

Q1-23 Trading update and latest developments

Group Q1-23 sales summary

The Group's combined sales¹ (including Belron and TVH at 100%) increased by 45.1% to €3,826.6m, reflecting a 20.3% growth at a comparable scope and the contribution from PHE.

Belron

- Belron's total sales (at 100%) increased by 12.0% in Q1-23 to €1.406.1m. This was driven by a favourable price / mix effect and a positive contribution from ADAS and VAPS, while volumes (VGRR prime jobs) were flat YoY.
- Sales growth from continuing operations of 12.0% is comprised of 9.0% organic growth², growth from acquisitions of 1.7%, and a positive currency effect of 1.3%.
- Organic growth² was at 4.6% in North America (58% of total), 13.3% in the Eurozone (28% of total) and 18.9% in the Rest of the World (14% of total).
- In April, Belron has issued and allocated €800m of new term loan, which, together with available liquidity, has allowed a €522.9m dividend distribution to D'leteren Group (net of the acquisition of shares for €50m) on May 15.

D'leteren Automotive

- The Belgian new car market recovered from 2022's depressed levels and gross registrations grew by 27.5% YoY to 131,484 units. D'leteren Automotive's market share increased by 68bps to 22.3%.
- Sales grew by 40.5% YoY in Q1-23 to €1,362.1m, further driven by acquisitions, a positive price / mix and revenues from other mobility services.
- The order book at the end of March was at 102k units, which represents an 11.6% increase versus the level in Q1-22.

PHE

- PHE's total sales were at €654.3m, representing a 19.5% YoY growth in Q1-23. This was driven by 13.9% organic growth² and 5.6% from acquisitions.
- Organic growth¹ was at 13.3% in France (65% of total) and at 15.2% for the international activities (35% of total). This performance was primarily driven by continued market share gains and pricing.

TVH

- TVH was impacted by a cyberattack on March 19th. Most systems were blocked or shut down out of precaution which disabled the company from operating in most geographies. Systems became progressively operational since April 5th and operations have been fully restored since April 17th.
- D'leteren Group would like to pay a tribute for the exceptional engagement of the TVH people during these disrupted times, as well to TVH's customers for their highly appreciated support and patience.
- As a result, Q1-23 sales came in at €378.7m, down -1.5% versus Q1-22.
- Since the restoration of the operations, sales are recovering fast, which should mitigate the full-year impact of the attack.

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Moleskine

- Moleskine's sales declined by -8.0% YoY in Q1-23 to €25.4m. The organic² decline of -9.8% was partly compensated by a positive 1.8% currency impact.
- The decline was primarily attributable to the wholesale channel, mainly in Americas with some key retail and online accounts adopting a more cautious inventory management.

Outlook 2023

D'leteren Group maintains its guidance for a FY-23 *adjusted* profit before tax, Group's share¹ of around €900m, now including c.€20m of additional interest costs (Group's share) linked to Belron's new term loan issuance. This guidance assumes no further escalation in geopolitical tensions nor new major unforeseen events and in a macroeconomic environment characterised by limited demand growth and continued inflation.

General Meetings

D'leteren Group holds its Ordinary and Extraordinary General Meetings today starting at 3.00pm.

The Board of Directors will propose to distribute a gross ordinary dividend of €3.00 per share to its shareholders.

The Board of Directors will also propose the appointments, as Independent Directors, of Allegra Patrizi Unipersonnelle, represented by Mrs Allegra Patrizi, of LSIM SA, represented by Mr Wolfgang de Limburg Stirum, and of Diligencia Consult SRL, represented by Mrs Diane Govaerts. Their biographies can be consulted on D'leteren Group's website in the shareholder meetings section.

Group developments

- Arnaud Laviolette has announced to the Board that he has decided to retire from the Group in the coming months. Arnaud has served as Group CFO for almost 8 years. The process to nominate a successor and organize the transition is ongoing.

Nicolas D'leteren, Chairman of the Board of Directors, says: *"On behalf of all D'leteren Group Board members and myself, I would like to thank Arnaud Laviolette for his exceptional contributions to our Group over the last eight years. He has been pivotal in transforming the company throughout these years to what the Group is today. His sharp mind and his human finesse stand out, beyond the great professional he is. We wish him all the best for the next chapter of his life, and will continue to honour him as a valued member of the broader D'leteren family."*

Francis Deprez, D'leteren Group CEO, comments: *"We respect Arnaud's decision to retire and pursue other projects in his life. Arnaud has been so much more than our Group CFO. He has been a true sparring partner, for me, for our entire Corporate team, as well as for the management teams of our businesses. His intelligence and curiosity, his drive and his passion, his expertise and his broad knowledge base, have guided us throughout these years, and have inspired us to give our best. We will miss him."*

- D'leteren Group has completed its solidarity-based share buyback programme of €150m which started on 4 September 2019. As a result, D'leteren Group acquired 1,593,621 own shares during the programme, of which 934,692 have been cancelled in May 2020 after the first phase of the programme, and 658,929 in May 2023 after the second phase. The solidarity-based programme has generated €362,786 for D'leteren Group's philanthropic projects.

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- In May 2023, D'leteren Group and other shareholders have bought additional shares in Belron from the Employee Benefits Trust. The new shareholding structure is:
 - D'leteren Group: 50.3%
 - CD&R: 20.4%
 - H&F, GIC and BlackRock: 18.2%
 - Management & Atessa: 11.0%

End of press release

Notes

¹ In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, D'leteren Group uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definitions are not addressed by IFRS. D'leteren Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures.

² "Organic growth" is an Alternative Performance Measure used by the Group to measure the evolution of revenue between two consecutive periods, at constant currency and excluding the impact of change in perimeter of consolidation or business acquisitions.

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D'leteren Group profile

In existence since 1805, and across family generations, D'leteren Group seeks growth and value creation by pursuing a strategy on the long term for its businesses and actively encouraging and supporting them to develop their position in their industry and geographies. The Group currently owns the following businesses:

- **Belron** (50.01%) has a clear purpose: “making a difference by solving people’s problems with real care”. It is the worldwide leader in vehicle glass repair and replacement and operates in 37 countries, through wholly owned businesses and franchises, with market leading brands – including Carglass®, Safelite® and Autoglass®. In addition, Belron manages vehicle glass and other insurance claims on behalf of insurance customers. Sales and adjusted operating result reached respectively €5,574m and €1,017m in FY-22.
- **D'leteren Automotive** (100%) distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Cupra, Rimac, Microlino, Maserati and Porsche vehicles in Belgium. It has a market share of 22.5% and 1.2 million vehicles on the road. Its business model is evolving towards “improving the lives of citizens with fluid, accessible and sustainable mobility”. Sales and adjusted operating result reached respectively €3,610m and €139m in FY-22.
- **PHE** (c.91%) is a leader in the independent distribution of spare parts for vehicles in Western Europe, present in France, Belgium, The Netherlands, Luxemburg, Italy and Spain. Its mission aims at “promoting affordable and sustainable mobility”. It generated sales of €2,260m and *adjusted* operating result of €178m in FY-22.
- **TVH** (40%), is a leading global independent distributor for aftermarket parts for material handling, construction & industrial, and agricultural equipment. It operates in 26 countries worldwide. It has a unique operating model and has a clear purpose of “keeping customers going and growing”. It generated sales of €1,622m and an adjusted operating profit of €258m in FY-22.
- **Moleskine** (100%) is a premium and aspirational lifestyle brand which develops and sells iconic branded notebooks and writing, travel and reading accessories through a global multichannel platform. Its purpose is to “unleash the human genius through hands on paper to empower creativity and knowledge in each individual and the entire world”. Sales and adjusted operating result reached respectively €143m and €21m in FY-22.
- **D'leteren Immo** (100%) groups together the Belgian real estate interests of D'leteren Group. It owns and manages 35 sites which generated €22.3m net rental income in FY-22. It also pursues investment projects and carries out studies into possible site renovations.

Financial Calendar

Last five press releases

(with the exception of press releases related to the repurchase or sale of own shares)

25 April 2023	Publication of the Annual Report 2022
7 April 2023	Belron successfully allocated its new term loan
4 April 2023	Belron’s credit ratings update
3 April 2023	Belron launches new loan
8 March 2023	2022 Full-Year results

Next events

7 September 2023	2023 Half-Year Results
5 March 2024	2023 Full-Year Results

Contact

Francis Deprez, *Chief Executive Officer*
Arnaud Laviolette, *Chief Financial Officer*

Stéphanie Voisin, Investor Relations - Tel: + 32 (0)2 536.54.39

E-mail: financial.communication@dieterengroup.com – Website: www.dieterengroup.com