

Press Release

Sint-Baafs-Vijve, 25 February 2022, 7:00 a.m. CET

Regulated information

For immediate publication

Balta FY 2021 and Q4 2021 Results

Group Highlights¹

- FY 2021 consolidated Revenue of €634.3m (+12.9% YoY)
 - Rugs +27.7%, Commercial +4.0%, Residential +8.3%
 - Organic Revenue increased YoY by +13.7% with an FX impact of -0.8%
- FY 2021 Adjusted EBITDA of €87.0m (+28.0% YoY) and Adjusted EBITDA margin of 13.7% (12.1% FY 2020)
 - Rugs +€21.1m YoY
 - Commercial +€1.7m YoY
 - Residential -€3.7m YoY
- Q4 2021 consolidated Revenue of €164.5m (+8.9% YoY), with Adjusted EBITDA of €21.8m (vs. an extraordinary strong Q4 2020 EBITDA of €27.9m) and an Adjusted EBITDA margin of 13.3% (18.5% FY 2020).
- Net Debt² increased by €47.5m to €330.7m at FYE 2021 from €283.2m at FYE 2020, due to (i) higher working capital (mainly as a result of cost increases in raw materials, energy and transportation, and a partial reversal of the strong working capital reduction during 2020), (ii) non-cash increase of IFRS16 debt due to lease contract extensions, and (iii) one off costs associated with the maturity extension of the SSN and with the Disposal (defined below).
- Leverage³ decreased to 3.6x from 4.2x at the end of 2020, driven by our strong LTM Adjusted EBITDA.
- Total available liquidity amounted to €69.7m at FYE 2021, comprising cash of €55.3m and a further €14.5m headroom to draw under the revolving credit facilities.
- The Board will not propose a dividend for the year.
- On 28 November 2021, Balta entered into a binding agreement to sell its Rugs, Residential polypropylene and Non-Woven businesses, together with the Balta brand (the "Disposal" or the Discontinued Operations), to Victoria PLC.
- The following sections will therefore focus on the Continuing Operations comprising our Commercial and premium Residential polyamide businesses.

¹ The Group presented on a historic basis, ignoring the distinction between Continuing and Discontinued Operations

² Including IFRS16

³ As defined in the SSN facility agreements, excluding IFRS16 impact but including sale and leasebacks

Group Highlights Continuing Operations

- FY 2021 Revenue of the company after giving effect to the Disposal (the “Continuing Operations”) of €276.8m (+7.1% YoY).
- FY 2021 Adjusted EBITDA of the Continuing Operations is €43.1m (+13.3% YoY), with an Adjusted EBITDA margin of 15.6%, representing an improvement of 0.9% compared to 14.7% in FY 2020.
- Estimated Net Debt at FYE 2021 pro forma for the Continuing Operations would have been €153m⁴ implying a pro forma leverage⁵ of 3.3x.

Full Year 2021 Revenue and Adjusted EBITDA per segment

Continuing Operations

(€ million, unless otherwise mentioned)	FY 2021	FY 2020	% Change	o/w organic growth	o/w FX
Commercial	198.1	190.5	4.0%		
Residential PA*	78.7	67.9	15.9%		
Consolidated Revenue	276.8	258.4	7.1%	8.8%	(1.7)%
Commercial	32.4	30.7	5.6%		
Residential PA*	10.7	7.4	45.0%		
Consolidated Adjusted EBITDA	43.1	38.0	13.3%	16.0%	(2.7)%
Commercial	16.3%	16.1%			
Residential PA*	13.6%	10.9%			
Consolidated Adjusted EBITDA Margin	15.6%	14.7%			

* Residential PA is comprised of residential PA and tiles

Discontinued Operations

(€ million, unless otherwise mentioned)	FY 2021	FY 2020	% Change	o/w organic growth	o/w FX
Consolidated Revenue	357.5	303.5	17.8%	17.8%	0.0%
Consolidated Adjusted EBITDA	43.9	29.9	46.7%	46.7%	0.0%
Consolidated Adjusted EBITDA Margin	12.3%	9.9%			

⁴ Including IFRS16

⁵ As defined in the SSN facility agreements, excluding IFRS16 impact but including sale and leasebacks.



Business Update Continuing Operations

- In FY 2021, the Continuing Operations saw a substantial increase in both Revenue and Adjusted EBITDA compared to FY 2020, despite the impact of COVID-19 related headwinds in the Commercial end markets. Unlike the more retail focused perimeter of the Discontinued Operations, which started to recover in H2 2020, the Continuing Operations has untapped potential to return to pre-COVID-19 levels.
- The Continuing Operations achieved an Adjusted EBITDA margin improvement of 0.9 percentage points in FY 2021 compared to FY 2020, as a result of continued efficiency and margin improvements from our NEXT program, price increases implemented over the year and fixed costs which remained in line with FY 2020.

Q4 2021 Revenue and Adjusted EBITDA per segment

- Q4 2021 consolidated Revenue of €76.8m (+15.4% YoY) for the Continuing Operations, with Adjusted EBITDA of €11.8m (-8.2% vs. a very strong Q4 2020).
 - Commercial Revenue for Q4 2021 of €56.2m increased by 23.5% (€45.5m in 2020) with higher sales in Europe and US.
 - Residential Q4 2021 Revenue of €20.6m, -2.1% YoY (€21.1m in Q4 2020), with a lower volume in the UK and the DACH-Region.
- Adjusted EBITDA margin Q4 2021 of 15.4% is down from the high level in Q4 2020 due to significantly higher cost for raw materials, energy and transportation partly off-set by sales price increases and margin improvements from NEXT initiatives, but in line with the margins achieved throughout the year.

Continuing Operations

(€ million, unless otherwise mentioned)	Q4 2021	Q4 2020	% Change	o/w organic growth	o/w FX
Commercial	56.2	45.5	23.5%		
Residential PA*	20.6	21.1	(2.1)%		
Consolidated Revenue	76.8	66.5	15.4%	12.9%	2.4%
Commercial	9.4	9.6	(1.9)%		
Residential PA*	2.4	3.3	(26.2)%		
Consolidated Adjusted EBITDA	11.8	12.9	(8.2)%	(9.7)%	1.6%
Commercial	16.7%	21.1%			
Residential PA*	11.9%	15.7%			
Consolidated Adjusted EBITDA Margin	15.4%	19.4%			

* Residential PA is comprised of residential PA and tiles

Discontinued Operations

<i>(€ million, unless otherwise mentioned)</i>	Q4 2021	Q4 2020	% Change	o/w organic growth	o/w FX
Consolidated Revenue	87.8	84.5	3.9%	3.9%	0.0%
Consolidated Adjusted EBITDA	10.0	15.0	(33.5)%	(33.5)%	0.0%
Consolidated Adjusted EBITDA Margin	11.4%	17.8%			

Cyrille Ragoucy, CEO and Chairman of the Board of Balta said,

“2021 was a year of recovery from the COVID-19 disruptions experienced the year before. We emerged stronger from the crisis with increased sales and significantly improved Adjusted Operating Profit. Our manufacturing and distribution activities went back to normal levels, while we continued to focus on the safety and well-being of our employees.

In 2021 we saw commodity prices rising continuously, to levels that the industry has not seen before. Raw materials, energy and transportation cost increased significantly. In order to mitigate the impact, we took swift action and increased prices across all divisions, most markets and customer groups. We expect more cost inflation impacts in 2022, which will require further actions.

We have launched a new transformation and profitability improvement program that will leverage further our NEXT program, which ended this year surpassing its ambitious targets from 3 years ago. The new program is called BEYOND and will focus on sustainability through innovative products and production, lean strategies in production and procurement and emphasising agility through digital initiatives, such as e-commerce.

On November 28th, the company entered into a binding agreement to sell its Rugs, Residential polypropylene and Non-Woven businesses to Victoria PLC. The Transaction will allow the Continuing Operations to focus on developing its Commercial businesses in Europe and the United States under the main brands modulyss and Bentley, as well as its premium European Residential polyamide (Residential PA) business (ITC). These businesses are yet to fully recover from the effects of pandemic restrictions. The Continuing Operations have a stronger cash flow and balance sheet, as well as a reduced risk profile. A higher average EBITDA margin and better cash conversion will enable more investment in sustainability and growth through innovation, manufacturing optimization and more agile digital solutions. Being more focused and less complex is also expected to improve overall efficiency. Furthermore, the impact of currency fluctuations and international transport costs will be significantly reduced in the Continuing Operations.”

Earning enhancement programs

NEXT (actual Balta Group):⁶

At the end of 2018, we launched our holistic, three-year transformation and earnings enhancement program called NEXT. Today, we are pleased to report that the program has been a resounding success, surpassing the initial ambitious targets formed three years ago. Through the efficient implementation of Commercial Excellence, Procurement Excellence and Lean strategies in our 8 plants, we managed to drive our top-line growth and improve our profitably.

- Revenue enhancement initiatives such as e-commerce in Rugs, focus on new growth segments for Bentley, our direct-route-to-market in modulyss and the continued launch of additional innovative and sustainable products in all divisions, generated €122m incremental Revenues vs. 2018, of which €54m in 2021 in spite of challenging global logistics conditions
- Cost improvements through lean and procurement initiatives, drove €17m EBITDA savings vs. 2018, of which €4m in 2021

BEYOND (Continuing Operations):

Continuing the strong legacy of our NEXT-program, we have outlined a 4-year roadmap called BEYOND, which consists of three courses of action:

- Increased focus on Sustainability through innovative products and production processes
- Incremental drive for Efficiency through further lean and procurement initiatives
- Emphasis on Agility through digital initiatives such as e-commerce

The BEYOND program will be detailed at the end of H1 2022.

Financial Review Continuing Operations

Balta delivered full year 2021 consolidated Revenue of €276.8m for the Continuing Operations, up 7.1% versus 2020, and consolidated Adjusted EBITDA of €43.1m, up 13.3%. The consolidated Adjusted EBITDA margin of 15.6% was up from 14.7%, reflecting margin improvements in our Commercial and Residential divisions. The significant cost impact, that started in the course of 2021, from raw materials, energy and transportation, were addressed early with the implementation of price increases.

Financial Review Continuing Operations by Division

Commercial

Full year Revenue for 2021 increased by 4% to €198.1m (€190.5m 2020). The Commercial markets were less severely hit by the first lock downs in 2020 than the retail oriented businesses, but have been experiencing a slower rebound. The US and Europe were able to slightly increase sales as restrictions on indoor construction sites eased and projects started up again towards the later part of 2021, but are still awaiting the return to pre-COVID-19 levels.

Full year Adjusted EBITDA for 2021 increased to €32.4m or 16.3% (€30.7m or 16.1% in 2020). The division was able to maintain margins thanks to the swift implementation of price increases to address cost inflation and to the strong results from NEXT initiatives.

⁶ See Glossary for definition of NEXT Key Assumptions and Impacts



Fourth quarter Revenue for 2021 of €56.2m increased from €45.5m in 2020 or +23.5%. Adjusted EBITDA margin for Q4 2021 reduced to 16.7% from the unusually high 21.1% in Q4 2020 due to strongly increased cost of raw materials, energy and transport. We continue to manage our cost structure very closely, while fixed costs have returned to a more normal pre-COVID-19 level. NEXT has continued to deliver cost reductions, helping to offset cost inflation, and will be followed by BEYOND.

Residential PA

Full year Revenue for 2021 increased by 15.9% to €78.7m (€67.9m 2020). The growth in sales is mostly driven by the increased price levels and a move to higher value products.

Full year Adjusted EBITDA of €10.7m was up 45.0% (€7.4m 2020) with an Adjusted EBITDA margin of 13.6%, a significant improvement versus 10.9% in 2020. The early implementation of price increases, fixed costs remaining on prior year level and margin enhancements from NEXT initiatives, contributed to the increase in EBITDA margin against the backdrop of cost inflation.

Fourth quarter Revenue for 2021 was €20.6m, which represents a YOY decrease of -2.1% (Q4 2020 Revenue of €21.1m) driven by lower volumes. Adjusted EBITDA margin for Q4 2021 of 11.9% was down from a very strong 15.7% in Q4 2020, due to the significant cost inflation. A reduction of fixed costs and improvements from NEXT initiatives helped to partially offset these impacts.

Financial Review Discontinued Operations

For our Discontinued Operations full year Revenue for 2021 was €357.5m, an increase of 17.8% over 2020 (€303.5m in 2020). Most of this increase came from our Rugs division, which was able to increase share of wallet with existing customers, ship more products directly to North America and grow their e-commerce business.

Full year Adjusted EBITDA for 2021 grew 46.7% to €43.9m (vs a highly COVID-19-impacted 2020 result of €29.9m) with Adjusted EBITDA margin of 12.3%, up from 9.9% in 2020. The margin improvement was supported by the volume increase in Rugs across all major regions, a sizable price increase and only a moderate increase in fixed costs.

Fourth quarter Revenue for 2021 of €87.8m was up 3.9% (€84.5m Q4 2020), mainly due to the successful implementation of price increases. Adjusted EBITDA margin for Q4 2021 was 11.4%, which represents a reduction from the very strong 17.8% we reported in Q4 2020. The gross margin dropped despite favourable sales pricing due to the significant raw material, energy and transport cost inflation. Fixed costs were in line with Q4 2020.



Other Financial Items Review

Non-Recurring Items below Adjusted EBITDA for Continuing Operations

The net impact of non-recurring items on 2021 net result was negative €6.0m (€0.17 per share), as compared to negative €7.8m (€0.22 per share) in 2020. The expense in the current period is mainly driven by the one-off cost related to the extension of our Senior Secured Notes during Q1 2021 and to the Disposal.

Net Financing Costs for Continuing Operations

The net financing cost of €28.3m (€25.5m 2020), primarily represents the interest expense on external borrowings. This increase is mainly driven by a one-off recognition of the remaining capitalized expenses on former Senior Secured Notes (€2.5m) in the P&L, which became necessary in line with the notes re-financing in Q1 2021.

Taxation for Continuing Operations

The Group reported a tax expense for 2021 of €8.2m (€4.5m 2020) based on an overall loss before tax of €8.4m (loss before tax of €12.4m for 2020). The tax expense is mainly driven by both de-recognition of deferred tax assets after the Disposal and by the non-recognition of a deferred tax asset for exceptional costs.

Earnings per share for Continuing Operations

Loss per share of €0.46 in 2021 compared to loss per share of €0.47 in 2020.

Earnings per share for Discontinued Operations

Loss per share of €3.14 in 2021 compared to profit per share of €0.12 in 2020. Largely driven by the impairment loss of €127m resulting from the Discontinued Operations and the application of IFRS5.

Dividend

Our focus remains on deleveraging and investing into the business further, the Board will 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 impact, which comprises the translation of key foreign entities (Bentley Mills), (ii) M&A impact and (iii) the impact of IFRS16.

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.

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 and (iii) cash and cash equivalents.

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

NEXT key assumptions and **NEXT impacts** are to be understood versus a baseline of 2018 or 2019:

- Impacts shown for the Revenue initiatives are the anticipated gross impacts and take no account of possible 'cannibalization effects' or the current macro-economic uncertainty.
- Impacts shown for the Margin initiatives are the anticipated gross impacts before cost inflation.
- Impacts are calculated using forecast volumes.
- FX exchange rates are assumed stable over the period.
- Lean and Procurement are P&L impacts (excluding Capex savings or cost avoidance) and affect either COGS (raw materials consumption or costs) or fixed expenses (e.g. maintenance).



Reconciliation of Alternative Performance Measures

Net debt and leverage⁽¹⁾

(€ million)	December 31, 2021			December 31, 2020		
	Non Current	Current	Total	Non Current	Current	Total
Senior Secured Notes	233.7	6.7	240.5	233.9	3.4	237.4
Bank and other borrowings for continued operations	18.1	55.0	73.0	19.9	64.6	84.6
Less: Cash and Cash equivalents for continued operations	-	(51.4)	(51.4)	-	(104.4)	(104.4)
Adjusted for capitalized financing fees	1.3	0.4	1.7	1.4	2.0	3.3
Bank and other borrowings for discontinued operations	22.4	2.4	24.9	25.1	2.5	27.6
Less: Cash and Cash equivalents from discontinued operations	-	(3.9)	(3.9)	-	(1.8)	(1.8)
Adjusted for capitalized financing fees	0.3	0.1	0.3	0.3	0.0	0.3
Net Debt (excl. IFRS16 Impact)	275.7	9.4	285.1	280.6	(33.7)	246.9
Adjusted EBITDA (excl. IFRS16) for continued operations			37.0			32.1
Adjusted EBITDA (excl. IFRS16) for discontinued operations			41.5			27.3
Leverage			3.6x			4.2x
IFRS16 impact continued operations	25.6	5.5	31.1	17.3	4.4	21.7
IFRS16 impact discontinued operations	10.9	3.6	14.5	12.2	2.5	14.7
Reported Net Debt	312.2	18.5	330.7	310.1	(26.9)	283.2

⁽¹⁾ Leverage excluding IFRS16 impact but including sale and leaseback transactions

Financial Statements

Statutory auditor's note on the financial information for the year ended 31 December 2021

“The statutory auditor, PwC Bedrijfsrevisoren BV / Reviseurs d'Entreprises SRL, represented by Peter Opsomer, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement 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

Peter Opsomer
Bedrijfsrevisor/Révisieur d'Entreprises

Consolidated Statement of Comprehensive Income

(€ thousands)	For the year ended December 31	
	2021	2020*
I. CONSOLIDATED INCOME STATEMENT		
Continuing Operations		
Revenue	276,814	258,356
Raw material expenses	(114,514)	(96,232)
Changes in inventories	9,655	(4,373)
Employee benefit expenses	(83,069)	(75,047)
Other income	1,041	1,158
Other expenses	(46,850)	(45,817)
Depreciation / amortization	(17,143)	(17,227)
Adjusted Operating Profit	25,935	20,817
Integration and restructuring expenses	(5,993)	(7,770)
Operating profit / (loss)	19,941	13,048
Finance income	-	(0)
Finance expenses	(28,294)	(25,493)
Net finance expenses	(28,294)	(25,493)
Profit / (loss) before income taxes	(8,353)	(12,446)
Income tax benefit / (expense)	(8,173)	(4,540)
Profit / (loss) for the period from Continuing Operations	(16,526)	(16,986)
Profit / (loss) for the period from Discontinued Operations	(112,712)	4,401
Profit / (loss) for the period	(129,238)	(12,585)
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	8,804	(10,335)
Changes in fair value of hedging instruments qualifying for cash flow hedge accounting	(117)	116
<i>Items in other comprehensive income that will not be reclassified to P&L</i>		
Changes in deferred taxes	(17)	(4)
Changes in employee defined benefit obligations	125	167
Other comprehensive income for the period, net of tax	8,796	(10,056)
Total comprehensive income from Discontinued Operations	(10,049)	(10,870)
Total comprehensive income for the period	(130,491)	(33,511)

* Restated for the impact of the Discontinued Operations in accordance with IFRS 5

Consolidated Balance Sheet

(€ thousands)	For the year ended December 31	
	2021	2020
Property, plant and equipment	105,943	312,288
<i>Of which IFRS 16 related right-of-use assets (excluding sales-and-leaseback)</i>	28,892	34,030
<i>Land and buildings</i>	52,390	170,545
<i>Plant and machinery</i>	47,134	131,624
<i>Other fixtures and fittings, tools and equipment</i>	6,420	10,118
Goodwill	101,110	189,952
Intangible assets	6,424	9,466
Deferred income tax asset	5,027	8,739
Trade and other receivables	537	815
Total non-current assets	219,041	521,260
Inventories	62,812	125,072
Trade and other receivables	23,745	50,608
Current income tax assets	9	334
Cash and cash equivalents	51,394	106,289
Assets from discontinued operations	329,983	-
Total current assets	467,943	282,303
Total assets	686,984	803,563
Share capital	252,950	252,950
Share premium	65,660	65,660
Other comprehensive income	(4,836)	(13,632)
Retained earnings	(15,140)	1,373
Elements of comprehensive income from discontinued operations	(162,767)	(40,006)
Other reserves	(39,876)	(39,876)
Total equity	95,991	226,469
Senior Secured Notes	233,744	233,936
Bank and Other Borrowings	43,687	74,513
<i>Of which IFRS 16 related lease liabilities (excluding sales-and-leaseback)</i>	25,620	29,515
Deferred income tax liabilities	8,459	38,404
Provisions for other liabilities and charges	2,025	2,487
Employee benefit obligations	762	3,643
Total non-current liabilities	288,678	352,982
Senior Secured Notes	6,714	3,425
Bank and Other Borrowings	60,393	73,981
<i>Of which IFRS 16 related lease liabilities (excluding sales-and-leaseback)</i>	5,514	6,846
Derivative financial instruments	(0)	103
Other payroll and social related payables	14,638	33,904
Trade and other payables	42,729	109,678
Income tax liabilities	622	3,021
Liabilities from discontinued operations	177,218	-
Total current liabilities	302,314	224,112
Total liabilities	590,992	577,094
Total equity and liabilities	686,984	803,563

Consolidated Statement of Cash Flow

(€ thousands)	For the year ended December 31	
	2021	2020*
I. CASH FLOW FROM OPERATING ACTIVITIES FOR CONTINUING OPERATIONS		
Net profit / (loss) from the period for Continuing Operations	(16,526)	(16,986)
Adjustments for:		
Income tax expense/(income)	8,173	4,540
Finance income	-	(0)
Financial expense	28,294	25,493
Depreciation, amortisation	17,143	17,227
Movement in provisions	(59)	(32)
(Gain) / loss on disposal of non-current assets	565	1,288
Fair value of derivatives	(181)	116
Expense recognised in respect of equity-settled share-based payments	78	34
Cash generated before changes in working capital	37,487	31,682
Changes in working capital:		
Inventories	(16,799)	5,740
Trade receivables	(2,418)	5,696
Trade payables	5,533	(2,629)
Other working capital	1,782	(5,712)
Cash generated after changes in working capital	25,586	34,777
Net income tax (paid)	(5,407)	(4,706)
Net cash generated / (used) by operating activities	20,180	30,071
II. CASH FLOW FROM INVESTING ACTIVITIES FOR CONTINUING OPERATIONS		
Acquisition & disposal of property, plant and equipment	(10,585)	(10,168)
Acquisition of intangibles	(456)	(559)
Proceeds from non-current assets	72	32
Net cash used by investing activities	(10,969)	(10,695)
III. CASH FLOW FROM FINANCING ACTIVITIES FOR CONTINUING OPERATIONS		
Interest and other finance charges paid, net	(24,732)	(21,544)
Proceeds from borrowings with third parties	-	95,873
Repayments of Senior Secured Notes	(243)	-
Repayments of borrowings with third parties	(17,704)	(49,309)
Net cash generated / (used) by financing activities	(42,679)	25,019
NET INCREASE/ (DECREASE) IN CASH AND BANK OVERDRAFTS	(33,469)	44,395
Cash, cash equivalents and bank overdrafts at the beginning of the period for Continuing Operations	104,440	17,186
Exchange gains/(losses) on cash and cash equivalents	1,916	(2,477)
Financing and cash transactions between Continuing and Discontinued Operations	(21,494)	45,336
Cash, cash equivalents and bank overdrafts at the end of the period for Continuing Operations	51,393	104,440
Cash from Discontinued Operations	3,909	1,849

* Restated for the impact of the Discontinued Operations in accordance with IFRS 5



Consolidated Statement of Change in Shareholder Equity

	Share capital	Share premium	Other comprehensive income	Retained earnings	Other reserves	Total continuing operations	Elements of comprehensive income of Discontinued Operations	Total equity
<i>(€ thousands)</i>								
Balance at 31 December 2019	252,950	65,660	(3,576)	18,344	(39,876)	293,502	(33,537)	259,965
Profit / (loss) for the period	-	-	-	(16,986)	-	(16,986)	4,401	(12,585)
Other comprehensive income								
Exchange differences on translating foreign operations	-	-	(10,335)	-	-	(10,335)	(10,951)	(21,287)
Changes in fair value of hedging instruments qualifying for cash flow hedge accounting	-	-	116	-	-	116	-	116
Cumulative changes in deferred taxes	-	-	(4)	-	-	(4)	(41)	(45)
Cumulative changes in employee defined benefit obligations	-	-	167	-	-	167	122	290
Total comprehensive income for the period	-	-	(10,056)	(16,986)	-	(27,041)	(6,469)	(33,511)
Equity-settled share-based payment plans	-	-	-	15	-	15	-	15
Balance at 31 December 2020	252,950	65,660	(13,632)	1,373	(39,876)	266,475	(40,006)	226,469

	Share capital	Share premium	Other comprehensive income	Retained earnings	Other reserves	Total continuing operations	Elements of comprehensive income of Discontinued Operations	Total equity
<i>(€ thousands)</i>								
Balance 31 December 2020	252,950	65,660	(13,632)	1,373	(39,876)	266,475	(40,006)	226,469
Profit / (loss) for the period	-	-	-	(16,526)	-	(16,526)	(112,712)	(129,238)
Other comprehensive income								
Exchange differences on translating foreign operations	-	-	8,804	-	-	8,804	(10,375)	(1,571)
Changes in fair value of hedging instruments qualifying for cash flow hedge accounting	-	-	(117)	-	-	(117)	-	(117)
Cumulative changes in deferred taxes	-	-	(17)	-	-	(17)	(116)	(133)
Cumulative changes in employee defined benefit obligations	-	-	125	-	-	125	442	568
Total comprehensive income for the period	-	-	8,796	(16,526)	-	(7,730)	(122,761)	(130,491)
Equity-settled share-based payment plans	-	-	-	13	-	13	-	13
Balance at 31 December 2021	252,950	65,660	(4,836)	(15,140)	(39,876)	258,759	(162,767)	95,991

Earnings call

The FY 2021 Results will be presented on **25 February 2022 at 10.00 am CET** via a webcast, by the Chairman of the Board and CEO Cyrille Ragoucy and CFO Jan-Christian Werner. Dial-in details and the results presentation will be available on www.baltainvestors.com

For further information, please contact

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Additional information notice

We kindly refer you to our website www.baltainvestors.com where the FY 2021 Results Presentation is available with more detailed slides on our FY 2021 Results.

Noteholders notice

We will release a Noteholder Report regarding the FY 2021 Results on 27 April 2022. This Report will be available on www.baltainvestors.com

About Balta

Balta is a leading manufacturer of textile floor coverings, selling to over 125 countries worldwide. The Balta divisions are Balta Rugs (Balta home), Balta Residential Carpets & Tiles (under the brands Balta carpets, ITC and Balta carpet tiles), Balta Commercial Carpets & Tiles (under the brands modulyss, arc edition and Bentley), and Balta Non-Woven (under the brand Captiqs). Balta employs nearly 4,000 people in 10 manufacturing sites and distribution centers in Belgium, Turkey and the United States.

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 Balta 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.

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.