

Recticel announces strategy update and the intended sale of its Engineered Foams business

Strategy update

- **Group to focus exclusively on its Insulation business segment, presenting excellent growth and profitability prospects going forward**
- **Consequent sale of Recticel's Engineered Foams business segment, demonstrating far superior value creation versus the unsolicited offer by Greiner**

Transaction highlights

- **Binding offer received from US-based Carpenter Co., one of the world's largest producer of foam and specialty products**
- **Cash consideration based on an enterprise value of EUR 656 million on a cash and debt free basis (representing about €11.65 per Recticel share on a fully diluted basis)**
- **Strong strategic fit with global footprint, complementary product offering and vertical integration**
- **Transaction subject to shareholder approval and to customary conditions including regulatory approval and confirmatory due diligence**

Strategy update

Following the unsolicited offer by Greiner in May 2021, Recticel's Board of Directors concluded that the offer was not in the interest of shareholders and other stakeholders, and significantly undervalued the company.

Subsequently, Recticel's Board of Directors initiated a complete review of its strategic alternatives taking into account the interest of all stakeholders. After due consideration of these alternatives, the Board of Directors came to the conclusion that a better strategic project and superior value can be created by pursuing a strategy to separate its businesses and to dispose Engineered Foams.

Transaction overview

In consequence, Recticel N.V. today announces it has received a binding offer from Carpenter Co. for its Engineered Foams business for a cash consideration based on an Enterprise Value of EUR 656 million on a cash and debt free basis. The Board of Directors will review options for the use of proceeds from the sale of the Engineered Foams business, including the potential distribution to shareholders, taking into account the interests of all stakeholders.

Carpenter Co., headquartered in the US (Richmond, Virginia), is one of the world's largest producers of foam products with more than 4,000 employees and over 50 locations in North America and Europe. Founded in 1948 and privately owned since, Carpenter is active in the US, Canada, the UK, Belgium, France, Germany, Sweden and Denmark. Carpenter achieves approximately USD 2 billion (or approx. EUR 1.7 billion) in annual sales.

Combining Recticel's Engineered Foams business with Carpenter's Foams business will create the world's largest vertically integrated manufacturer of polyurethane foams and specialty polymer products. Recticel's Engineered Foams business will considerably strengthen Carpenter's European division, while complementing its North America division and providing a foothold in Asia.

Olivier Chapelle (CEO of Recticel): *“Combining our Engineered Foams business with Carpenter creates enhanced growth opportunities for our Engineered Foams business, which will in addition benefit from the vertical integration of Carpenter. We believe that Carpenter Co. will be a great new owner for our Engineered Foams employees and business, with strong strategic fit through highly complementary footprint and product offerings, together with a clear focus on both people and customers.*

In addition, together with the intended sale of our Bedding division, we believe that we will be able to unlock the full value potential of Recticel and create superior value for our shareholders versus the unsolicited bid of Greiner.

Brad Beauchamp (CEO of Carpenter Co.): *“We are very excited about today's announcement. The intended acquisition of Recticel's Engineered Foams Business will strengthen our position in the technical foam markets in North America and in Europe through a more diverse and complementary product offering, while establishing a presence in Asia Pacific. It will also accelerate the expansion of our offerings into new markets. We are confident in our ability to execute and complete the transaction and obtain all necessary approvals within the shortest possible timeframe and look forward to join forces with Recticel's Foams business to deliver enhanced value for our customers and shareholders.”*

Next steps

The intended sale of the Engineered Foams business is subject to shareholder approval and to certain customary conditions, including regulatory approvals and confirmatory due diligence. The regulatory approvals relate amongst other to anti-trust clearances. The confirmatory due diligence will be completed before the Extraordinary General Meeting. This Extraordinary General Meeting of shareholders, which is mandatory in accordance with art. 7:152 of the Belgian Companies Code in the context of the current take-over bid, will be planned for early December 2021. The closing of the transaction is expected to take place the second quarter of 2022.

Recticel expects to make further announcements in due course.

Financial calendar

Third quarter 2021 trading update	29.10.2021 (at 07:00 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

RECTICEL	
avenue du Bourget/Bourgetlaan 42, 1130 Brussels	
<u>PRESS</u>	<u>INVESTOR RELATIONS</u>
Mr Olivier Chapelle	Mr Michel De Smedt
Tel: +32 2 775 18 01	Mobile: +32 479 91 11 38
chapelle.olivier@recticel.com	desmedt.michel@recticel.com

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