

*Uden, the Netherlands 12 May 2021*

## **Beter Bed Holding presents Strategy Update at AGM today: positive trajectory for growth with ability to invest and aim to resume dividends**

**Beter Bed Holding N.V. (BBH) – a sleep specialist operating in the European retail, wholesale and B2B sectors – will present an update on its strategy and its growth plans for the period 2021-2025 during the 2021 Annual General Meeting (AGM) which will be held today.**

### **Highlights Strategy Update 2021-2025:**

- **Growth strategy structured around three areas: 1. digitalisation, 2. development of store network, and 3. roll-out of B2B and wholesale activities.**
- **Supported by a scalable, digitised backbone.**
- **Well-positioned to take advantage of major global trends shaping the industry.**
- **New set of medium-term objectives to underline ambition; leading to best-in-class cash generation to build equity, fund investments and resume dividends.**

During the AGM, John Kruijssen, CEO, and Gabrielle Reijnen, CFO, will present the strategic direction going forward, building on major global trends shaping the future of the bedding industry. BBH is on a positive trajectory for growth, as momentum builds across its businesses to develop changing and new business models and transforms into customer centric, digital first provider of high-quality sleep.

BBH's growth agenda 2025 is structured around three areas:

1. Further digitalisation of the organisation and its online activities with a continuous acceleration of sales through our websites as well as through third-party platforms.
2. Continuous development of store network in order to accommodate the changing customer needs.
3. Further roll-out of the B2B and wholesale activities through expansion, both geographical and of assortment, and the development of a subscription model for B2C and B2B customers.

These three areas will be supported by a scalable, digitised backbone. Based on predictive data analytics, the back office will drive improvements throughout BBH and support smart and efficient business decisions.

### **New medium-term objectives 2025**

As part of the strategy update, BBH shared the following company outlook towards 2025:

- Aim to double the business over the next 5 years.
- Accelerate online sales to achieve a channel share of at least 25% of total sales.
- EBITDA margin target to increase to 16-19%.
- Average annual CAPEX ~ 3% of Net Sales over the period; not equally distributed over the 5 years (slightly higher in year 1-2).
- Best-in-class cash generation to build equity, fund investments and resume distribution of dividends.

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### **Dividend policy**

BBH's dividend policy focuses on maximising shareholder returns whilst maintaining a healthy capital position. BBH is confident that the strong positioning and favourable market trends will allow the company to return to distribution of dividends in line with its dividend policy. Subject to stable financial conditions, including solvency above 30% and a net-interest bearing debt-EBITDA ratio of below 2, the Company aims to pay a dividend of at least 50% of the net profit to shareholders.

**CEO John Kruijssen said:** *"We are excited to accelerate our journey towards a modern, innovative digitalised and above all customer-focussed company. Amidst the post-COVID recovery, we are well-positioned to benefit from increased consumer spending and macro trends pointing at increased attention for well-being and health. With our continued digitalisation and the combination of in-store advice and online sales, we will continue to grow our revenues and profitability. Mid-year, we will also take a next step in sustainability by launching our new CSR strategy. We will offer our customers many more sustainable products and have even more initiatives to handle waste on behalf of our consumers. We are confident that this strategy will deliver value for BBH's shareholders, employees, customers, and communities for the long term."*

### **Investor presentation**

Later today a separate presentation will be held for the analysts' community. The accompanying slide presentation can be accessed by visiting the Investor Relations page on BBH's website [www.beterbedholding.com](http://www.beterbedholding.com) following the presentation.

### **About Beter Bed Holding**

Beter Bed Holding N.V. is a sleep specialist operating in the European retail, wholesale and B2B sectors, providing the very best beds and sleep products at affordable prices to match the unique needs of every customer.

*We believe that the better we sleep, the **happier, healthier and more productive** we are. And we won't rest until everyone gets the high-quality sleep they deserve.*

At year-end 2020, Beter Bed Holding's 151 stores generated revenue of over € 222 million, with approximately 15% share of online revenue.

Beter Bed Holding has been listed on Euronext Amsterdam with security code BBED NL0000339703 since December 1996.

### **For more information**

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