Beter Bed Holding’s shareholders approve divestment Matratzen Concord

At the Extraordinary General Meeting of 26 November 2019 the shareholders of Beter Bed Holding approved the transaction to divest Matratzen Concord. The approved transaction consists of three elements:

- The approval to divest the Matratzen Concord companies in Germany, Austria and Switzerland to Magical Honour Limited.
- Authorisation to issue 2.15 million new shares to Magical Honour Limited.
- Authorisation to limit or exclude the pre-emptive rights in connection with the issuance of the new shares.

The divestment is expected to complete in early December 2019. With the shareholders’ approval, all major conditions have been satisfied, following the earlier completion of due diligence. Both parties agreed to forego the voluntary notification of the German regulator, while no anti-trust filing was required. The share issuance to Magical Honour Limited will be executed at completion of the divestment or as soon as possible thereafter, but not later than two weeks after completion.

Following completion of the transaction, Beter Bed Holding will transform into a smaller, flexible, growth-orientated and profitable company with a leading position in the Benelux. The net debt of the transformed company is expected to improve to a sustainable level following the (i) the approved transaction and (ii) the sale-and-leaseback program that is currently being completed for the distribution centers, which is expected to lead to net cash proceeds of € 16 million. To drive profitable sales growth in 2020, Beter Bed Holding will focus on its core markets and further develop the omnichannel route-to-market. The refined strategy for the transformed company will be presented at a Capital Markets Day in April 2020.

**John Kruijssen, CEO of Beter Bed Holding, comments:**

“We are pleased and grateful that our shareholders approved the transaction to divest Matratzen Concord and to authorise the issuance of new shares to Magical Honour Limited. With this transaction we will reach a major milestone of the turnaround of Beter Bed Holding and we will be able to focus on value creation. We will improve our financial and commercial fundamentals, with a number of opportunities to further accelerate growth. In April 2020 we will hold our next Capital Markets Day and present our vision going forward. At the same time, we believe we found the best owner for Matratzen Concord. Magical Honour Limited has committed to the necessary investments and to bring the global industry experience and capabilities to transform Matratzen Concord. We wish them and all stakeholders of Matratzen Concord, and especially the employees, all the best in their joint future.”
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.

This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

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