H1 2024 Results

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Introduction

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H1 2024 Financial Summary

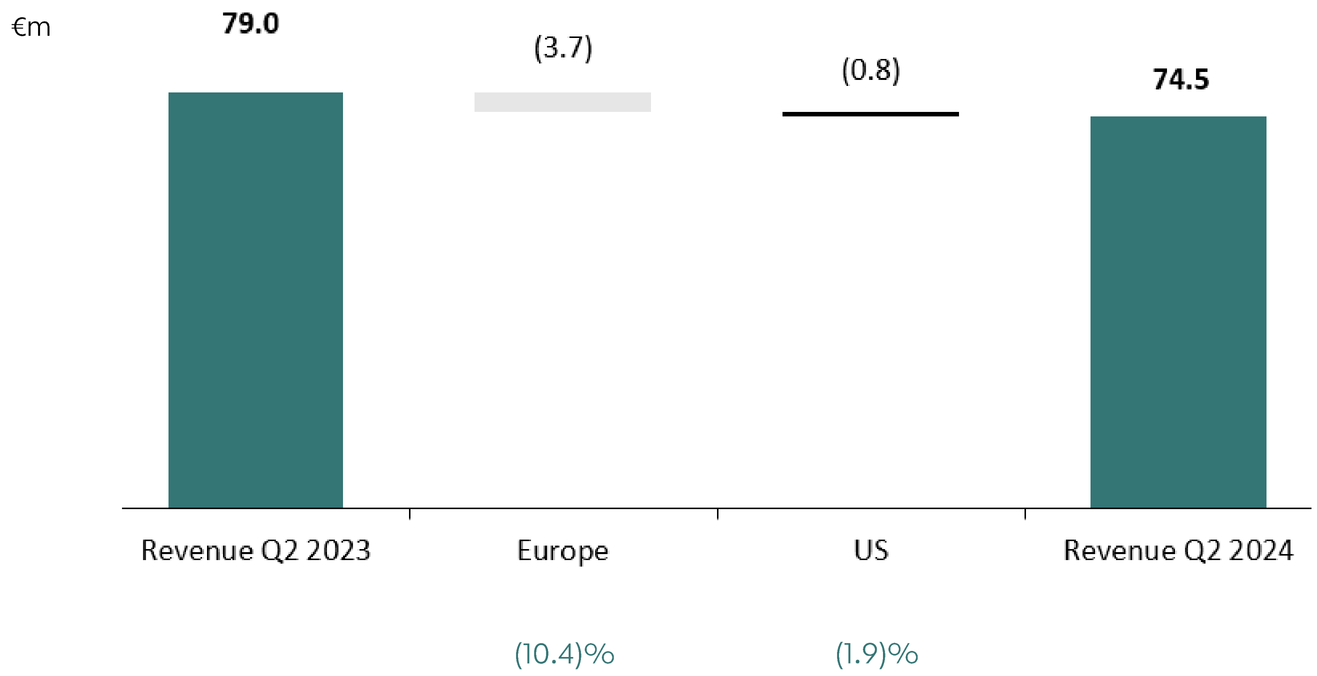
(7.0)% YoY Revenue growth (consolidated)	(7.0)% organic
	(0.0)% FX impact
		• H1 2024 Consolidated Revenue of €144.7m
		• Revenue growth by division:
		  • US (6.2)%
		  • Europe (7.8)%

75.1% YoY Adj. EBITDA growth	75.1% organic
	0.0% FX impact
		• H1 2024 Consolidated Adjusted EBITDA of €21.5m
		  • US €14.4m
		  • Europe €7.1m

3.2x Leverage Excluding IFRS16	H1 Net Debt €139.2m	• Leverage stands at 3.2x at the end of H1 2024 • Net Debt includes €25.3m impact from IFRS 16 lease liabilities

Financial Review

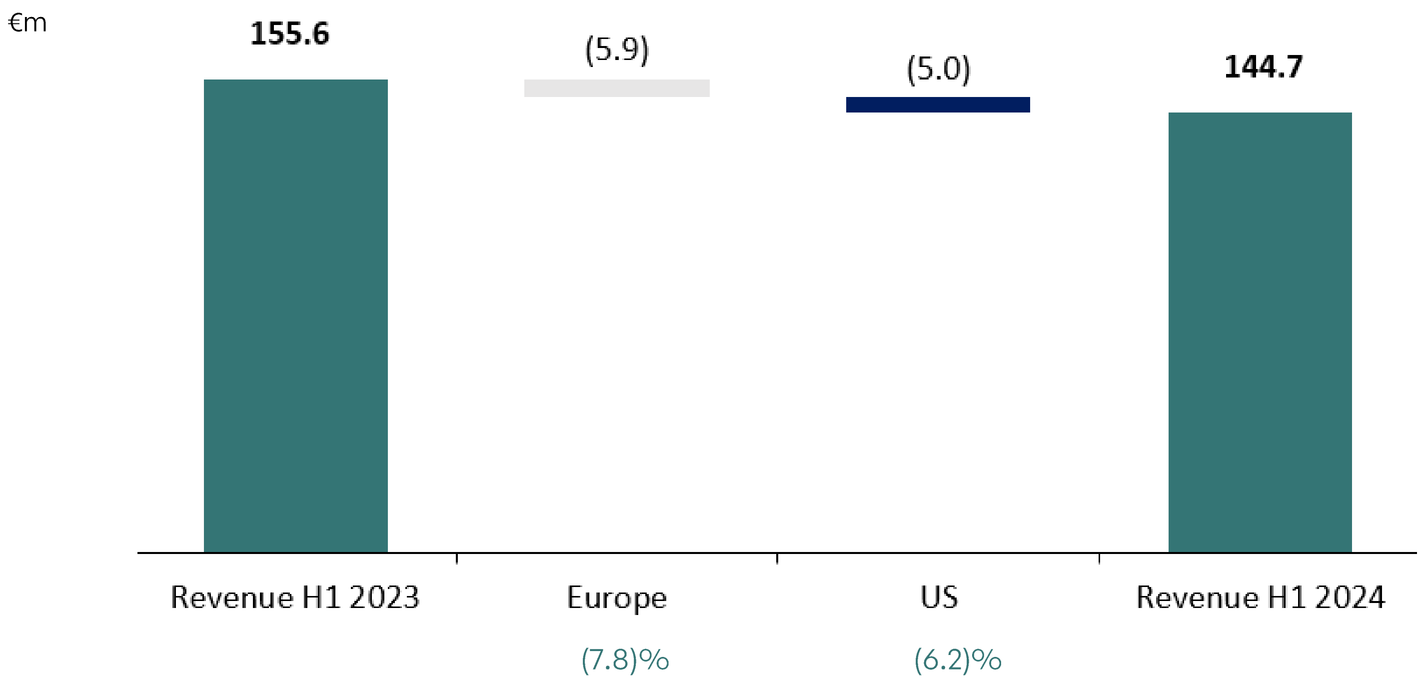
Q2 2024 Group Revenue



	Q2 Growth (€m)	Q2 Growth (%)
Organic	(4.9)	(6.2)%
FX Impact	0.4	0.5%
Reported	(4.5)	(5.7)%

- 2Q24 consolidated revenue was €74.5m (-5.7% YoY).
- In US, revenue decreased by 1.9% to €42.7m compared to last year. Volumes in the US improved compared to 1Q24, led by higher sales in the education, corporate and residential segments.
- In Europe, revenue decreased by 10.4% versus last year to €31.7m as a result of lower volumes, primarily in the Residential business line.

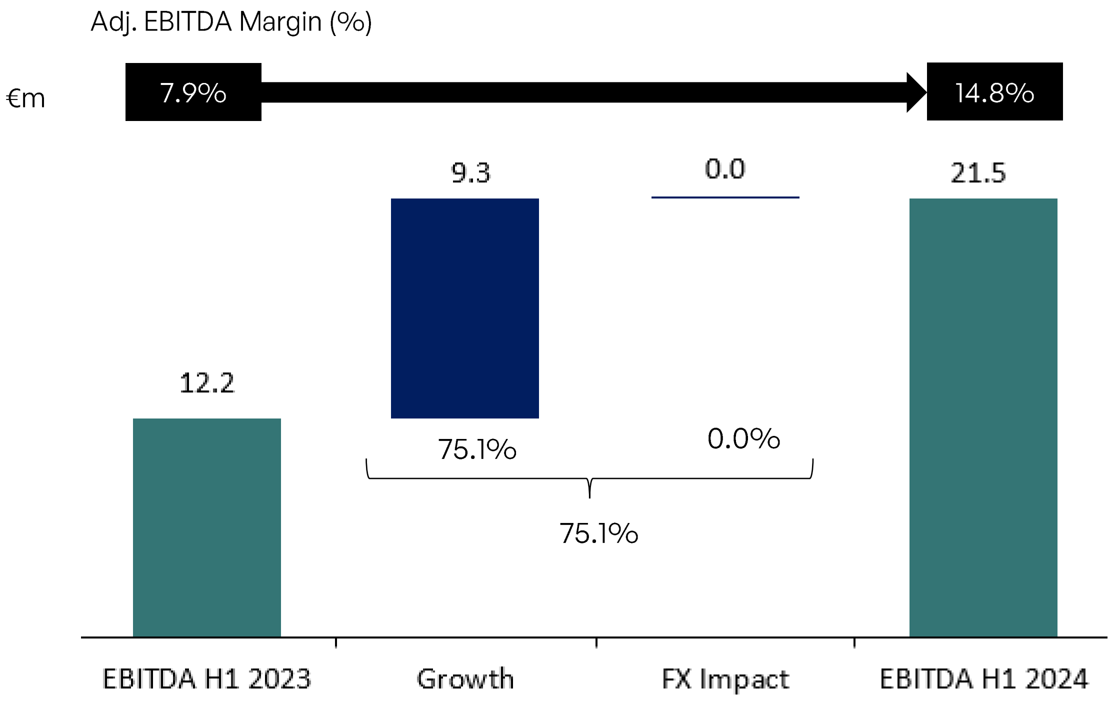
H1 2024 Group Revenue



	H1 Growth (€m)	H1 Growth (%)
Organic	(10.9)	(7.0)%
FX Impact	(0.0)	0.0%
Reported	(10.9)	(7.0)%

- 1H24 consolidated revenue was €144.7m (-7.0% YoY).
- In US, revenue decreased by 6.2% versus last year to €75.9m, mainly due to lower volumes compared to 1H23.
- In Europe, revenue decreased by 7.8% versus last year to €68.8m. 1H24 volumes were below 1H23 due to the continued market softness in the Residential business, and a strategic shift into a more profitable product offering in this segment. In the more project-driven Commercial business line, volumes in 1H24 were flat compared to 1H23.

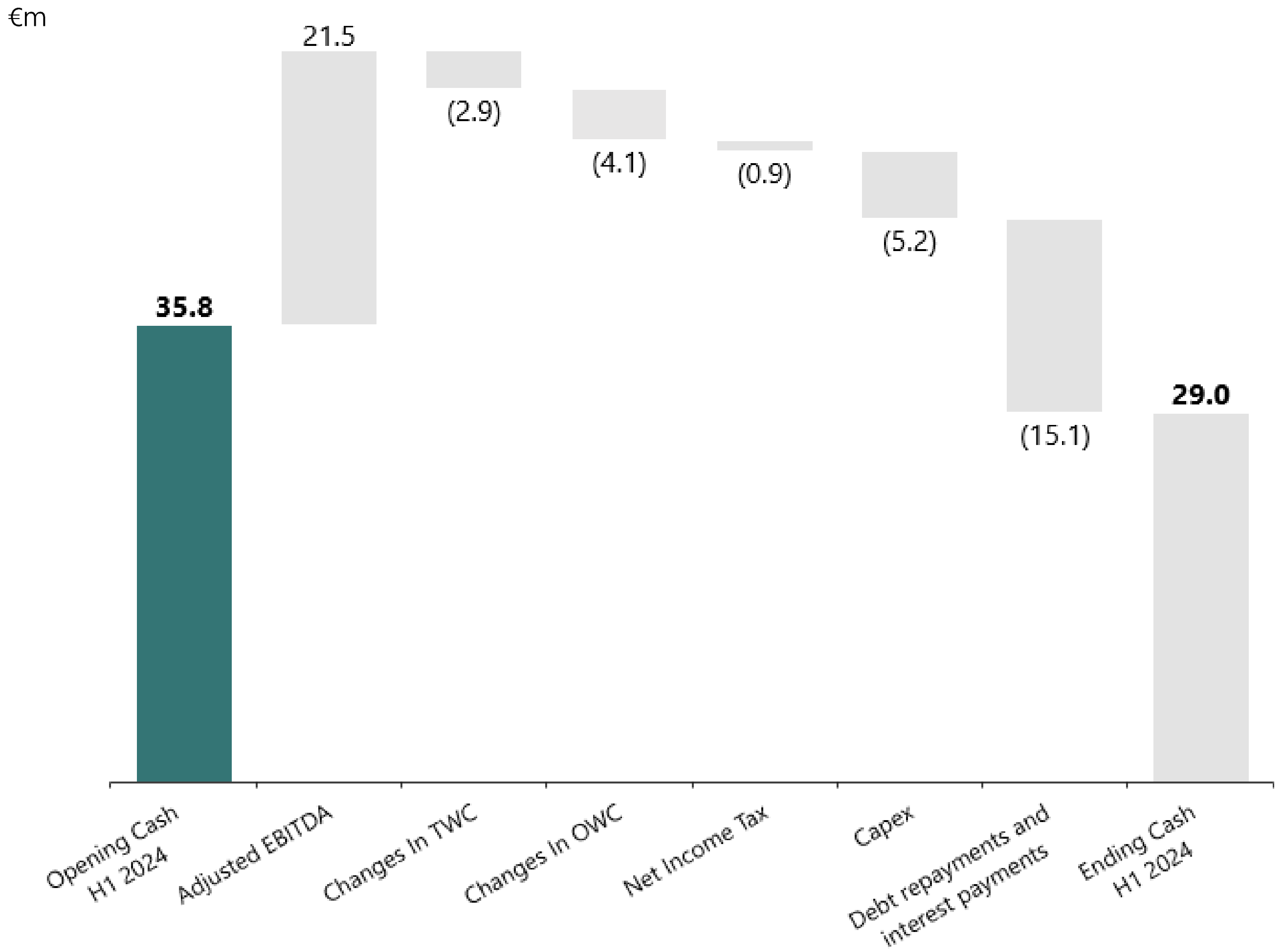
H1 2024 Group Adjusted EBITDA



€m	H1 2024	H1 2023	% Change
Europe	7.1	(1.6)	
US	14.4	13.9	3.6%
Consolidated Adjusted EBITDA	21.5	12.2	75.1%

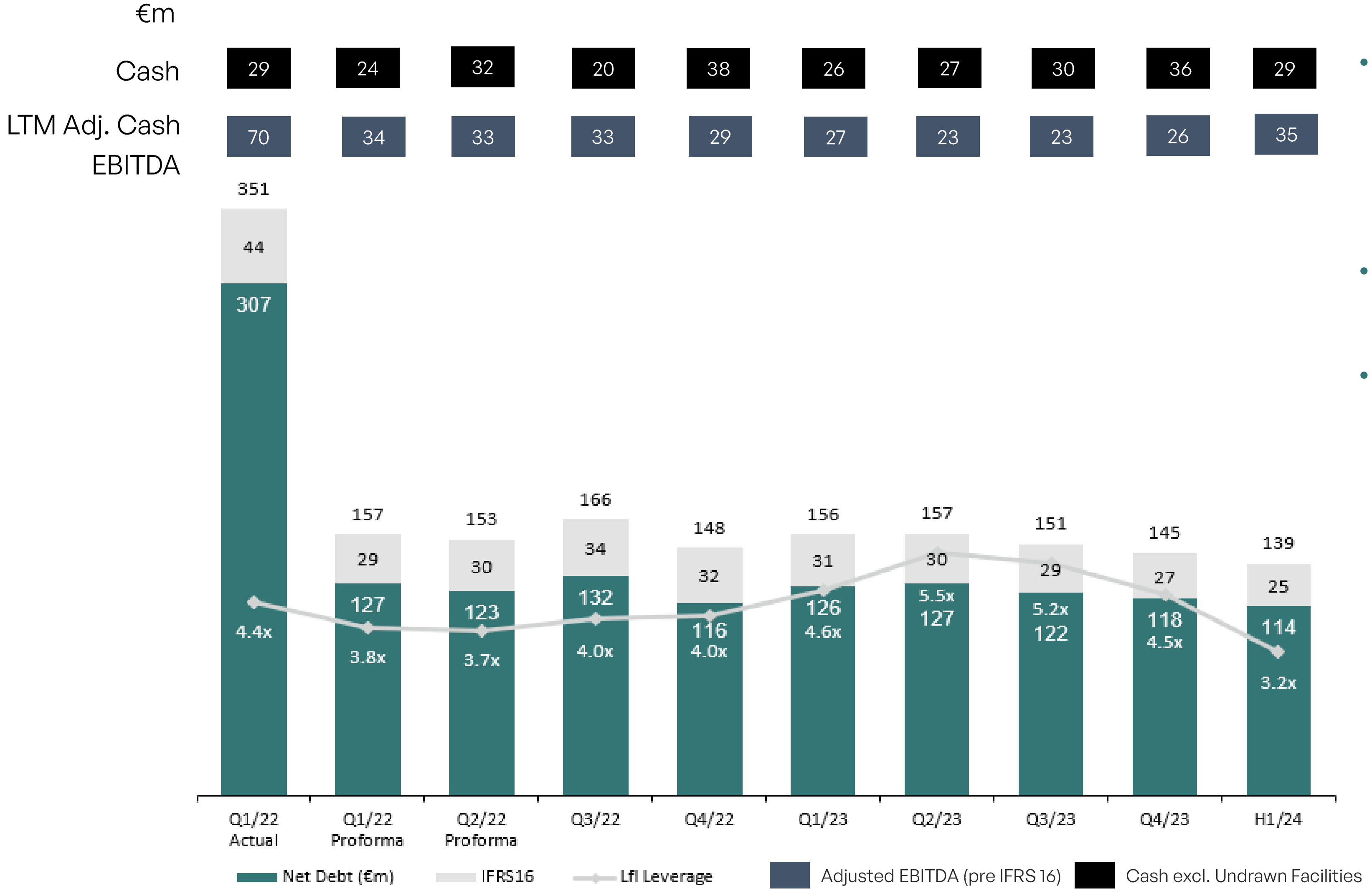
- 1H24 Adjusted EBITDA was €21.5m (+75.1% YoY) with an Adjusted EBITDA margin of 14.8% (versus 7.9% in 1H23).
- US EBITDA was €14.4m in 1H24 (+3.6% YoY), the Adjusted EBITDA and Adjusted EBITDA margin improved in 1H24 compared to 1H23 as a result of higher unitary margins as well as fixed cost savings that more than offset the negative impact of the lower volumes.
- Europe Adjusted EBITDA results to €7.1m and Adjusted EBITDA margin have recovered significantly compared to 1H23, which was still at a low comparative base, as a result of lower raw material costs, a higher margin product portfolio and fixed costs saving measures.

H1 2024 Cash Flow



- The cash outflow of €6.8m in 1H24 was mainly driven by debt repayments, interest payments and arrangement fees linked to the refinancing (-€15.1m), Capex -€5.2m, Changes in Other working capital of -€4.1m (mainly 2023 bonuses and rebates settlements) and Changes in Trade working capital of -€2.9m, partly offset by the realized Adjusted EBITDA (€21.5m).

Leverage[1] stands at 3.2x, excluding IFRS 16 lease liabilities



- Net Debt at the end of the period was €139.2m (including €25.3m related to IFRS16 lease liabilities), being €6.1m lower than reported at end of 2023.
- Leverage reduced significantly to 3.2x versus 4.5x at the end of 2023.
- Total available liquidity (including headroom under the RCF) amounted €41m at the end of 1H24.

[1]Leverage is defined as the ratio of Net Debt to Adjusted EBITDA (both excluding IFRS16 impacts as per previous reporting, except for the sale and leasebacks transactions).

BEYOND update

Sustainability through Innovation

- Total CO2 emission per m^2 produced has been reduced by 13% compared to 2018.
- Energy efficiency initiatives continue to deliver impact through lower gas and electricity consumption, while additional energy savings initiatives have been implemented over the past few months.
- Part of these efficiency gains are offset by smaller production runs especially in Residential. The smaller production runs allow a reduction of inventory.
- An additional negative factor was lower solar energy production due to weather conditions in Belgium, resulting in higher use of “grey” electricity from the grid.

Our Lean program has delivered €0.7m savings in H1 2024, exceeding the plan by 15%

8.0 As a reminder: objective of this Lean program is to deliver €8m cumulative savings over a 4-year period (2022 – 2025).

0.7 H1 2024 results amount to €0.7m P&L savings vs. 2023, against a target of €0.6m.

6.8 From the start in January 2022 until now, the Lean program has delivered €6.8m in savings, against a target of €5.4m

30 More than 30 initiatives have so far contributed to these results, with key focus on quality, material / energy / labor efficiency.

Conclusion

- 1H24 Consolidated Revenue was €144.7m and Adjusted EBITDA was €21.5m, resulting in an Adjusted EBITDA margin of 14.8%.
- Consolidated Group Revenue for 1H24 reflects continued lower market demand in the European Residential business line as well as softer project-driven demand in the US in 1Q24. Despite the overall softness in the market, 1H24 Adjusted EBITDA has significantly improved as a result of improved profitability in both regions.
- Leverage significantly reduced to 3.2x (vs 4.5x at end of 2023) and total available liquidity remains strong.

Q&A Session

Upcoming

Q3 2024 Trading Update in October 2024