



Annual General Meeting 2019

25 April 2019

Agenda

1. Opening
2. Report of the Management Board on the 2018 financial year
3. Report of the Supervisory Board
4.
 - a. Remuneration policy
 - b. Implementation of the remuneration policy for 2018
 - c. Review of the granting of rights to shares in Beter Bed Holding N.V. (options) (resolution required)
 - d. Consideration of the financial statements for the 2018 financial year
 - e. Presentation of the audit of the financial statements
 - f. Adoption of the financial statements for the 2018 financial year (resolution required)
5. Dividend policy and payment of dividend
6. Corporate Governance
7.
 - a. Discharge of the Management Board from liability in respect of their management (resolution required)
 - b. Discharge of the Supervisory Board from liability in respect of their supervision (resolution required)
8. Proposal to appoint Ms G.E.A. Reijnen as a Supervisory Director (resolution required)
9. Reappointment of the external auditor (resolution required)
10. Authorization of the Management Board to issue (rights to) new shares (resolution required)
11. Authorization of the Management Board to limit or exclude preferential rights (resolution required)
12. Authorization of the Management Board to acquire/repurchase shares in the company's own capital (resolution required)
13. Cancellation of acquired shares (resolution required)
14. Announcements
15. Any other business
16. Closing

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Introduction

John Kruijssen

Financials

Hugo van den Ochtend

Progress on strategy

John Kruijssen



Executive summary

Confidence in our new mid-term strategy

2018 turned into a transition year. Significant low financial performance. Immediate restructuring delivered.

First promising signals are showing the new strategy is the right one

Good performance in Benelux, Sweden and DBC

Online acceleration throughout the Group

The pace needs to be stepped up at Matratzen Concord

2018 has been a transition year, with low financial performance

H1 2018

H2 2018

First observations

External Challenges



Market developments & business model shifts



Supplier issues



Unfavourable weather conditions

Internal changes



Legacy of the 'Good to great' strategy



Management changes across countries



Return on NBD investments slower than planned

Resulted in disappointing H1 2018

Immediate actions taken

Free up Cash

- Delay payments
- Intensify collections
- Inventory clearance

Cost Savings

- Initiated sourcing actions
- Reduction of overhead and sales-support / sales management structure
- Stop hiring people (unless...)

Cost Avoidance

- Tighter control on spend
- Reduction of non-critical temp contracts
- Established CAPEX freeze

Beter Bed needed strong and decisive actions to break the trend

H1 2018

H2 2018

FD.nl

Beter Bed zet het mes in de kosten

Beter Bed wil voor 2020 €25 mln aan kosten uit de onderneming snijden en gaat flink investeren in de onlineverkoop van bedden en matrassen. Dat heeft het bedrijf uit Uden vrijdag op een beleggersbijeenkomst over de strategie van de komende jaren bekendgemaakt.

FD.nl

Beter Bed-baas: 'We moeten logheid van ons afschudden'

De omzet in Duitsland holt achteruit en het aandeel is in een jaar tijd ruim 75% in waarde gedaald. De nieuwe CEO John Kruijssen grijpt hard in. Beter Bed gaat het anders aanpakken. En met andere mensen. De nieuwe topman John Kruijssen heeft deze week drastische maatregelen aangekondigd om het bedrijf overeind te houden.

Short-term restructuring & mid-term strategy

- Discontinued El Gigante del Colchon in Spain
- Initiated & completed short-term restructuring in Germany:
 - ✓ Closed down 176 stores in Germany
 - ✓ Reduced 64 FTE at HQ in Germany
 - ✓ Reduced > €8 million inventory
- Exchanged management teams
- Continued CAPEX freeze
- Started one-group procurement
- Established international group governance
- Developed & launched mid-term strategy
- Organized first ever BBH CMD in October 2018

Current mid-term focus is to recover profitable sales growth

Short-term restructuring



2018

- Closed 172 stores in DACH
- Terminated contracts of 64 Fte
- Inventory reduction of > € 8 million
- Stopped marketing and IT projects
- Discontinued operations in Spain

Recover profitable sales growth

H1 2019

- Aggressive sales growth
- Value for money proposition
- Online acceleration
- Performance culture
- Cost savings

Focus for today

H2 2019

- Drive execution on all initiatives
- New product-brands
- From online to omni acceleration

2020

- Innovations & new commercial initiatives
- Prototyping new formats & propositions
- Group synergies

Win as value for money leader

2021 & 2022

- Profitable growth & expansion
- Leader in sleep technology
- Sustainability as key business driver

Mid-term Strategy

Agenda

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Ochtend

Progress on strategy

John Kruijssen



Our performance framework

Accelerate our Strategy

- Value for money proposition
 - Lowest price guarantee
 - Market share improvement
- Best advice
 - Customer satisfaction
- Accelerate seamless omni-channel
 - Online 20% of total Sales
- Performance culture
 - Employee engagement
 - CSR targets delivered
- Cost leadership
 - € 25 million cost savings by 2020

Regain Profitable Growth

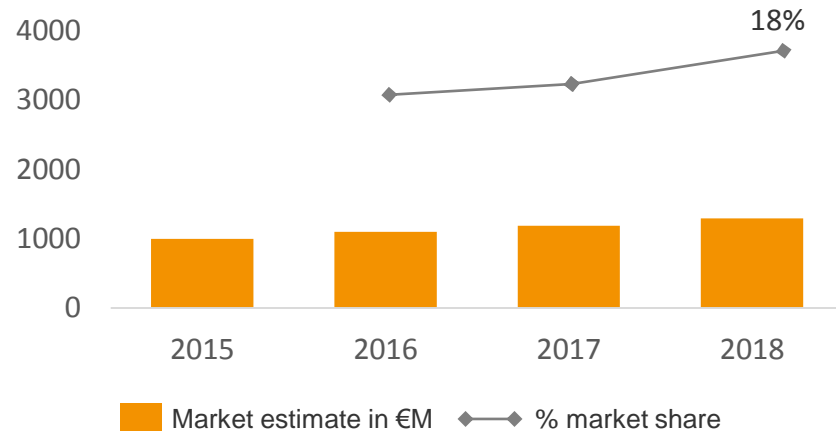
- Sales growth ambition of 4-5% per year
- EBITDA margin ambition of 7-9% of Sales

Drive Value Creation

- Balanced portfolio
- Capex of 3-4% of Sales, shifting to Digital and IT
- Structural Net Working Capital improvements
- Operate within leverage and TNW ratios
- Maintain dividend pay-out ratio ambition of minimum 50%, if financial position sufficient

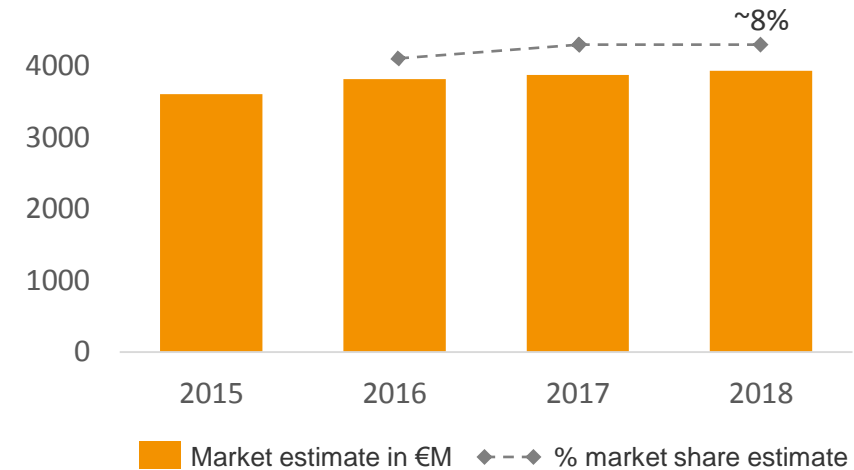
Steadily growing markets

Bedding market in the Netherlands



- Market development shows a slight growth in overall market
- BB & BR outperforming the marketing and displaying a growth in market share

Bedding market in Germany



- Best market estimates indicate flat market development in Germany
- Market share development in traditional segment estimated stable in Germany

Continued strong customer satisfaction

Customer satisfaction



EKomi: 9.4

Q1 2019



Trusted shops: 8.3

Q1 2019

- Consistently high customer satisfaction scores
- Diverse methods have been used, converging to one standard across the group
- Currently focused on customers after delivery, will be enriched with customer satisfaction across entire journey

Good first step in delivering € 25 million Cost savings by 2020

COGS



- Year deals suppliers renegotiated
- Volume rationalization initiated
- Supplier rationalization initiated

Ambition '18 & '19:
€ 3.5 – 4.5M
Realized so far:
40-50%

Productivity



- DACH employee overtime reduced
- Benelux store organization optimized

Ambition '18 & '19:
€ 5.0 – 6.0M
Realized so far:
85-95%

Operating Expenses



- Rental costs reduced as part of restructuring
- Operational costs reduced
- Group IT systems simplified

Ambition '18 & '19:
€ 4.0 – 6.0M
Realized so far:
80-90%

Organizational Structure



- DACH HQ reduction

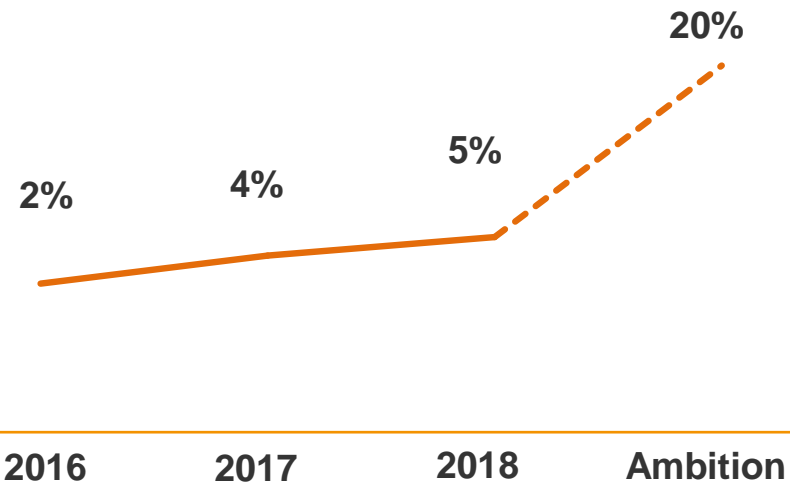
Ambition '18 & '19:
€ 3.0 – 4.0M
Realized so far:
90-100%

Promising start with online channel share acceleration

Online channel share

% of Total Sales

All entities Beter Bed Holding



- Online acceleration in Benelux & DACH, successful focus on the core.
- In Q1 2019 the online channel share continued growing strongly to 6.4%
- Vision how to harmonize fulfillment, backbone (IT and platform) and marketplaces across the Group
- Rollout best practices to Belgium, Sweden, Austria and Switzerland
- Strong improvement of ROPO program through digital visibility of physical stores driving traffic

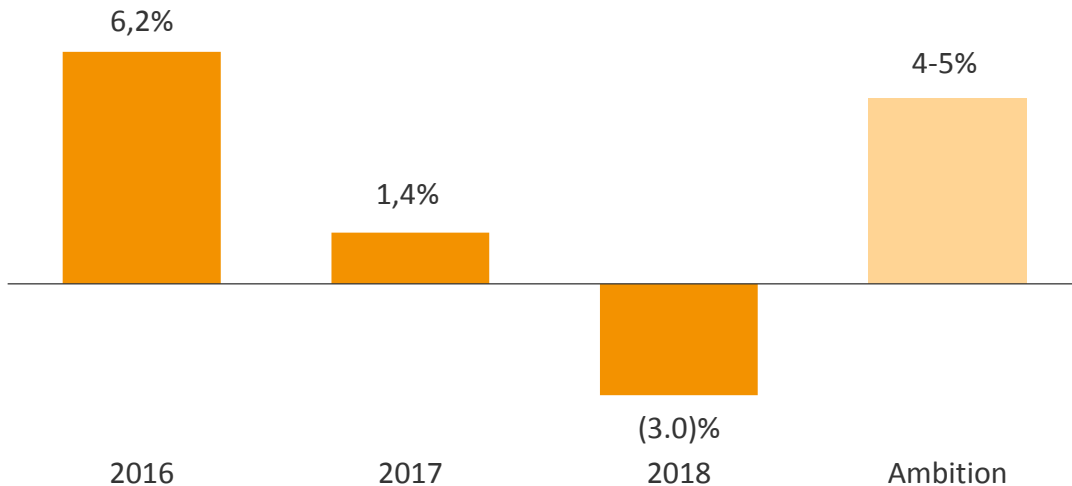


Preparing for the turnaround of sales

Sales growth

% versus prior year

All entities Beter Bed Holding



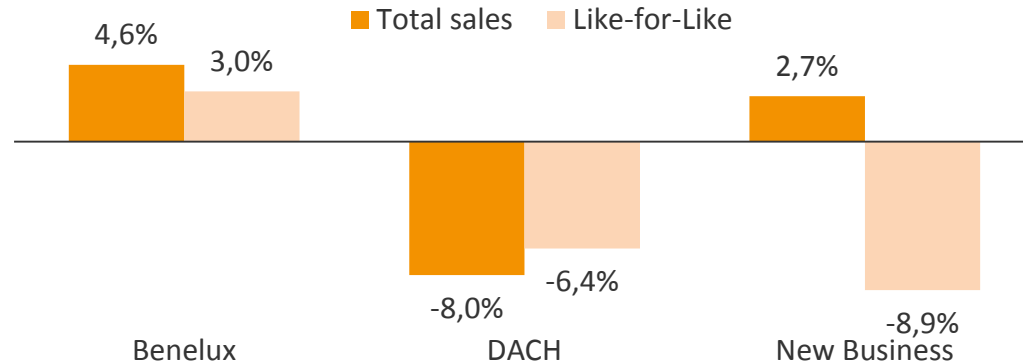
- Decline in 2018 due to weak performance
- Pressure on price points due to competitiveness, attractive promotions, and assortment mix
- Contribution DBC still small, but very promising
- Successful expansion in Sweden and Belgium
- Q1 2019 shows a -10.5% vs prior year, mainly as a result of Matratzen Concord store closures
- Confident that the actions to turnaround the sales are the right ones and will contribute to reach the mid-term ambition of 4-5% annual growth



Good performance Benelux; disappointing DACH

Sales growth by region in 2018

% versus prior year, store portfolio per 1-1-2019
All entities Beter Bed Holding



- Benelux: growing market performance continued in Q1 2019. Strong commercial proposition, new campaigns, attractive price points and growing online
- Decline in DACH due to weak proposition. Activities to turn sales momentum (declining since 2015) launched in Q1 2019
- Successful expansion in Sweden. Focus shifted to like-for-like sales. DBC has several new promising opportunities

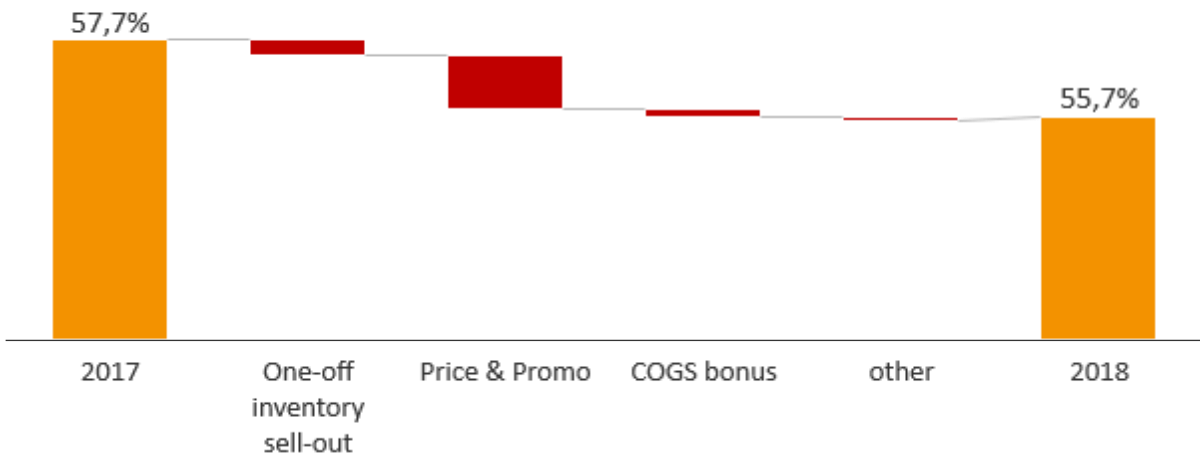


Gross profit decreased due to increased competitive pressure

Gross profit development

In % of Sales

All entities Beter Bed Holding



Gross profit decreased due to:

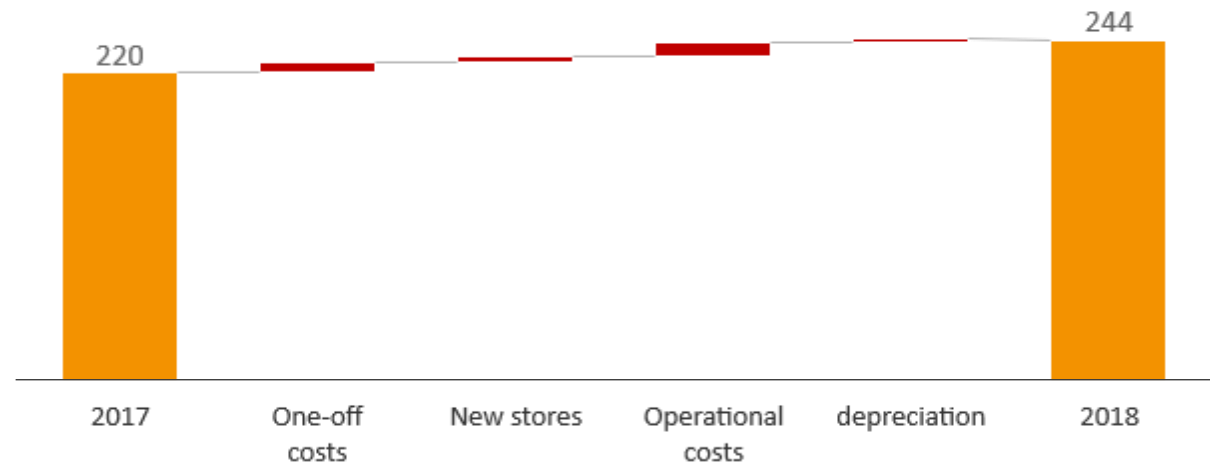
- Shift towards new assortment at lower price points than traditional mattresses through online
- COGS savings programs to compensate the lower margins have been kicked-off and will start to materialize in 2019
- More promo pressure at Matratzen Concord to compensate the weaker proposition
- One-off sell-out prices at the closed Matratzen Concord stores

Operating expenses increased; restructuring was necessary

Operating expenses

In million €

All entities Beter Bed Holding, based on continued operations



The one-off costs of the restructuring of € 7.6 million all taken in 2018

Expansion program of Belgium, Sweden and Beddenreus caused an increased cost basis

Operational cost increased due to historical commitments. Depreciation increased due to 2017 and 2018 Q1-Q3 capital expenditures in physical stores and new warehouse in Switzerland

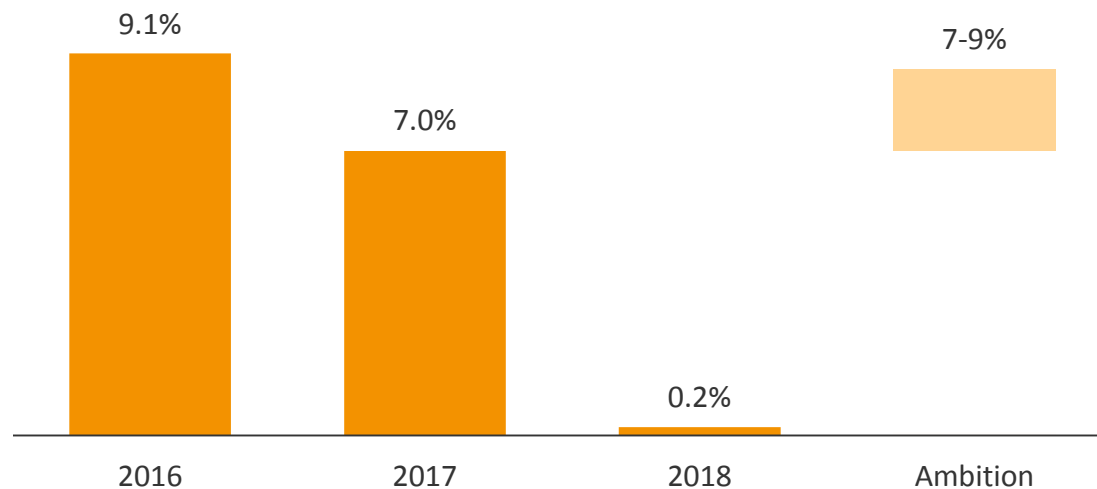
Increases are already addressed by the restructuring: € 15 million costs eliminated

EBITDA margin shows that the Q4 restructuring was needed

EBITDA margin

In % of Sales

All entities Beter Bed Holding, based on continued operations



EBITDA margin dropped due to the Q1-Q3 performance, showing that the historical business model did not work anymore

Key reasons for strong decrease:

- Lower sales per store at Matratzen Concord
- Lower gross profit %
- Higher fixed costs basis
- Higher logistical costs for customer's demand for home delivery

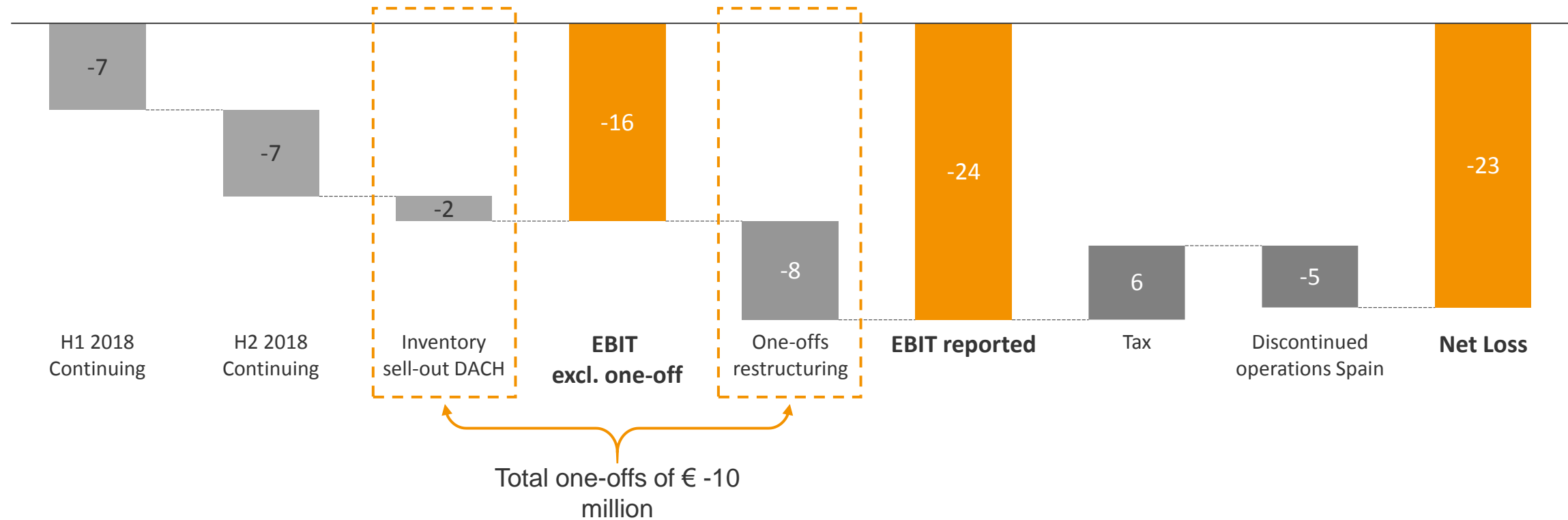
The Q4 restructuring was successful. The continued operation is well equipped to gradually grow towards the mid-term ambition of 7-9% EBITDA margin

Net loss due to both continued operations and one-offs

EBIT & Net Loss in 2018

In € millions

All entities Beter Bed Holding

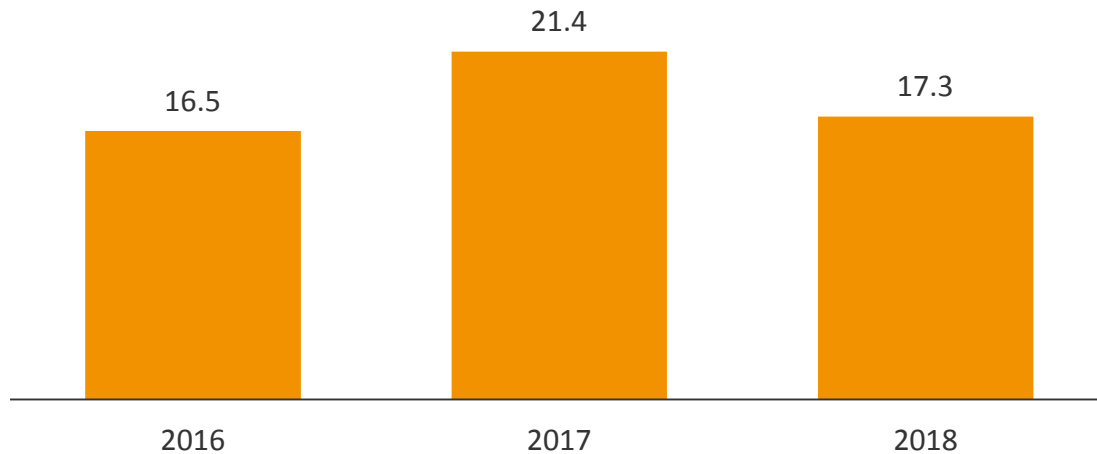


Capex freeze will be extended to the end of 2019

Capex

Year on Year development in million €

All entities Beter Bed Holding, based on continued operations



Capex spend...

- Historical capex level of 4-5% of sales
- Capex freeze as of mid-2018 extended to end of 2019
- After 2019, capex will gradually grow to 3-4% of sales

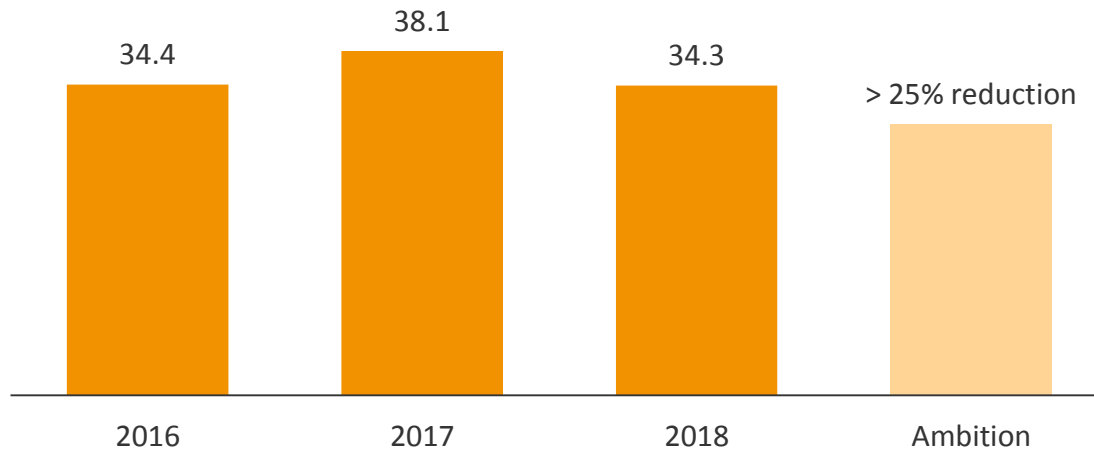
...shifting to omni-channel & IT

- Priority for future investments are Omni-channel, Digital and IT
- Physical stores will benefit most from omni-channel investments through increased store traffic
- Limited and very targeted Capex to physical stores

Delivered € 4 million Net working capital reduction

Net working capital

In million €, inventory - AP + AR, at year end
All entities Beter Bed Holding



Promising 2018 reduction:

- Inventory optimization program of € 10 million cash due to new processes and focus
- Some good support from suppliers and landlords
- Partially offset by lower trade payables

2019-2020 include:

- European supply chain management program
- Automation where possible
- Ambition of 25% reduction



Significant low performance in 2018

Profit & Loss statement continuing operations

In thousand €	2018		2017	
Sales	396,331		408,785	
Cost of sales	(175,424)		(172,924)	
Gross Profit	220,907	55.7%	235,861	57.7%
Personnel expenses	(110,255)		(105,820)	
Depreciation and amortisation	(16,187)		(12,559)	
Other operating expenses	(118,152)		(101,754)	
Total operating expenses	(244,594)	(61.7)%	(220,133)	(53.9)%
Operating profit (loss) (EBIT)	(23,687)	(6.0)%	15,728	3.8%
Finance income	268		104	
Finance costs	(1,424)		(510)	
Profit (loss) before taxation	(24,843)	(6.3)%	15,322	3.7%
Income tax	6,239		(4,494)	
Net profit (loss) from continuing operations	(18,604)	(4.7)%	10,828	2.6%
Net loss from discontinued operation	(4,646)		(1,303)	
Net profit (loss)	(23,250)	(5.9)%	9,525	2.3%

Sales decrease due to performance in (especially) Germany

Good performance in Benelux

Online acceleration in all markets

Positive EBITDA excluding one-off restructuring costs

Negative EBIT due to lower sales, higher Opex, and restructuring costs

Tax gain includes benefit of closing operation in Spain

Smaller balance sheet mainly due to inventory reduction program

Consolidated balance sheet

In thousand €

2018

2017

Total assets

Tangible assets

41,257

44,236

Intangible assets

11,311

9,030

Financial assets

13,367

2,879

Inventories

55,679

65,697

Receivables

12,893

17,219

Cash and cash equivalents

6,173

17,669

Total assets

140,680

156,730

Total Equity and Liabilities

Equity

46,636

70,184

Provisions

1,003

44

Deferred tax liabilities

3,452

3,383

Current liabilities

89,589

83,119

Total equity and liabilities

140,680

156,730

Financial assets includes the deferred tax assets

Intangible assets: Investments in E-com and CRM systems

Delivered inventory reduction in order to generate cash for the restructuring

Lower receivables due pre-payment corporate income tax

Lower equity due to 2018 loss

Cash flow

Consolidated Cash Flow Statement

In thousand €	2018	2017
Operating profit (loss) from continued operations	(23,687)	15,728
Operating loss from discontinued operations	(4,198)	(1,303)
Net finance costs	(1,604)	(406)
Income tax paid	(145)	(8,865)
Depreciation and amortisation	17,745	12,847
Costs of share-based compensation	83	268
Movements in:		
- Inventories	10,018	(3,813)
- Other Working Capital	1,806	1,230
Cash flow from operating activities	18	15,686
Additions to (in)tangible assets	(17,328)	(21,384)
Disposals of (in)tangible assets	524	207
Changes in non-current receivables	432	134
Cash flow from investing activities	(16,372)	(21,043)
Dividend paid	(659)	(16,247)
Cash flow from financing activities	(659)	(16,247)
Change in net cash and cash equivalents	(17,013)	(21,604)

Cash flow stabilized due to inventory program

Positive cash flow from operating activities

Addition of assets due to capex program committed before mid-2018

Total cash-out of € 17 million

Financing and other items

The mid-term strategy includes clear ambitions to return to cash generation

The amended bank agreement on the net debt / EBITDA covenant per year-end 2018 was delivered

The two open tax items (discontinuation Spain; intercompany loans in Germany) are closed

The Group started a formal legal case against BASF, updates will follow when applicable

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Offer best **QUALITY REST** @ **AFFORDABLE** prices





Consumer needs

-  Health & well-being
-  Lifestyle
-  Affordable
-  Accessible
-  Sustainable

Win as value for money leader

1. Customer focused value for money **PROPOSITION**
2. Best sleep **ADVICE** throughout the full customer journey
3. Seamless **OMNI-CHANNEL** experience
4. Strong **PERFORMANCE CULTURE** to win, lead & outcompete
5. Streamlined operating model and **COST** leadership

Consumer experience

-  Too much complexity
-  Choice paradox: black box
-  Time consuming & frustrating
-  Don't care & take shortcuts



Customer focused businesses



Sales growth ambition of 4 - 5% per year
EBITDA margin ambition of 7 - 9% of Sales

Creating sustainable value

Dividend policy maintained

The sleep domain is more relevant than ever

Quality sleep is vital ...



Physical health
Happiness
Productivity
Creativity
Attractiveness
Success

(>17k studies)



... but under pressure



Work-life
Stress
Sleeping-
disorders
Screen-time



Innovations in bedding

One size fits all



Smart beds & mattresses



Sustainability



Technological innovations

Sleep tracking apps & sensors



Sleep stimulation technology



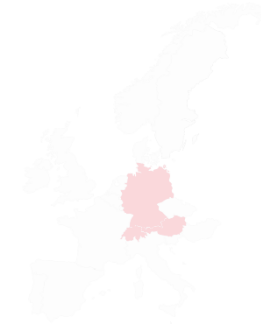
Our geographies

Discontinued exploitation

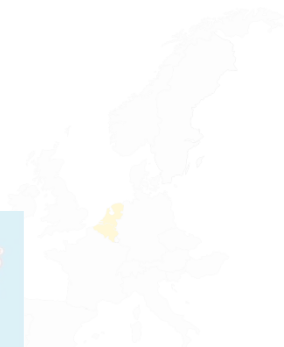


Spain

**MATRATZEN
CONCORD**
GANZ SCHÖN AUSGESCHLAFEN



DACH



Benelux

New Business



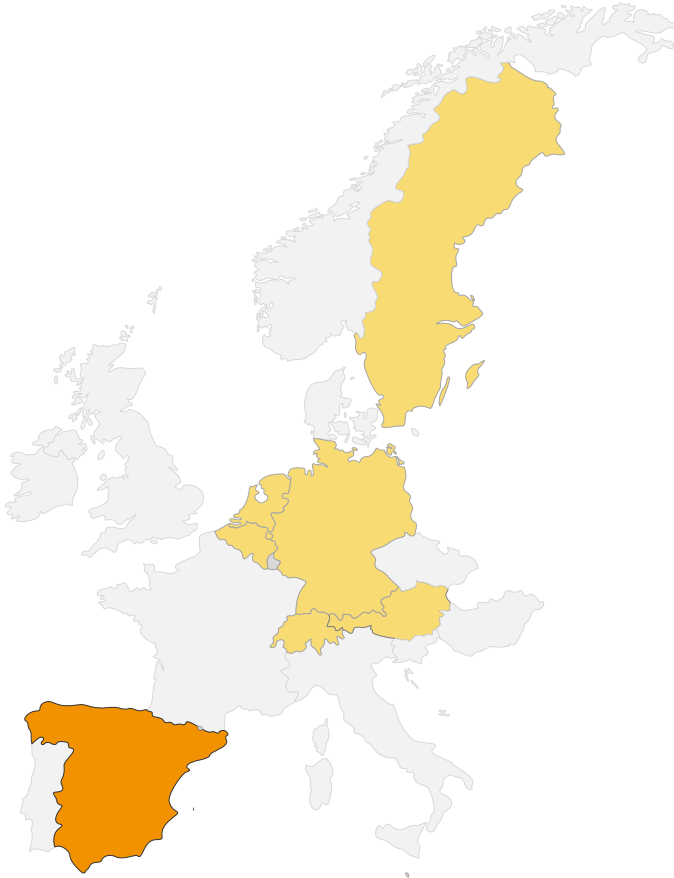
Sweden

dbc INT



Europe

Exploitation of El Gigante del Colchón discontinued per Nov 1st



- Strategic outlook questionable
- Break-even would require unrealistic growth
- High Capex required in SCM & IT
- High degree of complexity requires disproportionate management attention
- Executed discontinuation as asset deal
- The new owner is Evolución del Descanso, a former supplier and retailer

Our geographies

Discontinued exploitation

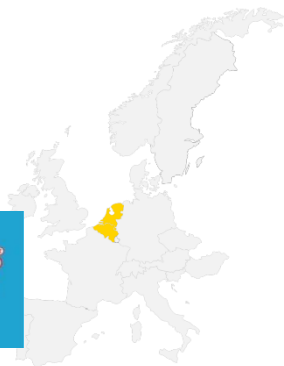


Spain

**MATRATZEN
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DACH



Benelux

New Business



Sweden

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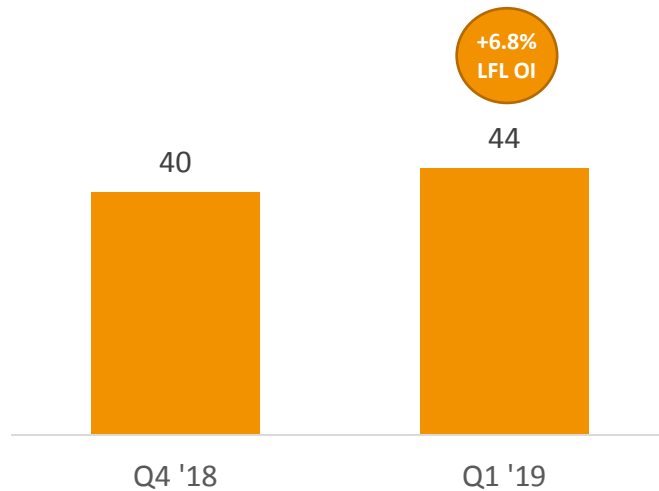


Europe

Continued strong Benelux performance

Sales results in Q4'18 and Q1'19

In € million



2018

- Good sales performance in Benelux markets
- Attractive promotions, relevant product offering, strong online presence and high level of service in stores

Q1 2019
& outlook

- Strong like for like order intake of +6.8% driven by:
 - strong commercial proposition
 - new campaigns
 - attractive price points
 - growing online
- € 5M higher orderbook compared to last year
- Several initiatives taken to accelerate the supply chain together with suppliers
- Launch of Tempur per 1 April. Very promising support model agreed

Focused value for money assortment



New value for money propositions



Wave



Mattress for Life



Element



Tempur

New marketing campaigns

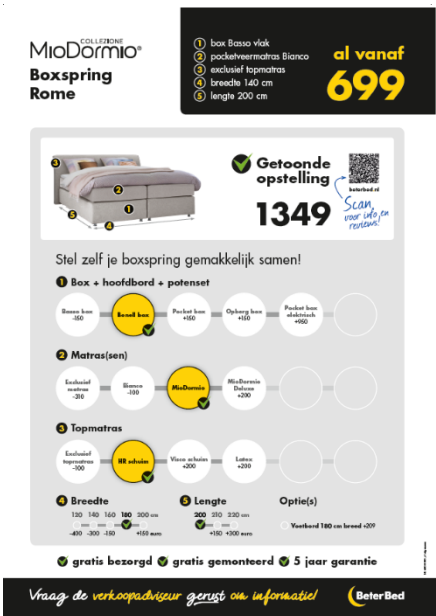


Black Friday & Cyber Monday



VAT free week

New price communications



New price tags & increased price transparency

Strengthen advice to continue helping our customers

From: sales people



To: the best sleep advice across channels



IN-STORE

- “Store of the year” in NL and BE
- Tailored customer-driven advice
- Groupwide advice logic



OMNI-CHANNEL

- Box spring configurator
- Individualized CRM

In-store pilot live
First use case live



ONLINE

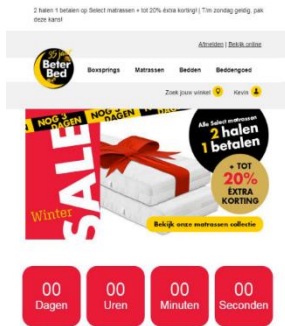
- Online mattress finder
- After-sales communication





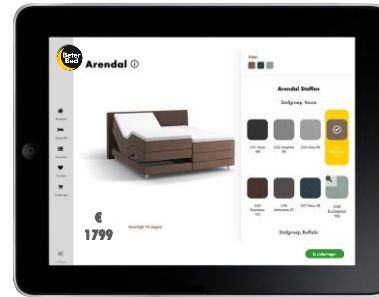
Strengthened online position to >10% channel share

Great value for money, including
“op=op” timers



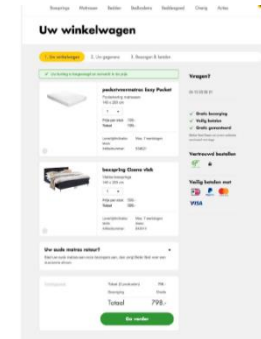
New campaigns

Full omni-channel (ROPO) focus



Acceleration on marketplaces

Conversion +0,2% pts



Online advice through mattress finder



wehkamp



A stronger performance culture: win, lead & outcompete

Focus on performance

- Improved transparency
- Performance cycle
- Succession planning



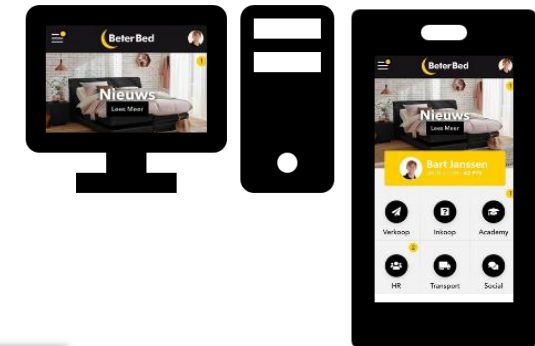
Enable ambitions

- Management development
- Group academy
- Best practice sharing



Feedback culture

- Satisfaction survey
- Improving onboarding



Improved new **incentive program** that better aligns with individual sales targets
New incentive structure to be implemented

Consistent 2019 **targets** for top management on financial performance

Redesign of **function house** that will create clear development paths for employees.
Implementation of new function house well underway

Communication app has been successfully launched in NL and will be further rolled out in the Benelux

Performance culture enables to win, lead & outcompete

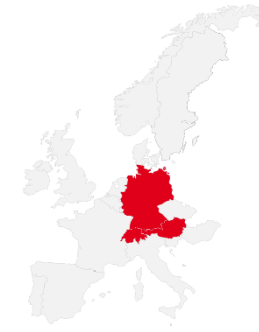
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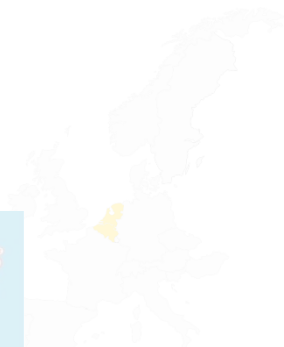


Spain

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DACH



Benelux

New Business



Sweden

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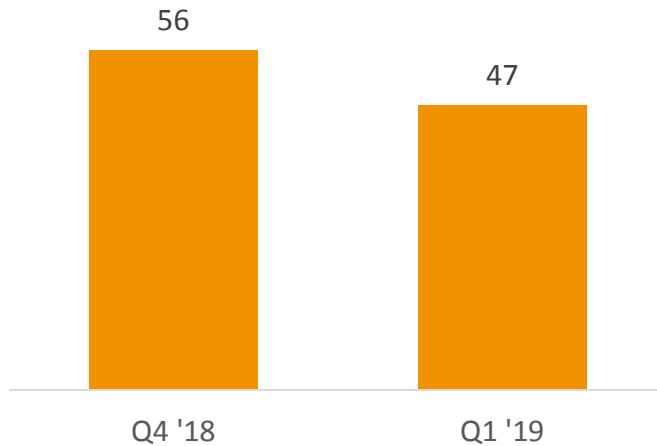


Europe

Restructuring in DACH completed, turnaround activities started

Sales results in Q4'18 and Q1'19

In € million



2018

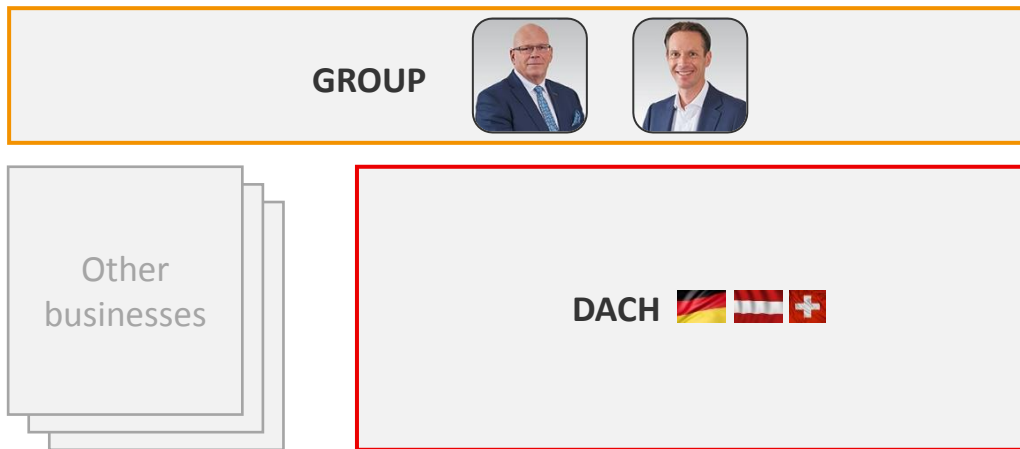
- Weak performance due to outdated proposition
- Restructuring in DACH completed, profitability trend improved

Q1 2019
& outlook

- After the successful cost rationalization, focus shifted to sales turnaround
- Promising interventions taken
 - New value-for-money assortment, particularly in mattresses
 - New discount communication
 - Online acceleration
 - New store-incentive system
- To accelerate the implementation, the organization structure has been sharpened

Management board takes charge of DACH to strengthen country focus

**MATRATZEN
CONCORD**



- Group management board takes charge of DACH regional management
- Existing leadership is repositioned to enable a tailored focus per country:
 - Focus of Germany is on accelerating the turnaround
 - Focus of Austria and Switzerland is on growth & business development

First priority was to strengthen entry-level assortment

**MATRATZEN
CONCORD**



Bodyscout



Available online and in stores since Oct 2018



- Strengthen mattress assortment range at € 200 price point

StiWa mattresses



Available online since Dec 2018 and in stores from mid Feb 2019



- New StiWa assortment. Strong customer recognition
- Store staff incentive program including new value for money assortment per Q2 2019

Pura boxspring



Available online, rolled out to stores as of Oct 2018, available in all stores from end of Jan 2019



- Strengthen competitive box spring assortment range while market is at € 600 - 800

Further sharpening of the Matratzen Concord category propositions

**MATRATZEN
CONCORD**



“Strengthening position as Fach discounter”

1

More differentiated focus per category

Leading specialist in mattresses



Disruptive in boxspring



Complementary bedframes & textiles



2

Emphasize Good-better-best assortment structure to clarify value-for-money

3

Loud & aggressive communications to increase awareness & understanding on our improved value proposition

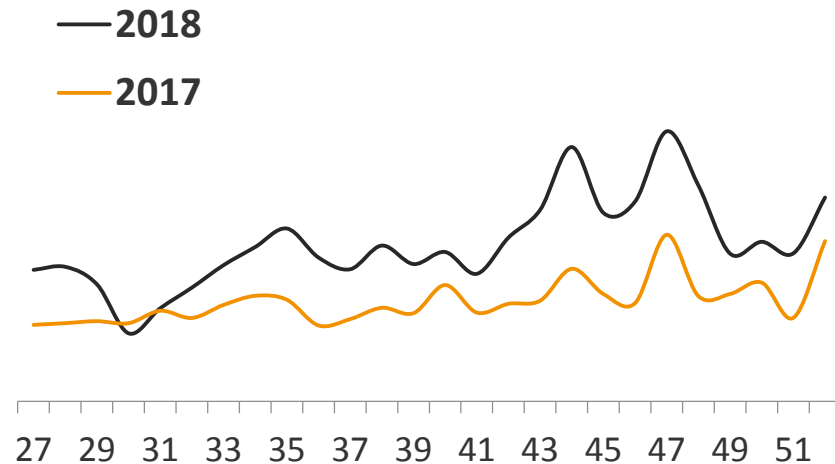
4

Drive traffic through data-driven marketing campaigns



Very promising acceleration of online sales

Online sales matratzen-concord.de Q3-Q4



Great value for money; including
online only deals



New campaigns



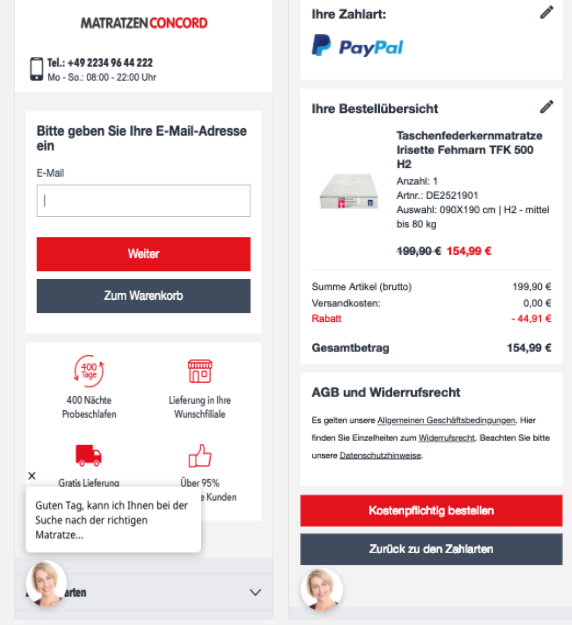
Full omni-channel (ROPO) focus



Preparing launch at new
marketplaces

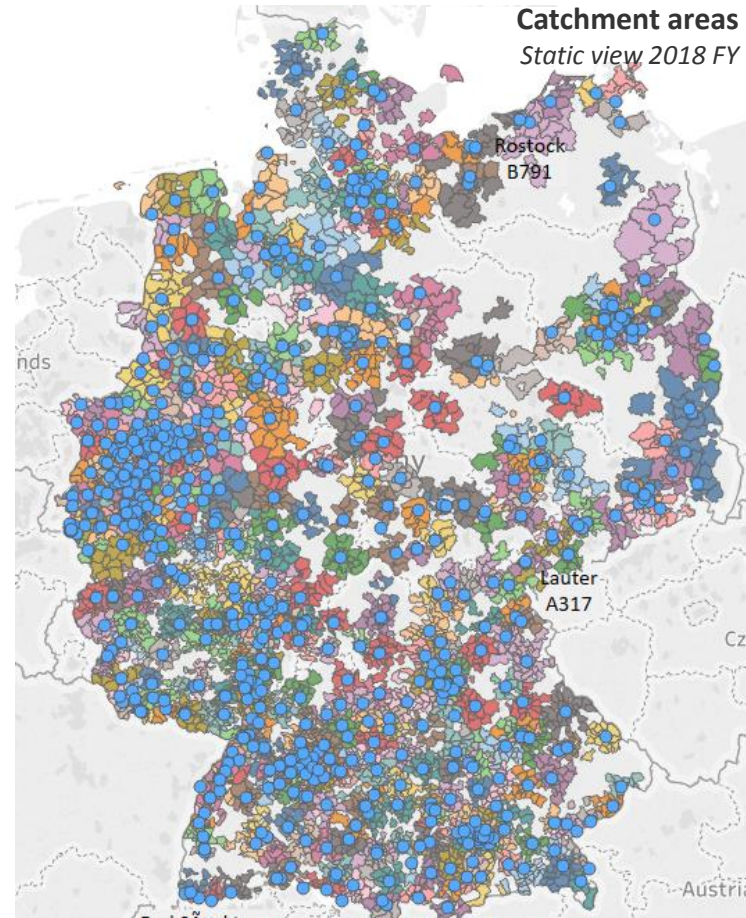
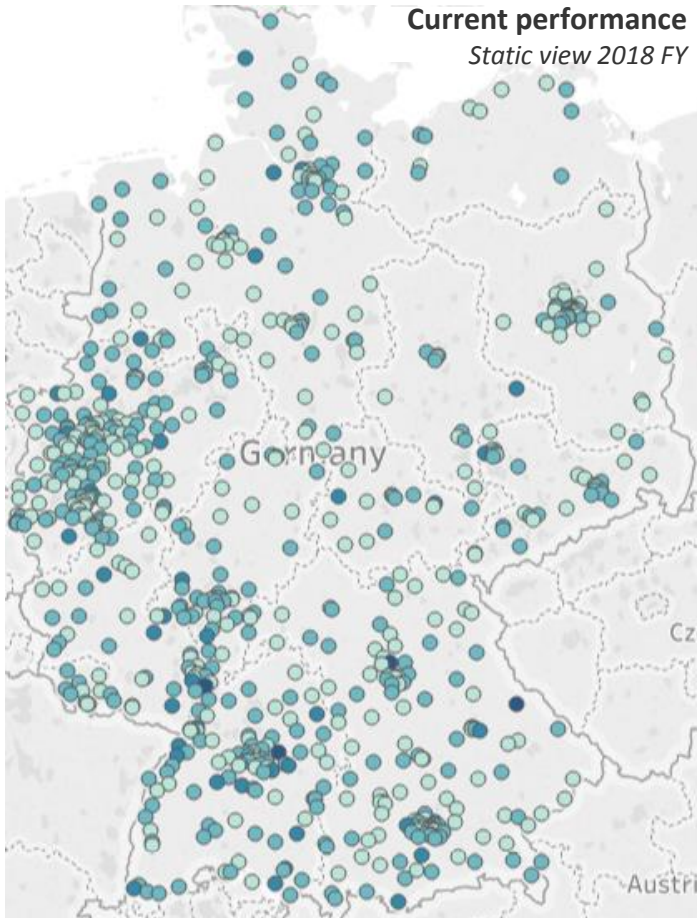


New check-out; + 50% conversion



Store performance continues to be reviewed, current focus on turnaround

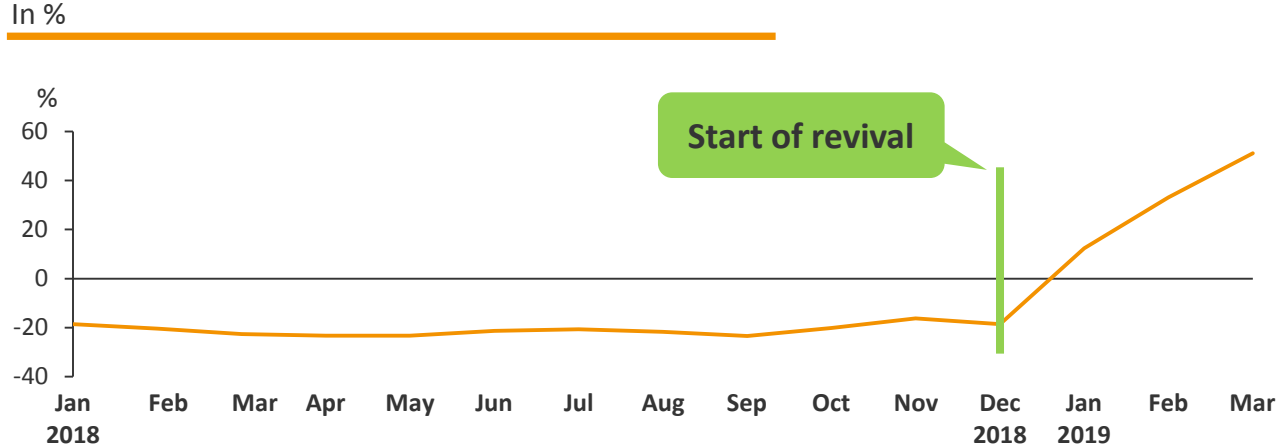
Data-driven review of store portfolio



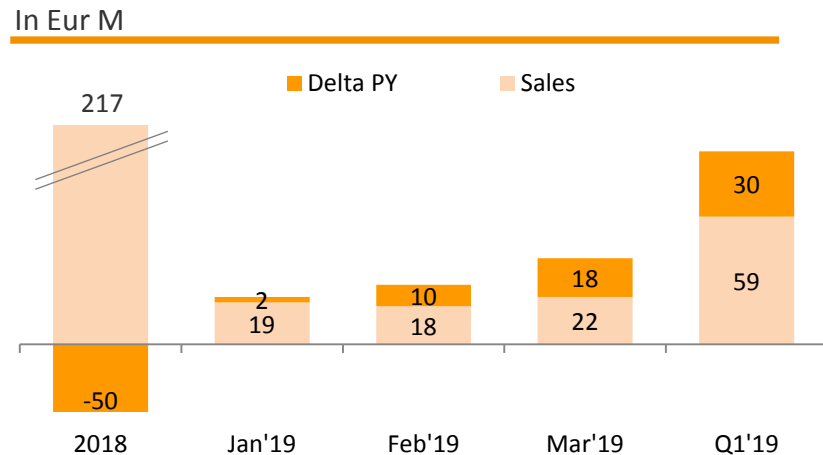
- Ongoing review of the store portfolio is taking place:
 - ~250 stores are growing
 - ~450 stores receive strong operational support to recover
- Action plans are being put in place at store level with objective to either turnaround or expand business
- Turnaround activities and effectiveness of the sales organization are being monitored closely, in a data-driven manner

Real-life example of store revival (1/2)

Sales trend as a % to LY



Total Sales and delta to Previous Year



December 2018

- In mid December 2018 new sales team appointed in the store
- Employees refurbished and did a store clean-up for few days

January 2019

- New store layout finalized
- Improved exposition and POS materials
- Exposed placement of boxspring beds on the separate floor
- Mattress storage in the basement

February 2019

- Improved exposition of frames on the newly set up shelf
- Improved customer feedback (visible at Google-results)

March 2019

- Store as „Umlagerungsfiliale“ established (additional stock location for neighboring stores)

Real-life example of store revival (2/2)

Before



After



- Store much cleaner and tidy
- New communication materials. Successfully tested and rolled out end-March
- New lay-out focused on mattresses, value-for-money articles and better guiding the customers
- Less articles in the store, with inventory based on customer driven algorithms
- No capex involved

A stronger performance culture: win, lead & outcompete

Focus on performance

- Improved transparency
- Performance cycle
- Succession planning



Improved **incentive program** that better aligns with individual sales targets



Consistent 2019 **targets** for top management on financial performance

Enable ambitions

- Management development
- Group academy
- Best practice sharing



Redesign of **function house** that will create clear development paths for employees

Feedback culture

- Satisfaction survey
- Improving onboarding

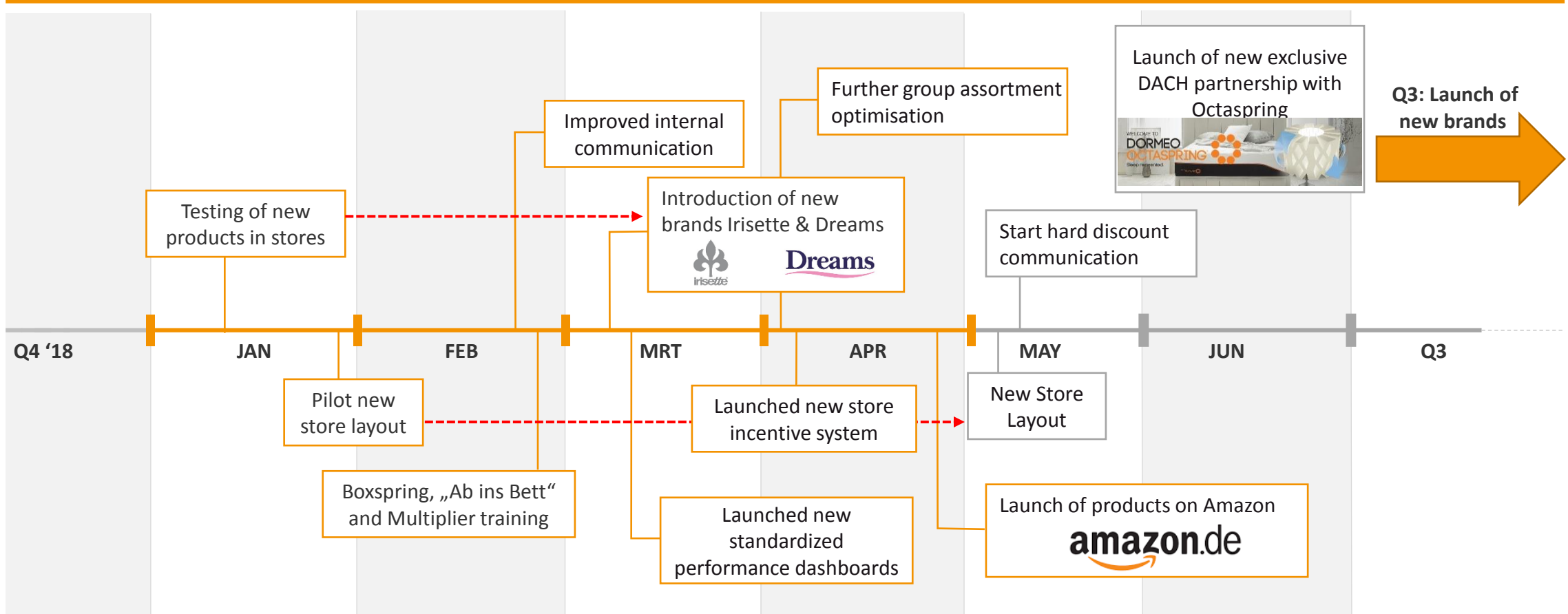


Conducted employee satisfaction survey in DACH. Outcome of survey expected end of May

Performance culture enables to win, lead & outcompete

Successful initiatives provide promising first signals for upcoming period

Overview of initiatives of the last months and projected for coming month:



Our geographies

Discontinued exploitation

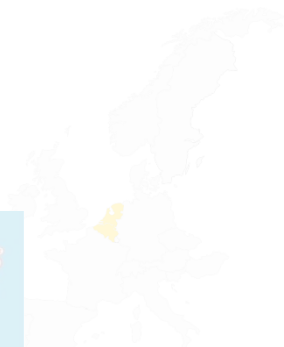


Spain

**MATRATZEN
CONCORD**
GANZ SCHÖN AUSGESCHLAFEN

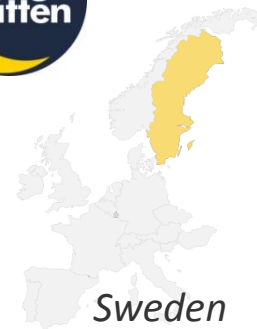


DACH



Benelux

New Business



Sweden

dbc INT

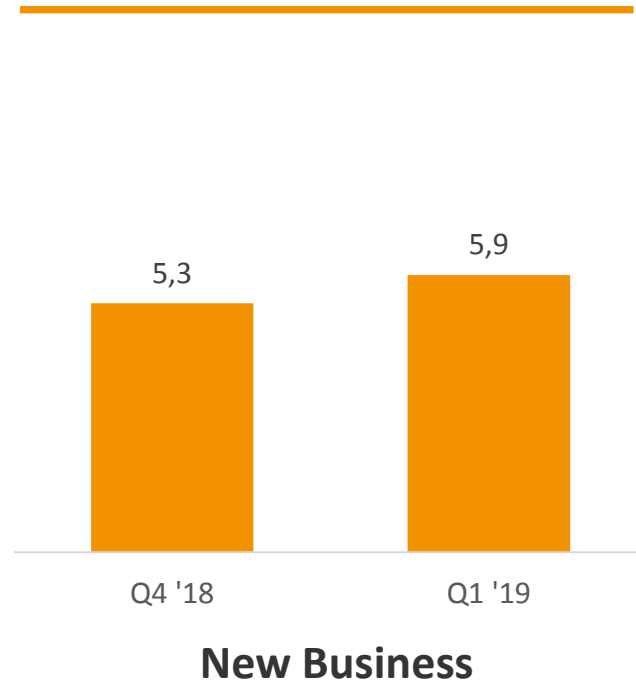


Europe

Focused value for money assortment Sängjätten

Sales results in Q4'18 and Q1'19

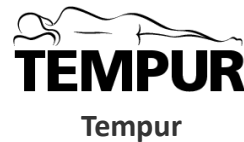
In € million



Sängjätten new value for money propositions & fight for sales



Mattress for Life



Tempur



Eco-life



Sales organization
boost for best advice



Bed package deals



Improved visual
merchandising in store

2018

- Mattress for life proposition launched
- In store navigation robot tested

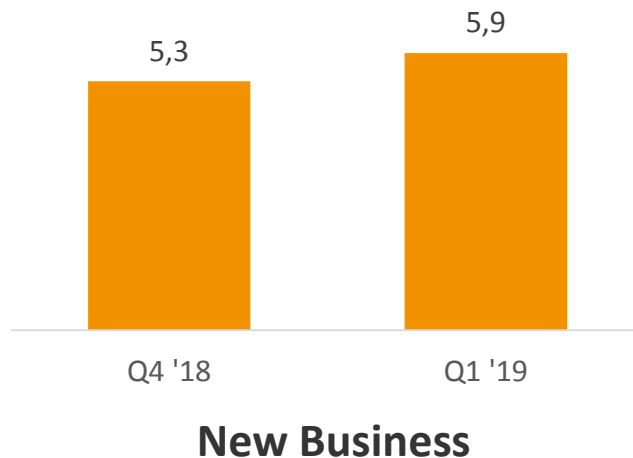
Q1 2019
& outlook

- Eco-life and Tempur to strengthen assortment
- Partnership with Instabox (market leader package distribution SE) for pick-up points to increase instore traffic

Promising wholesale business prospects DBC

Sales results in Q4'18 and Q1'19

In € million



DBC New value for money propositions & development of B2B



2018

- DBC wholesale business is expected to accelerate. Very promising prospects in new market
- Success with Wave mattress (3rd in Consumentenbond) and new M line specifically for dealers

Q1 2019

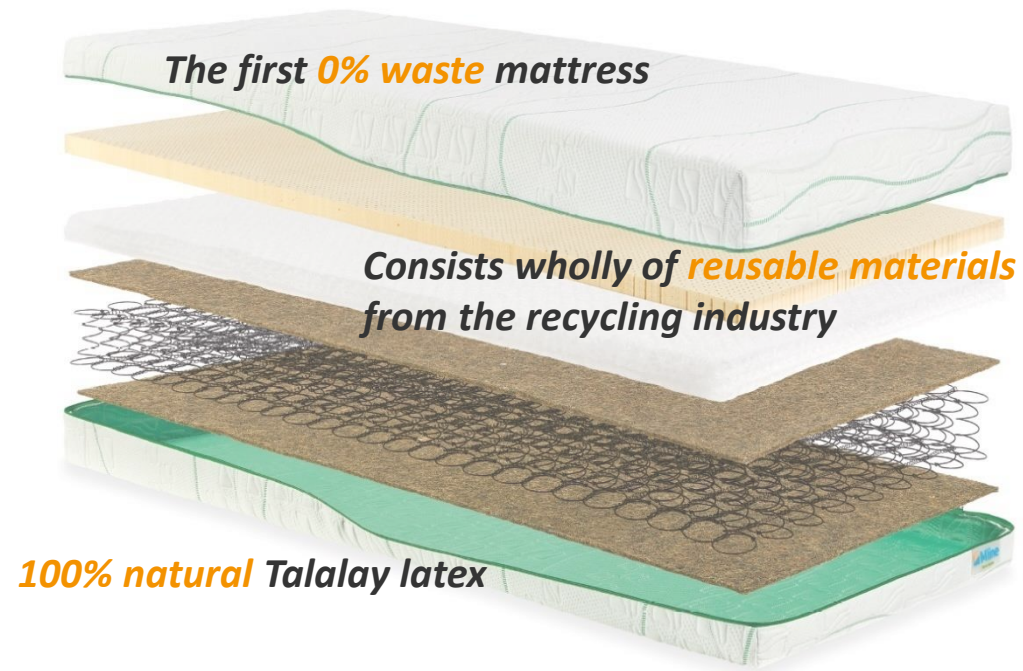
- Very promising contacts with leading international retailers. One LOI signed, preparing for pilot
- New B2B account managers in Benelux and DACH
- First order batch EuroParcs materialized
- Launched at Austrian retailer, new hotels, and new dealers in Belgium: 100+ new leads in pipeline

Innovation & sponsorships

Green Motion

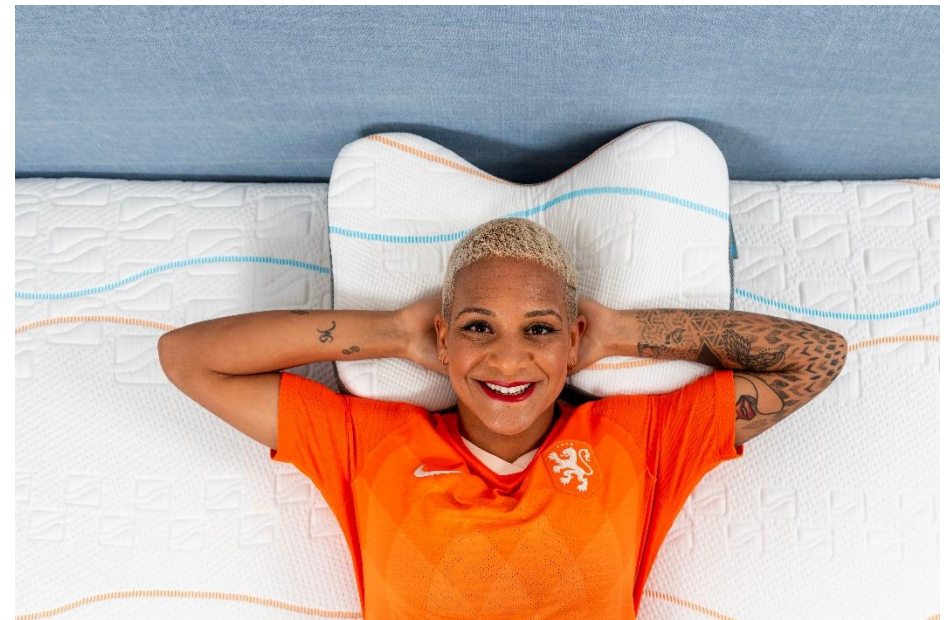
by  Mline

Online and in store: Q2 2019



M line campaign with Shanice van de Sanden

Player of the Dutch National Soccer team



Starting to expand the horizon of our strategy



Envisioned future as value for money leader

From

To

Sleeping experience

Quality products	➔	Sleep solutions / services
Late replenishment	➔	Circular replenishment
Reactive sales	➔	Proactive sleep advice

Customer relation

Complicated offering	➔	Simplified offering
Sales in-store / online	➔	True omni-channel
A great one time deal	➔	Lifetime relationship

Service model

Traditional channels	➔	New / creative channels
Cost efficient	➔	Cost leadership
Leader in core markets	➔	Expansion

Executive summary

Confidence in our new mid-term strategy

2018 turned into a transition year. Significant low financial performance. Immediate restructuring delivered.

First promising signals are showing the new strategy is the right one

Good performance in Benelux, Sweden and DBC

Online acceleration throughout the Group

The pace needs to be stepped up at Matratzen Concord

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Report of supervisory board

- Supervision of and support to the Management Board
- Composition of the Supervisory Board
- Activities of the Supervisory Board 2018
- Audit Committee
- Remuneration Committee
- Corporate Governance

Retirement by rotation schedule

Supervisory Director	Appointed	Retirement/ reappointment
D.R. Goeminne	26-04-2010	AGM 2019
H.C.M. Vermeulen	26-04-2018	AGM 2022
A. Beyens	03-12-2018	AGM 2023
P.C. Boone	03-12-2018	AGM 2023
B.E. Karis	03-12-2018	AGM 2023

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Remuneration policy

- Remuneration report (page 43 - 45)
- Remuneration policy is enterprising in nature but must also be reasonably in ratio with the other members of management
- All of the foregoing taking into consideration:
 - Social context
 - Corporate Governance structure
 - Interests of the stakeholders in Beter Bed Holding
- Remuneration policy of the Management Board is unchanged and consist of the following competitive elements:
 - A fixed salary
 - A pension scheme
 - A variable remuneration
 - Options on shares
 - Other employment benefits
- Remuneration policy of the Supervisory Board is unchanged w.r.t. 2015

Remuneration of the Management Board for 2018

In thousand €	Total	Salary	Pension	Variable remuneration	Employee stock options ¹
A.J.G.P.M. Kruijssen ²	612	338	101	142	31
H.G. van den Ochtend ³	149	85	21	43	-
B.F. Koops ⁴	186	149	37	-	-

¹ Number of options granted multiplied by the value of the option at the time of granting

² As of 1 April 2018

³ As of 1 September 2018

⁴ Up to and including 31 July 2018

Remuneration of the Supervisory Board for 2018

In thousand €	2018	2017
D.R. Goeminne	40	40
H.C.M. Vermeulen ²	17	-
A. Beyens ²	3	-
P.C. Boone ²	3	-
B.E. Karis ²	3	-
E. de Groot ¹	28	30
W.T.C. van der Vis ¹	28	30
A.J.L. Slippens ¹	9	26
Total	131	126

¹ Retired in 2018

² Appointed in 2018

Review of the granting of rights to subscribe for shares (options)

Resolution

**Review of the granting of rights to subscribe for shares
(options)**

Please vote

Presentation PwC



Adoption of the financial statements for the 2018 financial year

Resolution

Adoption of the financial statements for the 2018 financial year

Please vote

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Dividend policy and payment of dividend

- Pay-out ratio > 50%
- Partially as interim-dividend
- Requirements:
 - Solvency > 30%
 - Net interest-bearing debt/EBITDA ratio < 2
- No payment of dividend over 2018:
 - Dividend criteria not met, financial position not sufficient

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Corporate Governance

- The Supervisory Board and the Management Board endorse the principles for good corporate governance as included in the Dutch Corporate Governance Code
- Notes included here relate to the revised Corporate Governance Code published by the Corporate Governance Code Monitoring Committee on 8 December 2016
- The company complies with all best practice provisions of the Code with the exception of best practice provision 3.1.2. (vii)
- Not applicable to the company
 - Principle 4.4 ('Issuing depositary receipts for shares')
 - Principle 5 ('One-tier governance structure')
- Takeover directive
 - Unchanged with respect to previous years

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Discharge of the Management Board

Resolution

Discharge of the Management Board from liability in respect of their management

Please vote

Discharge of the Supervisory Board

Resolution

Discharge of the Supervisory Board from liability in respect of their supervision

Please vote

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Proposal to appoint supervisory director

- Proposal to appoint G.E.A. (Gabriëlle) Reijnen (1967)
- Introduction
- 25 years' experience in financing, corporate finance, M&A advisory, debt & equity capital markets, risk management, cash management, corporate governance and compliance
- **Curriculum Vitae Ms G.E.A. Reijnen (1967)**
Mrs Reijnen earned a master's degree in business economics from Erasmus University Rotterdam, the Netherlands, and is an alumna of Harvard Business School (AMP 182). Previously she was Managing Director at ABN AMRO and Alvarez & Marsal, and Head of Corporate Coverage and member of the Management Team with Royal Bank of Scotland in the Netherlands. Mrs Reijnen serves as a Supervisory Board member at Avantium N.V., Aegon Bank N.V., Aspen Oss B.V. and as board member of Stichting Continuïteit Merus.

Proposal to appoint supervisory director

- Financial expert – Chair of the Audit Committee
- Dutch nationality
- Owns no shares in Beter Bed Holding
- Independent
- Positive Advice Works Council Beter Bed B.V.

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Reappointment of the external auditor

Resolution

Reappointment of the external auditor

Please vote

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Authorization of the Management Board to issue (rights to) new shares

Resolution

Authorization of the Management Board to issue (rights to) new shares

Please vote

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Authorization of the Management Board to limit or exclude preferential rights

Resolution

Authorization of the Management Board to limit or exclude preferential rights

Please vote

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Authorization of the Management Board to acquire/repurchase shares in the company's own capital

Resolution

Authorization of the Management Board to acquire/repurchase shares in the company's own capital

Please vote

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 - b. Discharge of the Supervisory Board from liability in respect of their supervision (resolution required)
8. Proposal to appoint Ms G.E.A. Reijnen as a Supervisory Director (resolution required)
9. Reappointment of the external auditor (resolution required)
10. Authorization of the Management Board to issue (rights to) new shares (resolution required)
11. Authorization of the Management Board to limit or exclude preferential rights (resolution required)
12. Authorization of the Management Board to acquire/repurchase shares in the company's own capital (resolution required)
- 13. Cancellation of acquired shares (resolution required)**
14. Announcements
15. Any other business
16. Closing

Cancellation of acquired shares

Resolution

Cancellation of acquired shares

Please vote

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1. Opening
2. Report of the Management Board on the 2018 financial year
3. Report of the Supervisory Board
4.
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 - b. Implementation of the remuneration policy for 2018
 - c. Review of the granting of rights to shares in Beter Bed Holding N.V. (options) (resolution required)
 - d. Consideration of the financial statements for the 2018 financial year
 - e. Presentation of the audit of the financial statements
 - f. Adoption of the financial statements for the 2018 financial year (resolution required)
5. Dividend policy and payment of dividend
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Announcements

- Retirement of D.R. Goeminne
- Transfer of the gavel and nomination of vice-president

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BeterBed
holding



Any other business?

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