	23 466
Investments in associated companies	242	–
Deferred tax assets	766	759
Financial assets with fair value changes via the non-realised results	10	25
Other financial assets	716	588
<b>Total fixed assets</b>	<b>37 728</b>	<b>28 079</b>
<b>Short-term assets</b>		
Stocks	1 189	1 266
Trade receivables	19 011	14 035
Contract assets	13 115	9 539
Other short-term assets	1 277	1 095
Cash and cash equivalents	13 968	16 747
<b>Total short-term assets</b>	<b>48 560</b>	<b>42 682</b>
<b>Total assets</b>	<b>86 288</b>	<b>70 761</b>

In €000	For the year ended 31 December	
	2023	2022
<b>Total equity</b>		
Capital	3 863	4 857
Consolidated reserves	16 882	14 315
Non-realised results	4 246	2 490
<b>Equity attributable to the shareholders of the group</b>	<b>24 991</b>	<b>21 662</b>
Minority interest	839	98
<b>Total equity</b>	<b>25 830</b>	<b>21 760</b>
<b>Long-term liabilities</b>		
Financial debts	14 692	11 110
Deferred tax liabilities	2 740	1 353
Provisions	1 673	1 112
Other long-term liabilities	1 144	914
<b>Total long-term liabilities</b>	<b>20 249</b>	<b>14 489</b>
<b>Short-term debts</b>		
Financial debts	15 502	16 276
Trade payables	10 325	7 770
Tax liabilities	2 181	1 330
Other short-term debts	12 201	9 136
<b>Total short-term debts</b>	<b>40 209</b>	<b>34 512</b>
<b>Total shareholders' equity and debts</b>	<b>86 288</b>	<b>70 761</b>

## Consolidated overview of changes in equity

In €000	Attributable to the shareholders of the parent company					Total equity
	Capital	Consolidate d reserves	Non- realised results	Total	Minority interest	
<b>On 1 January 2022</b>	<b>4 857</b>	<b>12 563</b>	<b>2 196</b>	<b>19 616</b>	<b>880</b>	<b>20 496</b>
Net profit		2 225		2 225	- 9	2 216
Non-realised results			486	486	-	486
<b>Total result</b>		<b>2 225</b>	<b>486</b>	<b>2 711</b>	<b>- 9</b>	<b>2 702</b>
Transfer of depreciation of tangible fixed assets	-	192	- 192	-	-	-
Purchase of minority interest Geosonda	-	- 302	-	- 302	- 258	- 560
Put option minority interest Geosonda	-	- 363	-	- 363	- 515	- 878
<b>On 31 December 2022</b>	<b>4 857</b>	<b>14 315</b>	<b>2 490</b>	<b>21 662</b>	<b>98</b>	<b>21 760</b>
<b>On 1 January 2023</b>	<b>4 857</b>	<b>14 315</b>	<b>2 490</b>	<b>21 662</b>	<b>98</b>	<b>21 760</b>
Net profit		2 526		2 526	22	2 548
Non-realised results			1 921	1 921	2	1 923
<b>Total result</b>		<b>2 526</b>	<b>1 921</b>	<b>4 447</b>	<b>24</b>	<b>4 471</b>
Capital reduction	- 994	-	-	- 994	-	- 994
Purchase of minority interest (ENVIRM/ TRANS)	-	- 123	-	- 123	- 98	- 221
Minority interest Meet HET	-	-	-	-	815	815
Transfer of depreciation of tangible fixed assets	-	166	- 166	-	-	-
<b>On 31 December 2023</b>	<b>3 863</b>	<b>16 882</b>	<b>4 246</b>	<b>24 991</b>	<b>839</b>	<b>25 830</b>

## Consolidated cash flow statement

In €000	For the year ended 31 December	
	2023	2022
Net profit	2 548	2 216
Non-cash costs and operating adjustments		
Depreciation of tangible fixed assets	5 644	5 369
Depreciation of intangible fixed assets	689	423
Loss (profit) on sale of tangible fixed assets	-111	-104
Fair value adjustments	-501	-165
Movements in provisions	37	311
Movements in impairments on customers	29	251
Financial revenue	-72	-19
Financial charges	1 299	740
Impairment buildings	83	-
Badwill arising from business combinations	-35	-
Share in the profit of associated companies	-72	-
Deferred tax expenses (income)	-344	-141
Tax expenses	1 330	730
Others	-27	-1
Changes to the working capital		
Decrease (increase) in other financial fixed assets, trade receivables and other short-term assets	-4 843	-3 181
Decrease (increase) in stocks	236	9
Increase (decrease) in trade payables and other debts	2 968	893
<b>Cash flow from operating activities before interest and taxes</b>	<b>8 858</b>	<b>7 331</b>
Interest received	70	16
Taxes paid	-1 225	-285
<b>Net cash flow from operating activities</b>	<b>7 703</b>	<b>7 062</b>

In €000	For the year ended 31 December	
	2023	2022
<b>Investment activities</b>		
Investments in tangible fixed assets	-3 927	-3 608
Investments in intangible fixed assets	-73	-9
Sales of tangible fixed assets	113	138
Acquisition of subsidiary	-4 036	-641
Income from financial assets	19	6
Payment of deferred compensation	-14	-
<b>Net cash flow (used in) from investing activities</b>	<b>-7 918</b>	<b>-4 114</b>
<b>Financing activities</b>		
Income from loans	7 230	5 425
Repayment of loans	-6 030	-3 977
Repayment of lease debts	-2 442	-2 571
Purchase of minority interests	-177	-560
Interest paid	-896	-428
Other financial income (costs)	-249	-262
<b>Net cash flow from financing activities</b>	<b>-2 564</b>	<b>-2 373</b>
<b>Net increase in cash and cash equivalents</b>	<b>-2 779</b>	<b>575</b>
Cash and cash equivalents at the beginning of the year	16 747	16 172
<b>Cash and cash equivalents at the end of the year</b>	<b>13 968</b>	<b>16 747</b>