

27 October 2022

Q3 2022 Results

BELYSSE™

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performance flooring

BENTLEY

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Introduction

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Cyrille Ragoucy
Chief Executive Officer
Chairman of the Board



Andy Rogiest
Chief Financial Officer



Ruben Pattheeuws
Strategic Project Director

Introduction

APPOINTMENT MANAGING DIRECTOR BELYSSE EUROPE

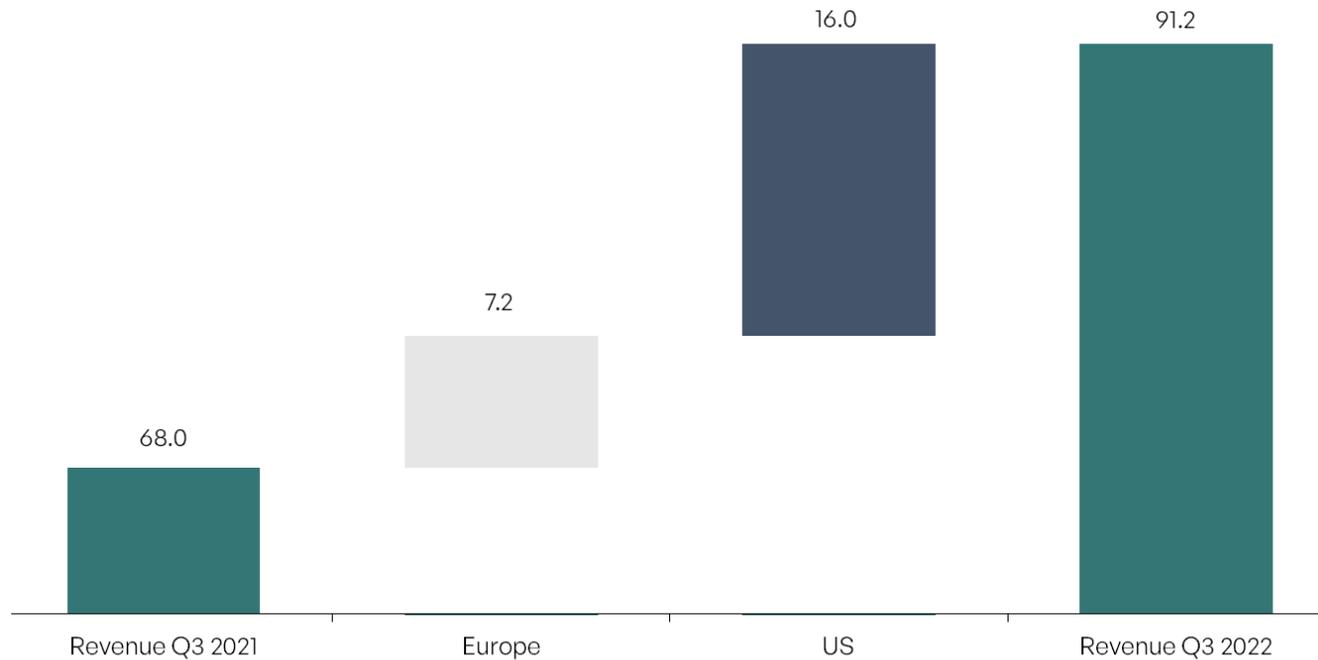
James Neuling was appointed Managing Director Belysse Europe. James joined the company on 3 October 2022 as a seasoned and dynamic executive who brings vast experience in a number of industries, including the textile industry, where he was the Vice-President of Beaulieu Flooring Solutions. James' other senior management positions included Managing Director at Rio Tinto Alcan International and Managing Director of a division at Mondi Group.

Q3 2022 Financial Summary

34.1% YoY Revenue growth (consolidated)	23.7% organic <hr/> 10.4% FX impact	<ul style="list-style-type: none">• Q3 2022 Consolidated Revenue of €91.2m• Revenue growth by division: US 46.1%, Europe 21.6%,
2.6% YoY Adj. EBITDA growth	(10.6)% organic <hr/> 13.1% FX impact	<ul style="list-style-type: none">• Q3 2022 Consolidated Adjusted EBITDA of €10.9m<ul style="list-style-type: none">• US €10.1m• Europe €0.8M
4.0x Leverage Excluding IFRS16	Q3 Net Debt €166m	<ul style="list-style-type: none">• Pro forma leverage was 3.7x per Q2 2022• Net Debt includes €34m impact from IFRS16

Q3 2022 Group Revenue

€m



- Q3 2022 consolidated revenue amounted to €91.2m representing an increase of 34.1% YoY.
- In the US, which represents more than half of our business, sales volumes grew double-digit and have reached pre-COVID 19 levels during the quarter. Higher price levels as well as favourable FX translation also contributed to the steep growth.
- The strong revenue increase in Europe reflects the implemented price increases.

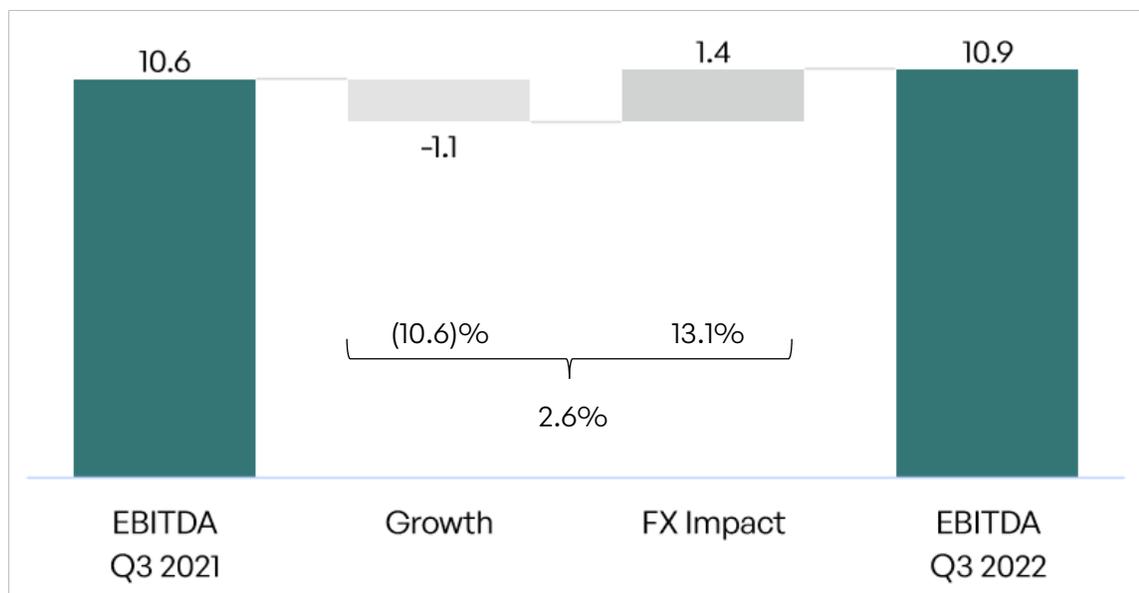
	Q3 Growth (€m)	Q3 Growth (%)
Organic	16.1	23.7%
FX Impact	7.0	10.4%
Reported	23.2	34.1%

Q3 2022 Group Adjusted EBITDA

Adj. EBITDA margin (%)



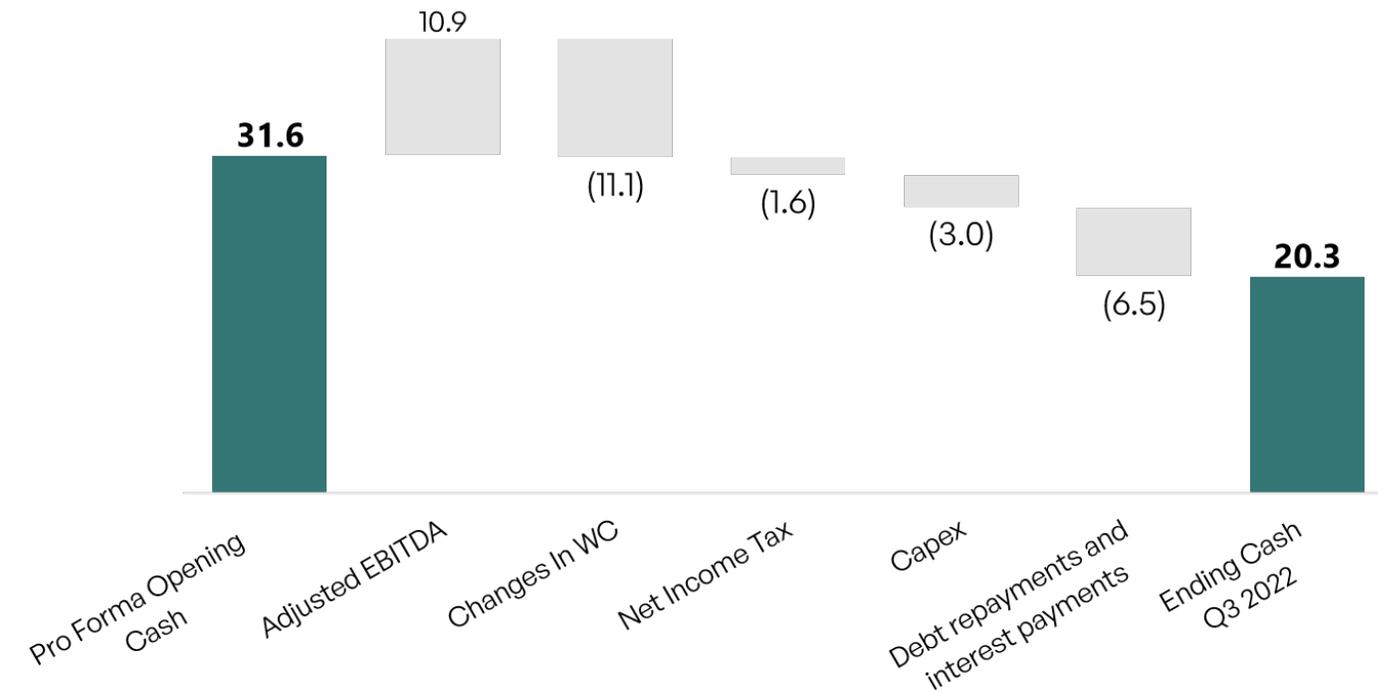
€m



€m	Q3 2022	Q3 2021	% Change
Europe	0.8	3.6	(77.7)%
US	10.1	7.0	43.8%
Consolidated Adjusted EBITDA	10.9	10.6	2.6%

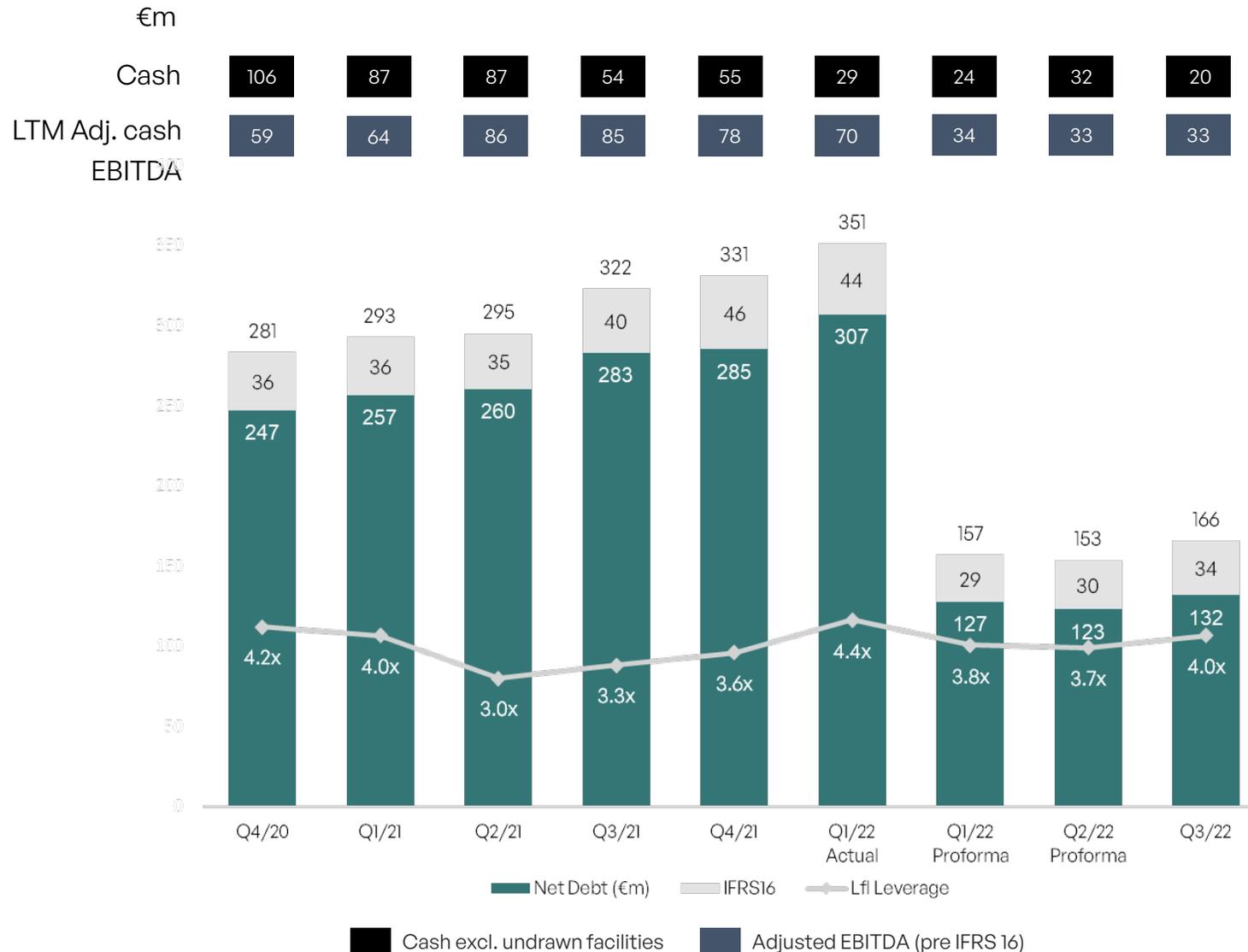
- Q3 2022 Adjusted EBITDA increased to €10.9m (+2.6% YoY) with an Adjusted EBITDA margin of 12.0% (15.7% in Q3 2021).
- US EBITDA increased from €7.0m to €10.1m (+43.8% YoY), reflecting the volume growth while offsetting increased input costs.
- Europe EBITDA was €0.8m (vs €3.6m in Q3 2021). The decline was largely driven by lower volume and high input cost during the summer with timing delays in passing these on to customers.

Q3 2022 Cash flow



- Q3 2022 liquidity remains solid: €20.3m cash balance and €40m headroom under the revolving credit facilities.
- Negative change in cashflow of €11.3m in Q3 2022, including €6.5m of debt repayments and interest payments.
- The change in working capital is largely driven by the input prices.

Leverage 4.0x, excluding IFRS16



- Net Debt significantly reduced with the transaction proceeds and leverage is below pre-transaction level of March 2022.
- Q3 Net Debt was €166m (including €34m of IFRS 16 impact)
- Up from last quarter mainly due to inventory movements influenced by continued inflation and temporary higher inventory volumes in US following a change of suppliers.
- Leverage stands at 4.0x (3.7x pro-forma Q2 2022),
- Total available liquidity (including headroom under the RCF) at the end of Q3 amounted to €60m.

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BEYOND update

The Lean program in our 3 plants is delivering results significantly ahead of the plan

- Objective of this Lean program is to deliver €8m cumulative savings over a 4 year period, supported by €12m of CAPEX investments
- September YTD results amount to €2.0m P&L savings vs. 2021, strongly ahead of the YTD target of €1.3m and already **exceed the FY2022 target** of €1.9m
- All 3 plants have succeeded in delivering YTD results considerably above target
- **New initiatives launched during Q3**, especially targeting energy reduction and process efficiency, delivered 30% of the savings during this quarter

ITC season launch November 2022

Focus on sustainability

Cutting down on CO₂

We focus on reducing our carbon footprint and on creating innovative soft flooring that supports circularity and minimizes CO₂ emissions. We do this by selecting recycled and recyclable materials.

New collections with recycled content

Haven (Elna, Tove & Liv): PA 35, our first internal produced PA yarn with 35% recycled content

Katherine: PA 100, 100% recycled PA

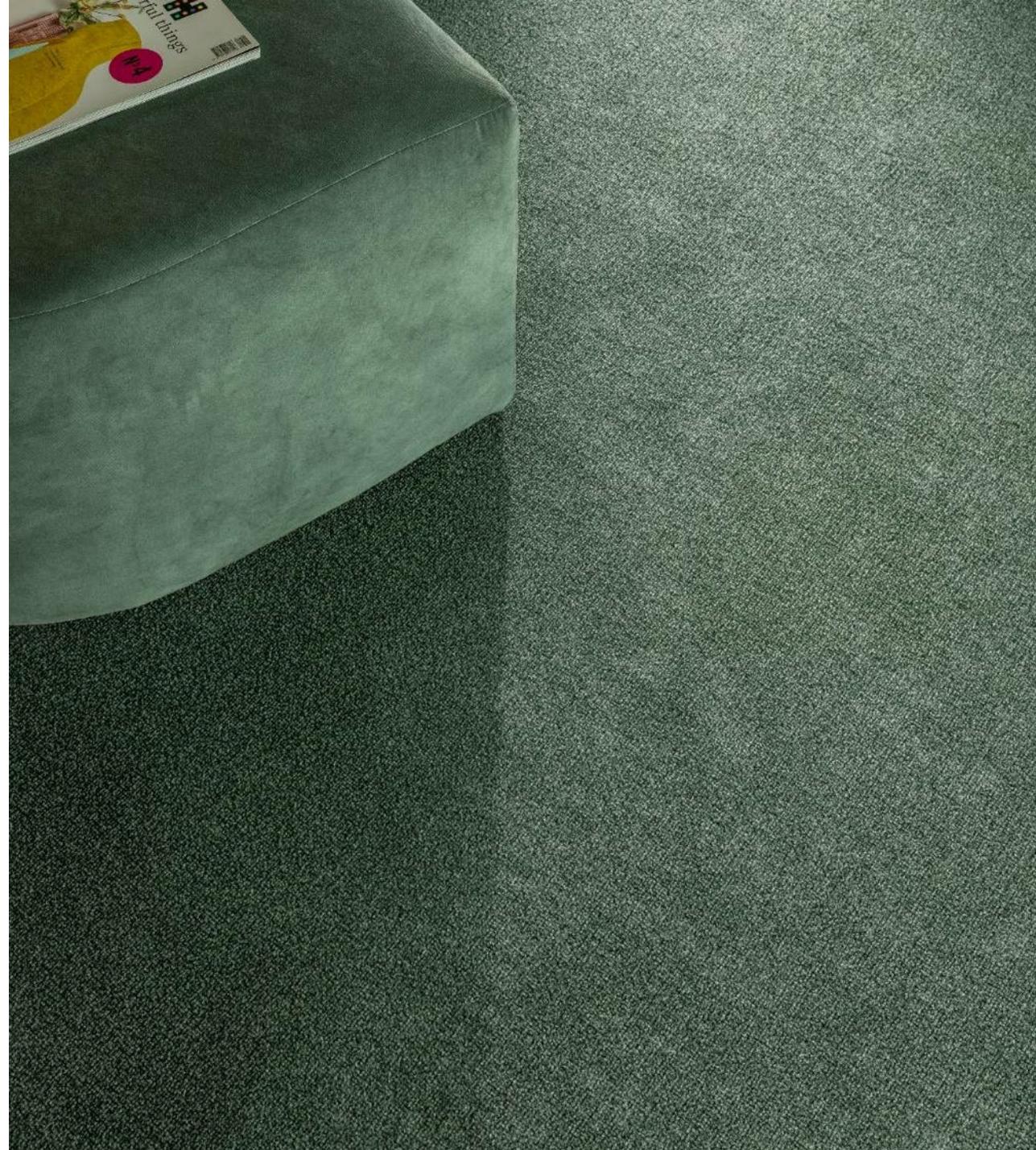
Soft Origins (Bliss & Feliz): RPET, 100% recycled PET



Conclusion

US division saw its strong market position translated into sales and EBITDA growth

- Revenue of both US and Europe improved compared to last year
- Q3 Adjusted EBITDA increased YoY by 2.6% with Adjusted EBITDA margin of 12.0%
- Strong liquidity of €60m at end Q3 2022
- Leverage increased to 4.0x
- New initiatives launched in Q3 for BEYOND, targeting energy reduction and process efficiency



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Q&A Session

FY 2022 results release on
3 March 2023