

The LYCRA Company

Q1 Investor Presentation

June 6, 2022

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This presentation includes operational and financial results for the quarter and year ended March 31, 2022. Certain of this information is based solely on management accounts and has not been reviewed or subject to audit procedures. Other information contained in this presentation reflects management estimates for periods prior to the consummation of the acquisition of The LYCRA Company. You should not place undue reliance on these estimates. Our financial information contained in this presentation has been prepared on a good faith basis based on internal reporting for the periods presented. The financial and operational information included in this presentation has not been prepared in a manner consistent with the financial information and results of operations included in the final offering memorandum related to the 7.500% Senior Secured Notes due 2025 and 5.375% Senior Secured Notes due 2023 issued by Eagle Intermediate Global Holding B.V. and Ruyi US Finance LLC (the “final offering memorandum”). Similarly, because the operational and financial results for the quarter ended March 31, 2022 included in this presentation are prepared based solely on management accounts and estimates and has not been subject to audit procedures, such information may not be prepared on a basis consistent with future bondholder reports.

The historical financial information included herein includes financial information that is not required by or presented in accordance with generally accepted accounting principles in the United States of America (“GAAP”) or any other internationally accepted accounting principles, including “EBITDA” and “Adjusted EBITDA,” and the Company’s consolidated financial information for the three months ended March 31, 2021.

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Executive Summary

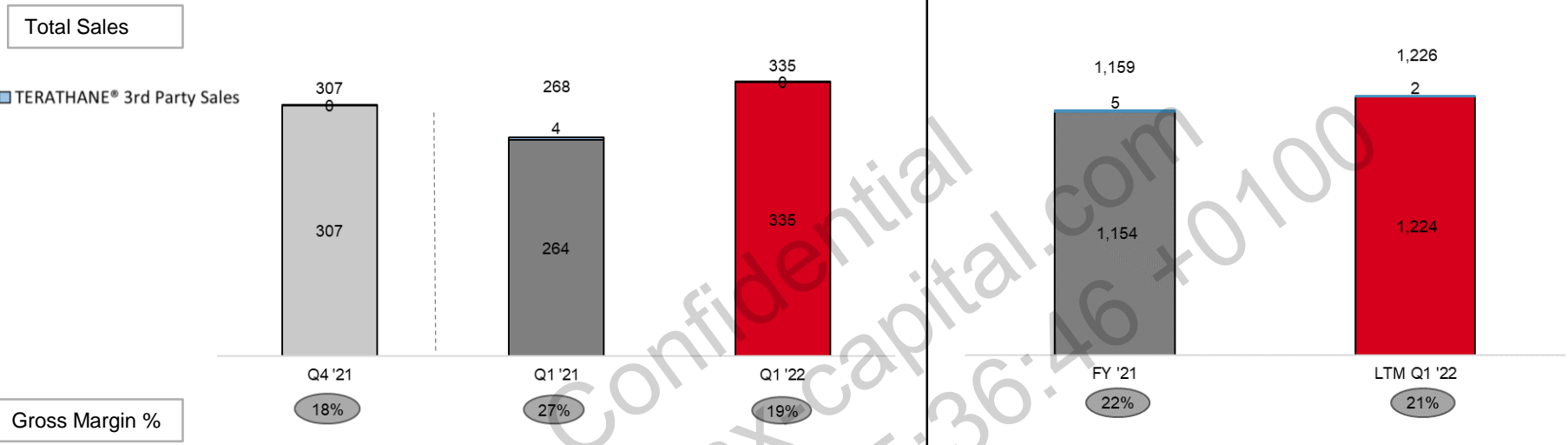
(Values in USD unless noted)

- Q1 '22 EBITDA was \$49 million, up \$21 million vs prior quarter and down \$8 million vs same quarter prior year.
- Higher margins but lower sales volumes in Q1 '22 compared to Q4 '21. The higher margins were driven by LYCRA HyFit® price increases realized in Q1 2022.
- Q1 '22 sales volumes were lower than expected driven by COVID impact in China through a combination of supply and logistical impacts on our customers in addition to lower local demand.
- Q1 '22 results reflect \$65 million increase in raw material costs, \$10 million higher energy costs and \$7 million higher freight costs driven by inflation.

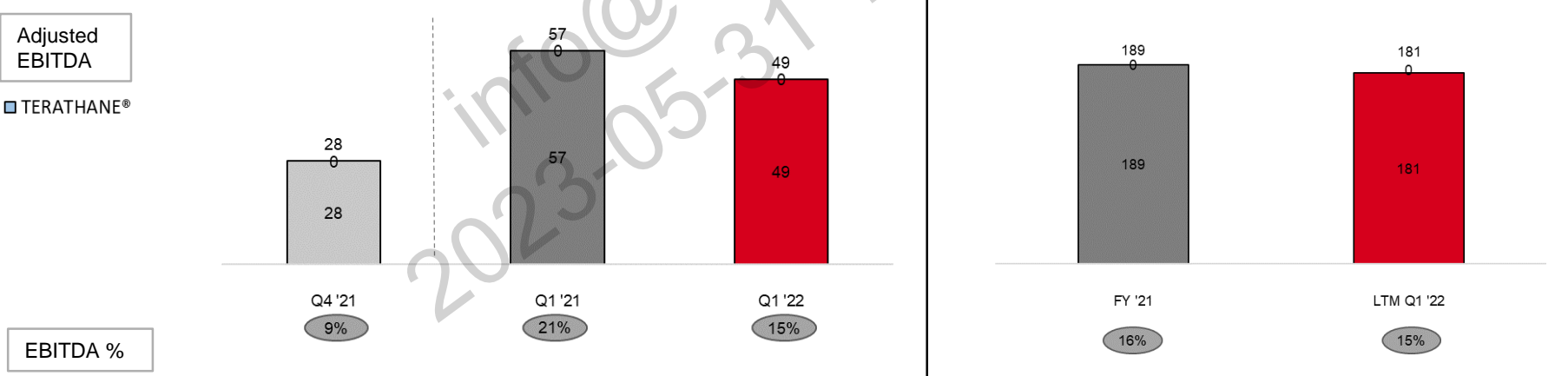
Key Financial Metrics

(Values in millions of USD unless noted)

Consolidated Total Sales & Gross Margin



Adjusted EBITDA



Note: EBITDA and Adjusted EBITDA are not required by or presented in accordance with GAAP or any other internationally accepted accounting principles. The financial information for the TERATHANE® business is internal management data and is not meant to represent a discontinued operations figure, or represent what may be removed from the consolidated financials after the closure. It includes allocated selling, general and administrative expenses and includes total revenue, cost of goods sold and other operating expenses, and gross profit on the sale of PTMEG to the downstream business which is eliminated at the consolidated level.

Financial Performance

(Values in millions of USD unless noted)

Adjusted EBITDA Q1 '21 to Q1 '22 Bridge



Adjusted EBITDA Q4 '21 to Q1 '22 Bridge

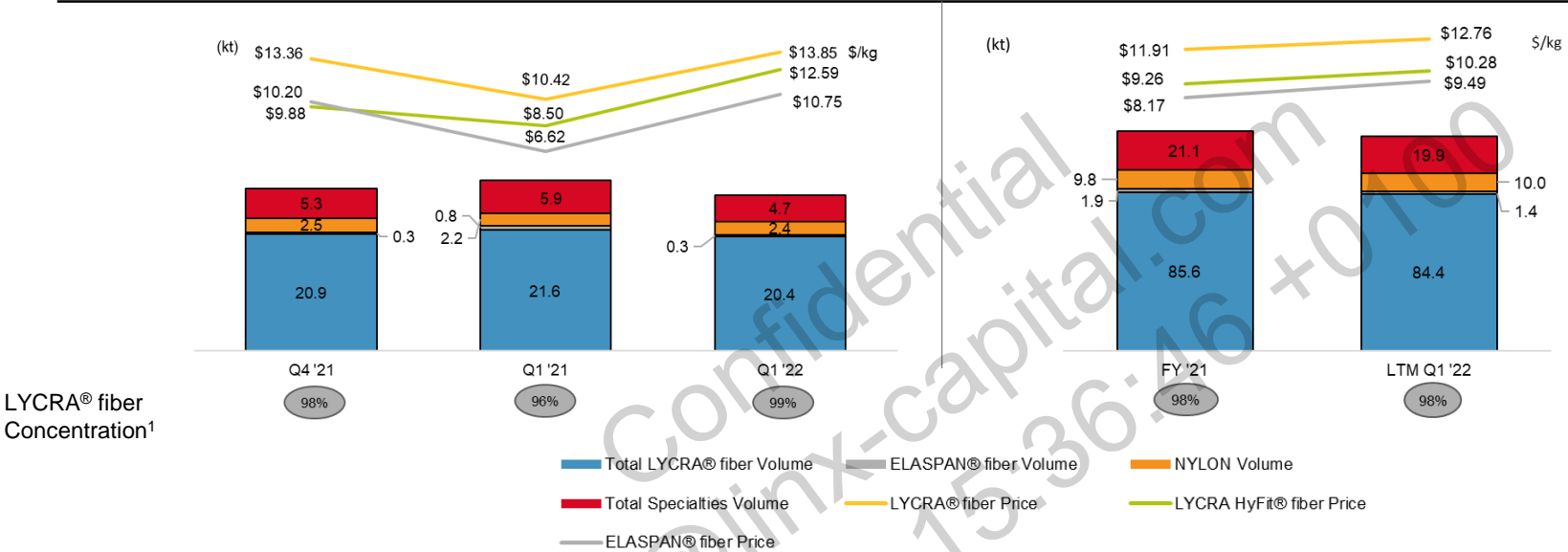


Note: EBITDA and Adjusted EBITDA are not required by or presented in accordance with GAAP or any other internationally accepted accounting principles.

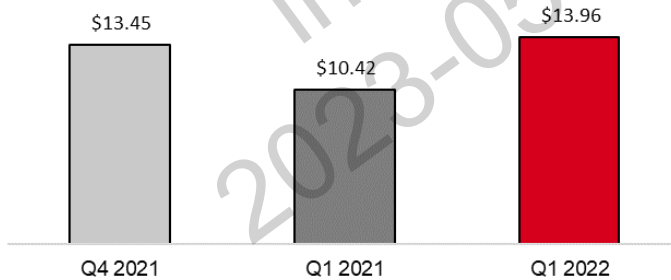
Volume and Revenue

(Values in millions of USD unless noted)

Volume (kt) & LYCRA® fiber Concentration¹



Currency Adjusted LYCRA® fiber Prices (\$/kg)



Constant currency prices measured against Q1 2021 FX rates have increased due to implementation of higher prices to offset higher raw material costs.

Note: Volumes are unaudited management estimates.

¹ LYCRA® fiber concentration reflects LYCRA® fiber and LYCRA HyFit® fiber combined volumes as a percentage of Spandex volumes.

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Q2 '22 Updates

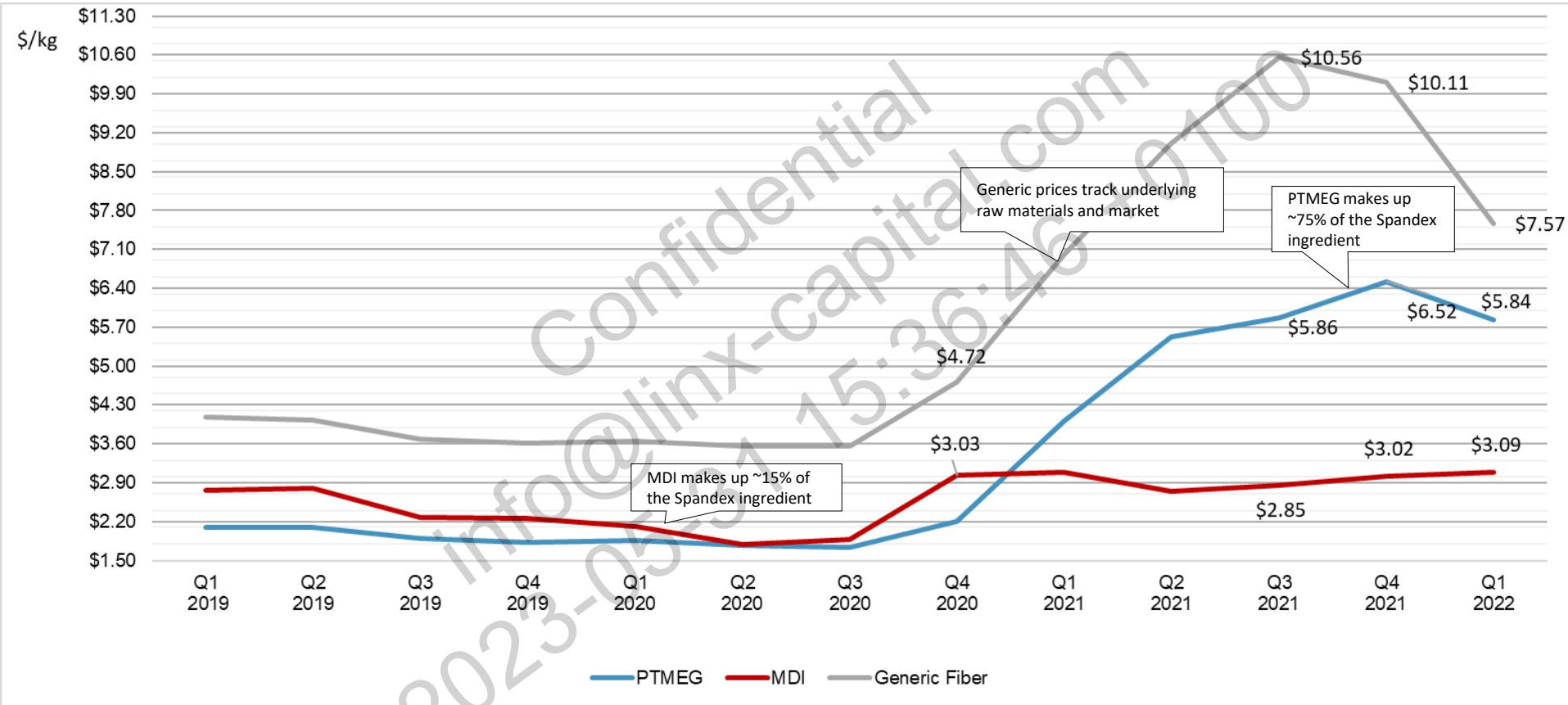
(Values in USD unless noted)

- Overall volumes are expected to be lower in Q2 compared to Q1 due to weaker demand from consumers in China driven by lockdowns and uncertainty related to ongoing inflationary concerns with brands/retails and consumers.
- Declining cost for PTMEG, our main raw material, will be offset by continued higher energy costs and inflation on other raw materials.
- Some pricing pressure is expected to impact our branded fibers given the continued decline in generic prices combined with FX devaluation on both the euro and RMB.

The LYCRA Company

Appendix

Key Margin Drivers



Consolidated Statement of Operations

(Values in millions of USD unless noted)

	Three months ended March 31,	
	2022	2021
Net sales	\$ 328	\$ 263
Sales to related parties	7	5
Total sales	335	268
Royalty and licensing income, net	2	1
Total revenue	337	269
Cost of goods sold and other operating expenses	273	197
Gross profit	64	72
Selling, general and administrative expenses	30	30
Research and development expenses	7	7
Restructuring (income) expense	4	(28)
Other (income), net	(11)	(10)
Operating income	34	73
Equity in (income) of affiliates	(2)	(2)
Interest expense, net	19	20
Income before income taxes	17	55
Income tax expense	3	12
Consolidated net income	14	43
Net (income) attributable to noncontrolling interest	(1)	(2)
Net income attributable to The LYCRA Company	\$ 13	\$ 41

Consolidated Statement of Cash Flows

(Values in millions of USD unless noted)

	Three months ended March 31,	
	2022	2021
Cash flows from operating activities:		
Consolidated net income	\$ 14	\$ 43
Adjustments to reconcile consolidated net income to net cash provided by operating activities:		
Depreciation and amortization	17	17
Amortization of bank financing costs	2	2
Share-based compensation	1	—
Exchange rate changes on cash and cash equivalents and restricted cash	—	1
Undistributed (earnings) from investment in equity affiliates	(2)	(2)
(Gain) on sale of pipeline assets	—	(23)
Deferred income taxes	—	2
Pension expense, net of contributions	—	1
Return on investment in equity affiliates	—	3
Changes in assets and liabilities: (1)		
Receivables	(6)	(10)
Inventories	(1)	(17)
Other assets	5	(6)
Payables	(27)	8
Other liabilities	12	8
Net cash provided by operating activities	15	27
Cash flows from investing activities:		
Capital expenditures	(2)	(2)
Proceeds from sale of pipeline assets	—	24
Net cash provided by (used in) investing activities	(2)	22
Cash flows from financing activities:		
Payments of short-term debt	—	(18)
Dividends paid to noncontrolling interest	—	(6)
Net cash (used in) financing activities	—	(24)
Net increase in cash and cash equivalents and restricted cash	13	25
Effect of exchange rate changes on cash and cash equivalents and restricted cash	—	(1)
Cash and cash equivalents and restricted cash at beginning of period	35	118
Cash and cash equivalents and restricted cash at end of period	\$ 48	\$ 142

(1) Net of effect of translation

Consolidated Balance Sheet

(Values in millions of USD unless noted)

	March 31, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 46	\$ 32
Restricted cash	2	3
Receivables, net	190	184
Inventories, net	240	239
Prepaid expenses and other current assets	37	43
Total current assets	515	501
Property, plant and equipment, net	317	329
Right of use lease assets, net	56	60
Goodwill	953	953
Other intangible assets, net	474	477
Investments in equity affiliates	168	166
Other assets	12	9
Total assets	\$ 2,495	\$ 2,495
Liabilities and Shareholder's Equity		
Current liabilities:		
Current debt	\$ 50	\$ 50
Lease liabilities, current portion	4	5
Payables	118	134
Accrued and other current liabilities	91	75
Total current liabilities	263	264
Long-term debt, net	944	952
Lease liabilities, long-term	30	31
Pension and other post-retirement benefit liabilities	8	8
Other liabilities	2	7
Deferred income tax liabilities	40	40
Total liabilities	\$ 1,287	\$ 1,302
Shareholder's equity:		
Shareholder's equity	\$ 1,083	\$ 1,069
Accumulated other comprehensive income	27	27
Total The LYCRA Company shareholder's equity	1,110	1,096
Noncontrolling interest	98	97
Total shareholder's equity	1,208	1,193
Total liabilities and shareholder's equity	\$ 2,495	\$ 2,495

Management Adjusted EBITDA

(\$ in millions of USD unless noted)

	For the three months ended March 31,	
	2022	2021
Consolidated net income	\$ 13.6	\$ 42.8
Interest expense	19.7	19.6
Income tax expense	3.1	12.5
Depreciation and amortization	17.0	17.9
EBITDA	53.4	92.8
Joint venture EBITDA adjustment ^(a)	1.5	1.4
Noncontrolling interest EBITDA ^(b)	(1.3)	(2.7)
Foreign exchange adjustment ^(c)	0.2	(0.3)
Foreign exchange on bonds ^(d)	(9.5)	(10.3)
Other nonrecurring items ^(e)	0.2	0.6
La Porte restructuring ^(f)	(2.6)	(28.4)
Other restructuring ^(g)	7.0	—
Impact of PRC functional currency ^(h)	0.5	—
La Porte post-closure costs ⁽ⁱ⁾	—	3.9
Financing costs ^(j)	—	0.4
Adjusted EBITDA	\$ 49.4	\$ 57.4

Note: EBITDA and Adjusted EBITDA are not required by or presented in accordance with GAAP or any other internationally accepted accounting principles.

Management Adjusted EBITDA (cont.)

(Values in millions of USD unless noted)

- a) Represents an adjustment to conform The LYCRA Company's share of equity earnings associated with the Toray Opelontex Co., Ltd; ISH-Toray Pte. Ltd; and Shinpont Industry, Inc. joint ventures from net income to EBITDA.
- b) Represents the share of EBITDA attributable to the noncontrolling interest of The LYCRA Company Singapore Pte. Ltd.
- c) Represents foreign currency remeasurement relating to income taxes, most significantly in Brazil, Hong Kong, Switzerland, and the PRC.
- d) Represents the amount of foreign currency remeasurement on the Euro Notes.
- e) Represents certain other nonrecurring costs.
- f) Represents a reversal of certain accrued liabilities and recognition of income from the sale of pipeline assets at La Porte, net of costs associated with the transaction in March 2021.
- g) Represents accrued legal and advisory costs incurred for the Enforcement Action.
- h) Represents impacts from the foreign currency remeasurement losses primarily on intercompany activity with our operations in the PRC, whose functional currency is the Chinese yuan and whose currency translation impacts are reflected within Other Comprehensive Income.
- i) Represents costs incurred at La Porte following the cessation of operations in the fourth quarter of 2020.
- j) Represents one-time costs related to the Revolving Credit Facility during 2021.

Note: EBITDA and Adjusted EBITDA are not required by or presented in accordance with GAAP or any other internationally accepted accounting principles.