

Uden, the Netherlands, 22 April 2022

Beter Bed Holding shows strong sales performance in Q1 2022

Highlights first quarter

- Sales increased by 38.6% compared with Q1 2021 to € 60.5 million with strong performance across all businesses.
- Like-for-like order intake increased by 40.5% over the first quarter mainly driven by mandatory store closures.
- Online sales amounted to a 21.0% channel share.
- Order book increased to € 19.5 million per end Q1 2022, up 11.3% versus Q1 last year.
- Performance well above pre-COVID levels with sales CAGR of 9.7% and order intake CAGR of 8.5% compared with Q1 2020.
- Implementation of strategic plan in full swing with the rollout of Beter Slapen ID and implementation of the B Bright box spring collection.

€ million	Sales 2022 Q1				
	Sales 2022 Q1	% Growth vs. 2021 Q1	LFL sales growth vs. 2021 Q1	LFL order intake growth vs. 2021 Q1	Online sales as % of total sales
Benelux	56.4	38.5%	37.9%	43.7%	22.0%
New Business	4.1	40.6%	40.6%	9.5%	7.7%
Total	60.5	38.6%	38.0%	40.5%	21.0%

John Kruijssen, CEO, comments:

"We had a strong start to 2022. Our sales increased by almost 40% compared with the same quarter of last year, and we saw a compound annual growth rate of almost 10% compared with the pre-COVID levels. At the same time, we invested in further improvements to our online proposition and already have a solid channel share of 21%.

We have been able to mitigate the supply chain imbalances and price increases, ensuring a consistent value-for-money proposition, which is highly valued by our customers. Our strategy is bearing fruit, with the introduction of many new and innovative products. We have started the rollout of Beter Slapen ID, following extensive testing in the pilot stores. Beter Bed Holding is actively investing in product innovation and in its operations in order to reduce the impact on the environment. We will continue to invest in new propositions, our digital capabilities and the look & feel of our existing stores and are confident we are well underway to deliver upon our growth targets for 2025."

Benelux

Benelux showed a solid performance in Q1 2022 with sales up 38.5% and like-for-like order intake at +43.7%, with stores closed two weeks during the quarter. Our online results were driven by further improvements to our proposition, including the addition of a new payment method (Klarna in 3), further reduction of delivery times and the addition of a new assortment within the bedding textile at competitive price points.



Online market data shows that we have been outperforming the market in Q1 – driving traffic to our website more effectively. Additionally, an extensive new in-store sales training programme has been initiated for our store personnel.

The new B Bright box spring collection was rolled out into stores at the end of the quarter, which brings an updated trendy box spring assortment with a mix-and-match concept. First results of the new collection look promising. Following extensive testing in the Experience store in Groningen, Beter Slapen ID rollout to stores has started – an in-store measurement solution that provides independent mattress recommendations based on the customer's personal needs. We now offer country-wide coverage of the Beter Slapen ID, with more stores to follow during the remainder of the year.

New Business

Sales in New Business, comprising the DBC wholesale business and Leazzzy, increased by 40.6% to € 4.1 million compared with Q1 last year with an order intake growth of 9.5%.

DBC

Despite the lockdown in the beginning of this year, DBC has shown very strong results with sales +75% vs Q1 in the prior year. A number of significant new B2B customers were formalised and some existing contracts have been extended as a result of the strategic focus on reselling premium M line mattresses in the leisure segment.

In Q1 2022, DBC has rolled out the M line Green Motion collection, consisting of circular and modular mattresses. The Green Motion collection is being endorsed via a national tv campaign, starring Dutch professional football player Vivianne Miedema, supporting the claim of better athlete performance after a night's sleep on their mattresses.

M line also launched a marketing campaign during the Olympic winter games in Beijing, having been the official sleep supplier of NOC*NSF since 2016. Its partnership with TeamNL was promoted through the 'Sleep well, move better' campaign on tv, radio, billboards and in stores. Building on the successful partnership with radio station Qmusic – within the #1 morning show in the Netherlands - M line has now also partnered with Qmusic in Belgium. Finally, Dirk Kuijt and Kjeld Nuis have now been added in the M line podcast on Spotify, explaining the importance of sleep in order to deliver top results.

Leazzzy

The Leazzzy sleep as a service proposition continues to grow, with subscriptions being added every month. In addition to box spring lease, customers are now also able to apply for a mattress subscription and more services will be added in Q2.

Sustainability

In order to enable our customers to make sustainable choices, reduce the impact of our products on the environment and to support the transition to a circular economy, we have launched the Green Motion Circular and Modular mattresses in the premium M line segment in collaboration with our suppliers. We will not use any exhaustive raw materials and enable reuse and recycling of the materials for the production of these mattresses.

Offer best quality rest @ affordable prices



To fulfil our promise in the use of renewable electricity, we have started switching to green electricity for our Beter Bed Holding operations: the shops, our distribution centres and head office. As a result, we will significantly reduce our CO₂ emissions in the coming years. In addition, we started a pilot for the electrification of our commercial vehicle fleet in order to gain experience for the electrification of our entire fleet in the future, aligning with our goal to reduce the use of fossil fuels.

Outlook

Based on the strong start of 2022 and supported by (i) growing customer awareness of the importance of sleep; (ii) the rollout of a new shop format including Beter Slapen ID and (iii) national and international growth of DBC, we remain committed to our strategic priorities and feel confident in our ability to increase revenues in 2022. Beter Bed Holding is offsetting current commodity price increases with continued category management improvements, ensuring a consistent value-for-money proposition to our customers, which is expected to deliver a gross margin towards the end of the year which is stable compared with 2021, despite the current challenging environment. We are increasing our capital expenditures in 2022 to update the look & feel of our existing stores, roll out Beter Slapen ID and continue to build our digital capabilities through LUNEXT, reflecting a step up in the Company's investments to support accelerated omni-channel revenue growth as set out in our 2025 Strategy.

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, the new subscription brand Leazzy and the digital organisation LUNEXT. 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 4 distribution centres, a fleet of 80 vehicles, 134 stores, a fast-growing online presence, and a wholesale company our team of over 1,000 dedicated employees generated € 214.2 million revenue in 2021.

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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