

Trading update first quarter 2023

- Net sales increase from €111.2 million^{1/2/3} in 2022 to €122.2 million (+9.8%) in 2023, including a -1.3% currency effect, and including the sales of Trimo for 2023
- Net financial debt: €276.8 million (31 December 2022: €261.7 million)

Olivier Chapelle (CEO Recticel): *"In the first quarter of 2023, the European construction market has remained very challenging due to high inflation and interest rates. Reducing disposable income, coupled with expensive building materials, has led the market to further weaken. During this quarter, our volumes have been under pressure, ending up materially below the volumes of the first quarter of 2022. Our teams remain focused on adapting to this changing environment."*

As communicated on 6 April 2023, the closing of the Engineered Foams divestment to Carpenter Co. has not taken place at the end of March 2023.

After approval of the proposed purchaser of the Recticel UK comfort foams activity by the UK Competition and Markets Authority, the share purchase agreement for this UK business was executed by all parties on 17 April 2023.

With regard to the main transaction, Carpenter has recently requested a substantial price adjustment to the purchase price, invoking the current overall trading evolution. Recticel is considering all its options in this regard."

OUTLOOK

The environment is expected to remain volatile and provides little visibility on the short term. The company expects its 2023 Adjusted EBITDA to be materially below the result of 2022.

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

² Trimo d.o.o. is fully consolidated as of 1 May 2022.

³ Excluding €9.5 million sales of chemicals to divested Automotive companies in 1Q2022.

Net Sales development

1Q2023 sales increased by 9.8% from €111.2 million to **€122.1 million**, including a -1.3% currency effect.

Demand remained well below last year in nearly all product segments. The Trimo insulated panels sales are integrated into the Group as of 1 May 2022.

FINANCIAL POSITION

in million €	31 MAR 2022	30 JUN 2022	30 SEP 2022	31 DEC 2022	31 MAR 2023
Total equity	-	417.6	-	446.9	-
Net financial debt excluding factoring	92.4	247.6	253.2	242.2	252.1
+ Lease debt (IFRS 16)	37.2	7.3	7.2	6.3	5.8
Consolidated net financial debt	129.5	254.9	260.4	248.4	257.9
+ Drawn amounts under factoring programs	0.0	29.5	17.8	13.2	18.9
Total consolidated net financial debt	129.5	284.4	278.2	261.7	276.8
Gearing ratio (incl. IFRS 16)	-	61.0%	-	55.6%	-
Leverage ratio (incl. IFRS 16)	-	2.2	-	2.1	-

The total net financial debt position increased by €15.1 million over 1Q2023 to reach €276.8 million (31 December 2022: €261.7 million; 30 June 2022: €284.4 million), mainly due to the seasonal working capital build-up.

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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.

About Recticel

Recticel is a Belgian insulation group with a strong presence in Western and Eastern Europe. End 2022, Recticel (excluding discontinued activities) employed 1,234 people in 9 facilities spread over 6 countries and achieved sales of €561.5 million.

Recticel contributes to the fight against climate change thanks to its energy-efficient insulation applications for the construction industry.

The high-quality thermal and acoustic insulation products of Recticel Insulation boards are marketed under well-known brands such as Eurowall®, Powerroof®, Powerdeck® and Powerwall®.

Trimo Insulated panels focuses on mid to high-end applications of roof and wall cladding, mostly in the non-residential market, under well-known brands such as Trimoterm, Qbiss One and Qbiss Screen.

Recticel has committed to the SBTi to become a net zero emission company on Scopes 1 and 2 by 2030 and to reach net-zero on Scope 3 by 2050 at the latest.

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

Financial calendar

Annual General Meeting	30.05.2023 (10:00 AM CET)
First half-year 2023 results	31.08.2023 (07:00 AM CET)
Third quarter 2023 trading update	27.10.2023 (07:00 AM CET)

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This press release is available in English and Dutch on www.recticel.com