

## **Recticel enters into a binding agreement with Carpenter on the divestment of its Engineered Foams business line**

- **Binding agreement signed with US-based Carpenter Company, one of the world's largest integrated polyurethane foams producers**
- **Cash consideration based on an enterprise value of EUR 656 million on a cash and debt free basis**
- **Strong strategic fit, highly complementary geographic presence and product offerings**
- **Transaction subject to customary closing conditions and employee information and consultation procedures**

**Following the authorisation given by the shareholders during the Special General Meeting of 06 December 2021, Recticel announces that it has entered into a binding agreement to sell its Engineered Foams business line to the US-based privately owned Carpenter Company (“Carpenter”).**

Under the terms of the agreement the Engineered Foams business line - including the formerly Nordics Bedding activities -, will be sold to Carpenter for an enterprise value of EUR 656 million. The share purchase agreement pertaining to non-French assets of the Engineered Foams division was signed immediately after the shareholders' meeting. Regarding the French assets of the Engineered Foams division, Recticel is following customary employee information and consultation procedures, to be completed before a decision is taken. The confirmatory due diligence has been finalised. The transaction is expected to be closed around mid-2022, subject to customary closing conditions, including anti-trust clearances and employee information and consultation procedures in the relevant jurisdictions.

The net proceeds after transaction costs are expected to amount to EUR 606 million<sup>1</sup> subject to customary closing adjustments. An amount of about EUR 35.8 million IFRS 16 liabilities will be transferred as well. The Board of Directors will review at a later stage options for the use of proceeds from the sale of the Engineered Foams business, including a potential partial distribution to shareholders.

Recticel's Engineered Foams business line develops and produces durable solutions for a wide variety of customer needs in areas such as silencing, sealing, filtering, carrying, protecting, supporting and comforting. In general, it focuses on the production, transformation and commercialisation of predominantly customised, semi-finished products in flexible polyurethane foam. The Engineered Foams activities currently consist of 34 manufacturing locations spread over 4 continents (Europe, North Africa, Asia Pacific and the USA), employing around 2,754 people. In 2020 the business line generated total pro-forma sales of EUR 562 million, excluding the Nordic bedding activities (EUR 15 million).

Carpenter Company, founded in 1948, is privately owned and headquartered in Richmond, VA (USA). Carpenter is a global, diversified and world class chemical company and one of the largest integrated producers of polyurethane foams. It employs around 4,300 employees and has worldwide some 56 production sites. Carpenter, with 2020 annual sales of around USD 2 billion, intends to further develop its flexible foams activities by complementing its existing product offering with technical foams, and expanding its customer base and geographic reach.

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<sup>1</sup> Including the agreed equity value of EUR 503 million and transferred debt and debt-like items and corrected for transaction costs.

**Olivier Chapelle (CEO of Recticel):** *“I was particularly honoured by the huge mobilisation of our shareholders at our Special General Meeting on 6 December as well as by the clear majority of their votes casted in favour of the proposed sale of our Engineered Foams business line to US-based Carpenter Co. This support comforts me and the Board of Directors that the proposed divestment was the best option to safeguard the potential of the business and our employees, as well as the interests of our wide shareholder base. I can’t better express my gratitude for the confidence given by our shareholders in our strategy.*

*I am also confident that we have found, with Carpenter, a new owner with the commercial and industrial capabilities to leverage the full potential of our Engineered Foams proprietary technology and highly qualified teams. Our Engineered Foams employees and customers will find in Carpenter a truly dedicated player in the global foams markets. The complementarity in terms of product range and geographical presence clearly offers a lot of opportunities for end-consumers, retailers and employees.”*

**Brad Beauchamp (CEO of Carpenter):** *“We are very honoured and excited about today’s announcement. The acquisition of Recticel’s Engineered Foams business will without doubt significantly strengthen our global position in the European, Asian and US foams markets. Recticel’s strong know how in technical foams, its excellent R&D track record and the outspoken complementary product offering will allow our company 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 successfully Recticel’s Engineered Foams business and teams in order to deliver enhanced value for our customers.”*

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## Financial calendar

Special General Meeting of Shareholders (Bedding)	24.12.2021 (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](http://www.recticel.com)