

BELYSSE™

# Q3 2023 QUARTERLY REPORT

**LSF9 Belysse Issuer S.à r.l.**

Senior Secured Notes due 2024  
Annual Report ended 31 December, 2022

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## **Table of Contents**

1.	KEY FIGURES .....	3
2.	MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS.....	4
2.1	HIGHLIGHTS .....	4
2.2	BUSINESS UPDATE Q3 2023 .....	4
3	OPERATING REVIEW PER SEGMENT .....	5
3.1	REVENUE AND ADJUSTED EBITDA PER DIVISION .....	5
3.1.1	Q3 2023 .....	5
3.1.2	YTD 2023 .....	5
4	OTHER FINANCIAL ITEMS REVIEW .....	6
4.1	INTEGRATION AND RESTRUCTURING EXPENSES.....	6
4.2	CHANGES IN INVENTORIES .....	6
4.3	EMPLOYEE BENEFIT EXPENSE .....	6
4.4	OTHER EXPENSE .....	6
4.5	NET FINANCING EXPENSES .....	6
4.6	TAXATION .....	6
4.7	EARNINGS PER SHARE FOR CONTINUING OPERATIONS.....	6
4.8	CASHFLOW AND NET DEBT .....	7
5	RISK FACTORS .....	7
6	CONSOLIDATED INTERIM FINANCIAL STATEMENTS.....	8
6.1	CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....	8
6.2	CONSOLIDATED STATEMENT OF FINANCIAL POSITION .....	9
6.3	CONSOLIDATED STATEMENT OF CASH FLOWS .....	10
6.4	CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	11
6.5	SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS .....	12
6.5.1	SIGNIFICANT ACCOUNTING POLICIES.....	12
6.5.2	SEGMENT REPORTING .....	12
6.5.3	INTEGRATION AND RESTRUCTURING EXPENSES.....	13
6.5.4	GOODWILL .....	13
6.5.5	NET DEBT RECONCILIATION .....	13
6.5.6	RELATED PARTY TRANSACTIONS .....	13
6.5.7	COMMITMENTS.....	14
6.5.8	EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE.....	14
7	GLOSSARY: ALTERNATIVE PERFORMANCE MEASURES .....	15

## 1. Key Figures

(€ thousands)	YTD 2023	YTD 2022
<b>Results</b>		
<b>Revenue</b>	<b>229,246</b>	<b>255,370</b>
<b>Adjusted EBITDA</b>	<b>23,270</b>	<b>27,782</b>
<b>Adjusted EBITDA Margin</b>	<b>10.2%</b>	<b>10.9%</b>
Integration and restructuring expenses	(2,985)	(1,379)
<b>EBITDA</b>	<b>20,285</b>	<b>26,404</b>
Depreciation / amortisation	(14,736)	(13,298)
<b>Operating profit / (loss) for the period</b>	<b>5,548</b>	<b>13,105</b>
Net finance expenses	(12,456)	(15,020)
Income tax benefit / (expense)	(4,002)	(3,698)
<b>Profit/(loss) for the period</b>	<b>(10,910)</b>	<b>(5,612)</b>
<b>Cash flow</b>		
<b>Cash, cash equivalents and bank overdrafts at the beginning of the period from continuing operations</b>	<b>38,488</b>	<b>51,394</b>
Net cash flow from operating activities	18,699	(5,334)
Net cash flow from investing activities	(8,811)	155,641
Net cash flow from financing activities	(18,571)	(181,555)
Financing and cash transactions between continued and discontinued operations	-	171
<b>Cash, cash equivalents and bank overdrafts at the end of the period from continuing operations</b>	<b>29,805</b>	<b>20,317</b>

### Financial position

In relation to Belysse's financing agreements, the documentation provides for the effect of changes in accounting standards to be neutralized. As such, the application of IFRS 16 has no consequence for the Group's financing.

(€ thousands)	Q3 2023	Q3 2022
<b>Net debt<sup>1</sup></b>	<b>121,844</b>	<b>131,580</b>
<b>Leverage</b>	<b>5.2</b>	<b>4.0</b>

**Note 1:** IFRS 16 effect is excluded from the leverage comparison (see glossary)

## 2. Management discussion and analysis of the results

### 2.1 Highlights

- Q3 consolidated Group Revenue was €73.6m (-19.2% YoY)
  - Organic Revenue declined -15.9%, while FX impact contributed -3.3%
  - Revenue growth by division: United States (US) -16.5% (-10.5% organic, -6.0% FX), Europe -22.7%
- Q3 Adjusted EBITDA was €11.0m (+1.1% YoY) with an Adjusted EBITDA margin of 15.0% (12.0% in Q3 2022)
  - US EBITDA: €9.9m
  - Europe EBITDA: €1.2m
- Q3 Net Debt was €150.8m (including €29.0m of IFRS 16 lease liabilities), down from last quarter. Leverage<sup>1</sup> reduced to 5.2x (5.5x at end of Q2 2023) and total available liquidity (including headroom under the RCF) remains strong and has improved to €68m at the end of Q3 (€65m end of H1 2023)

### 2.2 Business Update Q3 2023

In US, volumes and revenues were below a very strong third quarter of 2022 where higher volumes were shipped as the installation of new production capacity enabled a catch-up on the backlog of open orders. Revenues stay at a similar level as previous quarter and remain above pre-COVID levels.

In response to the lower volumes, costs have been brought down to maintain profitability. US further improved its EBITDA margin to 23.2% in the quarter, up from previous quarter and last year (20.5% per Q2 2023 and 19.9% in Q3 2022 respectively). In USD terms Q3 EBITDA has outperformed last year's results by +4% despite lower volumes.

In Europe, Q3 2023 revenue has mainly been affected by a continued decrease of volumes in the Residential market, due to low footfall during summer combined with destocking by the retailers. Volumes in the Commercial business remained at the level of previous quarter.

In Europe, despite the currently low volumes, margins have improved compared to prior quarter and prior year, mainly due to the 2022 sales price increases and lower product costs. As anticipated, the First-In, First-Out (FIFO) accounting of the cheaper raw materials and utilities purchased since the beginning of the year had its first P&L effect in September but the full effect will be starting in October. Combined with the positive effects of the executed fixed expense reduction program, EBITDA was €1.2m positive for the quarter, up from both previous quarter and last year.

Assuming all else remains materially unchanged from the current trading environment, Belysse is expecting the full year 2023 EBITDA to recover to 2022 levels and a year-end leverage reducing to around 4.0x.

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<sup>1</sup> As defined in the SSN facility agreements, excluding IFRS16 impact but including sale and leasebacks

### 3 Operating review per segment

#### 3.1 Revenue and Adjusted EBITDA per Division

##### 3.1.1 Q3 2023

(€ million, unless otherwise mentioned)	Q3 2023	Q3 2022	% Change	o/w organic	o/w FX
Europe	31,2	40,4	(22,7)%		
US	42,4	50,8	(16,5)%		
<b>Consolidated Revenue</b>	<b>73,6</b>	<b>91,2</b>	<b>(19,2)%</b>	<b>(15,9)%</b>	<b>(3,3)%</b>
Europe	1,2	0,8	46,9%		
US	9,9	10,1	(2,6)%		
<b>Consolidated Adjusted EBITDA</b>	<b>11,0</b>	<b>10,9</b>	<b>1,1%</b>	<b>7,2%</b>	<b>(6,1)%</b>
Europe	3,8%	2,0%			
US	23,2%	19,9%			
<b>Consolidated Adjusted EBITDA Margin</b>	<b>15,0%</b>	<b>12,0%</b>			

##### 3.1.2 YTD 2023

(€ million, unless otherwise mentioned)	YTD Q3 2023	YTD Q3 2022	% Change	o/w organic	o/w FX
Europe	105,9	123,3	(14,1)%		
US	123,3	132,1	(6,6)%		
<b>Consolidated Revenue</b>	<b>229,2</b>	<b>255,4</b>	<b>(10,2)%</b>	<b>(9,4)%</b>	<b>(0,8)%</b>
Europe	(0,4)	2,1	(120,3)%		
US	23,7	25,7	(7,8)%		
<b>Consolidated Adjusted EBITDA</b>	<b>23,3</b>	<b>27,9</b>	<b>(16,4)%</b>	<b>(14,3)%</b>	<b>(2,1)%</b>
Europe	-0,4%	1,7%			
US	19,2%	19,5%			
<b>Consolidated Adjusted EBITDA Margin</b>	<b>10,2%</b>	<b>10,9%</b>			

**Note:** the segment table has been copied from the press release issued by Belysse Group NV, where EBITDA is slightly higher than at LSF9 Belysse Issuer level due to a markup on management services provided at level of Belysse Group NV and then charged to LSF9 Belysse Issuer and subsidiaries.

## 4 Other financial items review

### 4.1 Integration and Restructuring Expenses

Integration and restructuring expenses over the first nine months of 2023 are equal to €3.0m and mainly relate to severance payments in regards to the fixed cost reduction program that was executed early July as well as other non-recurring advisory services.

### 4.2 Changes in inventories

Changes of inventories of Work-In-Progress and Finished Goods for the first nine months of 2023 are equal to (€8.0m), as compared to €18.1m in the same period last year. The negative number for the period is driven by the reduction in inventory levels achieved during the first nine months. In the US the reduction was driven by the successful completion of the yarn transition project. In Europe a make-to-order process was introduced for less frequently sold products as well as did the unitary value of the inventories decrease mainly due to the lower purchase prices of raw materials since the beginning of 2023.

### 4.3 Employee benefit expense

Employee benefit expense for the first nine months of 2023 are equal to €58.8m, as compared to €61.6m in the same period last year. This decrease is mainly driven by lower volumes produced in Europe as well as the implementation of a fixed cost reduction program in third quarter both in the US and in Europe.

### 4.4 Other expense

Other expense for the first nine months of 2023 are equal to €43.8m, as compared to €54.5m in the same period last year. This decrease is mainly driven by the lower energy and transportation cost as well as lower cost for temporary workforce.

### 4.5 Net financing expenses

Net finance expenses for the first nine months of 2023 are equal to €12.5m, as compared to €15.0m in the same period last year. This decrease is mainly driven by the lower financing cost of the group since the debt repayments after the Disposal per 4<sup>th</sup> of April 2022.

### 4.6 Taxation

The income tax expense amounts to €4.0m for the first nine months of 2023, compared to an income tax expense of €3.7m in the same period last year. The net tax expense results from taxing the results of our US division and the fact that no new deferred tax assets are recognized on the losses from the European business.

### 4.7 Earnings per share for continuing operations

The net earnings per share for the first nine months of 2023 were a loss of €0.08, compared to a loss of €0.04 for the same period last year.

## 4.8 Cashflow and net debt

Q3 Net Debt was €150.8m (including €29.0m of IFRS 16 lease liabilities), down from last quarter. Leverage<sup>1</sup> reduced to 5.2x (5.5x at end of Q2 2023) and total available liquidity (including headroom under the RCF) remains strong and has improved to €68m at the end of Q3 (€65m end of H1 2023)

## 5 Risk Factors

There are no material changes related to the risks and uncertainties for the Group as explained in the section “Summary of main risks” of the 2022 annual report.

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<sup>1</sup> As defined in the SSN facility agreements, excluding IFRS16 impact but including sale and leasebacks

## 6 Consolidated Interim Financial Statements

### 6.1 Consolidated Statement of Comprehensive Income

(€ thousands)	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<b>I. CONSOLIDATED INCOME STATEMENT</b>				
Revenue	73.641	91.188	229.246	255.370
Raw material expenses	(29.374)	(45.163)	(96.765)	(129.838)
Changes in inventories	(2.844)	3.693	(8.021)	18.109
Employee benefit expenses	(18.332)	(22.232)	(58.787)	(61.567)
Other income	470	218	1.405	168
Other expenses	(12.523)	(16.787)	(43.809)	(54.460)
Depreciation/ amortization	(4.997)	(4.827)	(14.736)	(13.298)
<b>Adjusted Operating Profit <sup>1</sup></b>	<b>6.041</b>	<b>6.089</b>	<b>8.534</b>	<b>14.484</b>
Integration and restructuring expenses	(1.005)	(77)	(2.985)	(1.379)
<b>Operating profit / (loss) <sup>1</sup></b>	<b>5.036</b>	<b>6.011</b>	<b>5.548</b>	<b>13.105</b>
Finance income	123	-	162	9
Finance expenses	(4.239)	(3.418)	(12.618)	(15.029)
<b>Net finance expenses</b>	<b>(4.116)</b>	<b>(3.418)</b>	<b>(12.456)</b>	<b>(15.020)</b>
<b>Profit / (loss) before income taxes</b>	<b>920</b>	<b>2.593</b>	<b>(6.908)</b>	<b>(1.914)</b>
Income tax benefit / (expense)	(1.859)	(921)	(4.002)	(3.698)
<b>Profit / (loss) for the period from continuing operations</b>	<b>(940)</b>	<b>1.672</b>	<b>(10.910)</b>	<b>(5.612)</b>
Profit/ (loss) for the period from discontinued operations	-	(192)	-	(55.275)
<b>Profit/(loss) for the period</b>	<b>(940)</b>	<b>1.481</b>	<b>(10.910)</b>	<b>(60.887)</b>
Attributable to:				
Equity holders	(940)	1.481	(10.910)	(60.887)
Non-controlling interest	-	-	-	-
<b>II. CONSOLIDATED OTHER COMPREHENSIVE INCOME</b>				
<i>Items in other comprehensive income that may be subsequently reclassified to P&amp;L</i>				
Exchange differences on translating foreign operations	3.300	8.686	1.011	22.670
Changes in fair value of hedging instruments qualifying for cash flow hedge accounting	-	-	-	152
<i>Items in other comprehensive income that will not be reclassified to P&amp;L</i>				
Changes in deferred taxes	(1)	-	(40)	242
Changes in employee defined benefit obligations	8	-	2	(288)
<b>Other comprehensive income for the period, net of tax</b>	<b>3.307</b>	<b>8.686</b>	<b>972</b>	<b>22.775</b>
<b>Other comprehensive income for the period, net of tax for discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1.762)</b>
<b>Total comprehensive income for the period</b>	<b>2.368</b>	<b>10.167</b>	<b>(9.938)</b>	<b>(39.873)</b>
<b>Basic and diluted earnings per share attributable to the ordinary equity holders of the company</b>	<b>(0,01)</b>	<b>0,01</b>	<b>(0,08)</b>	<b>(0,44)</b>
Basic and diluted earnings per share from continued operations attributable to the ordinary equity holders of the company	(0,01)	0,01	(0,08)	(0,04)
Basic and diluted earnings per share from discontinued operations attributable to the ordinary equity holders of the company	-	(0,00)	-	(0,40)

(1) Adjusted Operating Profit / Operating profit/(loss) are non-GAAP measures.

The accompanying notes form an integral part of these consolidated condensed interim financial statements.



## 6.2 Consolidated Statement of Financial Position

	30 September 2023	31 December 2022
<b>(€ thousands)</b>		
Property, plant and equipment	104,038	108,178
<i>Of which IFRS 16 related right-of-use assets (excluding sale-and-leaseback)</i>	25,369	29,388
Land and buildings	47,294	51,245
Plant and machinery	50,415	50,025
Other fixtures and fittings, tools and equipment	6,329	6,908
Goodwill	106,173	105,662
Intangible assets	5,074	5,432
Deferred income tax assets	-	390
Trade and other receivables	602	599
<b>Total non-current assets</b>	<b>215,887</b>	<b>220,261</b>
Inventories	58,019	76,177
Trade and other receivables	27,693	25,084
Current income tax assets	116	-
Cash and cash equivalents	29,805	38,488
<b>Total current assets</b>	<b>115,632</b>	<b>139,750</b>
<b>Total assets</b>	<b>331,520</b>	<b>360,011</b>
Share capital	137,848	137,848
Share premium	155,486	155,486
Other comprehensive income	6,838	5,866
Retained earnings	(205,561)	(194,651)
Other reserves	(14,283)	(14,283)
<b>Total equity</b>	<b>80,329</b>	<b>90,267</b>
Senior Secured Notes	133,362	130,745
Bank and Other Borrowings	36,861	41,590
<i>Of which IFRS 16 related lease liabilities (excluding sale-and-leaseback)</i>	21,973	25,577
Deferred income tax liabilities	6,663	6,355
Provisions for other liabilities and charges	2,205	2,176
Employee benefit obligations	157	150
<b>Total non-current liabilities</b>	<b>179,248</b>	<b>181,015</b>
Senior Secured Notes	(1,256)	1,611
Bank and Other Borrowings	9,041	8,760
<i>Of which IFRS 16 related lease liabilities (excluding sale-and-leaseback)</i>	7,025	6,872
Other payroll and social related payables	14,655	16,713
Trade and other payables	46,190	60,426
Income tax liabilities	3,313	1,219
<b>Total current liabilities</b>	<b>71,943</b>	<b>88,729</b>
<b>Total liabilities</b>	<b>251,191</b>	<b>269,744</b>
<b>Total equity and liabilities</b>	<b>331,520</b>	<b>360,011</b>

The accompanying notes form an integral part of these consolidated condensed interim financial statements.

## 6.3 Consolidated Statement of Cash Flows

(€ thousands)	YTD Q3 2023	YTD Q3 2022
<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit / (loss) for the period</b>	<b>(10,910)</b>	<b>(5,612)</b>
Adjustments for:		
Income tax expense/(income)	4,002	3,698
Finance income	(162)	(9)
Financial expense	12,618	15,029
Depreciation, amortisation	14,736	13,298
(Gain)/loss on disposal of non-current assets	-	(2)
Movement in provisions and deferred revenue	(47)	4,411
Fair value of derivatives	-	125
<b>Cash generated before changes in working capital</b>	<b>20,238</b>	<b>30,937</b>
Changes in working capital:		
Inventories	18,499	(22,294)
Trade receivables	(1,695)	(9,401)
Trade payables	(15,524)	13,611
Other working capital	(1,384)	(13,991)
<b>Cash generated after changes in working capital</b>	<b>20,134</b>	<b>(1,138)</b>
Net income tax (paid)	(1,435)	(4,195)
<b>Net cash generated / (used) by operating activities</b>	<b>18,699</b>	<b>(5,334)</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(8,223)	(7,860)
Acquisition of intangibles	(588)	(118)
Proceeds from non-current assets	-	163,618
<b>Net cash used by investing activities</b>	<b>(8,811)</b>	<b>155,641</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest and other finance charges paid, net	(12,788)	(20,171)
Repayments of Senior Secured Notes	-	(102,818)
Repayments of borrowings with third parties	(5,783)	(58,565)
<b>Net cash generated / (used) by financing activities</b>	<b>(18,571)</b>	<b>(181,555)</b>
<b>NET INCREASE/ (DECREASE ) IN CASH AND BANK</b>	<b>(8,684)</b>	<b>(31,248)</b>
<b>Cash, cash equivalents and bank overdrafts at the beginning of the period from continuing operations</b>	<b>38,488</b>	<b>51,394</b>
Financing and cash transactions between continued and discontinued operations	-	171
<b>Cash, cash equivalents and bank overdrafts at the end of the period from continuing operations</b>	<b>29,805</b>	<b>20,317</b>
Cash, cash equivalents and bank overdrafts at the end of the period from discontinued operations	-	-

The accompanying notes form an integral part of these consolidated condensed interim financial statements.

## 6.4 Consolidated Statement of Changes in Equity

(€ thousands)	Share capital	Share premium	Other comprehensive income	Retained earnings	Other reserves <sup>(2)</sup>	Total	Elements of comprehensive income from discontinued operations	Total equity
<b>Balance 31 December 2021</b>	<b>137,848</b>	<b>155,486</b>	<b>(4,835)</b>	<b>(18,534)</b>	<b>(14,283)</b>	<b>255,683</b>	<b>(162,767)</b>	<b>92,916</b>
Profit / (loss) for the period	-	-	0	(13,398)	-	(13,398)	(54,459)	(67,857)
<b>Other comprehensive income</b>								-
Exchange differences on translating foreign operations	-	-	10,212	51	-	10,263	54,863	65,126
Changes in fair value of hedging instruments qualifying for cash flow hedge accounting	-	-	152	-	-	152	-	152
Cumulative changes in deferred taxes	-	-	268	-	-	268	158	425
Cumulative changes in employee defined benefit obligations	-	-	68	-	-	68	(565)	(496)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>10,701</b>	<b>(13,347)</b>	<b>-</b>	<b>(2,647)</b>	<b>(3)</b>	<b>(2,649)</b>
Change in scope <sup>(1)</sup>	-	-	-	(162,770)	-	(162,770)	162,770	-
<b>Balance at 31 December 2022</b>	<b>137,848</b>	<b>155,486</b>	<b>5,866</b>	<b>(194,651)</b>	<b>(14,283)</b>	<b>90,267</b>	<b>-</b>	<b>90,267</b>
Profit / (loss) for the period	-	-	-	(10,910)	-	(10,910)	-	(10,910)
<b>Other comprehensive income</b>								
Exchange differences on translating foreign operations	-	-	1,011	-	-	1,011	-	1,011
Cumulative changes in deferred taxes	-	-	(40)	-	-	(40)	-	(40)
Cumulative changes in employee defined benefit obligations	-	-	2	-	-	2	-	2
Total other comprehensive income for the period	-	-	972	-	-	972	-	972
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>972</b>	<b>(10,910)</b>	<b>-</b>	<b>(9,938)</b>	<b>-</b>	<b>(9,938)</b>
<b>Balance at 30 September 2023</b>	<b>137,848</b>	<b>155,486</b>	<b>6,838</b>	<b>(205,561)</b>	<b>(14,283)</b>	<b>80,329</b>	<b>-</b>	<b>80,329</b>

<sup>1</sup> Change in scope reflects the transfer of the elements of comprehensive income from discontinued operations to retained earnings of the group at completion date of the divestment without currency translation adjustments which are recycled over the income statement.

<sup>2</sup> Other reserves were created as a result of certain pre IPO transactions. Refer to the 2017 annual report for more information

The accompanying notes form an integral part of these consolidated condensed interim financial statements.

## 6.5 Selected Explanatory Notes to the Condensed Consolidated Interim Financial Statements

### 6.5.1 Significant Accounting Policies

These consolidated condensed interim financial statements for the nine months ended September 30, 2023 have been prepared in accordance with IAS 34 *Interim financial reporting*. They do not include all the notes of the type normally included in an annual report. Accordingly, this report is to be read in conjunction with the annual report of LSF9 Belysse Issuer S.à r.l. for the year ended December 31, 2022 and any public announcements made by Belysse Group during the interim reporting period.

The amounts in this document are presented in thousands of euro, unless otherwise stated. Rounding adjustments have been made in calculating some of the financial information included in these consolidated condensed interim financial statements.

The accounting policies are consistent with those of the previous financial year and corresponding interim period.

### 6.5.2 Segment Reporting

Segment information is presented in respect of the Company's business segments. The performances of the segments is reviewed by the chief operating decision maker, which is the Management Committee.

(€ thousands)	Q3 2023	Previous reported figures <sup>(1)</sup>	YTD 2023	Previous reported figures <sup>(1)</sup>
<b>Revenue by segment</b>	<b>73,641</b>	<b>91,188</b>	<b>229,246</b>	<b>255,370</b>
Europe	31,247	40,401	105,900	123,314
US	42,394	50,787	123,346	132,056
<b>Revenue by geography</b>	<b>73,641</b>	<b>91,188</b>	<b>229,246</b>	<b>255,370</b>
Europe	26,270	33,273	89,874	102,979
North America	43,168	52,114	126,267	135,973
Rest of World	4,203	5,801	13,105	16,418
<b>Adjusted EBITDA by segment</b>	<b>11,037</b>	<b>10,917</b>	<b>23,270</b>	<b>27,782</b>
Europe	1,186	805	(450)	2,053
US	9,851	10,112	23,720	25,729
<b>Net capital expenditure by segment</b>	<b>3,141</b>	<b>2,984</b>	<b>8,811</b>	<b>8,059</b>
Europe	1,663	1,924	5,238	4,671
US	1,478	1,059	3,573	3,388
<b>Net inventory by segment</b>	<b>58,019</b>	<b>76,177</b>	<b>58,019</b>	<b>76,177</b>
Europe	32,744	47,333	32,744	47,333
US	25,275	28,844	25,275	28,844
<b>Trade receivables by segment</b>	<b>25,098</b>	<b>25,084</b>	<b>25,098</b>	<b>25,084</b>
Europe	6,477	8,005	6,477	8,005
US	18,621	17,079	18,621	17,079

<sup>1</sup> For Revenue, Adjusted EBITDA and Capital Expenditure, the previous reporting period refers to September 30, 2022. The previous period for Net inventory and Trade Receivables refers to December 31, 2022.

### 6.5.3 Integration and Restructuring Expenses

The following table sets forth integration and restructuring expenses for the period ended September 30, 2023 and 2022. This comprises various items which are considered by management as non-recurring or unusual by nature.

(€ thousands)	YTD 2023	YTD 2022
<b>Integration and restructuring expenses</b>	<b>2,985</b>	<b>1,379</b>
Corporate restructuring	2,985	1,379

Integration and restructuring expenses over the first nine months of 2023 mainly relate to severance payments in regards to the fixed cost reduction program that was executed early July as well as other non-recurring advisory services.

### 6.5.4 Goodwill

The goodwill increased by €0.5m from €105.7m as of December, 2022 to €106.2m as of September 30, 2023. The increase in goodwill reflects the changes in foreign exchange rate from the US dollar to euro from the date of acquisition of Bentley. The related foreign exchange fluctuations are presented in other comprehensive income.

### 6.5.5 Net Debt Reconciliation

The following table reconciles the net cash flow to movements in net debt:

<b>Liabilities from financing activities</b>						<b>Cash and Cash equivalents</b>	
	Senior Secured Notes due after 1 year	Senior Secured Notes due within 1 year	Lease liabilities due after 1 year	Lease liabilities due within 1 year	Super Senior RCF	Total gross financial debt	Total net financial debt
<b>(€ thousands)</b>							
<b>Net debt as at 31 December 2022</b>	<b>(132.489)</b>	<b>(3.479)</b>	<b>(42.004)</b>	<b>(8.849)</b>	<b>(82)</b>	<b>(186.903)</b>	<b>(148.415)</b>
Cashflows	-	-	-	-	-	-	(8.684)
Repayments of borrowings with third parties	-	-	-	6.134	-	6.134	6.134
Non- cash movements (including FX)	(1.310)	2.991	4.857	(6.391)	(25)	123	123
<b>Net debt as at 30 September 2023</b>	<b>(133.798)</b>	<b>(488)</b>	<b>(37.147)</b>	<b>(9.106)</b>	<b>(107)</b>	<b>(180.646)</b>	<b>(150.842)</b>

The table above does not include the movements in capitalized financing fees, or the interest paid.

The net debt at the end of Q3 2023 amounts to €150.8m, compared to €148.4 m per Q4 2022. The increase in Net Debt was due to pay-out of yearly rebates to our customers and catch-up payments of social security with governmental support unwinding.

### 6.5.6 Related Party Transactions

The related party transactions with shareholders and parties related to the shareholders have not substantially changed in nature and impact compared to the year ended December 31, 2022 and hence no updated information is included in this interim report.

The remuneration of key management is determined on an annual basis, for which reason no further details are included in this interim report.

### **6.5.7** Commitments

There is no significant evolution to report in terms of commitments. Please refer to Note 35 'Commitments' in the IFRS Financial Statements of the 2022 annual report.

### **6.5.8** Events After the Statement of Financial Position Date

No subsequent events occurred which could have a significant impact on the interim condensed financial statements of the Group per September 30, 2023.

## 7 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 impact, which comprises the translation of key foreign entities and (ii) M&A impact.

**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-off.

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

**Adjusted Operating Profit/Loss** is defined as operating profit/(loss) adjusted for (i) the impact of the purchase price allocation mainly on changes in inventory, (ii) gains on assets disposals, (iii) integration and restructuring expenses and (iv) impairment and write-off.

**Gross Debt** is defined as (i) Senior Secured Notes adjusted for the financing fees included in the carrying amount and (ii) Bank and other borrowings adjusted for capitalized financing fees.

**Net Debt** is defined as (i) Senior Secured Notes adjusted for the financing fees included in the carrying amount, (ii) Bank and other borrowings adjusted for capitalized financing fees less (iii) cash and cash equivalents.

**Net-investment or net-CAPEX** is defined as of the sum of all investments in tangible and intangible fixed assets adjusted for proceeds from sales of fixed assets.

**Leverage** is defined as the ratio of Net Debt to Adjusted EBITDA (excluding IFRS16 impacts as per financing documentation, except for sale-and-leaseback transactions).