

## Recticel Annual Results 2023

- Recticel transitioned into a provider of smart insulation solutions for sustainable buildings
- Net sales decrease from € 587.8 million<sup>1</sup> in 2022 to € 529.4 million (-9.9%) in 2023
- Adjusted EBITDA: from € 64.4 million<sup>1</sup> to € 39.2 million (-39.2%)
- Net cash position: € 161.9 million (31 December 2022: net financial debt of € 250.0 million<sup>1/2</sup>)
- Proposal to pay a stable gross dividend of € 0.31 per share

Jan Vergote (CEO Recticel): “Our full year 2023 results reflect the adverse trends in the European construction markets, mainly caused by inflation and an unprecedented increase in the cost of money. This has resulted into shrinking market volumes, with margin pressures in our Insulation Boards activity being especially fierce in the second half. The full effect of the drop in the number of new building permits has yet to be seen, whereas renovation markets seem somewhat more resilient.

Despite this market context, as from the fourth quarter we have stopped the decrease in volumes in Insulation Boards and have increased year-over-year sales volume and market share in our premium Insulated Panels activity. A combination of planned and unplanned production stops at our suppliers’ facilities, as well as longer supply lines due to the geopolitical issues in the Red Sea, is resulting into MDI price hikes and potential shortages, which will require us to increase sale prices accordingly.

We are implementing cost reductions, improve our positions in attractive market segments, and are increasing our focus on innovation to better address the challenges of the upcoming large scale sustainability transition in construction.

We have created a growth platform for Trimo’s premium Insulated Panels strategy in Western Europe by closing the acquisition of REX Panels & Profiles in the early days of 2024. Integration is progressing well, and we expect to be ready with technical adjustments and certifications by the end of the year.

Our net cash position, which further increased during the second half of 2023, will allow us to further invest in smart additions and geographical expansion, as well as greenfield initiatives where appropriate.

Despite the low visibility on the timing of a potential market recovery, we are confident that we will significantly increase our Adjusted EBITDA compared to 2023.”

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<sup>1</sup> As announced in the press release of 14 June 2023, The Soundcoat Company Inc. was not part of the divestment to Carpenter Co and was transferred from discontinued operations to continuing operations as of 1 January 2022. The formerly published 2022 income statements, financial position and cash-flow statements have been restated accordingly.

Trimo d.o.o. (Insulated Panels) is fully consolidated as of 1 May 2022.

<sup>2</sup> Excluding the drawn amounts under non-recourse factoring programs: € 0.0 million per 31 December 2023 compared to € 13.2 million per 31 December 2022.

## CONSOLIDATED GROUP RESULTS – KEY FIGURES

in million EUR

|  | 2022 restated <sup>1</sup> | 2023         | %             |
|--|----------------------------|--------------|---------------|
| <b>Sales</b>   | <b>587.8</b>               | <b>529.4</b> | <b>-9.9%</b>  |
| Gross profit   | 113.4                      | 90.1         | -20.6%        |
| as % of sales  | 19.3%                      | 17.0%        |               |
| <b>Adjusted EBITDA</b>   | <b>64.4</b>                | <b>39.2</b>  | <b>-39.2%</b> |
| as % of sales  | 10.9%                      | 7.4%         |               |
| <b>EBITDA</b>  | <b>59.9</b>                | <b>36.1</b>  | <b>-39.7%</b> |
| as % of sales  | 10.2%                      | 6.8%         |               |
| <b>Adjusted operating profit (loss)</b>                              | <b>43.8</b>                | <b>15.9</b>  | <b>-63.7%</b> |
| as % of sales  | 7.4%                       | 3.0%         |               |
| <b>Operating profit (loss)</b>                                       | <b>38.3</b>                | <b>12.6</b>  | <b>-67.1%</b> |
| as % of sales  | 6.5%                       | 2.4%         |               |
| <b>Financial result</b>  | <b>(10.0)</b>              | <b>(4.1)</b> | n.m.          |
| Income from other associates <sup>3</sup>                            | (1.2)                      | (1.8)        | n.m.          |
| Impairment other associates  | 0.0                        | (7.7)        | n.m.          |
| Change in fair value of option structures                            | 2.3                        | 0.0          | n.m.          |
| Income taxes   | (16.0)                     | (8.0)        | n.m.          |
| Result of the period of continuing operations                        | 13.5                       | (9.0)        | n.m.          |
| Result of discontinued operations                                    | 49.3                       | 12.2         | -75.3%        |
| Result of the period (share of the Group)                            | 62.4                       | 3.3          | -94.7%        |
| Result of the period (share of the Group) - base (per share, in EUR) | 1.12                       | 0.06         | -94.7%        |
|  | 31 DEC 2022                | 31 DEC 2023  | %             |
| <b>Total equity</b>  | <b>446.2</b>               | <b>438.0</b> | <b>-1.8%</b>  |
| Net financial debt (incl. IFRS 16 - Leases)                          | 250.0                      | (161.9)      | n.m.          |
| <b>Gearing ratio (Net financial debt / Total equity)</b>             | <b>56.0%</b>               | <b>n.a.</b>  |               |
| Leverage ratio (Net financial debt / EBITDA) <sup>4</sup>            | 2.2                        | n.a.         |               |

The following change in the scope of consolidation took place in 2023: disposal on 12 June 2023 of the Engineered Foams activities, which were already accounted for as Discontinued Operations on 30 June 2022.

The results of the Automotive joint-venture (TEMDA2/Ascorium) are reported under 'Income from other associates'.

<sup>3</sup> 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).

<sup>4</sup> The pro forma leverage ratio = Net financial debt (after 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 acquired company Trimo d.o.o. This pro forma leverage ratio is a better comparable.

**Sales:** from € 587.8 million<sup>1</sup> in 2022 to **€ 529.4 million** in 2023.

|       | 1Q2022<br>restated <sup>1</sup> | 2Q2022<br>restated <sup>1</sup> | 3Q2022<br>restated <sup>1</sup> | 4Q2022<br>restated <sup>1</sup> | 2022<br>restated <sup>1</sup> | 1Q2023 | 2Q2023 | 3Q2023 | 4Q2023 | 2023  | % FY  |
|-------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|-------------------------------|--------|--------|--------|--------|-------|-------|
| Sales | 126.9                           | 160.4                           | 160.2                           | 140.3                           | 587.8                         | 127.7  | 138.4  | 132.3  | 131.0  | 529.4 | -9.9% |

in million EUR

#### Fourth quarter 2023:

**4Q2023 sales** decreased by 6.6% from € 140.3 million<sup>1</sup> in 2022 to **€ 131.0 million**, including -0.15% currency effect, due to lower prices as a consequence of raw material deflation and competitive pressure.

Sequentially, from 3Q2023 to 4Q2023, volumes in Insulation Boards have resisted well and volume in Insulated Panels has recovered above year-over-year comparatives. In parallel, the order intake in Insulation Boards remains volatile, while order intake in Insulated Panels remains at a level allowing to continue on the positive evolution observed as from the third quarter of 2023.

#### Full year 2023:

**FY2023 sales** decreased by 9.9% from € 587.8 million<sup>1</sup> to **€ 529.4 million**, including -0.62% currency impact.

**Adjusted EBITDA:** from € 64.4 million<sup>1</sup> in 2022 to **€ 39.2 million** in 2023.

Adjusted EBITDA margin decreased from 10.9% to **7.4%**.

|                 | 1H2022<br>restated <sup>1</sup> | 2H2022<br>restated <sup>1</sup> | 2022<br>restated <sup>1</sup> | 1H2023 | 2H2023 | 2023 | % FY   |
|-----------------|---------------------------------|---------------------------------|-------------------------------|--------|--------|------|--------|
| Adjusted EBITDA | 27.1                            | 37.2                            | 64.4                          | 15.9   | 23.3   | 39.2 | -39.2% |

in million EUR

Adjusted EBITDA was negatively impacted by the margin erosion in Insulation Boards, which was the consequence of increased competitive pressure in a building market affected by large volume reductions and decreasing raw material input prices.

**Adjusted operating profit (loss):** from € 43.8 million<sup>1</sup> in 2022 to **€ 15.9 million** in 2023.

Adjusted operating profit (loss) margin decreased from 7.4% to **3.0%**.

|                                  | 1H2022<br>restated <sup>1</sup> | 2H2022<br>restated <sup>1</sup> | 2022<br>restated <sup>1</sup> | 1H2023 | 2H2023 | 2023 | % FY   |
|----------------------------------|---------------------------------|---------------------------------|-------------------------------|--------|--------|------|--------|
| Adjusted operating profit (loss) | 24.1                            | 19.6                            | 43.8                          | 6.7    | 9.2    | 15.9 | -63.7% |

in million EUR

#### **Adjustments to Operating profit (loss):**

|  | 1H2022<br>restated <sup>1</sup> | 2H2022<br>restated <sup>1</sup> | 2022<br>restated <sup>1</sup> | 1H2023       | 2H2023       | 2023         |
|--|---------------------------------|---------------------------------|-------------------------------|--------------|--------------|--------------|
| Restructuring charges and provisions           | (1.2)                           | 0.3                             | (0.9)                         | (1.2)        | (1.9)        | (3.1)        |
| Other  | (3.4)                           | (0.2)                           | (3.6)                         | (1.1)        | 1.2          | 0.1          |
| <b>Total impact on EBITDA</b>                  | <b>(4.6)</b>                    | <b>0.1</b>                      | <b>(4.5)</b>                  | <b>(2.3)</b> | <b>(0.7)</b> | <b>(3.0)</b> |
| Impairments                                    | (0.1)                           | (1.0)                           | (1.0)                         | (0.3)        | 0.0          | (0.3)        |
| <b>Total impact on Operating profit (loss)</b> | <b>(4.6)</b>                    | <b>(0.9)</b>                    | <b>(5.5)</b>                  | <b>(2.6)</b> | <b>(0.7)</b> | <b>(3.3)</b> |

in million EUR

Adjustments to Operating profit (loss) on continuing operations in **2023** amount to € -3.3 million and include:

- € -3.1 million of restructuring costs;
- € 0.1 million of other adjustments : mainly M&A related transaction costs offset by partial release of the Ascorium insurance (€ 1.0 million);
- € -0.3 million impairment on intangible and tangible fixed assets.

Adjustments to Operating profit (loss) on continuing operations in **2022** amounted to € -5.5 million and included:

- € -0.9 million of restructuring costs;
- € -3.6 million of other adjustments, which relate mainly to (i) legal and financial advisory fees (€ -1.6 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 (€ -2.7 million);
- € -1.0 million impairment on right of use assets following the expected reduced usage of the IHQ building following the divestment of Engineered Foams to Carpenter.

**EBITDA:** from € 59.9 million<sup>1</sup> in 2022 to **€ 36.1 million** in 2023.

EBITDA margin decreased from 10.2% to **6.8%**.

**Operating profit (loss):** from € 38.3 million<sup>1</sup> in 2022 to **€ 12.6 million** in 2023.

Operating profit (loss) margin decreased from 6.5% to **2.4%**.

**Financial result:** from € -10.0 million<sup>1</sup> in 2022 to **€ -4.1 million** in 2023.

Interest charges increased from € -5.6 million<sup>1</sup> in 2022 to € -7.8 million in 2023 as a result of the higher debt following the Trimo acquisition in the second quarter of 2022 and the gradually increasing variable market interest rates. These interest charges were partially offset in 2H2023 by the interest income on the cash € +3.9 million.

Other net financial income and expenses: from € -4.8 million<sup>1</sup> in 2022 to € -0.1 million in 2023. The negative amount in 2022 is linked to a € -6.2 million one-off reversal of historic currency translation adjustments as a result of the liquidation of a holding company in the UK.

**Income and impairment from other associates:** from € -1.2 million<sup>1</sup> in 2022 to **€ -9.5 million** in 2023 relates primarily to the full impairment of the TEMDA2 investment value (at 49%).

**Fair value of option structures:** from € +2.3 million<sup>1</sup> in 2022 to **€ +0 million** in 2023.

**Income and deferred taxes:** from € -16.0 million<sup>1</sup> in 2022 to **€ -8.0 million** in 2023.

- Current income tax: from € -9.3 million<sup>1</sup> in 2022 to € -4.5 million in 2023; current tax charges decrease in line with the lower results.
- Deferred tax: from € -6.7 million<sup>1</sup> in 2022 to € -3.5 million in 2023; decrease partially related to changes in tax legislation in Belgium in 2022.

**Result of the period of continuing operations:** from € 13.5 million<sup>1</sup> in 2022 to **€ -9.0 million** in 2023.

**Result from discontinued operations:** from € 49.3 million<sup>1</sup> in 2022 to **€ 12.2 million** in 2023.

The result from discontinued operations in **2023** mainly represents:

- (i) the result until 12 June 2023 of the Engineered Foams activities sold to Carpenter Co. (€ -0.5 million);
- (ii) the net capital gain on the disposal of the Engineered Foams activities sold to Carpenter Co. amounting to € +10.7 million and composed of the following items:
  - gain on the divestment of Engineered Foams: € +32.2 million (including € 22.3 million provisions on transactions related tax exposures and indemnities);
  - direct attributable transaction costs: € -6.8 million;
  - Cumulative Translation Adjustment release in the income statement: € -7.5 million;
  - positive result 1H2023 Orsa Foam (€ +0.5 million) + impairment (€ -6.9 million) + related costs (€ -0.8 million).
- (iii) the result of the Aquinos closing account settlement (including the release of the closing accounts provision and the interest on the Aquinos receivable (€ +2.0 million)).

The total result (restated) of discontinued operations in **2022** was composed of:

- (i) the result of the period of the Engineered Foams activities which were sold to the Carpenter Co. (€ +32.8 million);
- (ii) the result of the first three months of 2022 of the Bedding activities (€ +1.3 million);
- (iii) the net capital gain on the disposal of the Bedding activities sold to Aquinos Group (€ +17.9 million, including € 5.0 million of provisions for indemnities);
- (iv) the impact of the restatement linked to the transfer from discontinued operations to continuing operations of The Soundcoat Company Inc. (€ -3.5 million);
- (v) the result of the settlements related to the divestment of the Ascorium activities (€ +0.8 million).

**Consolidated result of the period (share of the Group):** from € 62.4 million in 2022 to **€ 3.3 million** in 2023.

## FINANCIAL POSITION

in million EUR

|  | 31 DEC 2022<br>restated <sup>1</sup> | 31 MAR 2023  | 30 JUN 2023    | 30 SEP 2023    | 31 DEC 2023    |
|--|--------------------------------------|--------------|----------------|----------------|----------------|
| <b>Total equity</b>                      | <b>446.2</b>                         | <b>-</b>     | <b>437.3</b>   | <b>-</b>       | <b>438.0</b>   |
| Net financial debt excluding factoring   | 239.8                                | 250.8        | (151.0)        | (163.9)        | (173.2)        |
| + Lease debt (IFRS 16)                   | 10.2                                 | 9.5          | 8.8            | 8.3            | 11.3           |
| <b>Net financial debt</b>                | <b>250.0</b>                         | <b>260.3</b> | <b>(142.3)</b> | <b>(155.6)</b> | <b>(161.9)</b> |
| + Drawn amounts under factoring programs | 13.2                                 | 18.9         | 0.0            | 0.0            | 0.0            |
| <b>Total net financial debt</b>          | <b>263.2</b>                         | <b>279.1</b> | <b>(142.3)</b> | <b>(155.6)</b> | <b>(161.9)</b> |
| <b>Gearing ratio (incl. IFRS 16)</b>     | <b>56.0%</b>                         | <b>-</b>     | <b>N/A</b>     | <b>-</b>       | <b>N/A</b>     |
| <b>Leverage ratio (incl. IFRS 16)</b>    | <b>2.2</b>                           | <b>-</b>     | <b>N/A</b>     | <b>-</b>       | <b>N/A</b>     |

The Group's net cash position further improved by € 6.3 million over 4Q2023, due to disciplined working capital management, some M&A related incoming payments and positive interest income.

## SUBSEQUENT EVENT – REX ACQUISITION

Recticel announced that on 10 January 2024 it successfully completed the acquisition of REX Panels & Profiles SA. This acquisition is the second major step in deploying its strategy to become a pan-European leader in the insulated panels segment (see also press release of 21 December 2023). The acquisition price was paid in cash for an enterprise value of EUR 70 million. REX Panels & Profiles SA will be consolidated in Recticel's financial statements as from 10 January 2024.

## SUSTAINABILITY

In October 2022, Recticel joined the Science Based Targets initiative (SBTi) community in a concerted effort to limit global warming to 1.5°C above pre-industrial levels. Recticel's GHG emissions reduction plan with near-term targets for 2030 and net-zero targets for 2050 (baseline 2021) was approved by SBTi on 14 February 2024.

All our emissions are calculated according to the Greenhouse Gas Protocol for the full scope of our activities – Insulation Boards, Insulated Panels, Acoustic Solutions – for the years 2021, 2022, 2023. Due to a major methodology change resulting from obtaining more granular data from key suppliers, we restated the previous years.

The 2023 absolute emission reduction on scope 1 and 2 versus base year 2021 is in line with the projected plan to reach 90% reduction by 2030 (SBTi). This is demonstrated by the Carbon and Energy Intensity Indicators, based on sales volume, which eliminates any price volatility, irrelevant to the climate change contribution.

| Indicators   | 2021 restated<br>SBTi base<br>year | 2022 restated | 2023    | %<br>2023-<br>2022 | %<br>2023-<br>2021 |
|--|------------------------------------|---------------|---------|--------------------|--------------------|
| <b>Greenhouse gas indicators (tCO<sub>2</sub>e)</b>  |                                    |               |         |                    |                    |
| Scope 1  | 5,746                              | 5,270         | 4,437   | -15.8%             | -22.8%             |
| Scope 2  | 5,115                              | 4,483         | 3,575   | -20.3%             | -30.1%             |
| Scope 2 - market based   | 5,115                              | 4,483         | 3,575   |                    |                    |
| Scope 2 - location based   | 5,179                              | 4,962         | 3,913   |                    |                    |
| variance (= impact of renewable energy)  | 64                                 | 479           | 338     |                    |                    |
| Scope 3 (excluding investments)  | 737,001                            | 717,813       | 665,563 | -7.3%              | -9.7%              |
| Scope 1+2+3 (excluding investments)  | 747,862                            | 727,567       | 673,575 | -7.4%              | -9.9%              |
| Scope 1+2+3 (including investments)  | 768,944                            | 746,889       | 691,905 | -7.4%              | -10.0%             |
| <b>Renewable energy indicators (MWh)</b>   |                                    |               |         |                    |                    |
| Photovoltaic energy consumption  | 710                                | 2,904         | 2,383   | -17.9%             | +235.7%            |
| Photovoltaic energy production on-site   | 760                                | 4,287         | 3,848   | -10.2%             | +406.4%            |
| <b>Carbon and energy intensity indicators, based on sales volume <sup>1</sup></b>                    |                                    |               |         |                    |                    |
| Carbon intensity scope 1+2, per sales volume (tCO <sub>2</sub> e/1000m <sup>3</sup> )                | 3.4                                | 3.0           | 2.7     | -9.5%              | -20.1%             |
| Carbon intensity scope 1+2+3, per sales volume (tCO <sub>2</sub> e/1000m <sup>3</sup> )              | 234.0                              | 223.8         | 228.2   | 2.0%               | -2.5%              |
| Energy intensity, per sales volume (MWh/1000m <sup>3</sup> )   | 18.2                               | 16.7          | 15.6    | -6.4%              | -14.0%             |
| <b>Avoided emissions <sup>2</sup></b>  |                                    |               |         |                    |                    |
| Estimated avoided emissions from all our building insulation products over their lifetime (multiple) |                                    | 33.6          | 38.4    | +14.3%             |                    |

<sup>1</sup> The Greenhouse Gas Protocol Category 3.15 Investment, is not included in the carbon and energy intensity indicators.

<sup>2</sup> Calculated according to the Attributional Life Cycle Assessment (LCA), GHG Protocol framework. Totality of GHG emissions considered (scope 1+2+3).

## PROPOSED DIVIDEND

The Board of Directors will propose to the Annual General Meeting of 28 May 2024 the payment of a stable gross dividend of € 0.31 per share on 56,230,920 shares. This represents a total dividend pay-out of € 17.4 million (2022: respectively € 0.31 per share and € 17.4 million in total).

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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 2022, 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 2023, both which are available from [www.recticel.com](http://www.recticel.com).

## STATUTORY AUDITOR'S NOTE ON THE CONSOLIDATED FINANCIAL INFORMATION THE YEAR ENDED 31 DECEMBER 2023

The statutory auditor, PwC Bedrijfsrevisoren BV / Reviseurs d'Entreprises SRL, represented by Marc Daelman\*, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated accounts, and that the accounting data reported in the press release is consistent, in all material respects, with the draft accounts from which it has been derived.

Diegem, 28 February 2024

The statutory auditor

**PwC Bedrijfsrevisoren BV/Reviseurs d'Entreprises SRL**

Represented by

Marc Daelman\*

*Bedrijfsrevisor/Réviseur d'entreprises*

\* Acting on behalf of Marc Daelman BV

## CONSOLIDATED INCOME STATEMENT

|  | in thousand EUR            |                |
|--|----------------------------|----------------|
|  | 2022 restated <sup>1</sup> | 2023           |
| <b>Sales</b>   | <b>587,834</b>             | <b>529,426</b> |
| Cost of sales  | (474,420)                  | (439,336)      |
| <b>Gross profit</b>  | <b>113,414</b>             | <b>90,090</b>  |
| General and administrative expenses  | (31,859)                   | (35,634)       |
| Sales and marketing expenses   | (28,870)                   | (30,355)       |
| Research and development expenses  | (4,531)                    | (4,572)        |
| Impairment of goodwill, intangible and tangible assets                           | (1,047)                    | (293)          |
| Other operating revenues   | 1,664                      | 4,727          |
| Other operating expenses   | (10,516)                   | (11,380)       |
| Income from associates   | 0                          | (0)            |
| <b>Operating profit (loss)</b>   | <b>38,255</b>              | <b>12,582</b>  |
| Interest income  | 996                        | 3,959          |
| Interest expenses  | (6,277)                    | (7,872)        |
| Other financial income   | 7,136                      | 2,922          |
| Other financial expenses   | (11,835)                   | (3,074)        |
| <b>Financial result</b>  | <b>(9,979)</b>             | <b>(4,065)</b> |
| Income from other associates   | (1,176)                    | (1,772)        |
| Impairment other associates  |                            | (7,748)        |
| Change in fair value of option structures  | 2,330                      | 0              |
| <b>Result of the period before taxes</b>   | <b>29,430</b>              | <b>(1,002)</b> |
| Income taxes   | (15,953)                   | (7,986)        |
| <b>Result of the period after taxes - continuing operations</b>                  | <b>13,478</b>              | <b>(8,989)</b> |
| Result of discontinued operations  | 49,298                     | 12,154         |
| <b>Result of the period after taxes - continuing and discontinued operations</b> | <b>62,776</b>              | <b>3,165</b>   |
| of which share of the Group  | 62,400                     | 3,310          |
| of which non-controlling interests   | 377                        | (145)          |

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

|  | 2022 restated <sup>1</sup> | 2023        |
|--|----------------------------|-------------|
| Number of shares outstanding (including treasury shares)               | 56,208,420                 | 56,230,920  |
| Weighted average number of shares outstanding (before dilution effect) | 55,799,134                 | 55,897,911  |
| Weighted average number of shares outstanding (after dilution effect)  | 56,686,814                 | 56,511,223  |
|  | in EUR                     |             |
| <b>Earnings per share</b>  |                            |             |
| Earnings per share - continuing operations                             | 0.24                       | (0.16)      |
| Earnings per share - discontinued operations                           | 0.88                       | 0.22        |
| <b>Earnings per share of continuing and discontinued operations</b>    | <b>1.13</b>                | <b>0.06</b> |
| <b>Earnings per share from continuing operations</b>                   |                            |             |
| Earnings per share from continuing operations - Basic                  | 0.24                       | (0.16)      |
| Earnings per share from continuing operations - Diluted                | 0.24                       | (0.16)      |
| <b>Earnings per share from discontinued operations</b>                 |                            |             |
| Earnings per share from discontinued operations - Basic                | 0.88                       | 0.22        |
| Earnings per share from discontinued operations - Diluted              | 0.87                       | 0.22        |
| <b>Net book value</b>  | <b>7.43</b>                | <b>7.79</b> |



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|  | in thousand EUR               |              |
|--|-------------------------------|--------------|
|  | 2022<br>restated <sup>1</sup> | 2023         |
| <b>Result for the period after taxes</b>   | <b>62,776</b>                 | <b>3,165</b> |
| <b>Other comprehensive income</b>  |                               |              |
| Actuarial gains (losses) on employee benefits recognized in equity   | 6,832                         | (1,030)      |
| Deferred taxes on actuarial gains (losses) on employee benefits  | (1,189)                       | 174          |
| Currency translation differences that will not subsequently be recycled to profit and loss                                   | 92                            | (97)         |
| Share in other comprehensive income in joint ventures & associates that will not subsequently be recycled to profit and loss | 0                             | 0            |
| <b>Items that will not subsequently be recycled to profit and loss</b>   | <b>5,735</b>                  | <b>(954)</b> |
| Hedging reserves   | 0                             | 0            |
| Currency translation differences that subsequently may be recycled to profit and loss  | (4,954)                       | (1,793)      |
| Foreign currency translation reserve difference recycled in the income statement   | 4,240                         | 7,423        |
| Deferred taxes on retained earnings  | 267                           | 86           |
| Share in other comprehensive income in joint ventures & associates that subsequently may be recycled to profit and loss      | 0                             | 0            |
| <b>Items that subsequently may be recycled to profit and loss</b>  | <b>(447)</b>                  | <b>5,716</b> |
| <b>Other comprehensive income net of tax</b>   | <b>5,288</b>                  | <b>4,762</b> |
| <b>Total comprehensive income for the period</b>   | <b>68,064</b>                 | <b>7,927</b> |
| <b>Total comprehensive income for the period</b>   | <b>68,064</b>                 | <b>7,927</b> |
| Total comprehensive income for the period attributable to the owners of the parent   | 67,686                        | 8,072        |
| Total comprehensive income for the period attributable to non-controlling interests  | 377                           | (145)        |
| <b>Total comprehensive income for the period attributable to the owners of the parent</b>                                    | <b>67,686</b>                 | <b>8,072</b> |
| Total comprehensive income for the period attributable to the owners of the parent - Continuing operations                   | 18,786                        | (9,930)      |
| Total comprehensive income for the period attributable to the owners of the parent - Discontinued operations                 | 48,901                        | 18,002       |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|   | in thousand EUR                      |                |
|---|--------------------------------------|----------------|
|   | 31 DEC 2022<br>restated <sup>1</sup> | 31 DEC 2023    |
| Intangible assets   | 77,357                               | 70,094         |
| Goodwill  | 63,218                               | 62,409         |
| Property, plant & equipment   | 111,491                              | 120,687        |
| Right-of-use assets   | 27,742                               | 27,771         |
| Investment property   | 113                                  | 0              |
| Investments in associates   | 0                                    | (0)            |
| Investments in other associates   | 9,520                                | 0              |
| Non-current receivables   | 15,477                               | 17,534         |
| Deferred tax assets   | 23,508                               | 21,551         |
| <b>Non-current assets</b>   | <b>328,426</b>                       | <b>320,046</b> |
| Inventories   | 57,346                               | 43,692         |
| Trade receivables   | 67,716                               | 78,135         |
| Deferred receivable for share investments/divestment                    | 25,286                               | 12,922         |
| Other receivables and other financial assets                            | 9,754                                | 10,027         |
| Income tax receivables  | 2,332                                | 3,739          |
| Other investments   | 0                                    | 0              |
| Cash and cash equivalents   | 39,782                               | 191,393        |
| Assets classified as held for sale                                      | 544,236                              | 0              |
| <b>Current assets</b>   | <b>746,452</b>                       | <b>339,907</b> |
| <b>TOTAL ASSETS</b>   | <b>1,074,878</b>                     | <b>659,954</b> |
| Capital   | 140,521                              | 140,577        |
| Share premium   | 133,596                              | 133,729        |
| <b>Share capital</b>  | <b>274,117</b>                       | <b>274,307</b> |
| Treasury shares   | (1,450)                              | (1,450)        |
| Other reserves  | (354)                                | (2,106)        |
| Retained earnings   | 132,461                              | 160,974        |
| Hedging and translation reserves  | (1,752)                              | 4,556          |
| Elements of comprehensive income of discontinued operations             | 41,284                               | 0              |
| <b>Equity (share of the Group)</b>                                      | <b>444,305</b>                       | <b>436,281</b> |
| Equity attributable to non-controlling interests                        | 1,850                                | 1,706          |
| <b>Total equity</b>   | <b>446,155</b>                       | <b>437,987</b> |
| Employee benefit liabilities  | 13,207                               | 12,412         |
| Provisions  | 17,992                               | 31,148         |
| Deferred tax liabilities  | 21,704                               | 23,088         |
| Financial liabilities   | 196,763                              | 23,082         |
| Other amounts payable   | 1,016                                | 982            |
| <b>Non-current liabilities</b>  | <b>250,681</b>                       | <b>90,711</b>  |
| Provisions  | 256                                  | 0              |
| Financial liabilities   | 93,824                               | 6,415          |
| Trade payables  | 75,638                               | 70,068         |
| Current contract liabilities  | 7,587                                | 8,037          |
| Income tax payables   | 4,444                                | 1,781          |
| Deferred payables for share investments                                 | 0                                    | 0              |
| Other amounts payable   | 29,964                               | 44,955         |
| Liabilities directly associated with assets classified as held for sale | 166,329                              | 0              |
| <b>Current liabilities</b>  | <b>378,042</b>                       | <b>131,256</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                     | <b>1,074,878</b>                     | <b>659,954</b> |

## CONSOLIDATED STATEMENT OF CASH FLOW

|   | in thousand EUR                 |                  |
|---|---------------------------------|------------------|
|   | 2022<br>restated <sup>1</sup>   | 2023             |
| <b>Operating profit (loss)</b>  | <b>38,255</b>                   | <b>12,582</b>    |
| Amortisation of intangible assets   | 5,363                           | 7,596            |
| Depreciation of tangible assets   | 15,228                          | 15,652           |
| (Reversal) Impairment losses on intangible assets                           | 0                               |                  |
| (Reversal) Impairment losses on tangible assets                             | 1,047                           | 293              |
| (Write-backs)/Write-offs on assets  | 1,441                           | 1,451            |
| Changes in provisions   | 2,197                           | (3,121)          |
| Gain/(Loss) on disposal intangible and tangible assets                      | (532)                           | (18)             |
| Income from associates  | 0                               | 0                |
| Other non-cash elements   | 982                             | 1,146            |
| <b>GROSS OPERATING CASH FLOW BEFORE WORKING CAPITAL MOVEMENTS</b>           | <b>63,981</b>                   | <b>35,581</b>    |
| Inventories   | 3,478                           | 12,060           |
| Trade and other receivables   | (2,378)                         | (7,194)          |
| Trade and other payables  | (28,889)                        | 3,884            |
| <b>Changes in working capital</b>   | <b>(27,788)</b>                 | <b>8,750</b>     |
| Trade and other long term debts maturing within 1 year                      | 0                               | 0                |
| Tax credit (non-current receivables)  |                                 |                  |
| Income taxes paid   | (6,079)                         | (8,326)          |
| Cash flow from operating activities (discontinued operations)               | 6,539                           | 10,887           |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>                              | <b>(a) 36,653</b>               | <b>46,892</b>    |
| Interests received  | 902                             | 413              |
| Dividends received  | 33                              |                  |
| Disposal of Bedding   | 84,529                          | 12,000           |
| Disposal of Engineered Foams  |                                 | 428,202          |
| Disposal of Orsafoam  |                                 | 2,383            |
| Acquisition Trimmo, net of cash acquired                                    | (154,636)                       | 312              |
| Increase of loans and receivables   | (882)                           | (1,244)          |
| Decrease of loans and receivables   | 559                             | 257              |
| Investments in intangible assets  | (3,177)                         | (2,742)          |
| Investments in property, plant and equipment                                | (9,849)                         | (18,511)         |
| Disposals of intangible assets  | 10                              | 568              |
| Disposals of property, plant and equipment                                  | 8,105                           | 1,184            |
| Proceeds from affiliates and joint ventures disposals                       | 0                               |                  |
| Disposals of investments held for sale                                      | 0                               |                  |
| (Increase)/Decrease of investments available for sale                       | 0                               |                  |
| Cash flow from divestment (investment) activities (discontinued operations) | (32,846)                        | (4,141)          |
| <b>NET CASH FLOW FROM DIVESTMENT (INVESTMENT) ACTIVITIES</b>                | <b>(b) (107,252)</b>            | <b>418,680</b>   |
| Interests paid on financial debt  | (c) (4,190)                     | (6,402)          |
| Interests paid on lease debt  | (c) (69)                        | (107)            |
| Interests received  | 0                               | 3,987            |
| Dividends paid  | (16,229)                        | (17,425)         |
| Increase/(Decrease) of capital  | 2,121                           | 189              |
| Increase of financial debt  | 93,387                          | 7,996            |
| Decrease of financial debt  | (41,916)                        | (315,042)        |
| Decrease of lease debt  | (d) (6,467)                     | (5,822)          |
| Cash flow from financing activities (discontinued operations)               | (10,563)                        | (6,645)          |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>                              | <b>(e) 16,075</b>               | <b>(339,272)</b> |
| Effect of exchange rate changes   | (f) (6,058)                     | 51               |
| Effect of exchange rate changes (discontinued operations)                   | (f) 76                          | (172)            |
| <b>CHANGES IN CASH AND CASH EQUIVALENTS</b>                                 | <b>(a)+(b)+(e)+(f) (60,506)</b> | <b>126,179</b>   |
| <b>NET FREE CASH FLOW</b>   | <b>(a)+(b)+(c)+(d) (81,324)</b> | <b>453,241</b>   |

in thousand EUR

|   |                  | 2022<br>restated <sup>1</sup> | 2023           |
|---|------------------|-------------------------------|----------------|
| Net cash position opening balance (continuing operations)   |                  | 84,519                        | 39,782         |
| Net cash position opening balance (discontinued operations) |                  | 41,200                        | 25,431         |
| <b>Net cash position opening balance</b>                    | <b>(g)</b>       | <b>125,719</b>                | <b>65,213</b>  |
| Net cash position closing balance (continuing operations)   |                  | 39,782                        | 191,393        |
| Net cash position closing balance (discontinued operations) |                  | 25,431                        |                |
| <b>Net cash position closing balance</b>                    | <b>(h)</b>       | <b>65,213</b>                 | <b>191,393</b> |
| <b>CHANGES IN CASH AND CASH EQUIVALENTS</b>                 | <b>(h) - (g)</b> | <b>(60,506)</b>               | <b>126,179</b> |

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR YEAR ENDING 31 DECEMBER 2023

in thousand EUR

| 2023                                  | Capital  | Share premium | Treasury shares | Other reserves | Retained earnings | Translation differences and hedging reserves | Continuing operations | Discontinued operations | Total shareholders' equity | Non-controlling interests | Total equity |
|---------------------------------------|----------|---------------|-----------------|----------------|-------------------|--|-----------------------|-------------------------|----------------------------|---------------------------|--------------|
| Equity at the beginning of the period | 140,521  | 133,596       | (1,450)         | 1,563          | 124,233           | 4,559  | 403,022               | 41,283                  | 444,304                    | 1,850                     | 446,154      |
| Restatement IFRS 16                   | 0        | 0             | 0               | 0              | 0                 | 0  |                       |                         | 0                          | 0                         | 0            |
| Dividends                             | 0        | 0             | 0               | 0              | (17,431)          | 0  | (17,431)              | 0                       | (17,431)                   |                           | (17,431)     |
| Stock options (IFRS 2)                | 0        | 0             | 0               | 1,146          | 0                 | 0  | 1,146                 | 0                       | 1,146                      |                           | 1,146        |
| Capital movements <sup>1</sup>        | 56       | 133           | 0               | 0              | 0                 | 0  | 189                   | 0                       | 189                        |                           | 189          |
| Shareholders' movements               | 56       | 133           | 0               | 1,146          | (17,431)          | 0  | (16,096)              | 0                       | (16,096)                   | 0                         | (16,096)     |
| Profit (loss) of the period           | 0        | 0             | 0               | 0              | (8,844)           | 0  | (8,844)               | 12,154                  | 3,310                      | (145)                     | 3,165        |
| Other comprehensive income            | 0        | 0             | 0               | (1,507)        | 425               | (3)  | (1,085)               | 5,848                   | 4,763                      | 0                         | 4,763        |
| <b>Total comprehensive income</b>     | <b>0</b> | <b>0</b>      | <b>0</b>        | <b>(1,507)</b> | <b>(8,419)</b>    | <b>(3)</b>                                   | <b>(9,929)</b>        | <b>18,002</b>           | <b>8,073</b>               | <b>(145)</b>              | <b>7,928</b> |
| Changes in scope                      | 0        | 0             | 0               | (3,308)        | 62,593            | 0  | 59,285                | (59,285)                | 0                          | 0                         | 0            |
| Equity at the end of the period       | 140,577  | 133,729       | (1,450)         | (2,106)        | 160,976           | 4,556  | 436,282               | (0)                     | 436,281                    | 1,705                     | 437,986      |

## RECONCILIATION WITH ALTERNATIVE PERFORMANCE MEASURES

in thousand EUR

|  | 2022 restated <sup>1</sup>              | 2023               |
|--|---|--------------------|
| <b>Income statement</b>  |   |                    |
| Sales  | 587,834                                 | 529,426            |
| Gross profit   | 113,414                                 | 90,090             |
| EBITDA   | 59,893                                  | 36,123             |
| Operating profit (loss)  | 38,255                                  | 12,582             |
| <b>Operating profit (loss)</b>                                       | <b>38,255</b>                           | <b>12,582</b>      |
| Amortisation of intangible assets                                    | 5,363                                   | 7,596              |
| Depreciation of tangible assets                                      | 15,228                                  | 15,652             |
| Amortisation deferred charges long term                              | 0                                       | 0                  |
| Impairments on goodwill, intangible and tangible fixed assets        | 1,047                                   | 293                |
| <b>EBITDA</b>  | <b>59,892</b>                           | <b>36,123</b>      |
| <b>EBITDA</b>  | <b>59,892</b>                           | <b>36,123</b>      |
| Restructuring charges  | 890                                     | 3,118              |
| Other  | 3,574                                   | (88)               |
| <b>Adjusted EBITDA</b>   | <b>64,356</b>                           | <b>39,153</b>      |
| <b>Operating profit (loss)</b>                                       | <b>38,255</b>                           | <b>12,582</b>      |
| Restructuring charges  | 890                                     | 3,118              |
| Other  | 3,574                                   | (88)               |
| Impairments  | 1,047                                   | 293                |
| <b>Adjusted operating profit (loss)</b>                              | <b>43,766</b>                           | <b>15,905</b>      |
| <b>Total net financial debt</b>                                      |   |                    |
|  | <b>31 DEC 2022 restated<sup>1</sup></b> | <b>31 DEC 2023</b> |
| Non-current financial liabilities                                    | 196,763                                 | 23,082             |
| Current financial liabilities  | 93,824                                  | 6,415              |
| Cash   | (39,782)                                | (191,393)          |
| Other financial assets   | (806)                                   | (27)               |
| <b>Net financial debt on statement of financial position</b>         | <b>249,999</b>                          | <b>(161,923)</b>   |
| Factoring programs   | 13,237                                  | 0                  |
| <b>Total net financial debt</b>                                      | <b>263,236</b>                          | <b>(161,923)</b>   |
| Hedging instruments and interest advances                            |   |                    |
| <b>Gearing ratio (Net financial debt / Total equity)</b>             |   |                    |
| Total equity   | 446,155                                 | 437,987            |
| Net financial debt on statement of financial position / Total equity | 56.0%                                   | N/A                |
| Total net financial debt / Total equity                              | 59.0%                                   | N/A                |
| <b>Leverage ratio (Net financial debt / EBITDA)</b>                  |   |                    |
| Net financial debt on statement of financial position / EBITDA       | 2.2                                     | N/A                |
| Total net financial debt / EBITDA                                    | 2.3                                     | N/A                |
| <b>Net working capital</b>   |   |                    |
| Inventories and contracts in progress                                | 57,346                                  | 43,692             |
| Trade receivables  | 67,716                                  | 78,135             |
| Other receivables  | 35,040                                  | 22,949             |
| Income tax receivables   | 2,332                                   | 3,739              |
| Trade payables   | (75,638)                                | (70,068)           |
| Current contract liabilities   | (7,587)                                 | (8,037)            |
| Income tax payables  | (4,444)                                 | (1,781)            |
| Other amounts payable  | (29,964)                                | (44,955)           |
| <b>Net working capital</b>   | <b>44,800</b>                           | <b>23,674</b>      |
| <b>Current ratio (= Current assets / Current liabilities)</b>        |   |                    |
| Current assets   | 746,452                                 | 339,907            |
| Current liabilities  | 378,042                                 | 131,256            |
| <b>Current ratio (factor)</b>  | <b>2.0</b>                              | <b>2.6</b>         |

## 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 associates:** Income considered as being part of the Group's core business are integrated in Operating profit (loss).

**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).

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

**Margin:** EBITDA margin, Adjusted EBITDA margin, Operating Profit (loss) margin and Adjusted operating profit (loss) margin are expressed as a % on Sales

**Net free cash-flow:** 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.

## About Recticel Group

Recticel Group is a Belgian insulation company with a strong presence in Europe and the USA. Its overriding purpose is to accelerate the fight against climate change with smart solutions that advance a carbon-free economy and a better quality of life.

Recticel Group delivers upon a portfolio of Insulation Boards, Insulated Panels and Acoustic Solutions. **Recticel Insulation** designs polyurethane thermal and thermo-acoustic boards for optimal building comfort and energy efficiency. This includes the vacuum insulation panels (VIP) by Turvac. **Trimo** enables with its mineral wool insulated panels and modular space solution the highest aesthetic standards and extends architectural capabilities, primarily in non-residential applications. With the recent acquisition of **REX Panels & Profiles**, our portfolio now includes PIR insulated panels. **Soundcoat** provides acoustic solutions used in some of the world's leading technological innovations.

At the end of 2023, Recticel employed 1,255 people and achieved sales of € 529.4 million. Since the acquisition of REX Panels & Profiles early 2024, Recticel Group operates from 14 facilities spread over 7 countries.

Recticel Group recently received approval from the Science Based Target initiative (SBTi) on its near and long-term set targets. The company commits to reach net-zero greenhouse gas emissions across the value chain by 2050 from a 2021 base year, with a 90% reduction of scope 1+2 and a 25% reduction on scope 3 by 2030.

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

## Financial calendar

|                                   |                        |
|-----------------------------------|------------------------|
| First quarter trading update 2024 | 29.04.2024 (07:00 CET) |
| Annual General Meeting            | 28.05.2024 (10:00 CET) |
| First half year results 2024      | 30.08.2024 (07:00 CET) |
| Third quarter trading update 2024 | 31.10.2024 (07:00 CET) |

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