

The LYCRA Company  
**Consolidated Balance Sheets**

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

<b><u>Assets</u></b>	<b>August 31, 2024</b> <i>(Unaudited)</i>	<b>December 31, 2023</b> <i>(Audited)</i>
Current assets:		
Cash and cash equivalents	\$ 100	\$ 85
Restricted cash	7	9
Receivables, net	125	117
Inventories, net	164	170
Prepaid expenses and other current assets	13	11
Total current assets	409	392
Property, plant and equipment, net	231	245
Right of use lease assets, net	50	52
Goodwill	334	334
Other intangible assets, net	327	335
Investments in equity affiliates	138	136
Deferred income taxes	19	17
Other assets	7	11
<b>Total assets</b>	<b>\$ 1,515</b>	<b>\$ 1,522</b>
<b><u>Liabilities and Shareholder's Equity</u></b>		
Current liabilities:		
Current debt	\$ 1,271	\$ 26
Lease liabilities, current portion	5	5
Payables	68	67
Accrued and other current liabilities	70	52
Total current liabilities	1,414	150
Long-term debt, net	-	1,158
Lease liabilities, long-term	30	31
Pension and other post-retirement benefit liabilities	12	12
Deferred income tax liabilities	36	37
Other liabilities	1	1
Total liabilities	\$ 1,493	\$ 1,389
Shareholder's equity:		
Shareholder's equity	\$ (33)	\$ 81
Accumulated other comprehensive income	(10)	(8)
Total The LYCRA Company shareholder's equity	(43)	73
Noncontrolling interest	65	60
Total shareholder's equity	22	133
<b>Total liabilities and shareholder's equity</b>	<b>\$ 1,515</b>	<b>\$ 1,522</b>

The LYCRA Company  
**Consolidated Statements of Operations and Comprehensive Income**

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

	<b>Eight months ended August 31,</b>	
	<b>2024</b>	<b>2023</b>
Net sales	\$ 569	\$ 540
Sales to related parties	1	2
Total sales	570	542
Royalty and licensing income, net	2	2
Total revenue	572	544
Cost of goods sold and other operating expenses	415	455
Gross profit	157	89
Selling, general and administrative expenses	77	72
Research and development expenses	18	19
Restructuring (income) expense	15	16
Other (income) expense, net	13	9
Operating income (loss)	34	(27)
Equity in (income) loss of affiliates	(6)	(4)
Pension non-service cost (benefit)	-	(2)
Interest (income) expense, net	132	100
Income (loss) before income taxes	(92)	(121)
Income tax expense (benefit)	17	9
Consolidated net income (loss)	(109)	(130)
Net (income) loss attributable to noncontrolling interest	(5)	(1)
Net income (loss) attributable to The LYCRA Company	<u>\$ (114)</u>	<u>\$ (131)</u>
Consolidated net income (loss)	\$ (109)	\$ (130)
Other comprehensive income, net of tax		
Recognition of actuarial gain (loss)	-	-
Foreign currency translation adjustment	(2)	(10)
Comprehensive income (loss)	(111)	(140)
Net (income) loss attributable to noncontrolling interest	(5)	(1)
Comprehensive income (loss) attributable to The LYCRA Company	<u>\$ (116)</u>	<u>\$ (141)</u>

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

	<b>Eight months ended August 31,</b>	
	<b>2024</b>	<b>2023</b>
Consolidated net income (loss)	\$ (108.4)	\$ (130.1)
Interest expense	131.5	100.4
Income tax expense	16.5	8.8
Depreciation and amortization	30.3	40.0
EBITDA	69.9	19.1
Joint venture EBITDA adjustment <sup>(a)</sup>	3.0	2.9
Noncontrolling interest EBITDA <sup>(b)</sup>	(7.0)	(2.4)
Foreign exchange adjustment <sup>(c)</sup>	1.2	0.3
Foreign exchange on bonds <sup>(d)</sup>	6.2	2.6
Restructuring <sup>(e)</sup>	10.4	9.2
Yinchuan facility project costs <sup>(f)</sup>	1.2	-
Impact of PRC functional currency <sup>(g)</sup>	(1.2)	(5.8)
Financing costs <sup>(h)</sup>	3.6	16.3
Other items <sup>(i)</sup>	0.5	(1.4)
<b>Adjusted EBITDA</b>	<b>\$ 87.8</b>	<b>\$ 40.8</b>

- 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 transaction (gains)/losses relating to intercompany indebtedness between restricted subsidiaries and foreign currency remeasurement relating to lease liabilities and income taxes, most significantly in the PRC, Hong Kong, Brazil, and Switzerland.
- d) Represents the amount of foreign currency remeasurement (gain) loss on senior secured debt denominated in euros.
- e) Represents costs mainly incurred to settle litigation for the Laika joint venture, severance and other costs associated with strategic projects. The prior year represents expenses primarily associated with the restructuring of financing arrangements.
- f) Represents facility pre-opening costs incurred, net of service fees received for our joint venture with Yinchuan Shengrong in the PRC.
- g) Represents impacts from the foreign currency transaction (gains) losses primarily on intercompany activity with our operations in the PRC, whose functional currency is the Chinese yuan and whose foreign currency translation impacts are reflected within Other Comprehensive Income.
- h) Represents costs mainly incurred in connection with refinancing our senior secured borrowings coming due in 2025. The prior year costs primarily represent the loss upon extinguishment of the Euro Notes and certain legal and other professional fees associated with the Refinancing Notes.
- i) Represents certain other unusual and nonrecurring items. The prior year is mainly a gain upon termination of the pension plan in Hong Kong.