

2024 Half-Year results

Solid performance from the Group

Half-year 2024 highlights

D'Ieteren Group pursued its growth path during the first semester, driven mostly by steady growth of D'Ieteren Automotive, PHE and TVH. The Group's key performance indicator (KPI) – the *adjusted* profit before tax, Group's share¹ – reached €585.5m, up by 6.4% compared to H1-2023 (€550.2m, with Belron at 50.3%).

- **Belron's** *adjusted* profit before tax, Group's share¹ reached €282.0m (-2.1% YoY), reflecting a 6.7% top-line growth, supported by double digit growth in the Eurozone, an *adjusted* operating margin¹ of 21.2%, and additional financial charges.
- **D'Ieteren Automotive** grew its *adjusted* profit before tax, Group's share¹ by €6.4m (+4.5% YoY), reflecting a 4.8% sales growth largely driven by market share gains, a continued favourable pace of deliveries, and a slightly improved *adjusted* operating margin¹ of 5.5% (H1-2023: 5.4%). The Belgian new car market² declined by 0.9% YoY in H1-2024.
- **PHE** saw its *adjusted* profit before tax, Group's share¹ increasing by 8.2% YoY to €54.1m, driven by a solid top-line growth of 7.0% YoY highlighting market share gains in a context of declining inflation, as well as stable *adjusted* operating margin¹.
- **TVH** posted a 48.0% YoY improvement in its *adjusted* profit before tax, Group's share¹ of €17.7m. The H1-2023 financials had been negatively affected by last year's cyberattack. This year, TVH saw a sales growth of 6.8% and an improved *adjusted* operating margin¹ of 16.8% from 13.4% in H1-2023, further supported by strict cost containment.
- **Moleskine** was impacted in the US by the Q1-2024 prolonged effect of adverse policies at some e-commerce platforms and order timing from large wholesale account, while recording growth in its strategic direct-to-customer channels. *Adjusted* profit before tax, Group's share¹ declined to -€7.1m from -€4.6m in H1-2023. Revenues for H1-2024 declined by -8.0% YoY, while *adjusted* operating result¹ reflected negative operating leverage.
- **Corporate & Unallocated** (including corporate and real estate activities) reported an *adjusted* profit before tax, Group's share¹ of €22.0m compared to €8.6m in H1-2023, largely thanks to financial income. The net cash position³ of the segment at the end of June 2024 stands at €1,059.0m (€786.6m excluding inter-segment loans).
- **Free cash flow⁶** Group's share¹ improved significantly to €540.0m. This strong cash generation is primarily driven by Belron, D'Ieteren Automotive, PHE and TVH.

Outlook 2024

For 2024, D'leteren Group confirms its guidance of a **mid- to high- single-digit growth YoY in its *adjusted*¹ profit before tax, Group's share**. This improvement is expected to be driven by the continued growth from the businesses, and assumes no further escalation in geopolitical tensions nor other major unforeseen events.

It assumes foreign exchange rates that are in line with the rates that prevailed on December 31st, 2023 and a 50.3% economic interest in Belron for both periods.

The comparative *adjusted*¹ profit before tax, Group's share figure for 2023 is €962.4m.

This will be driven by the following financial performances from the portfolio companies:

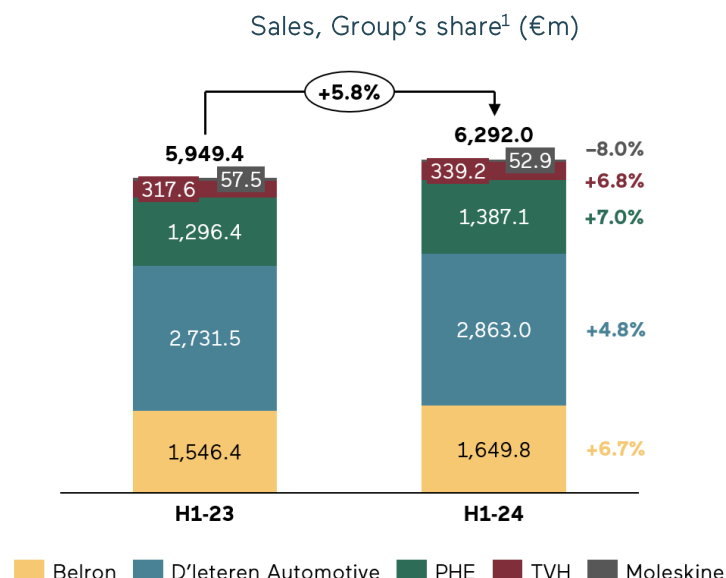
- **Belron**
 - Belron expects a mid- to high single-digit organic sales growth⁵ driven by price / mix, increased ADAS recalibration penetration, low single digit volume growth and a normalised inflation rate.
 - Top-line trends, productivity improvements, transformation efficiency gains and lower costs related to the transformation programme should lead to a continued *adjusted* operating result¹ margin improvement versus 2023 (20.5% in 2023), on track to reach the 23% 2025 ambition. Costs related to the transformation programme should amount to around €90m, of which c.€35m in *adjusting* items¹ (2023: €124.1m of which €57.0m in *adjusting* items¹).
 - Free cash flow⁶ is expected to remain at high levels.
- **D'leteren Automotive**
 - The Belgian market is now expected to slightly decline compared to 2023, at 460,000 new registrations (versus gross registrations of 476,675 in 2023).
 - After a record 2023, D'leteren Automotive's sales are expected to be broadly flat versus 2023.
 - *Adjusted* operating result margin¹ is expected to slightly increase versus 4.2% reported in 2023, supported by the sales mix.
 - Free cash flow⁶ is expected to improve further from 2023 level of €139.2m.
- **PHE**
 - PHE expects a mid-single digit organic sales growth⁵ driven by market share gains and a normalised pricing environment.
 - *Adjusted* operating result margin¹ is expected to remain stable compared to 2023 (9.1%) as higher sales might be fully offset by some variable costs inflation.
 - Non-controlling interests related to some of PHE's acquisitions should represent around €10m of PHE's *adjusted* profit before tax, Group's share¹ (€8.9m in 2023).
- **TVH**
 - Organic⁵ top-line is expected to grow by a mid-single-digit percentage, reflecting restored volume lost due to the cyberattack in 2023, partly offset by a normalised inflationary environment and a slower activity level.
 - For the same reasons, together with tight cost management, *adjusted* operating result margin¹ is expected to improve by around 150bps versus 2023 (13.6%).
 - Free cash flow generation⁶ is expected to remain strong, though somewhat lower than the €85.6m generated in 2023, due to growth-related investments.
- **Moleskine**
 - Sales are expected to grow by a mid- to high- single-digit percentage compared to 2023, skewed towards the second half of the year.
 - *Adjusted* operating result margin¹ should slightly increase versus 2023.

Key developments in H1-24

- In January 2024, PHE refinanced its outstanding bonds with a €960m TLB, 7-year maturity.
- In June 2024, UBS submitted an offer to all investors in the Supply Chain Finance Fund managed by Credit Suisse/UBS. The Group decided to accept the offer and recovered €79.7m on its outstanding investment in August 2024, leading to an additional impairment charge of €15.1m in 2024.
- D'leteren Group held a PHE Day at the end of June 2024, which has been an opportunity for investors and analysts to meet PHE's management and to learn more about PHE's operations at its state-of-the-art logistic centre Logisteco (Réau, France).
- In H1-2024, following the impairment test performed on Moleskine, the Group accounted for a net of tax impairment charge of -€131.4m.
- D'leteren Group will hold an Investor Day on May 14th, 2025, where the management of the businesses will be able to present their mid-term strategies. More details will follow.

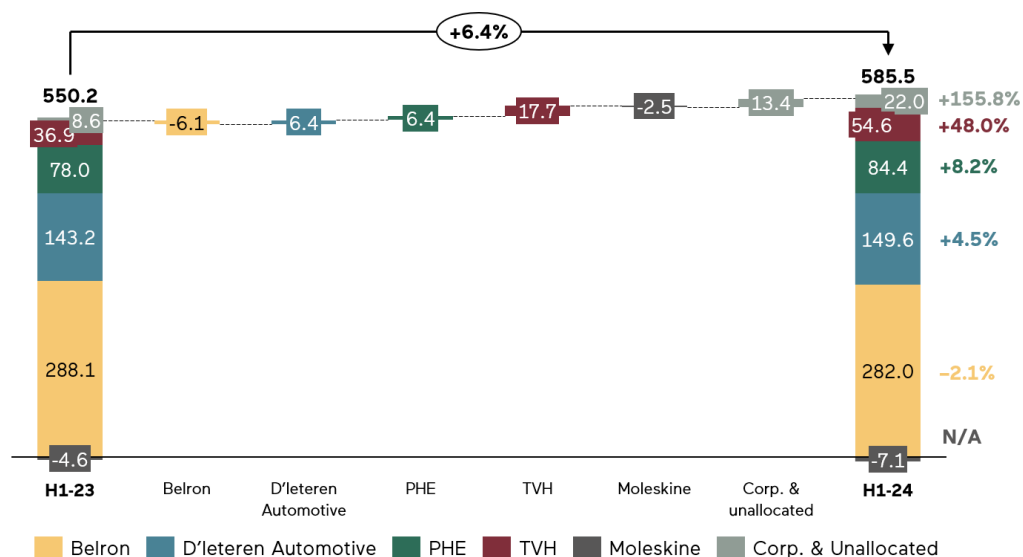
Group Summary

Consolidated sales under IFRS amounted to €4,303.0m (+5.3% YoY). This figure excludes Belron and TVH. Sales, Group's share¹ amounted to €6,292.0m (+5.8% YoY) with Belron at 50.3% and TVH at 40% for both periods.



The consolidated profit before tax under IFRS reached €205.6m (€351.6m in H1-2023) due to a net of tax impairment charge on Moleskine of -€131.4m (see APMs for more details). The key performance indicator, the **adjusted consolidated profit before tax**, Group's share¹, amounted to €585.5m, an increase of 6.4% over H1-2023.

Evolution of the adjusted consolidated profit before tax, Group's share¹ (€m)



The Group's share in the net result equalled €166.6m (€285.9m in H1-2023). The **adjusted net profit, Group's share¹**, reached €424.5m (50.3% stake in Belron and 40% stake in TVH) compared to €381.4m (50.07% stake in Belron and 40% stake in TVH) in H1-2023.

The net cash position³ of "Corporate & Unallocated" at the end of June 2024 amounted to €1,059.0m (€786.6m excluding inter-segment loans) compared to €1,188.3m at the end of December 2023 and €934.9m at the end of June 2023.

Belron

€m	H1-2023			H1-2024			% change adjusted items	% change total
	APM (non-GAAP measures) ¹			APM (non-GAAP measures) ¹				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total		
VGRR prime jobs (in million)	-	-	6.7	-	-	6.7	-	0.4%
External sales	3,074.3	-	3,074.3	3,280.0	-	3,280.0	6.7%	6.7%
Operating result	673.3	-82.4	590.9	695.9	-71.9	624.0	3.4%	5.6%
Net finance costs	-100.8	-2.2	-103.0	-136.1	-3.3	-139.4	35.0%	35.3%
Result before tax (PBT)	572.8	-84.6	488.2	560.6	-75.2	485.4	-2.1%	-0.6%
Adjusted PBT, group's share ¹ (@ 50.30%)	288.1	-	-	282.0	-	-	-2.1%	-

Sales

Belron's total sales (at 100%) increased by **6.7%** to €3,280.0m in H1-2024. The increase in sales is comprised of 5.9% organic⁵ growth, contribution from acquisitions of 0.7% and a positive currency effect of 0.1%.

Sales growth was driven by a favourable price / mix effect and a positive contribution from recalibration revenues (penetration rate of 41.3%) and increased sales from value-added products and services (VAPS) (attachment rate of 24.0%). Total prime jobs increased by 0.4% YoY, affected in the US by the mild weather conditions and an increase in claims avoidance due to the past significant increase in insurance premia.

Organic growth⁵ in **North America** (56% of total) was flat, with volumes slightly down YoY. The **Eurozone** (31% of total) showed a 16.9% organic⁵ growth, driven by winter weather, increased mobility, higher levels of capacity in key markets and strong price/mix benefit, and it was 9.2% in the **Rest of World** (13% of total).

Results

The **operating result** (at 100%) for the half year increased by 5.6% YoY to €624.0m and the **adjusted operating result**¹ improved by 3.4% to €695.9m. The group-wide **transformation programme** incurred costs of €42.4m in H1-2024 of which €8.3m of **adjusting items**¹ related to system integrators fees (H1-2023: €66.3m costs of which €28.8m in **adjusting items**¹).

Adjusted operating result¹ margin was at 21.2% compared to 21.9% in H1-2023. This is mainly the result of the lower volume months in the US while technician capacity was available, and increased marketing expenses across the globe aimed at stimulating demand ahead of the summer peak. A series of precise actions are being undertaken in order to increase profitability.

Adjusting items¹ at the level of the operating result totalled -€71.9m of which -€8.3m of fees to system integrators (see details in the APMs section).

The **profit before tax** came in at €485.4m in H1-2024 (€488.2m in H1-2023) and the **adjusted profit before tax, Group's share**¹ reached €282.0m (-2.1% YoY) on a comparable basis (assuming 50.3% stake in H1-2024 and H1-2023) due to higher interest charges resulting from the issuance of new debt in April 2023.

Net debt and free cash flow

The **free cash flow**⁶ (after tax) amounted to €363.2m (€409.0m in H1-2023). The free cash flow YoY evolution is explained by higher cash interests related to the issuance of new debt in April 2023, higher cash taxes, and higher cash outflow from **adjusting items**¹ (part of which relating to fees from system integrators as part of the transformation program).

Belron's net financial debt³ reached €4,528.4m (100%) at the end of June 2024. This compares with €4,689.8m at the end of December 2023. The decrease of -€161.4m compared to December 2023 is mainly explained by a €363.2m free cash-flow generation partially offset by adverse foreign exchange impact on cash and external debt (-€90.3m), and the effect of change in lease liabilities.

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Belron's Senior Secured Net Leverage Ratio (Senior Secured indebtedness³/proforma EBITDA post-IFRS 16⁴ multiple) reached 2.8x at the end of June 2024 compared to 2.95x at the end of December 2023.

Sustainability

Belron continues to maintain a 97% vehicle glass waste recycling rate as of the end of H1-2024 driven by strong stable performance by nearly all businesses around the world. Over the same period, Belron has reduced waste volume to landfill from 49% (at end of 2023) to 46% at the end of H1 2024.

Progress continues to be made on scope 1 and 2 emission reduction activities, including France successfully delivering the roll out of electric vehicles (EVs) across its technician fleet. Belron has also continued to make progress with the purchase of renewable electricity and is on track to exceed the 42% figure achieved in 2023. In addition it is engaging with key suppliers in relation to its scope 3 emissions.

D'leteren Automotive

€m	H1-2023			H1-2024			% change adjusted items	% change total
	APM (non-GAAP measures) [†]			APM (non-GAAP measures) [†]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total		
New vehicles delivered (in units)	-	-	66,362	-	-	68,168	-	2.7%
External sales	2,731.5	-	2,731.5	2,863.0	-	2,863.0	4.8%	4.8%
Operating result	146.6	-8.2	138.4	157.8	-35.6	122.2	7.6%	-11.7%
Net finance costs	-6.3	-	-6.3	-8.0	0.3	-7.7	27.0%	22.2%
Result before tax (PBT)	141.5	-8.2	133.3	148.7	-35.3	113.4	5.1%	-14.9%
Adjusted PBT, group's share ¹	143.2	-	-	149.6	-	-	4.5%	-

Market and deliveries

The Belgian new car market slightly declined in the first half of 2024 as the first half 2023 was positively impacted by the change in fiscal regulation for hybrid vehicles as from July 1st 2023. Excluding de-registrations within 30 days², the number of Belgian **new car registrations** decreased by 0.9% YoY in the first half of 2024 to 256,854 units. The **business segment's** share in new car sales declined to 61.2% of total new car registrations (including self-employed). **New energy** share in the market mix continued to increase as well from 44.1% in H1-2023 to 51.8% in H1-2024. D'leteren Automotive remains the leader in full electric vehicles in Belgium with a 20.8% market share.

D'leteren Automotive's overall **net market share** increased by 97bps YoY to 23.8%. This was mainly driven by the Audi and Skoda brands.

Commercial vehicles' gross registrations declined by -1.0% YoY. D'leteren Automotive's market share increased to 13.2% (+283bps) in the segment.

The total number of **new vehicles**, including commercial vehicles, delivered by D'leteren Automotive in H1-2024 reached 68,168 units (+2.7% YoY). Given the sustained pace of deliveries in H1-2024, the order book at end-June 2024 normalised, at around 33,000 vehicles.

Sales

In this context, D'leteren Automotive's external **sales** increased by 4.8% to €2,863.0m supported mainly by volumes, as well as price / mix and other mobility services:

- New vehicles sales increased by 5.4% to €2,353.9m
- Used cars sales decreased -8.2% YoY to €201.9m
- Spare parts and accessories sales gained 16.1%, reaching €185.1m
- Revenues from after-sales activities amounted to €42.5m (+18.4% YoY)
- Other revenues from new or developing activities related to mobility slightly decreased to €79.6m (-3.7% YoY).

Results

The **operating result** reached €122.2m (-11.7% YoY) and the **adjusted operating result**¹ (€157.8m) increased by 7.6% leading to an **adjusted operating result margin**¹ increase to 5.5% (from 5.4% in H1-2023). This evolution was largely driven by the sales mix.

Adjusting items¹ in operating result were at -€35.6m, primarily related to the cash-settled share-based payment expense recognised as part of the Long-Term Incentive Plan (LTIP) put in place in April 2021 amounting to -€29.0m (-€7.3m in the prior period) (see details in the APMs section).

The **profit before tax** reached €113.4m (-14.9% YoY) or €148.7m (+5.1%) excluding **adjusting items**¹.

The **adjusted profit before tax, Group's share**¹, improved by 4.5% to €149.6m. The contribution of the equity accounted entities amounted to -€0.7m (€2.4m in H1-23).

Net debt and free cash flow

The **free cash flow**⁶ (after tax) equalled €228.3m in H1-2024 compared to -€21.2m in H1-2023. The significant YoY increase mainly reflects:

- a significant cash inflow from working capital versus an outflow in H1-2023, as last year saw increased inventory with an acceleration in deliveries from the factories and improved payables;
- a decline in capital expenditures versus last year's investments in Poppy's fleet;
- less acquisitions spend (H1-2023 saw the acquisitions of Jennes and Lucien stores); and
- better operational results (*adjusted*^d EBITDA +11.2% YoY).

D'leteren Automotive's **net financial debt**³ decreased from €250.0m at the end of December 2023 to €83.0m at the end of June 2024. The decline since December 2023 is related to the strong free cash flow⁶ generation, partially offset by the dividend paid to the Corporate and unallocated segment (-€42.2m paid in H1-2024, being the first tranche of the total dividend declared; the second tranche will be paid in H2 2024). D'leteren Automotive's leverage ratio net debt³ / LTM *adjusted*^d EBITDA⁴ was at 0.4x at the end of June 2024.

Sustainability

D'leteren Automotive obtained a gold medal (74/100) from Ecovadis for its overall approach to sustainability, rewarding its performance in terms of environmental management, working conditions, ethics and responsible sourcing. D'leteren Automotive submitted its carbon emission reduction targets to SBTi. This commitment includes a near-term target to reduce the company's greenhouse gas emissions (scope 1,2,3) by at least 42% by 2030 (with a 2023 base year) and a long-term target to achieve net zero emissions across its value chain by 2050. To reach these targets, D'leteren Automotive started implementing Project Zero, its strategic plan that sets out the key actions to be taken, namely the mass electrification of vehicles sold, investment in low-carbon mobility activities and increasing the life cycle of low-polluting vehicles.

PHE

NB: The figures presented below represent D'leteren Group's PHE segment, composed of PHE operating company and PHE's holding company.

€m	H1-2023			H1-2024			% change adjusted items	% change total
	APM (non-GAAP measures) ¹			APM (non-GAAP measures) ¹				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total		
External sales	1,296.4	-	1,296.4	1,387.1	-	1,387.1	7.0%	7.0%
Operating result	123.8	-35.3	88.5	132.4	-33.6	98.8	6.9%	11.6%
Net finance costs	-41.7	0.7	-41.0	-44.2	-0.5	-44.7	6.0%	9.0%
Result before tax (PBT)	82.2	-34.6	47.6	88.2	-34.1	54.1	7.3%	13.7%
Adjusted PBT, group's share ¹	78.0	-	-	84.4	-	-	8.2%	-

Sales

PHE's H1-2024 **total sales**, were at €1,387.1m (+7.0% versus H1-2023). This strong performance comprises a 4.2% organic growth and 2.8% from acquisitions.

France (64.9% of total) showed a 3.7% organic growth⁴ and international activities' (35.1% of total) organic growth was 5.3%, highlighting market share gains in a context of declining inflation.

Results

Operating result for H1-2024 stood at €98.8m. The **adjusted operating result**¹ came in at €132.4m, representing a strong **adjusted operating margin**¹ of 9.5%, in line with H1-2023. This performance is resulting from the positive top-line developments, profitability improvement in international activities, as well as cost containment initiatives in the context of remaining cost inflationary pressure (mainly personnel and building rental costs).

Adjusting items¹ were at -€33.6m at the operating result level (see details in the APMs section), primarily reflecting the amortisation of customer relationships recognised as intangibles (-€12.9m) following the purchase price allocation finalised by the Group and the cash-settled share-based payment expense of -€14.1m.

The **profit before tax** reached €54.1m and the **adjusted profit before tax, Group's share**¹ amounted to €84.4m (+8.2% YoY).

Net debt and free cash flow

Free cash flow⁶ for PHE segment after acquisitions was at €116.4m, driven by:

- strong operational results; and
- a working capital reduction related to +€89.8m of non-recourse factoring reserve drawdown.

These elements were partly offset by:

- higher cash interests paid of -€52.6m versus -€40.4m in H1-2023; and
- slightly higher capital expenditures (1.8% of sales).

Net financial debt³ according to D'leteren Group's definition amounts to €1,093.8.0m at the end of June 2024, compared to €1,195.6m at the end of December 2023. This decrease is mainly attributable to the free cash flow⁶ generation. This definition does not include the put options granted to non-controlling shareholders holding minority interests in some of PHE's direct and indirect subsidiaries and the put options granted to minority investors (including management and several partners and independent distributors), who invested alongside D'leteren Group in the holding company of PHE, up to a combined ownership of c.9%. The leverage ratio net financial debt³ / EBITDA⁴ (post-IFRS 16), according to lenders' definition, was 3.2x at the end of June 2024, down from 3.6x at the end of 2023.

Sustainability

With the arrival of its new Environmental Director, PHE started paving the way for a group-wide environmental approach starting with a phased measurement of its carbon footprint and a new assessment of its financial risks and opportunities related to climate change. The company completed its double materiality assessment, involving key stakeholders, as part of a process aimed to prepare for a CSRD-aligned ESG reporting. The results of this assessment will be used to define the priorities of a new integrated sustainability strategy.

TVH

€m	H1-2023			H1-2024			% change adjusted items	% change total
	APM (non-GAAP measures) [†]			APM (non-GAAP measures) [†]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total		
External sales	794.0	-	794.0	848.0	-	848.0	6.8%	6.8%
Operating result	106.1	-53.3	52.8	142.6	-52.0	90.6	34.4%	71.6%
Net finance costs	-13.9	-6.1	-20.0	-6.2	0.2	-6.0	-55.4%	-70.0%
Result before tax (PBT)	92.2	-59.4	32.8	136.4	-51.8	84.6	47.9%	157.9%
Adjusted PBT, group's share ¹	36.9	-	-	54.6	-	-	48.0%	-

Sales

TVH posted **total sales** (at 100%) of €848.0m in H1-2024, which represents a 6.8% YoY growth, of which 6.5% organic⁴, 0.3% external and 0.0% related to currency translation impact. Sales growth was largely driven by the recovery from last year's cyberattack. Underlying activity levels in H1-2024 have been faced with a softer market environment resulting in slower growth.

Results

Operating result (at 100%) stood at €90.6m, and **adjusted operating result**¹ at €142.6m (+34.4% YoY), representing an **adjusted operating margin**¹ of 16.8% from 13.4% in H1-2023, thanks to the revenue growth and strict containment efforts in operating expenses, as well as a €4.1m insurance payment following the cyberattack in 2023.

There were c.€18m total costs related to the IT and business transformation programme Innovatis, primarily related to various new software solutions that are being implemented. €6.4m of these costs relate to system integrators fees and were reported as **adjusting items**¹.

Adjusting items¹ at the operating result level totalled -€52.0m (see details in the APMs section), primarily related to the purchase price allocation finalised in the second half of 2022. It also includes the -€6.4m of fees to system integrators from the Innovatis programme as stated above.

The **profit before tax** reached €84.6m in H1-2024 and the **adjusted profit before tax, Group's share**¹ amounted to €54.6m, a 48.0% increase compared to the same period last year, also helped by an improved financial result driven by exchange gains.

Net debt and free cash flow

Free cash flow⁶ generation improved compared to the same period last year, from -€18.7m in H1-2023 to €41.0m in H1-2024. This evolution was mainly driven by a strong improvement in operational results (**adjusted**⁴ EBITDA +31.4% YoY), lower cash taxes, lower capital expenditures at 3.4% of sales. These elements were partly offset by a higher acquisitions spend (notably in Turkey).

TVH **net financial debt**³ (100%) was at €832.3m at the end of June 2024 from €802.3m at the end of December 2023. The slight increase compared to December 2023 is mainly explained by the dividend paid (€73.0m, of which €29.2 to the Corporate & unallocated segment), partially compensated by the free cash-flow generated over the period. The leverage ratio net financial debt³ / LTM **adjusted**⁴ EBITDA⁴ was at 2.8x versus 3.1x at the end of 2023.

Sustainability

TVH has formalized its environmental commitment by approving its Environmental Charter. The Charter outlines key goals, including:

- Expanding solar PV capacity to 11 MWp by 2028 (from ~6 MWp in 2023). Significant progress has been made, with 10.3 MWp already commissioned or planned by 2026.
- Transitioning to 95% green purchased electricity by 2026.
- Reducing absolute scope 1 and 2 emissions by 57% by 2030 (from a 2023 baseline).

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On the social side, TVH approved its Global Health & Safety Roadmap which aims to enhance safety performance through several key initiatives: strengthening the safety organization, refining KPI reporting, implementing "lifesaving rules," and targeting a 30% reduction in frequency and severity rates by the end of 2025. The company continued to promote diversity, equity and inclusion (DEI) through various initiatives.

TVH's supply chain engagement program has progressed with the approval of a Sustainable Sourcing Policy, including a series of sustainable sourcing questions to ask when meeting with suppliers.

Moleskine

€m	H1-2023			H1-2024			% change adjusted items	% change total
	APM (non-GAAP measures) [†]			APM (non-GAAP measures) [†]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total		
External sales	57.5	-	57.5	52.9	-	52.9	-8.0%	-8.0%
Operating result	6.5	-1.2	5.3	2.2	-163.1	-160.9	-66.2%	-
Net finance costs	-11.1	-	-11.1	-9.4	-	-9.4	-15.3%	-15.3%
Result before tax (PBT)	-4.6	-1.2	-5.8	-7.2	-163.1	-170.3	-	-
Adjusted PBT, group's share ¹	-4.6	-	-	-7.1	-	-	-	-

Sales

Moleskine's **sales** declined by -8.0% YoY in H1-2024 to €52.9m. Currency impact was insignificant on the period.

Sales evolution by region:

- **EMEA** (47% of total): declined by -2.7% YoY, primarily due to the temporary decline in retail (driven by flagship store relocation), partially compensated by a strong growth in e-commerce.
- **Americas** (43% of total): declined by -13.3% YoY, attributable to the Q1-2024 prolonged effect of adverse policies at some e-commerce platforms and soft corporate gifting market. This was partially compensated by a strong growth in retail.
- **APAC** (10% of total): declined by -7.0% YoY, also attributable to a negative development in the wholesale and B2B channels. This was partially compensated by a strong growth in direct channels.

Results

Operating result decreased from €5.3m in H1-2023 to -€160.9m in H1-2024 due to an impairment charge booked following the impairment test. *Adjusted* operating result¹ stood at €2.2m, reflecting a negative operating leverage and some front-loaded brand campaign costs, leading to an *adjusted* operating margin¹ at 4.2%.

Adjusting items¹ at the operating result level amounted to -€163.1m in H1-2024 as following the impairment test performed on Moleskine, the Group accounted for a net of tax impairment charge of -€131.4m (see more details in the APMs section).

The **profit before tax** amounted to -€170.3m from -€5.8m and the **adjusted profit before tax, Group's share**¹ stood at -€7.1m, down from -€4.6m in H1-2023.

Net debt and free cash flow

Free cash flow⁶ declined from €5.9m in H1-2023 to -€8.1m in H1-2024 as a result of the decline in *adjusted*⁴ EBITDA⁴, €9.6m cash interests paid to the Corporate & unallocated segment on the inter-segment financing in 2024 (versus none in H1-2023) as well as the cash payout of €1.9m related to an *adjusting*² provision from last year. Excluding that outflow, trading cash conversion (defined as trading cash flow / *adjusted*⁴ EBITDA) was above 80%.

Moleskine's net financial debt³ reached €279.3m (of which €272.4m of inter-segment financing), compared to €269.3m (of which €272.4m of inter-segment financing) at the end of December 2023. The increase is essentially attributable to the negative cash flow generation.

Sustainability

Moleskine continued to implement its sustainable roadmap with a focus on recycling and upcycling. In particular, as part of its waste elimination plan, Moleskine initiated new collaborations with external partners for the recycling of non-saleable products and launched new upcycled limited edition products. The first half of the year was also characterised by the implementation of substantial plans aimed to comply with EU regulations including the Corporate Sustainability Reporting Directive (CSRD) and the European Union Deforestation Regulation (EUDR).

Corporate and unallocated

€m	H1-2023			H1-2024			% change adjusted items	% change total
	APM (non-GAAP measures) [†]			APM (non-GAAP measures) [†]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total		
Operating result	-5.1	-3.0	-8.1	-2.5	-2.7	-5.2	-	-
Net finance costs	13.7	-	13.7	24.5	-15.1	9.4	78.8%	-31.4%
Result before tax (PBT)	8.6	-3.0	5.6	22.0	-17.8	4.2	155.8%	-
Adjusted PBT, group's share ¹	8.6	-	-	22.0	-	-	155.8%	-

Results

The segment “Corporate and Unallocated” mainly includes the Corporate and Real Estate activities (D'leteren Immo S.A.). The **adjusted operating result¹** improved from -€5.1m in H1-2023 to -€2.5m in H1-2024. This is primarily due to higher management fees.

The H1-2024 reported operating result includes -€2.7m of *adjusting items¹* mainly relating to the equity-settled share-based payment scheme (see details in the APMs section).

Net finance income evolution (+78.8% on an *adjusted¹* basis) is notably related to the higher return on cash. *Adjusting items¹* at the level of finance costs includes an impairment charge of -€15.1m in 2024 related to the investment in Crédit Suisse's Supply Chain Finance Fund. UBS made an offer to investors to receive, per share, 90% of the value of the most recently determined net asset value (NAV) of the fund as at 25 February 2021, less any payments they have received since 25 February 2021. The Group decided to accept the offer and recovered €79.7m on its outstanding investment in August 2024, leading to the aforementioned impairment charge.

Adjusted profit before tax, Group's share¹ reached €22.0m (€8.6m in H1-2023), mainly thanks to the improvement in financial income.

Net cash

The **net cash³** position of “Corporate & Unallocated”(including inter-segment financing loans) slightly decreased from €1,188.3m at the end of December 2023 to €1,059.0m at the end of June 2024. The decrease in the net financial position compared to 31 December 2023 is primarily the result of the dividend paid out to the shareholders of D'leteren Group in June 2024 (-€200.8m), partially compensated by the dividends received from the D'leteren Automotive segment (€42.2m) and the TVH segment (€29.2m) in H1-2024, the net disposal of treasury shares (€6.6m) and a free cash-flow of €4.3m.

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. Refer to the APMs section for the definition of these performance indicators.

² In order to provide an accurate picture of the car market, Febiac publishes market figures excluding registrations that have been cancelled within 30 days. Most of them relate to vehicles that are unlikely to have been put into circulation in Belgium by the end customer.

³ The net financial debt is not an IFRS indicator. D'leteren Group uses this Alternative Performance Measure to reflect its indebtedness. This non-GAAP indicator is defined as the sum of the borrowings minus cash, cash equivalents and investments in non-current and current financial assets. Refer to the APMs section.

⁴ EBITDA is not an IFRS indicator. This APM (non-GAAP indicator) is defined as earnings before interest, taxes, depreciation and amortization. Since the method for calculating the EBITDA is not governed by IFRS, the method applied by the Group may not be the same as that adopted by others and therefore may not be comparable.

⁵ "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.

⁶ Free cash flow is not an IFRS indicator. This APM measure is defined as [Adjusted EBITDA +/- other non-cash items – change in working capital – capital expenditures – capital paid on lease liabilities – taxes paid – net interest paid – acquisitions + disposals – employee share plans – cash-flow from adjusting items +/- other cash items]

⁷ D'leteren Group measures three non-financial dimensions throughout its businesses, namely customer satisfaction, employee engagement and CO₂ emissions.

Auditor's Report

"KPMG Réviseurs d'Entreprises represented by Axel Jorion has reviewed the condensed consolidated interim financial statements of D'leteren Group SA/NV as of and for the six-month period ended June 30, 2024. Their review was conducted in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and their unqualified review report dated September 9, 2024 is attached to the interim financial information."

Forward looking statements

This document contains forward-looking information that involves risks and uncertainties, including statements about D'leteren Group's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of D'leteren Group. Should one or more of these risks, uncertainties or contingencies materialise, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, D'leteren Group does not assume any responsibility for the accuracy of these forward-looking statements.

Conference Call

D'leteren Group's management will organise a conference call for analysts and investors starting today at 7:00pm CET.

To connect to the webcast: use the following [link](#).

To participate in the conference call:

- Pre-register yourself for this call using the following [link](#).
- After registration, you will obtain your personal audio conference call details (number and PIN code).

End of press release

D'leteren Group profile

In existence since 1805, and across family generations, D'leteren Group (the Group) is an investment company seeking growth and value creation by building a family of businesses that reinvent their industries and search for excellence and meaningful impact. It currently owns the following businesses:

- **Belron** (50.30% in fully diluted economic rights): worldwide leader in vehicle glass repair, replacement and recalibration.
- **D'leteren Automotive** (100% owned): distributor of Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Cupra, Rimac, Microlino, Maserati and Porsche vehicles in Belgium and expanding into other mobility services.
- **PHE** (100% in economic rights) 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.
- **TVH** (40% owned): leading global independent distributor for aftermarket parts for material handling, construction & industrial, and agricultural equipment.
- **Moleskine** (100% owned): develops and sells iconic branded notebooks and writing, travel and reading accessories through a global multichannel platform.
- **D'leteren Immo** (100% owned): groups together the Belgian real estate interests of D'leteren Group.

Financial Calendar

Last five press releases

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

30 May 2024	Q1-24 sales trading update
29 April 2024	Publication of the Annual Report 2023
5 March 2024	2023 Full-Year Results
23 January 2024	PHE refinances its existing bonds
20 December 2023	Publication of a transparency notification

Next events

10 March 2025	Full-Year 2024 results
14 May 2025	2025 Investor Day

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Alternative Performance Measurement (APM) – Non-GAAP Measurement

Framework and definitions

In order to better reflect its underlying performance and assist investors, securities analysts and other interested parties in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These alternative performance metrics are used internally for analysing the Group's results as well as its business units.

These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. They are derived from the audited IFRS accounts. The APMs may not be comparable to similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group's performance or liquidity under IFRS. The 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.

Each line of the statement of profit or loss (see below), and each subtotal of the segment statement of profit or loss (see below), is broken down in order to provide information on the *adjusted* result and on the *adjusting* items.

The *adjusting* items are identified by the Group in order to present comparable figures, giving to the investors a better view on the way the Group is measuring and managing its financial performance. They comprise the following items, but are not limited to:

- (a) Recognised fair value gains and losses on derivative financial instruments (i.e. change in fair value between the opening and the end of the period, excluding the accrued cash flows of the derivatives that occurred during the period), where hedge accounting may not be applied under IAS 39/IFRS 9;
- (b) Exchange gains and losses arising upon the translation of foreign currency loans and borrowings at the closing rate;
- (c) Impairment of goodwill and other non-current assets;
- (d) Amortisation of intangible assets with finite useful lives recognised in the framework of the allocation as defined by IFRS 3 of the cost of a business combination;
- (e) Share-based payment and long-term incentive program expenses;
- (f) Other material items that derive from events or transactions that fall within the ordinary activities of the Group, and which individually or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.

Adjusted result consists of the IFRS reported result, excluding *adjusting* items as listed above.

The Group uses as key performance indicator the *adjusted* consolidated result before tax, Group's share (*Adjusted* PBT, Group's share). This APM consists of the segment reported result before tax (PBT), taking into account the result before tax of the discontinued operations, and excluding *adjusting* items and the share of minority shareholders.

Presentation of the APMs in the consolidated statement of profit or loss for the 6-month period ended 30 June

€m	2024			2023		
	Total	Of which		Total	Of which	
		Adjusted result	Adjusting items		Adjusted result	Adjusting items
Revenue	4,303.0	4,303.0	-	4,085.4	4,085.4	-
Cost of sales	-3,302.8	-3,302.8	-	-3,157.2	-3,157.2	-
Gross margin	1,000.2	1,000.2	-	928.2	928.2	-
Commercial and administrative expenses	-796.7	-724.8	-71.9	-715.5	-668.0	-47.5
Other operating income	27.9	27.3	0.6	28.2	28.2	-
Other operating expenses	-176.5	-12.8	-163.7	-16.8	-16.6	-0.2
Operating result	54.9	289.9	-235.0	224.1	271.8	-47.7
Net finance costs	-52.4	-37.1	-15.3	-44.7	-45.4	0.7
Finance income	19.8	19.4	0.4	6.8	5.6	1.2
Finance costs	-72.2	-56.5	-15.7	-51.5	-51.0	-0.5
Share of result of equity-accounted investees, net of income tax	203.1	248.7	-45.6	172.2	223.5	-51.3
Result before tax	205.6	501.5	-295.9	351.6	449.9	-98.3
Income tax expense	-36.3	-74.3	38.0	-63.4	-66.2	2.8
Result from continuing operations	169.3	427.2	-257.9	288.2	383.7	-95.5
Discontinued operations	-	-	-	-	-	-
RESULT FOR THE PERIOD	169.3	427.2	-257.9	288.2	383.7	-95.5
Result attributable to:						
Equity holders of the Company	166.6	424.5	-257.9	285.9	381.4	-95.5
Non-controlling interests	2.7	2.7	-	2.3	2.3	-
Earnings per share						
Basic (€)	3.11	7.92	-4.81	5.33	7.11	-1.78
Diluted (€)	3.09	7.87	-4.78	5.29	7.05	-1.76
Earnings per share - Continuing operations						
Basic (€)	3.11	7.92	-4.81	5.33	7.11	-1.78
Diluted (€)	3.09	7.87	-4.78	5.29	7.05	-1.76

Presentation of APMs in the segment statement of profit or loss for the 6-month period ended 30 June

The Group's reportable operating segments are D'leteren Automotive, Belron, Moleskine, TVH and PHE. The other segments are disclosed in the category "Corporate & Unallocated" (D'leteren Group, corporate and real estate activities). These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments". Despite their classification as equity-accounted investees, Belron and TVH remain separate reportable operating segments, reflecting the Group's internal reporting structure.

€m	2024							
	D'leteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
External revenue	2,863.0	3,280.0	52.9	848.0	1,387.1	-	-4,128.0	4,303.0
Inter-segment revenue	0.1	-	0.1	-	-	-	-0.2	-
Segment revenue	2,863.1	3,280.0	53.0	848.0	1,387.1	-	-4,128.2	4,303.0
Operating result (being segment result)	122.2	624.0	-160.9	90.6	98.8	-5.2	-714.6	54.9
Of which								
Adjusted result	157.8	695.9	2.2	142.6	132.4	-2.5	-838.5	289.9
Adjusting items	-35.6	-71.9	-163.1	-52.0	-33.6	-2.7	123.9	-235.0
Net finance costs	-7.7	-139.4	-9.4	-6.0	-44.7	9.4	145.4	-52.4
Finance income	2.8	11.2	0.7	7.7	0.7	15.6	-18.9	19.8
Finance costs	-10.5	-150.6	-0.6	-13.7	-45.4	-15.7	164.3	-72.2
Inter-segment financing interest	-	-	-9.5	-	-	9.5	-	-
Share of result of equity-accounted investees, net of income tax	-1.1	0.8	-	-	-	-	203.4	203.1
Result before tax	113.4	485.4	-170.3	84.6	54.1	4.2	-365.8	205.6
Of which								
Adjusted result	148.7	560.6	-7.2	136.4	88.2	22.0	-447.2	501.5
Adjusting items	-35.3	-75.2	-163.1	-51.8	-34.1	-17.8	81.4	-295.9
Income tax expense	-40.8	-131.8	28.8	-18.8	-18.5	-5.8	150.6	-36.3
Result from continuing operations	72.6	353.6	-141.5	65.8	35.6	-1.6	-215.2	169.3
Of which								
Adjusted result	106.2	411.9	-10.4	106.5	65.4	16.2	-268.6	427.2
Adjusting items	-33.6	-58.3	-131.1	-40.7	-29.8	-17.8	53.4	-257.9
Discontinued operations	-	-	-	-	-	-	-	-
RESULT FOR THE PERIOD	72.6	353.6	-141.5	65.8	35.6	-1.6	-215.2	169.3

Attributable to:	D'leteren Automotive	Belron ^(*)	Moleskine	TVH ^(*)	PHE	Corp. & unallocated	Group
Equity holders of the Company ^(*)	73.1	177.9	-141.4	26.3	32.3	-1.6	166.6
Of which							
Adjusted result	106.7	207.2	-10.3	42.6	62.1	16.2	424.5
Adjusting items	-33.6	-29.3	-131.1	-16.3	-29.8	-17.8	-257.9
Non-controlling interests	-0.5	-	-0.1	-	3.3	-	2.7
RESULT FOR THE PERIOD	72.6	177.9	-141.5	26.3	35.6	-1.6	169.3

(*) Belron at 50.30% and TVH at 40.00% – see note 10 of the 2024 condensed consolidated interim financial statements.

Presentation of APMs in the segment statement of profit or loss for the 6-month period ended 30 June (continued)

€m	2023							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
External revenue	2,731.5	3,074.3	57.5	794.0	1,296.4	-	-3,868.3	4,085.4
Inter-segment revenue	-	-	-	-	-	-	-	-
Segment revenue	2,731.5	3,074.3	57.5	794.0	1,296.4	-	-3,868.3	4,085.4
Operating result (being segment result)	138.4	590.9	5.3	52.8	88.5	-8.1	-643.7	224.1
Of which <i>Adjusted result</i>	146.6	673.3	6.5	106.1	123.8	-5.1	-779.4	271.8
<i>Adjusting items</i>	-8.2	-82.4	-1.2	-53.3	-35.3	-3.0	135.7	-47.7
Net finance costs	-6.3	-103.0	-11.1	-20.0	-41.0	13.7	123.0	-44.7
Finance income	0.6	9.6	0.1	4.6	1.9	3.1	-13.1	6.8
Finance costs	-6.9	-112.6	-1.2	-23.5	-42.9	-0.5	136.1	-51.5
Inter-segment financing interest	-	-	-10.0	-1.1	-	11.1	-	-
Share of result of equity-accounted investees, net of income tax	1.2	0.3	-	-	0.1	-	170.6	172.2
Result before tax	133.3	488.2	-5.8	32.8	47.6	5.6	-350.1	351.6
Of which <i>Adjusted result</i>	141.5	572.8	-4.6	92.2	82.2	8.6	-442.8	449.9
<i>Adjusting items</i>	-8.2	-84.6	-1.2	-59.4	-34.6	-3.0	92.7	-98.3
Income tax expense	-41.0	-163.9	-0.2	-11.5	-19.3	-2.9	175.4	-63.4
Result from continuing operations	92.3	324.3	-6.0	21.3	28.3	2.7	-174.7	288.2
Of which <i>Adjusted result</i>	101.8	387.8	-4.8	70.0	58.9	5.6	-235.6	383.7
<i>Adjusting items</i>	-9.5	-63.5	-1.2	-48.7	-30.6	-2.9	60.9	-95.5
Discontinued operations	-	-	-	-	-	-	-	-
RESULT FOR THE PERIOD	92.3	324.3	-6.0	21.3	28.3	2.7	-174.7	288.2
Attributable to:	D'Ieteren Automotive	Belron(*)	Moleskine	TVH(*)	PHE	Corp. & unallocated		Group
Equity holders of the Company(*)	92.8	162.4	-6.0	8.5	25.5	2.7		285.9
Of which <i>Adjusted result</i>	102.3	194.2	-4.8	28.0	56.1	5.6		381.4
<i>Adjusting items</i>	-9.5	-31.8	-1.2	-19.5	-30.6	-2.9		-95.5
Non-controlling interests	-0.5	-	-	-	2.8	-		2.3
RESULT FOR THE PERIOD	92.3	162.4	-6.0	8.5	28.3	2.7		288.2

(*) Belron at 50.07% and TVH at 40% – see note 10 of the 2024 condensed consolidated interim financial statements.

In both periods, the columns “Eliminations” reconcile the segment statement of profit or loss (with the 6-month results of Belron and TVH presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net results of Belron and TVH presented in the line “share of result of equity-accounted investees, net of income tax”, representing the share of the Group in the 6-month net results of Belron and TVH).

Explanations and details of the figures presented as *adjusting* items

€m	2024						
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Total (segment)*
Adjusting items							
Included in operating result	-35.6	-71.9	-163.1	-52.0	-33.6	-2.7	-358.9
<i>Re-measurements of financial instruments</i>	-	1.2 (3)	-	-	-	-	1.2
<i>Amortisation of customer contracts</i>	-	-16.9 (4)	-	-23.0 (12)	-14.6 (16)	-	-54.5
<i>Amortisation of brands with finite useful life</i>	-	-2.3 (5)	-	-	-	-	-2.3
<i>Amortisation of other intangibles with finite useful life</i>	-	-0.9 (6)	-	-15.3 (12)	-	-	-16.2
<i>Impairment of goodwill and of non-current assets</i>	-	-	-163.4 (10)	-	-	-	-163.4
<i>Share-based payment and long-term incentive program expenses</i>	-29.0 (1)	-17.9 (7)	-	-7.3 (13)	-14.1 (17)	-2.7 (20)	-71.0
<i>Other adjusting items</i>	-6.6 (2)	-35.1 (8)	0.3	-6.4 (14)	-4.9 (18)	-	-52.7
Included in net finance costs	0.3	-3.3	-	0.2	-0.5	-15.1	-18.4
<i>Re-measurements of financial instruments</i>	0.3	-	-	0.2 (15)	-	-15.1 (21)	-14.6
<i>Other adjusting items</i>	-	-3.3 (9)	-	-	-0.5	-	-3.8
Included in equity accounted result	-	-	-	-	-	-	-
Included in segment result before taxes (PBT)	-35.3	-75.2	-163.1	-51.8	-34.1	-17.8	-377.3

* Total of the *adjusting* items at the level of each segment. The *adjusting* items presented in the Belron & TVH segments should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

Explanations and details of the figures presented as *adjusting* items (continued)

€m	2023						
	D'leteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Total (segment)*
Adjusting items							
Included in operating result	-8.2	-82.4	-1.2	-53.3	-35.3	-3.0	-183.4
<i>Re-measurements of financial instruments</i>	-	0.1 (3)	-	-	-	-	0.1
<i>Amortisation of customer contracts</i>	-	-17.1 (4)	-	-22.3 (12)	-14.1 (16)	-	-53.5
<i>Amortisation of brands with finite useful life</i>	-	-1.6 (5)	-	-	-	-	-1.6
<i>Amortisation of other intangibles with finite useful life</i>	-	-0.9 (6)	-	-15.3 (12)	-	-	-16.2
<i>Share-based payment and long-term incentive program expenses</i>	-7.3 (1)	-18.6 (7)	-1.2 (11)	-1.8 (13)	-17.8 (17)	-3.0 (20)	-49.7
<i>Other adjusting items</i>	-0.9 (2)	-44.3 (8)	-	-13.9 (14)	-3.4 (18)	-	-62.5
Included in net finance costs	-	-2.2	-	-6.1	0.7	-	-7.6
<i>Re-measurements of financial instruments</i>	-	-	-	0.1 (15)	1.2 (19)	-	1.3
<i>Other adjusting items</i>	-	-2.2 (9)	-	-6.2 (14)	-0.5	-	-8.9
Included in equity accounted result	-	-	-	-	-	-	-
Included in segment result before taxes (PBT)	-8.2	-84.6	-1.2	-59.4	-34.6	-3.0	-191.0

* Total of the *adjusting* items at the level of each segment. The *adjusting* items presented in the Belron & TVH segments should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

Explanations and details of the figures presented as *adjusting* items (continued)

D'Ieteren Automotive

- (1) The cash-settled share-based payment expense recognised as part of the Long-Term Incentive Plan (LTIP) put in place in April 2021 amounts to -€29.0m (-€7.3m in the prior period).
- (2) In both periods, other *adjusting* items in operating result mainly include fees from system integrators and support to network in relation to the finance transformation program initiated in 2023.

Belron

- (3) Fair value of fuel hedge instruments amounts to €1.2m (€0.1m in the prior period) and arises from changes in the "clean" fair value of derivatives. Change in "clean" fair value of derivatives corresponds to the change of "dirty" fair value (i.e. the change of value between the opening and the end of the period) excluding the accrued cash flows of the derivatives that occurred during the period.
- (4) In the framework of the recent acquisitions (mainly in the United States), certain customer contracts were recognised as intangible assets with a finite useful life. The amortisation amounts to -€16.9m in the current period and -€17.1m in the prior period.
- (5) The amortisation of brands with finite useful lives (certain brands are no longer considered to be intangibles with indefinite useful lives since there is now a limit to the period over which these assets are expected to generate cash inflows) amounts to -€2.3m (-€1.6m in the prior period).
- (6) The amortisation of other intangible assets with finite useful lives (mostly franchise agreements recognized on acquisitions) amounts to -€0.9m in both periods.
- (7) In the current period, employee costs of -€17.9m (of which -€15.3m of share-based payment charge and -€2.6m of associated payroll taxes) are recognised mainly in relation to the restricted share units ('RSUs') awarded by the Board of Directors of Belron in December 2021 to employees (-€18.6m in the prior period, of which -€16.0m of share-based payment charge and -€2.6m of associated payroll taxes).
- (8) In the current period, other *adjusting* items of -€35.1m mainly include -€8.3m of fees from system integrators in relation to the business transformation program, -€3.4m of acquisitions related costs, -€7.2m of settlement loss in relation to one of Belron's pension scheme and -€8.3m of warehouse closure and dual running costs in the United States.
In the prior period, other *adjusting* items of -€44.3m mainly included -€28.8m of fees from system integrators in relation to the business transformation program, -€3.2m of acquisitions related costs and -€7.9m one-off costs incurred following the alignment to the new inventory provisioning policy adopted by Belron.
- (9) In the current period, other *adjusting* items in net finance costs relates to fees incurred in relation to the renewal of the revolving credit facility (increased from €705m to €1.14bn and extended from May 2025 to May 2029), undrawn as at 30 June 2024.
In the prior period, other *adjusting* items in net finance costs related to the additional financing operated in April 2023 (total amount of \$870m – or €800m equivalent – with a maturity of 6 years).

Moleskine

- (10) In the period, following the impairment test performed on the Moleskine CGU, the Group accounted for a net of tax impairment charge of -€131.4m, allocated to goodwill (-€48.8m, fully impaired at 30 June 2024), brands with indefinite useful lives (-€114.6m), and deferred tax liabilities on brands with indefinite useful lives (€32.0m). Refer to note 9 of the half-yearly financial report for more information.
- (11) In the prior period, the provision for the Long-Term Incentive Program (LTIP) amounted to -€1.2m.

TVH

- (12) In both periods, the amortisation of customer contracts and other intangible assets with finite useful lives recognised as part of the purchase price allocation finalised by the Group in the second half of 2022 amounts to -€22.3m and -€15.3m, respectively. The remaining -€0.7m relates to amortisation of customer contracts recognized following business combinations performed by TVH during the period.
- (13) The provision for the Long-Term Incentive Program (LTIP) amounts to -€7.3m (-€1.8m in the prior period).
- (14) In the current period, other *adjusting* items include -€6.4m of fees from system integrators in relation to the IT and business transformation programme. In the prior period, other *adjusting* items included -€8.0m of fees from system integrators in relation to the IT and business transformation programme and -€12.1m (-€5.9m in operating result and -€6.2m in finance costs) related to the full impairment (total impairment charge of -€12.8m, of which -€0.7m in tax expense) of the net assets of TVH Russia.
- (15) The re-measurement of financial instruments of €0.2m (€0.1m in the prior period) relates to the change in fair value of interest rates swaps.

PHE

- (16) Following the purchase price allocation finalised by the Group during the first semester of 2023, customer relationships have been recognised as intangible assets with finite useful lives. The amortisation amounts to -€12.9m in both periods. The remaining -€1.7m (-€1.2m in the prior period) relates to the amortisation of customer contracts identified as intangible assets with finite useful lives following the acquisitions performed by PHE since the closing of the acquisition by the Group on the 4th of August 2022.
- (17) The cash-settled share-based payment expense of -€14.1m (-€17.8m in the prior period) represents the change in fair value and vesting of the free shares granted to PHE's key management personnel as part of the Management Reward Plan. This amount includes both the change in fair value of free shares granted in 2023 which are already vested at the end of the period (-€13.3m) and the portion of the fair value of the free shares granted in 2024, which is spread over their vesting period (-€0.8m). See note 7 of the 2024 condensed consolidated interim financial statements for more information.

Explanations and details of the figures presented as *adjusting* items (continued)

- (18) In both periods, other *adjusting* items in operating result mainly includes costs related to acquisitions and to the restructurings and transformation programme.
- (19) In the prior period, the re-measurement of financial instruments of €1.2m related to the change in fair value of interest rates swaps and caps.

Corporate & unallocated

- (20) In both periods, the share-based payment and long-term incentive program expenses mainly relate to the equity-settled share-based payment scheme, whereby share options are granted to officers and managers of the Corporate & unallocated segment.
- (21) In the current period, the re-measurement of financial instruments of -€15.1m relates to the additional impairment charge recognised on the Group's investment in the Supply Chain Fund managed by Credit Suisse/UBS. In June 2024, UBS issued a press release informing all investors of an offer to redeem their holdings in the Fund. Pursuant to the offer, investors receive, per share, 90% of the value of the most recently determined net asset value (NAV) of the fund as at 25 February 2021, less any payments they have received since 25 February 2021. The Group decided to accept the offer and recovered €79.7m on its outstanding investment in August 2024 (€114.4m of gross value less €34.7m of impairment charges recognized in 2023 and 2024).

Adjusted result before tax, Group's share (*adjusted* PBT, Group's share)

€m	2024							2023						
	D'leteren Automotive	Belron	Moleskine	TVH (40%)	PHE	Corp. & unallocated	Total (segment)	D'leteren Automotive	Belron	Moleskine	TVH (40%)	PHE	Corp. & unallocated	Total (segment)
Segment reported PBT	113.4	485.4	-170.3	84.6	54.1	4.2	571.4	133.3	488.2	-5.8	32.8	47.6	5.6	701.7
Less: adjusting items in PBT	35.3	75.2	163.1	51.8	34.1	17.8	377.3	8.2	84.6	1.2	59.4	34.6	3.0	191.0
Segment adjusted PBT	148.7	560.6	-7.2	136.4	88.2	22.0	948.7	141.5	572.8	-4.6	92.2	82.2	8.6	892.7
Share of the Group in tax on adjusted results of equity-accounted investees	0.4	-	-	-	-	-	0.4	1.2	-	-	-	-	-	1.2
Share of third parties in adjusted PBT	0.5	-278.6	0.1	-81.8	-3.8	-	-363.6	0.5	-286.0	-	-55.3	-4.2	-	-345.0
Segment adjusted PBT, Group's share	149.6	282.0	-7.1	54.6	84.4	22.0	585.5	143.2	286.8	-4.6	36.9	78.0	8.6	548.9

In the period, the percentage used for computing the segment *adjusted* PBT, Group's share of Belron amounts to 50.30% (50.07% in the prior period). See note 10 of the 2024 condensed consolidated interim financial statements.

Key Performance Indicator (based on *adjusted* PBT, Group's share)

€m	2024							2023						
	D'leteren Automotive	Belron	Moleskine	TVH (40%)	PHE	Corp. & unallocated	Total (segment)	D'leteren Automotive	Belron	Moleskine	TVH (40%)	PHE	Corp. & unallocated	Total (segment)
Segment adjusted PBT, Group's share	149.6	282.0	-7.1	54.6	84.4	22.0	585.5	143.2	286.8	-4.6	36.9	78.0	8.6	548.9
Adjustment of the share of the Group (comparable basis with 2024)	-	-	-	-	-	-	-	-	1.3	-	-	-	-	1.3
Adjusted PBT, Group's share (key performance indicator)	149.6	282.0	-7.1	54.6	84.4	22.0	585.5	143.2	288.1	-4.6	36.9	78.0	8.6	550.2

The column Belron has also been restated based on the percentage used for computing the segment *adjusted* PBT in 2024 (50.30% in 2024 and 50.07% in 2023) to make both periods comparable.

Net debt

In order to better reflect its indebtedness, the Group uses the concept of net debt. This non-GAAP measure, i.e. its definition is not addressed by IFRS, is an Alternative Performance Measure ("APM") and is not presented as an alternative to financial measures determined in accordance with IFRS.

Net debt is based on loans and borrowings less cash, cash equivalents and non-current and current asset investments. It excludes the fair value of derivative debt instruments. The hedged loans and borrowings (i.e. those that are accounted for in accordance with the hedge accounting rules of IAS 39) are translated at the contractual foreign exchange rates of the related cross currency swaps. The other loans and borrowings are translated at closing foreign exchange rates.

€m	30 June 2024						31 December 2023					
	D'Ieteren Automotive	Belron	Moleskine	TVH (100%)	PHE	Corp. & unallocated	D'Ieteren Automotive	Belron	Moleskine	TVH (100%)	PHE	Corp. & unallocated
Non-current loans and borrowings	125.9	4,849.4	9.2	787.7	1,114.0	39.7	106.9	4,694.8	7.9	736.4	1,120.2	39.8
Current loans and borrowings	124.5	216.7	5.3	150.9	165.9	2.0	164.5	215.4	4.6	173.6	179.3	3.2
Inter-segment financing	-	-	272.4	-	-	-272.4	-	-	272.4	-	-	-272.4
Adjustment for hedged borrowings	-	-5.3	-	-	-	-	-	12.6	-	-	-	-
Gross debt	250.4	5,060.8	286.9	938.6	1,279.9	-230.7	271.4	4,922.8	284.9	910.0	1,299.5	-229.4
Less: cash and cash equivalents	-162.8	-532.4	-7.6	-106.1	-186.1	-745.0	-16.8	-233.0	-15.6	-107.7	-103.9	-621.6
Less: current financial investments	-	-	-	-0.2	-	-79.7	-	-	-	-	-	-238.3
Less: other non-current assets	-4.6	-	-	-	-	-3.6	-4.6	-	-	-	-	-99.0
Total net debt	83.0	4,528.4	279.3	832.3	1,093.8	-1,059.0	250.0	4,689.8	269.3	802.3	1,195.6	-1,188.3

The inter-segment financing comprise amounts lent by the Corporate & unallocated segment to the Moleskine segment (non-recourse loan in the framework of the acquisition, stable compared to 31 December 2023 following the payment in June 2024 of €9.5m capitalized interests due on H1 2024).

D'Ieteren Automotive's net financial position decreased from €310.5m at the end of June 2023 to €250.0m at the end of December 2023 and €83.0m at the end of June 2024. The decrease compared to December 2023 is mainly the result of a €228.3m free cash flow, partially offset by the effect of change in lease liabilities (-€17.1m) and the dividend paid to the Corporate and unallocated segment (-€42.2m paid in H1 2024, being the first tranche of the total dividend declared; the second tranche will be paid in H2 2024). The free cash-flow generation is mainly explained by a an *adjusted* EBITDA of €184.9m and a cash inflow from change in net working capital of €112.0m, partially offset by net Capex (-€12.3m), tax paid (-€26.6m), capital paid on lease liabilities (-€14.3m) and net interests paid (-€8.0m).

Belron's net financial debt reached €4,528.4m at the end of June 2024. This compares with €4,537.0m at the end of June 2023 and €4,689.8m at the end of December 2023. The decrease of -€161.4m compared to December 2023 is mainly explained by a €363.2m free cash-flow generation partially offset by adverse foreign exchange impact on cash and external debt (-€90.3m), effect of change in lease liabilities (-€78.4m) and the repurchase of shares to MRP participants (-€52.7m).

The strong free cash-flow generated relies on a €835.0m *adjusted* EBITDA and €43.4m change in net working capital, partially offset by -€98.7m lease repayments, -€44.5m net

Capex, -€137.0m of net interests paid, -€125.5m of tax, -€30.1m of net acquisitions and -€80.5m of cash outflow from *adjusting* items (most of which relate to fees from system integrators as part of the transformation program).

Moleskine's net debt reached €279.3m (of which €272.4m of inter-segment financing) at the end of June 2024, compared to €278.5m at the end of June 2023 and €269.3m (of which €272.4m of inter-segment financing) at the end of December 2023. The increase compared to December 2023 is mainly explained by the interests paid to the Corporate & unallocated segment on the inter-segment financing in 2024.

The net debt of TVH amounts to €832.3m at the end of June 2024, compared to €907.2m at the end of June 2023 and €802.3m at the end of December 2023. The increase compared to the 31 December 2023 is mainly explained by the dividend paid (€73.0m, of which €29.2 to the Corporate & unallocated segment), partially compensated by the free cash-flow generated over the period (€41.0m).

Net debt (continued)

PHE's net financial debt amounts to €1,093.8m at the end of June 2024, compared to €1,203.0m at the end of June 2023 and €1,195.6m at the end of December 2023. The decrease of -€101.8m compared to 31 December 2023 is mainly due to the free cash flow generation of €116.4m, partially offset by the effect of change in lease liabilities (-€12.2m). The free cash-flow generation relies on an *adjusted* EBITDA of €181.6m, a cash inflow from change in net working capital of €78.3m, partially offset by net Capex (-€24.6m), lease repayments (-€22.0m), interests paid (-€52.6m), tax paid (-€21.6m) and net acquisitions (-€15.1m).

PHE's net financial debt excludes the put options granted to non-controlling shareholders holding minority interests in some of PHE's direct and indirect subsidiaries (valued at €116.4m at 31 December 2023 and €105.8m at 30 June 2024, decreasing mainly as a result of a cash payment in H1 2024) and the put options granted to minority investors (including management and several partners and independent distributors), who invested alongside D'leteren Group in the holding company of PHE, up to a combined ownership of c.9% (valued at €195.0m at 30 June 2024, increased by €19.7m compared to 31 December 2023, of which €14.1m related to the vesting and change in fair value of the free shares granted to PHE's key management personnel as part of the Management Reward Plan, recognised in profit or loss as *adjusting* items). It also excludes the deferred considerations on acquisitions of €56.4m (€53.7m at 31 December 2023), presented in the lines "other payables" and "trade and other payables" in the consolidated statement of financial position.

The net cash position (including inter-segment financing loans) of the Corporate & unallocated segment increased from €934.9m at the end of June 2023 to €1,188.3m at the end of December 2023 and €1,059.0m at the end of June 2024. The decrease in the net financial position compared to 31 December 2023 is primarily the result of the dividend paid out to the shareholders of D'leteren Group in June 2024 (-€200.8m), partially compensated by the dividends received from the D'leteren Automotive segment (€42.2m) and the TVH segment (€29.2m) in 2024, the net disposal of treasury shares (€6.6m), the positive fair value adjustment on cash and cash equivalents (€4.3m) and a free cash-flow of €4.3m.

The net cash position of the Corporate & unallocated segment includes the investments in the Supply Chain Finance Fund managed by Credit Suisse/UBS (€94.8m at 31 December 2023 and €79.7m, included in the line "current financial investments", at 30 June 2024). In June 2024, UBS issued a press release informing all investors of an offer to redeem their holdings in the Supply Chain Finance Fund managed by Credit Suisse/UBS. Pursuant to the offer, investors receive, per share, 90% of the value of the most recently determined net asset value (NAV) of the fund as at 25 February 2021, less any payments they have received since 25 February 2021. The Group decided to accept the offer and recovered €79.7m on its outstanding investment in August 2024, leading to an additional impairment charge of €15.1m in 2024.