

Uden, the Netherlands, 20 December 2019

Beter Bed Holding agreed new bank covenants and decreased outstanding bank debt with € 16.7 million

As a result of the recent successful completion of the divestment of Matratzen Concord for a purchase price of € 5.0 million, the equity issue to Magical Honour Limited for a total amount of € 5.0 million, and the sale-and-leaseback transactions for its logistic properties in Uden, Hoogeveen and Nieuw-Vennep for a total cash consideration of € 19.1 million, Beter Bed Holding has significantly reduced its net debt position over the last months.

Following completion of the above-mentioned transactions, Beter Bed Holding has made a repayment on its outstanding bank debt of in total € 16.7 million. As a result, total bank debt facilities after this repayment will be € 23.3 million (the "Total Senior Debt").

Additionally, Beter Bed Holding has agreed new financial covenants with its financing banks. The amended agreement with the banks includes the following financial covenants: (i) Total Senior Debt to normalized EBITDA of 2.5x, (ii) a guarantor cover percentage of 70%, and (iii) a clean down that permits that € 13.0 million is outstanding under the uncommitted facilities. Testing of the financial covenants under (i) and (ii) will occur on a quarterly basis and testing of the covenant under (iii) will occur on a monthly basis. The first testing date will be on 31 December 2019. Beter Bed Holding expects to remain well within the agreed financial covenants with an anticipated Total Senior Debt to a normalized EBITDA ratio per 31 December 2019 of less than 1.5x.

Beter Bed Holding will initiate a process to refinance the bank facilities as well as the € 7 million shareholders' loan as soon as practicable in order to refinance Beter Bed Holding ultimately by the end of the current financing agreements in July 2020.

John Kruijssen, CEO of Beter Bed Holding, comments:

"Following the previously communicated milestones, we completed another milestone towards the turnaround of Beter Bed Holding. The group is transforming into a more flexible company that is a market leader in the Benelux. The current financial deleveraging enables us to further accelerate growth of the continuing operations."

In April 2020 Beter Bed Holding will organise a Capital Markets Day to present the further refined plans going forward.

Profile

Beter Bed Holding is a European retail organisation that offers its customers the best quality rest at affordable prices. The organisation's aim is to do this through its international retail brands, through its own wholesaler operation DBC International and, at an increasingly relevant share, through Digital channels.

For more information

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