

Recticel First Half-Year 2022 Results

- Net sales increase from EUR 229.7 million¹ to EUR 274.3 million (+19.4%), of which +15.6% organic growth, +0.6% currency effect, EUR 38.5 million contribution from Trimo², and a EUR 31.0 million drop in sales of chemicals to the divested Automotive companies
- Adjusted EBITDA: from EUR 22.4 million¹ to EUR 29.2 million (+30.3%)
- Result of the period (share of the Group): from EUR 28.0 million to EUR 34.6 million
- Net financial debt³: EUR 254.9 million (31 December 2021: EUR 147.8 million; 30 June 2021 : EUR 206.6 million)

Olivier Chapelle (CEO): *"We are satisfied with the sales and profitability development of our Insulation activities, in a highly challenging environment characterised by supply chain disruptions, by historical inflation on raw materials, labour, transportation and energy costs, and by economic uncertainties. Volumes have been slightly higher than in 2021, and our business teams have been able to compensate all inflationary pressures during the period. In parallel, our operations teams have displayed high flexibility to accommodate the supply chain challenges."*

The first half of 2022 has seen intense M&A activity, with sequentially the closing of the Bedding divestment to Aquinos on 31 March, the closing of the Trimo acquisition on 29 April, the final exit out of the Proseat joint venture on 20 May. The Competition and Markets Authority in the UK has recently decided to refer the divestment case of Engineered Foams to a phase II investigation, with the closing of the transaction now expected latest by the first quarter of 2023."

OUTLOOK

Our Insulation business continues to perform well in difficult economic circumstances. However, the geopolitical turbulences, supply chain challenges and economic uncertainties prevent us from providing an outlook for the full year at this stage.

¹ As announced in the press release of 10 August 2022, the Engineered Foams activities which are currently in process of being divested to the US-based Carpenter Co., have been accounted for as Discontinued Operations (IFRS 5).

For comparison purposes the formerly published 2021 income statements and cash flow statements have been restated accordingly.

² Trimo d.o.o. is fully consolidated as of 01 May 2022.

³ Excluding the drawn amounts under non-recourse factoring programs: EUR 29.5 million (continuing operations) per 30 June 2022 compared to EUR 25.2 million per 31 December 2021 and EUR 45.2 million per 30 June 2021 (2021 still including Bedding and Engineered Foams)

CONSOLIDATED GROUP RESULTS – KEY FIGURES

| <i>in million EUR</i> | 1H2021 restated ¹ | 1H2022 | Δ % |
|---|---------------------------------|--------------|---------------|
| | (a) | (b) | (b)/(a)-1 |
| Sales | 229.7 | 274.3 | 19.4% |
| Gross profit | 39.6 | 47.9 | 20.9% |
| as % of sales | 17.3% | 17.5% | |
| Adjusted EBITDA | 22.4 | 29.2 | 30.3% |
| as % of sales | 9.7% | 10.6% | |
| EBITDA | 22.1 | 24.5 | 11.2% |
| as % of sales | 9.6% | 8.9% | |
| Adjusted operating profit (loss) | 15.8 | 22.5 | 41.8% |
| as % of sales | 6.9% | 8.2% | |
| Operating profit (loss) | 15.5 | 17.8 | 14.8% |
| as % of sales | 6.8% | 6.5% | |
| Financial result | 0.0 | (1.5) | n.m. |
| Income from other associates ⁴ | 0.6 | (2.4) | n.m. |
| Change in fair value of option structures | (4.9) | 2.3 | n.m. |
| Income taxes | 4.0 | (4.7) | n.m. |
| Result of the period of the continuing operations | 15.3 | 11.6 | -24.6% |
| Result of the discontinued operations | 12.9 | 23.5 | 81.9% |
| Result of the period (share of the Group) | 28.0 | 34.6 | 23.8% |
| Result of the period (share of the Group) - base (per share, in EUR) | 0.50 | 0.62 | 23.3% |

| | 31 Dec 2021 | 30 Jun 2022 | |
|--|----------------|----------------|--------------|
| Total Equity | 391.3 | 417.6 | 6.7% |
| Net Financial Debt (incl. IFRS 16 - Leases) ³ | 147.8 | 254.9 | 72.4% |
| Gearing ratio (Net financial debt/Total Equity) | 37.8% | 61.0% | |
| Leverage ratio (Net financial debt/EBITDA) | 1.6 | 1.8 | ⁵ |

⁴ Income from other associates = income from associates not considered as being part of the Group's core business are not integrated in Operating profit (loss); i.e. Proseat (until April 2022) and Ascorium (formerly Automotive Interiors)

⁵ The 30 June 2022 pro forma leverage ratio = Net financial debt (before application of IFRS 5) divided by the sum of (a) (EBITDA (last 12 months) (before application of IFRS 5) and (b) EBITDA (last 12 months) of the recently acquired company Trimo. This pro forma leverage ratio is a better comparable to the leverage ratio at 31 December 2021.

The following changes in the scope of consolidation took place in 2022:

- Acquisition of Slovenia-based Trimo d.o.o. which has been fully consolidated as of 01 May 2022.
- Application of IFRS 5 to the Engineered Foams activities, which are in process of being sold to the US-based Carpenter Co.
- Disposal on 31 March 2022 of the Bedding activities, which were already accounted for as discontinued operations on 31 December 2021.

Anticipating the divestment to Carpenter, the Engineered Foams activities have been carved-out and part of the former Corporate activities and costs have been transferred to Engineered Foams.

Net sales also comprise the sale of chemical raw materials at cost to the Proseat and TEMDA2/Ascorium (formerly Automotive Interiors) companies. Both supply agreements have been terminated now. Ascorium since 01 July 2021 and Proseat since 01 April 2022.

The results of the Automotive joint-ventures (i.e. Proseat and TEMDA2/Ascorium) are reported under 'Income from other associates'. The remaining 25% participation in Proseat has been sold on 20 May 2022 following the exercise of the put option on 14 April 2022.

As from 2022, as it becomes a pure Insulation player, Recticel will be reporting on a single segment basis.

Net Sales: EUR 274.3 million² compared to EUR 229.7 million in 1H2021.

Second quarter 2022:

2Q2022 sales increased by 23.9% from EUR 124.0 million to **EUR 153.6 million**, including EUR 38.5 million from the Trimo acquisition, a EUR 22.1 million reduction in sales of chemicals to the divested Automotive companies and a +0.3% currency impact.

Demand remained solid with the exception of COVID-related demand for VIP-insulation products which decreased with the progressive recess of the COVID-pandemic.

First half-year 2022:

1H2022 sales increased by 19.4% from EUR 229.7 million to **EUR 274.3 million**, including the EUR 38.5 million contribution from Trimo, a EUR 31.0 million drop in sales of chemicals to the divested Automotive companies and a +0.6% currency impact.

Adjusted EBITDA: EUR 29.2 million compared to EUR 22.4 million in 1H2021.

Adjusted EBITDA margin of 10.6% compared to 9.7% in 1H2021.

The steady volumes, pricing discipline and the successful integration of Trimo as from 01 May 2022 led to improved operational profitability, despite the strong inflationary pressure on all input costs.

Adjusted operating profit (loss): EUR 22.5 million compared to EUR 15.8 million in 1H2021.

Adjusted operating profit (loss) margin of 8.2% compared to 6.9% in 1H2021.

Adjustments to Operating profit (loss):

Adjustments to Operating profit (loss) on continuing operations in 1H2022 amount to EUR -4.6 million (1H2021: EUR -0.3 million) and include:

- EUR -1.1 million of restructuring costs,
- EUR -3.5 million of other adjustments, which relate mainly to (i) legal and advisory fees (EUR -1.0 million) primarily linked to the acquisition of Trimo, (ii) a fair value adjustment on inventories by application of IFRS 3, reversal of inventory step up values resulting from the purchase price allocation of Trimo (EUR -2.2 million).

EBITDA: EUR 24.5 million compared to EUR 22.1 million in 1H2021.

EBITDA margin of 8.9% compared to 9.6% in 1H2021.

Operating profit (loss): EUR 17.8 million compared to EUR 15.5 million in 1H2021.

Operating profit (loss) margin of 6.5% compared to 6.8% in 1H2021.

Financial result: from EUR +0.1 million to **EUR -1.5 million**

Net interest charges: EUR -1.4 million compared to EUR -0.9 million in 1H2021

'Other net financial income and expenses': EUR -0.04 million compared to EUR +1.0 million in 1H2021. This item comprises mainly exchange rate differences (EUR -0.2 million compared to EUR +1.0 million in 1H2021).

Income from other associates: EUR -2.4 million (EUR +0.6 million in 1H2021) relates to the negative result of TEMDA2 (at 49%). The participation in Proseat had been impaired at the end of 2020, as a result of which its book value had been reduced to zero. Hence the 1H2022 income statement of Recticel is not impacted by the negative result of Proseat, which has been fully divested on 20 May 2022.

Fair value of option structures: EUR +2.3 million (1H2021: EUR -4.9 million), results from the reversal of the previously recognised additional provision.

The put/call structure on the remaining 49% participation in TEMDA2/Ascorium (formerly Automotive Interiors) has been maintained at a "zero" value in accordance with the underlying valuation method.

Income and deferred taxes: from EUR +4.0 million to **EUR -4.7 million:**

- Current income tax: EUR -3.6 million (1H2021: EUR 1.1 million);
- Deferred tax: EUR -1.2 million (1H2021: EUR +5.1 million).

Result of the period from continuing operations: EUR 11.6 million compared to EUR 15.3 million in 1H2021.

Result from discontinued operations: EUR 23.5 million compared to EUR 12.9 million in 1H2021.

The result from discontinued operations mainly represents:

- (i) the result of the period of the Engineered Foams activities which are currently in the process of being sold to the Carpenter Co. (EUR 4.6 million);
- (ii) the result of the first three months of 2022 of the Bedding activities (EUR 1.1 million);
- (iii) the net capital gain on the disposal of the Bedding activities sold to Aquinos Group (EUR +17.9 million, including EUR 5.0 million of provisions for indemnities); and
- (iv) the result of the settlements related to the divestment of the Ascorium activities (EUR -0.1 million).

The total result (restated) of discontinued operations in 1H2021 was composed of:

- (i) the result of the period of the Engineered Foams activities which are currently in the process of being sold to Carpenter Co. (EUR 13.9 million);
- (ii) the net result related to the Bedding activities, which at that time were deemed to be divested (EUR -2.3 million) (IFRS 5 criteria however not yet met then); and
- (iii) the result following the settlements related to the divestment of the Ascorium (formerly Automotive Interiors) activities (EUR 1.3 million).

Consolidated result of the period (share of the Group): EUR 34.6 million compared to EUR 28.0 million in 1H2021.

FINANCIAL POSITION

| <i>in million EUR</i> | 30 JUN 2021 | 30 SEP 2021 | 31 DEC 2021 | 31 MAR 2022 | 30 JUN 2022 |
|--|--------------|--------------|--------------|--------------|--------------|
| TOTAL EQUITY | 354.8 | - | 391.3 | - | 417.6 |
| Net financial debt excluding factoring | 145.3 | 130.3 | 103.8 | 92.6 | 247.6 |
| + Lease debt (IFRS 16) | 61.3 | 58.7 | 44.0 | 37.0 | 7.3 |
| CONSOLIDATED NET FINANCIAL DEBT | 206.6 | 189.0 | 147.8 | 129.6 | 254.9 |
| + Drawn amounts under factoring programs | 45.2 | 41.4 | 25.2 | 0.0 | 29.5 |
| TOTAL CONSOLIDATED NET FINANCIAL DEBT | 251.8 | 230.4 | 173.0 | 129.6 | 284.4 |
| Gearing ratio (incl. IFRS 16) | 58.2% | - | 37.8% | - | 61.0% |
| Leverage ratio (incl. IFRS 16) | 2.6 | - | 1.6 | - | 1.8 |

The Group's total net debt position increased by EUR 111.4 million over 1H2022 to reach EUR 284.4 million, mainly due to (i) the payment of EUR 154.8 million (net of cash) for the acquisition of Trimo, (ii) the deferred payment in January 2022 of CHF 20 million for the acquisition of FoamPartner, (iii) higher net working capital needs resulting from seasonality effects and price inflation, (iv) the dividend payment of EUR 16.2 million; partially offset by (v) the net EUR 84.5 million cash inflow from the disposal of the Bedding activities to Aquinos on 31 March 2022 and by (vi) the net proceeds from the sale of land in Balen (Belgium) (EUR 7.6 million).

The Group confirms that all conditions under the financial arrangements with its banks are respected.

ON-GOING DIVESTMENT PROCESS RECTICEL ENGINEERED FOAMS

On 18 July 2022, the UK Competition and Markets Authority (the “CMA”) published its decision that the remedy undertakings offered by Carpenter cannot be accepted by the CMA under the Enterprise Act 2002 without more clarifications, and that it will refer the case to Phase 2.

Recticel and Carpenter are collaborating to provide additional information and clarifications to the CMA with regard to the remedy undertakings. Due to the additional Phase 2 procedure, the closing of the transaction will be delayed and is now expected to be completed by the first quarter of 2023.

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APPENDICES

All figures and tables contained in these annexes have been compiled in accordance with the IFRS accounting and valuation principles, as adopted within the European Union. The applied valuation principles, as published in the latest annual report at 31 December 2021, were applied for the figures included in this press release.

The analysis of the risk management is described in the annual report and the IAS 34 Interim report per 30 June 2022, both which are available from www.recticel.com.

CONDENSED CONSOLIDATED INCOME STATEMENT

| Group Recticel in thousand EUR | 1H2021 restated (a) | 1H2022 (b) | Δ (b)/(a)-1 |
|--|---------------------------|-----------------|----------------|
| Sales | 229 678 | 274 321 | 19.4% |
| Cost of sales | (190 054) | (226 413) | 19.1% |
| Gross profit | 39 624 | 47 908 | 20.9% |
| General and administrative expenses | (13 061) | (13 631) | 4.4% |
| Sales and marketing expenses | (8 788) | (11 717) | 33.3% |
| Research and development expenses | (1 836) | (2 105) | 14.7% |
| Impairments goodwill, tangible and intangible assets | 0 | (57) | n.m. |
| Other operating revenues | 3 529 | 1 198 | -66.1% |
| Other operating expenses | (3 930) | (3 754) | -4.5% |
| Operating profit (loss) | 15 538 | 17 842 | 14.8% |
| Interest income | 265 | 477 | 80.0% |
| Interest expenses | (1 206) | (1 918) | 59.0% |
| Other financial income | 1 805 | 4 820 | 167.0% |
| Other financial expenses | (816) | (4 861) | 495.7% |
| Financial result | 48 | (1 482) | n.m. |
| Income from other associates | 572 | (2 384) | n.m. |
| Change in fair value of option structures | (4 865) | 2 330 | n.m. |
| Result of the period before taxes | 11 293 | 16 306 | 44.4% |
| Income taxes | 4 029 | (4 746) | n.m. |
| Result of the period after taxes - continuing operations | 15 322 | 11 560 | -24.6% |
| Result of the period after taxes - discontinued operations | 12 919 | 23 496 | 81.9% |
| Result of the period after taxes - continuing and discontinued operations | 28 241 | 35 056 | 24.1% |
| of which attributable to the owners of the parent | 27 952 | 34 618 | 23.8% |
| of which attributable to non-controlling interests | 289 | 438 | n.m. |

Income from other associates: income from associates not considered as being part of the Group's core business are not integrated in Operating profit (loss); i.e. Proseat and Ascorium (formerly Automotive Interiors)

EARNINGS PER SHARE

| in EUR | 1H2021 restated ¹ | 1H2022 | Δ |
|--|---------------------------------|-------------|--------------|
| Number of shares outstanding (including treasury shares) | 55 893 420 | 56 208 420 | 0.6% |
| Weighted average number of shares outstanding (before dilution effect) | 55 461 573 | 55 714 814 | 0.5% |
| Weighted average number of shares outstanding (after dilution effect) | 56 162 796 | 56 734 281 | 1.0% |
| Earnings per share - continuing operations | 0.28 | 0.21 | -24.9% |
| Earnings per share - discontinued operations | 0.23 | 0.42 | 81.0% |
| Earnings per share of continuing and discontinued operations | 0.51 | 0.63 | 23.6% |
| Earnings per share from continuing operations | | | |
| Basic | 0.28 | 0.21 | -24.9% |
| Diluted | 0.27 | 0.20 | -25.3% |
| Earnings per share from discontinued operations | | | |
| Basic | 0.23 | 0.42 | 81.0% |
| Diluted | 0.23 | 0.41 | 80.0% |
| Net book value | 6.35 | 7.43 | 17.0% |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| Group Recticel in thousand EUR | 1H2021 restated | 1H2022 |
|---|--------------------|---------------|
| Result for the period after taxes | 28 241 | 35 056 |
| Other comprehensive income | | |
| <i>Items that will not subsequently be recycled to profit and loss</i> | | |
| Actuarial gains (losses) on employee benefits recognized in equity | 3 819 | 2 874 |
| Deferred taxes on actuarial gains (losses) on employee benefits | (457) | (136) |
| Currency translation differences | (131) | 9 |
| Total | 3 231 | 2 747 |
| <i>Items that subsequently may be recycled to profit and loss</i> | | |
| Hedging reserves | 29 | 0 |
| Currency translation differences | 2 913 | 1 949 |
| Deferred taxes on retained earnings | 288 | 162 |
| Total | 3 229 | 2 112 |
| Other comprehensive income net of tax | 6 460 | 4 858 |
| Total comprehensive income for the period | 34 701 | 39 914 |
| Total comprehensive income for the period | 34 701 | 39 914 |
| of which attributable to the owners of the parent | 34 412 | 39 476 |
| of which attributable to non-controlling interests | 289 | 438 |
| Total comprehensive income for the period attributable to the owners of the parent | 34 412 | 39 476 |
| Continuing operations | 17 074 | 11 161 |
| Discontinued operations | 17 338 | 28 315 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| Group Recticel in thousand EUR | 31 DEC 2021 as published | 30 JUN 2022 | % |
|---|-----------------------------|------------------|---------------|
| Intangible assets | 34 945 | 12 339 | -64.7% |
| Goodwill | 13 721 | 126 568 | 822.4% |
| Property, plant & equipment | 313 406 | 114 771 | -63.4% |
| Right-of-use assets | 62 603 | 10 318 | -83.5% |
| Investment property | 7 564 | 113 | -98.5% |
| Investments in associates | 12 709 | 0 | -100.0% |
| Investments in other associates | 10 361 | 7 977 | -23.0% |
| Non-current receivables | 18 730 | 15 388 | -17.8% |
| Deferred tax assets | 46 845 | 29 869 | -36.2% |
| Non-current assets | 520 884 | 317 343 | -39.1% |
| Inventories | 112 897 | 58 620 | -48.1% |
| Trade receivables | 141 596 | 83 762 | -40.8% |
| Deferred receivable for share investments/divestments | 0 | 26 006 | n.m. |
| Other receivables and other financial assets | 15 869 | 17 542 | 10.5% |
| Income tax receivables | 4 660 | 389 | -91.7% |
| Cash and cash equivalents | 118 367 | 66 845 | -43.5% |
| Assets classified as held for sale | 141 466 | 559 899 | 295.8% |
| Current assets | 534 855 | 813 063 | 52.0% |
| TOTAL ASSETS | 1 055 739 | 1 130 406 | 7.1% |
| Capital | 139 909 | 140 521 | 0.4% |
| Share premium | 132 087 | 133 596 | 1.1% |
| Share capital | 271 996 | 274 117 | 0.8% |
| Treasury shares | (1 450) | (1 450) | 0.0% |
| Other reserves | (3 697) | (2 994) | -19.0% |
| Retained earnings | 112 404 | 133 154 | 18.5% |
| Hedging and translation reserves | (8 686) | (8 872) | 2.1% |
| Elements of comprehensive income of discontinued operations | 19 215 | 21 728 | 13.1% |
| Equity (share of the Group) | 389 782 | 415 683 | 6.6% |
| Equity attributable to non-controlling interests | 1 524 | 1 962 | 28.7% |
| Total equity | 391 306 | 417 645 | 6.7% |
| Employee benefit liabilities | 39 135 | 13 999 | -64.2% |
| Provisions | 21 993 | 15 295 | -30.5% |
| Deferred tax liabilities | 36 229 | 12 471 | -65.6% |
| Financial liabilities | 208 505 | 180 285 | -13.5% |
| Other amounts payable | 25 | 0 | -100.0% |
| Non-current liabilities | 305 887 | 222 050 | -27.4% |
| Provisions | 3 386 | 1 415 | -58.2% |
| Financial liabilities | 59 064 | 141 819 | 140.1% |
| Trade payables | 120 247 | 98 684 | -17.9% |
| Current contract liabilities | 9 081 | 14 568 | 60.4% |
| Income tax payables | 4 466 | 2 596 | -41.9% |
| Deferred payables for share investments | 18 749 | 0 | -100.0% |
| Other amounts payable | 66 885 | 43 943 | -34.3% |
| Liabilities directly associated with assets classified as held for sale | 76 668 | 187 685 | 144.8% |
| Current liabilities | 358 546 | 490 710 | 36.9% |
| TOTAL EQUITY AND LIABILITIES | 1 055 739 | 1 130 406 | 7.1% |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

| Group Recticel in thousand EUR | 1H2021 restated ¹ | 1H2022 |
|---|---------------------------------|------------------|
| Operating profit (loss) | 15 538 | 17 842 |
| Income from discontinued operations | 1 287 | 0 |
| Amortisation of intangible assets | 776 | 598 |
| Depreciation of tangible assets | 5 787 | 6 031 |
| (Write-back)/Write-offs on assets | (364) | 1 015 |
| Changes in provisions | 1 735 | (158) |
| (Gains) / Losses on disposals of intangible and tangible assets | (508) | (278) |
| Other non-cash elements | (1 582) | 532 |
| GROSS OPERATING CASH FLOW BEFORE WORKING CAPITAL MOVEMENTS | 22 669 | 25 582 |
| Changes in working capital | 17 815 | (13 299) |
| Trade & Other long term debts maturing within 1 year | 318 | 0 |
| Income taxes paid | (344) | (692) |
| Cash flow from operating activities (discontinued operations) | 13 893 | (12 514) |
| NET CASH FLOW FROM OPERATING ACTIVITIES (a) | 54 351 | (922) |
| Interests received | 200 | 646 |
| Dividends received | 25 | 33 |
| Disposal Bedding | 0 | 84 520 |
| Acquisition Trimo, net of cash acquired | 0 | (154 783) |
| Increase of loans and receivables | (295) | (631) |
| Decrease of loans and receivables | 3 643 | 149 |
| Investments in intangible assets | (1 528) | (1 998) |
| Investments in property, plant and equipment | (1 089) | (3 110) |
| Net deferred charges - long term | (37) | 0 |
| Disposals of intangible assets | 5 | 0 |
| Disposals of property, plant and equipment | 1 559 | 7 660 |
| Cash flow from divestment (investment) activities (discontinued operations) | (227 782) | (25 005) |
| NET CASH FLOW FROM DIVESTMENT (INVESTMENT) ACTIVITIES (b) | (225 299) | (92 518) |
| Interests paid on financial debt (c) | (1 665) | (1 844) |
| Interests paid on lease debt (c) | (54) | (52) |
| Dividends paid | (14 451) | (16 229) |
| Increase (Decrease) of capital | 889 | 2 121 |
| Increase of financial debt | 198 560 | 87 043 |
| Decrease of lease debt (d) | (9 321) | (1 696) |
| Cash flow from financing activities (discontinued operations) | 4 313 | (5 093) |
| NET CASH FLOW FROM FINANCING ACTIVITIES (e) | 178 271 | 64 250 |
| Effect of exchange rate changes (f) | 513 | (1 756) |
| Effect of exchange rate changes (discontinued operations) (f) | 506 | 1 374 |
| CHANGES IN CASH AND CASH EQUIVALENTS (a)+(b)+(e)+(f) | 8 342 | (29 572) |
| NET FREE CASH FLOW (a)+(b)+(c)+(d) | (181 987) | (97 031) |
| Net cash position opening balance (continued operations) | 64 213 | 84 055 |
| Net cash position opening balance (discontinued operations) | 15 042 | 41 664 |
| Net cash position opening balance (g) | 79 255 | 125 719 |
| Net cash position closing balance (continuing operations) | 50 688 | 66 845 |
| Net cash position closing balance (discontinued operations) | 36 909 | 29 302 |
| Net cash position closing balance (h) | 87 597 | 96 147 |
| CHANGES IN CASH AND CASH EQUIVALENTS (h)-(g) | 8 342 | (29 572) |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| Group Recticel in thousand EUR | Capital | Share premium | Treasury shares | Other reserves | Retained earnings | Translation differences reserves and Hedging reserves | Continuing operations | Discontinued operations Bedding | Discontinued operations Engineered Foams | Total shareholders' equity | Non-controlling interests | Total equity, non- controlling interests included |
|--|---------|------------------|-----------------|-------------------|----------------------|--|--------------------------|---------------------------------------|---|----------------------------------|------------------------------|---|
| At the end of the period 31 December 2021 | 139 909 | 132 087 | (1 450) | (3 697) | 112 404 | (8 686) | 370 566 | 6 196 | 13 020 | 389 782 | 1 524 | 391 306 |
| Dividends | 0 | 0 | 0 | 0 | (16 229) | 0 | (16 229) | 0 | 0 | (16 229) | 0 | (16 229) |
| Stock options (IFRS 2) | 0 | 0 | 0 | 532 | 0 | 0 | 532 | 0 | 0 | 532 | 0 | 532 |
| Capital movements | 613 | 1 509 | 0 | 0 | 0 | 0 | 2 121 | 0 | 0 | 2 121 | 0 | 2 121 |
| Shareholders' movements | 613 | 1 509 | 0 | 532 | (16 229) | 0 | (13 576) | 0 | 0 | (13 576) | 0 | (13 576) |
| Profit or loss of the period | 0 | 0 | 0 | 0 | 11 113 | 0 | 11 113 | 18 888 | 4 617 | 34 618 | 438 | 35 056 |
| Other comprehensive income ¹ | 0 | 0 | 0 | 172 | 168 | (292) | 48 | 719 | 4 092 | 4 858 | 0 | 4 858 |
| Comprehensive income | 0 | 0 | 0 | 172 | 11 281 | (292) | 11 161 | 19 607 | 8 708 | 39 477 | 438 | 39 914 |
| Change in scope | 0 | 0 | 0 | (0) | 25 698 | 106 | 25 803 | (25 803) | 0 | (0) | 0 | (0) |
| At the end of the period 30 June 2022 | 140 521 | 133 596 | (1 450) | (2 994) | 133 154 | (8 872) | 393 955 | 0 | 21 729 | 415 683 | 1 962 | 417 645 |

RECONCILIATION WITH ALTERNATIVE PERFORMANCE MEASURES

| Group Recticel in thousand EUR | 1H2021 restated | 1H2022 |
|---|-------------------------------------|--------------------|
| Income statement | | |
| Sales | 229 678 | 274 321 |
| Gross profit | 39 624 | 47 908 |
| EBITDA | 22 078 | 24 546 |
| Operating profit (loss) | 15 538 | 17 842 |
| Operating profit (loss) | | |
| Amortisation intangible assets | 780 | 597 |
| Depreciation tangible assets | 5 760 | 6 051 |
| Impairments on goodwill, intangible and tangible fixed assets | 0 | 57 |
| EBITDA | 22 078 | 24 546 |
| EBITDA | | |
| Restructuring charges | 626 | 1 132 |
| Other | (330) | 3 482 |
| Adjusted EBITDA | 22 375 | 29 160 |
| Operating profit (loss) | | |
| Restructuring charges | 626 | 1 132 |
| Other | (330) | 3 482 |
| Impairments | 0 | 57 |
| Adjusted Operating profit (loss) | 15 835 | 22 513 |
| Total net financial debt | | |
| | 31 DEC 2021 as published | 30 JUN 2022 |
| Non-current financial liabilities | 208 505 | 180 285 |
| Current financial liabilities | 59 064 | 141 819 |
| Cash | (118 367) | (66 845) |
| Other financial assets ¹ | (1 380) | (409) |
| Net financial debt on statement of financial position | 147 822 | 254 850 |
| Factoring programs | 25 162 | 29 543 |
| Total net financial debt | 172 984 | 284 393 |
| ¹ Hedging instruments and interest advances | | |
| Gearing ratio (Net financial debt / Total equity) | | |
| Total equity | 391 306 | 417 645 |
| Net financial debt on statement of financial position / Total equity | 37.8% | 61.0% |
| Total net financial debt / Total equity | 44.2% | 68.1% |
| Leverage ratio (Net financial debt / EBITDA) | | |
| Net financial debt on statement of financial position / EBITDA ⁵ | 1.6 | 1.8 |
| Total net financial debt / EBITDA ⁵ | 1.9 | 2.0 |
| Net working capital | | |
| Inventories and contracts in progress | 112 897 | 58 620 |
| Trade receivables | 141 596 | 83 862 |
| Deferred receivables for share investments/divestments | 0 | 26 006 |
| Other receivables | 15 869 | 17 542 |
| Income tax receivables | 4 660 | 389 |
| Trade payables | (120 247) | (98 684) |
| Current contract liabilities | (9 081) | (14 568) |
| Income tax payables | (4 466) | (2 596) |
| Other amounts payable | (66 885) | (43 943) |
| Net working capital | 74 343 | 26 628 |
| Current ratio (= Current assets / Current liabilities) | | |
| Current assets, excluding discontinued operations | 393 389 | 253 164 |
| Current liabilities, excluding discontinued operations | 283 146 | 303 025 |
| Current ratio (factor) | 1.4 | 0.8 |

GLOSSARY

- **IFRS measures**

Consolidated (data) : financial data following the application of IFRS 11, whereby joint ventures and associates are integrated on the basis of the equity method.

- **Alternative Performance Measures**

In addition, the Group uses alternative performance measures (Alternative Performance Measures or "APM") to express its underlying performance and to help the reader to better understand the results. APM are not defined performance indicators by IFRS. The Group does not present APM as an alternative to financial measures determined in accordance with IFRS and does not give more emphasis to APM than the defined IFRS financial measures.

Adjusted EBITDA: EBITDA before Adjustments (to Operating Profit)

Adjusted operating profit (loss): Operating profit (loss) + adjustments to operating profit (loss)

Adjustments to Operating profit (loss): include operating revenues, expenses and provisions that pertain to restructuring programmes (redundancy payments, closure & clean-up costs, relocation costs,...), reorganisation charges and onerous contracts, impairments on assets ((in)tangible assets and goodwill), revaluation gains or losses on investment property, gains or losses on divestments of non-operational investment property, and on the liquidation of investments in affiliated companies, revenues or charges due to important (inter)national legal issues and costs of advisory fees incurred in relation to acquisitions or business combination projects, costs of advisory fees incurred in relation to acquisitions, divestments or business combination projects, including fees incurred in connection with their financing and reversals of inventory step up values resulting from purchase price allocations under IFRS 3 Business Combinations.

Current ratio: Current assets / Current liabilities

EBITDA: Operating profit (loss) + depreciation, amortisation and impairment on assets; all of continued activities

Gearing: Net financial debt / Total equity

Income from other associates: income from associates not considered as being part of the Group's core business are not integrated in Operating profit (loss); i.e. Proseat and Ascorium (formerly Automotive Interiors)

Leverage: Net financial debt / EBITDA (last 12 months)

Net free cash-flow: Net free cash flow: is the sum of the (i) Net cash flow after tax from operating activities, (ii) the Net cash flow from investing activities, (iii) the Interest paid on financial liabilities and (iv) reimbursement of lease liabilities; as shown in the consolidated cash flow statement.

Net financial debt: Interest bearing financial liabilities and lease liabilities at more than one year + interest bearing financial liabilities and lease liabilities within maximum one year + accrued interests – cash and cash equivalents + Net marked-to-market value position of hedging derivative instruments. The interest-bearing borrowings do not include the drawn amounts under non-recourse factoring/forfeiting programs

Net working capital: Inventories and contracts in progress + Trade receivables + Other receivables + Income tax receivables – Trade payables – Income tax payables – Other amounts payable

Operating profit (loss): Profit before income from other associates, fair value adjustments of option structures, earnings of discontinued activities, interests and taxes. Operating profit (loss) comprises income from associates of continued activities.

Total net financial debt: Net financial debt + the drawn amounts under off-balance sheet non-recourse factoring programs

Uncertainty risks concerning the forecasts made

This press report contains forecasts which entail risks and uncertainties, including with regard to statements concerning plans, objectives, expectations and/or intentions of the Recticel Group and its subsidiaries. Readers are informed that such forecasts entail known and unknown risks and/or may be subject to considerable business, macroeconomic and competition uncertainties and unforeseen circumstances which largely lie outside the control of the Recticel Group. Should one or more of these risks, uncertainties or unforeseen or unexpected circumstances arise or if the underlying assumptions were to prove to be incorrect, the final financial results of the Group may possibly differ significantly from the assumed, expected, estimated or extrapolated results. Consequently, neither Recticel nor any other person assumes any responsibility for the accuracy of these forecasts.

Financial calendar

| | |
|-----------------------------------|------------------------------|
| Third quarter 2022 trading update | 28.10.2022 (at 07:00 AM CET) |
| Full-year 2022 results | 28.02.2023 (at 07:00 AM CET) |
| First quarter 2023 trading update | 28.04.2023 (at 07:00 AM CET) |
| Annual General Meeting | 30.05.2023 (at 10:00 AM CET) |
| First half-year 2023 results | 31.08.2023 (at 07:00 AM CET) |
| Third quarter 2023 trading update | 27.10.2023 (at 07:00 AM CET) |

For additional information

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Recticel in a nutshell

Recticel is a Belgian industrial group with a strong European dimension, but also with operations in Asia, Africa and the United States. End-2021, Recticel (including discontinued activities) employed 5,145 people in 53 establishments in 21 countries.

Recticel contributes to daily comfort with an extensive range of polyurethane foam products for industrial and domestic applications, with high performance thermal insulation solutions for the construction industry and with mattresses and slat bases of top brands. Overall focus is put on industry-leading, customized solutions with a firm basis in sustainable innovation. In this respect, Recticel strives to provide sustainable answers to societal challenges, including climate protection and conservation of resources.

Recticel Engineered Foams offers a wide and unique range of foams and systems, spanning industrial, automotive and comfort applications.

Within Recticel's Insulation segment, high-quality thermal insulation products are marketed under well-known brands such as Eurowall®, Powerroof®, Powerdeck®, Powerwall® and Xentro®.

In 2021 Recticel achieved consolidated sales of EUR 1,032.8 million.

Recticel (Euronext: REC – Reuters: RECTt.BR – Bloomberg: REC:BB) is listed on Euronext in Brussels.

The press release is available in English and Dutch on the website www.recticel.com