

Recticel enters into binding agreement with the Aquinos Group on the divestment of its Bedding business line

- **Binding agreement signed with Aquinos Group, one of the largest European mattress and upholstery manufacturers**
- **Cash consideration based on an enterprise value of EUR 122.4 million on a cash and debt free basis**
- **Strong strategic fit, highly complementary geographic presence and product offerings**
- **Transaction subject to shareholder approval and customary closing conditions and consultations**

Recticel announces that it has entered into a binding agreement to sell its Bedding business line to the Portuguese privately owned Aquinos Group.

Under the terms of the agreement the Bedding business line, will be sold to the Aquinos Group for an enterprise value of EUR 122.4 million. The transaction is expected to be closed in the first quarter of 2022, subject to customary closing conditions and consultations. The Nordic bedding activities will remain with Recticel and be integrated in the Living & Care segment of Recticel Engineered Foams. The net proceeds after transaction costs are expected to amount to EUR 97 million¹ subject to closing adjustments. EUR 17.9 million IFRS 16 liabilities will be transferred as well.

Recticel's Bedding business line develops and produces consumer-ready mattresses, slat bases and box springs, primarily marketed under popular brand names such as Beka®, Lattoflex®, Literie Bultex®, Schlaraffia®, Sembella®, Superba® and Swissflex®, as well as ingredient brands including GELTEX inside®. The Bedding activities currently consist of 9 manufacturing locations in seven EU countries - Austria (1), Belgium (2), Germany (2), Poland (1), Romania (1), Switzerland (1) and The Netherlands (1) - employing around 1,555 people. In 2020 the business line generated total sales of EUR 225.9 million, excluding the Nordic bedding activities.

The Aquinos Group, founded in 1985, is privately owned and headquartered in Sinde - Tábua (Portugal). Aquinos is one of the largest producers of furniture upholstery and mattresses in Europe with more than 3,300 employees and production sites in Portugal, France, and Poland. Aquinos, with 2020 annual sales of EUR 370 million, intends to further develop its bedding activities by complementing its existing product offering with strong brands, and expanding its customer base and geographic reach.

¹ Including the agreed equity value of EUR 83.5 million and transferred debt and debt-like items and corrected for transaction costs.

Olivier Chapelle (CEO of Recticel): *“The divestment of the Bedding business line is another essential step in simplifying the group structure and in realizing our strategic objectives, while further strengthening our capital structure.*

I am confident that we have found, with the Aquinos Group, a new owner with the commercial and industrial capabilities to leverage the full potential of our Bedding brands, proprietary technology and highly qualified teams.

Our Bedding employees and customers will find in Aquinos a truly dedicated player in the European sleep comfort market. The complementarity in terms of product range and geographical presence clearly offers a lot of opportunities for end-consumers, retailers and employees.”

Carlos Aquino (Chairman and CEO of Aquinos Group): *“We are very excited about today’s announcement. The acquisition of Recticel’s Bedding business will significantly strengthen our position in the European sleep comfort market. Recticel’s strong brand and complementary product offering will allow us to become a much more diversified group with an expanded geographical reach. We are confident in our ability to execute and complete the transaction within the shortest possible timeframe and look forward to integrate Recticel’s Bedding business and teams in order to deliver enhanced value for our customers.”*

Next steps

The sale of the Bedding business is subject to shareholder approval and to certain customary closing conditions and consultations. The Special General Meeting of Shareholders, in view of art. 7:152 of the Belgian Companies Code, will be planned for 24 December 2021. The closing of the transaction is expected to take place during the first quarter of 2022.

Compagnie du Bois Sauvage supports the divestment and will approve it at the Special General Meeting of Shareholders.

The proceeds of the sale will be used to reduce outstanding debt.

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Financial calendar

Special General Meeting of Shareholders	06.12.2021 (at 10:00 AM CET)
Annual results 2021	25.02.2022 (at 07:00 AM CET)
First quarter 2022 trading update	28.04.2022 (at 07:00 AM CET)
Annual General Meeting	31.05.2022 (at 10:00 AM CET)
First half-year 2022 results	26.08.2022 (at 07:00 AM CET)
Third quarter 2022 trading update	28.10.2022 (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. After the acquisition of FoamPartner (April 2021), Recticel employs 5,235 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®.

Recticel is also the Group behind the bedding brands (Beka®, Lattoflex®, Literie Bultex®, Schlaraffia®, Sembella®, Swissflex®, Superba®, etc.) and GELTEX®.

In 2020 Recticel achieved consolidated sales of EUR 828.8 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