

The LYCRA Company
Consolidated Balance Sheets

(Amounts in millions of U.S. dollars)

<u>Assets</u>	April 30, 2024 <i>(Unaudited)</i>	December 31, 2023 <i>(Audited)</i>
Current assets:		
Cash and cash equivalents	\$ 105	\$ 85
Restricted cash	7	9
Receivables, net	127	117
Inventories, net	161	170
Prepaid expenses and other current assets	14	11
Total current assets	414	392
Property, plant and equipment, net	237	245
Right of use lease assets, net	49	52
Goodwill	334	334
Other intangible assets, net	331	335
Investments in equity affiliates	138	136
Deferred income taxes	17	17
Other assets	9	11
Total assets	\$ 1,529	\$ 1,522
<u>Liabilities and Shareholder's Equity</u>		
Current liabilities:		
Current debt	\$ 182	\$ 26
Lease liabilities, current portion	4	5
Payables	65	67
Accrued and other current liabilities	75	52
Total current liabilities	326	150
Long-term debt, net	1,038	1,158
Lease liabilities, long-term	28	31
Pension and other post-retirement benefit liabilities	12	12
Deferred income tax liabilities	36	37
Other liabilities	2	1
Total liabilities	\$ 1,442	\$ 1,389
Shareholder's equity:		
Shareholder's equity	\$ 33	\$ 81
Accumulated other comprehensive income	(8)	(8)
Total The LYCRA Company shareholder's equity	25	73
Noncontrolling interest	62	60
Total shareholder's equity	87	133
Total liabilities and shareholder's equity	\$ 1,529	\$ 1,522

The LYCRA Company
Consolidated Statements of Operations and Comprehensive Income

*(Amounts in millions of U.S. dollars)
(Unaudited)*

	Four months ended April 30,	
	2024	2023
Net sales	\$ 282	\$ 265
Sales to related parties	1	1
Total sales	283	266
Royalty and licensing income, net	1	1
Total revenue	284	267
Cost of goods sold and other operating expenses	211	231
Gross profit	73	36
Selling, general and administrative expenses	37	35
Research and development expenses	9	10
Restructuring (income) expense	9	4
Other (income) expense, net	(6)	10
Operating income (loss)	24	(23)
Equity in (income) loss of affiliates	(2)	(2)
Pension non-service cost (benefit)	-	(2)
Interest (income) expense, net	65	37
Income (loss) before income taxes	(39)	(56)
Income tax expense (benefit)	7	4
Consolidated net income (loss)	(46)	(60)
Net (income) loss attributable to noncontrolling interest	(2)	(1)
Net income (loss) attributable to The LYCRA Company	\$ (48)	\$ (61)
Consolidated net income (loss)	\$ (46)	\$ (60)
Other comprehensive income, net of tax		
Recognition of actuarial gain (loss)	-	(1)
Foreign currency translation adjustment	(1)	4
Comprehensive income (loss)	(47)	(57)
Net (income) loss attributable to noncontrolling interest	(2)	(1)
Comprehensive income (loss) attributable to The LYCRA Company	\$ (49)	\$ (58)

The LYCRA Company
Adjusted EBITDA
(Amounts in millions of U.S. dollars)
(Unaudited)

	Four months ended April 30,	
	2024	2023
Consolidated net income (loss)	\$ (45.8)	\$ (60.4)
Interest expense	65.3	36.5
Income tax expense	6.5	4.5
Depreciation and amortization	16.3	22.8
EBITDA	42.3	3.4
Joint venture EBITDA adjustment ^(a)	1.4	1.5
Noncontrolling interest EBITDA ^(b)	(2.9)	(1.0)
Foreign exchange on bonds ^(c)	(9.1)	6.6
Restructuring ^(d)	8.1	3.1
Impact of PRC functional currency ^(e)	(0.4)	2.4
Financing costs ^(f)	1.0	1.3
Other items ^(g)	0.7	(1.5)
Adjusted EBITDA	<u>\$ 41.1</u>	<u>\$ 15.8</u>

- 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 the amount of foreign currency remeasurement (gain) loss on the Refinancing Notes and Euro Notes.
- d) Represents costs mainly incurred to settle litigation for the Laika joint venture and other costs associated with strategic projects. The prior year costs represent professional fees and other costs incurred due to the Enforcement Action and subsequent change of ownership.
- e) Represents impacts from the foreign currency remeasurement (gains) 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.
- f) Represents costs mainly incurred in connection with debt refinancing.
- g) Represents certain other unusual and nonrecurring items. The prior year is mainly a gain upon termination of the pension plan in Hong Kong.