

Uden, the Netherlands, 15 October 2021

Beter Bed Holding continued growth in Q3 2021 and launched several initiatives to drive its strategic plan 2025

Highlights

- Q3 sales increased by 4.9% to € 56.5 million with continued growth from both Benelux and New Business.
- Order intake LfL in Q3 up by 8.3%, resulting in an order book on 30 September 2021 of € 29.2 million (+16.4% vs. last year).
- A compound annual growth rate (CAGR) over Q3 2019 (pre COVID-19) to Q3 2021 (post COVID-19) of 18.7% in sales and 19.9% in order intake is achieved.
- Online sales up 20.0% in Q3, leading to a channel share of 15.8% and YTD channel share of 26.5%.
- Strong performance New Business with significantly improved sales and order intake.
- Strengthened financial position through issue of new shares in July 2021 to offset impact on solvency of repayment of perpetual loan.
- Strategic plan 2025 well underway with several initiatives launched.

€ million	Sales 2021 Q3				
	Sales 2021 Q3	% Growth vs. 2020 Q3	LFL sales growth vs. 2020 Q3	LFL order intake growth vs. 2020 Q3	Online sales as % of total sales
Benelux	52.4	1.5%	1.9%	5.9%	16.0%
New Business	4.1	85.3%	85.3%	57.7%	12.9%
Total	56.5	4.9%	5.4%	8.3%	15.8%

€ million	Sales 2021 Q3 YTD				
	Sales 2021 YTD	% Growth vs. 2020 YTD	LFL sales growth vs. 2020 YTD	LFL order intake growth vs. 2020 YTD	Online sales as % of total sales
Benelux	143.6	-0.3%	0.1%	-0.4%	27.4%
New Business	10.1	55.8%	55.8%	69.3%	13.1%
Total	153.7	2.1%	2.5%	2.6%	26.5%

John Kruijssen, CEO of Beter Bed Holding (BBH), comments:

"BBH has shown a solid performance in sales and order intake resulting in an increased order book. Our New Business continues to gain traction and we have launched several new initiatives in line with our transformation into a customer centric, digital first provider of high-quality sleep. Leazzzy & Paper Bed went live in September and had a good start, and the Beter Bed Experience in Groningen Sontplein - which opened in the summer period - exceeded all expectations. Recently, LUNEXT went live as the next step in our online journey, with the opening of the first e-DC of 11,000 m² in Veghel to facilitate further online growth as a major milestone. These initiatives solidify our market leading position in the Benelux and wholesale markets, and combined with the strong order book positions us well for accelerated growth towards 2025."

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COVID-19 update

Currently, most of COVID-19 related restrictions to daily life have been lifted allowing us largely to return to 'normal'. The global economies currently experience subsequent effects, such as tight labour markets, supply chain issues, shortages of production and high costs of transportation which have also impacted BBH. Looking forward, BBH will continue its proactive approach and does not expect the impact of these issues to increase. We will continue to keep higher stock levels, amend our planning towards suppliers and forward buying, when appropriate.

Implementation progress Strategic plan

1. New brand campaign 'Peter de Beter Bed-weter'

Beter Bed has recently launched a new brand campaign that translates our sharpened positioning 'Better sleep, better life' in a recognisable, appealing and humorous way. The commercial features a spokesperson (well-known Dutch actor Arnoud Bos) for the brand called 'Peter de Beter Bed-weter' which translates into someone who is a know-it-all (about sleep). In various humorous short videos which are broadcasted in a number of formats and platforms, Peter educates friends, family and neighbours about the benefits of good sleep. He conveniently forgets to mention the fact that he is merely parroting the expertise he previously gained from Beter Bed's online and in-store sleep advisors. The brand campaign is aimed at raising awareness that better sleep results in better life and growing performance indicators and has already resulted in numerous positive publications.

2. Beter Bed Experience Centre Groningen Sontplein

Beter Bed has opened a new experience centre in Groningen at Sontplein. In this new centre, new ideas about digitisation, products, layout and method of advice will be tested. Customers experience the sleep expertise of Beter Bed to its fullest. In Groningen visitors can experience two atmospheres: day and night. We claim the morning in addition to the obvious night. A good night's sleep ensures a vital start to life. The centre is packed with (digital) novelties such as the previously positively piloted 'Beter Slapen ID', a measuring technology that uses sensors to measure your body, where customers receive a personal sleep profile, including tailored mattress advice. The official grand opening of the new Beter Bed Experience Centre is planned for beginning of November.

3. LUNEXT

Our strategic ambition is to grow online sales to at least € 100 million by 2025. To facilitate this, LUNEXT has been launched. LUNEXT is a distinct organisation to build specific disciplines, attract digital talent which allows us to run the operation in an agile way with a true scale-up mentality. With a combination of a network of physical shops and a strong e-commerce proposition, BBH is making full use of the key trends that are dictating the future of the sleep domain. Investments in Tech, Supply Chain and Human Capital enable the company to achieve its goals as an online player. A new department in data & analytics has been established, with the goal of fuelling key customer and business insights across the company. In addition, Beter Bed continues to extend its online position in the Dutch sleeping market and was voted category winner of the 'ABN AMRO Webshop Award in the Netherlands' for the fifth time by consumers. Beter Bed is a nominee for the overall winner of the 'ABN AMRO Best Webshop Award'.

4. Beter Bed 11,000 m² Online fulfilment centre Veghel

BBH is opening its first specialised e-DC of over 11,000 m², taking an important step in increasing the scalability and future-proofing the supply chain for online growth. The e-DC, which is located in Veghel, the Netherlands, provides space for considerable assortment expansion and offers the possibility to meet our customer's delivery needs within 24 hours. The e-DC will be fully operational by the end of October.

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5. Leazzy - Beter Bed's sleep subscription

With Leazzy, Beter Bed has entered the subscription market. Via a monthly payment method, customers subscribe to a high-quality box spring. With this additional business model, Beter Bed will tap into a new customer segment: customers opting for monthly payment convenience, carefree sleeping, and additional services during the subscription period. The subscription model also provides significant benefits from a sustainability perspective: by including the retrieval and disposal of the product after the subscription period as part of its offering, the possibility for the product to reach the end of its lifetime and consequently ending up as waste is minimised. At the same time this opens up the ability to explore the refurbishment, reuse and recycle possibilities, and guarantee the best possible solution in line with BBH's CSR strategy.

6. Paper Bed

On Sustainable Tuesday, 7 September 2021, Beter Bed and cardboard specialist KarTent launched the Paper Bed: a cardboard bed that is comfortable, sustainable and affordable. The Paper Bed is made from Dutch recycled cardboard and is 100% recyclable. As part of the Paper Bed line, the partners will also launch other cardboard products such as bedside tables, bedside lamps and wardrobes. These new sustainable products are available in the Beter Bed and KarTent webshops and in the new Beter Bed Experience in Groningen, located at Sontplein.

Financial / operational review Q3 2021

Benelux

Beter Bed and Beddenreus have been able to show solid growth in order intake (+5.9% LfL) and sales (+1.5%) compared to the very strong same period last year. This was driven by active and aggressive marketing during the summer and sale period. Online sales grew by +14.6% in Q3 compared to last year, resulting in a +84.4% for September YTD 2021.

Category Management has been able to mitigate the high commodity prices through management of the product mix, forward buys and more and better stock planning. In addition, the new mattress collection BBright was introduced in the first 30 stores. This innovative collection differentiates through excellent sleep comfort and circular components.

New Business

DBC

The performance of DBC has been strong over Q3, with significantly improved order intake (+57.7% LfL) and sales (+85.3%). During Holland Slapen - the largest national sleep fair - M line launched a brand new box spring collection M line 'Elite' and 'Supreme'. Additionally M line further rolled out the successful Iconic collection across the Benelux to more than 100 selling points. In the Beter Bed stores, the first circular M line mattress was launched under the new name 'Green Motion'. DBC has extended the contract with NOC*NSF being the official sleep supplier.

Leazzy

Leazzy made a promising start following the soft launch in September. More subscription requests came in than anticipated, which is expected to be further supported by the Leazzy marketing campaign which kicked off last week.

About Beter Bed Holding

Beter Bed Holding (BBH) is the Netherlands' leading sleep specialist in retail, wholesale and B2B.

Our mission is simple. *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.*

Listed on Euronext Amsterdam, BBH operates the successful retail brands Beter Bed, Beddenreus and the new subscription brand Leazzy. In addition, through its subsidiary DBC International, BBH has a wholesale business in branded products in the bedroom furnishings sector, which includes the well-known international brand M line.

With 3 distribution centres, a fleet of 80 vehicles, 134 stores and a fast-growing online presence, our team of over 1,000 dedicated employees served nearly 200,000 customers in 2020, generating over € 200 million in revenue.

Providing expert sleep advice is at the very heart of our strategy, and thanks to our revolutionary 'Beter Slapen ID' tool, our sleep consultants help customers to get the perfect night's sleep. BBH is proud that M line is the official sleep supplier of AFC Ajax, TeamNL, Jumbo-Visma, NOC*NSF and the KNVB.

For more information

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