



MINUTES OF THE (HYBRID) EXTRAORDINARY GENERAL MEETING OF BETER BED HOLDING N.V.

Held on Thursday, 16 December 2021 at 10 a.m. at Meeters, Hockeyweg 5 in Uden (The Netherlands).

Present on behalf of Beter Bed Holding N.V.

Supervisory Board:

Mr B.E. Karis (chair)
Mrs B.A.M. van Hussen
Mr P.C. Boone (virtual)
Mr A. Beyens (virtual)
Mrs M.C. Schipperheijn (virtual)

Management Board:

Mr A.J.G.P.M. Kruijssen (CEO)
Mrs G.E.A. Reijnen (CFO)

1. Opening

The chair opened the meeting. The Extraordinary General Meeting was being held virtually due to the ongoing Corona pandemic, in accordance with the Temporary Covid-19 Justice and Security Act, with shareholders being asked to issue a proxy with voting instructions prior to the meeting and to attend the meeting via a live webcast.

Also physically in attendance – in addition to the chair – were John Kruijssen and Gabrielle Reijnen on behalf of Beter Bed Holding N.V.'s (BBH) Management Board, and Barbara van Hussen on behalf of the Supervisory Board. Michel van Agt, a notary with Loyens & Loeff responsible for casting the proxy votes, was also present, as were Bas Dekker, legal counsel at BBH, Erik Weerts, Financial Director at Beter Bed B.V., and Gusta de Jong, the meeting secretary. The other Supervisory Board members were taking part in the meeting virtually, as were the executive committee members of Beter Bed B.V.'s Works Council, Gemma Melsen and Arie van Oord. The chair welcomed everyone.

Of the total of 27,186,564 shares outstanding, 13,173,174 voting shares (48.45%) were represented at the meeting.

Mrs G. de Jong was appointed as meeting secretary and minute-taker.

A recording had been made of the meeting.

The meeting had been convened to discuss Mr John Kruijssen's reappointment as member of the Management Board. His reappointment was put to the vote.

2. Proposal to reappoint Mr A.J.G.P.M. Kruijssen as member of the Management Board

The chair gave the floor to Mr Pieter Boone, chair of the Remuneration Committee.

Pieter Boone stated that the Supervisory Board had unanimously nominated John Kruijssen for reappointment for a period of four years ending at the close of the Annual General Meeting in 2026. Subsequently, he clarified the nomination. Under the supervision of John Kruijssen, despite challenging macroeconomic conditions, BBH was restructured during the past four years, business units were divested, and the organisation was further streamlined, resulting in an increase in online sales and recovery of its profitability and cash position. Retaining John Kruijssen was of great importance to the company's continuity and further growth. The Supervisory Board underlined the importance of enabling him to continue the ambitious growth strategy, which would provide a basis for profitable growth and value creation.

The Supervisory Board considered it important to provide appropriate incentives to continue pursuing this growth strategy. In the context of the reappointment, the Supervisory Board had granted one-time equity performance shares to John Kruijssen on the terms described in the explanatory notes to the meeting's agenda. As regards those terms, it was noted that the targets, EBITDA margin and turnover, had been linked to the objectives of the strategy launched in May 2021.

By granting the one-time equity performance shares, the Supervisory Board had exercised its discretionary power to deviate from the remuneration policy in determining the remuneration of the Management Board. That power was laid down in the remuneration policy for the Management Board, as approved by the AGM in 2020. The reappointment was already now being proposed to the shareholders so as to ensure the Management Board's continuity, which was necessary to be able to manage implementation of the strategy and the company's transition. The Supervisory Board regarded this as an exceptional circumstance that justified the temporary deviation from the remuneration policy.

Beter Bed's Works Council had issued a positive recommendation regarding the reappointment and the award of performance shares.

John Kruijssen gave a brief explanation of his reappointment, saying that he was proud that the organisation was once again financially healthy, growing and making a profit after a turbulent period. He would like to continue implementing its ambitious value strategy - Sleep Better, Live Better - in a socially responsible manner during a subsequent term of office. In addition to achieving the objectives, he also wanted to take strides in the company's further transition, with quality of sleep being given the status and appreciation it deserved, the BBH brands becoming brands of choice, and BBH becoming an employer of choice.

John Kruijssen gave the floor back to the chair, who subsequently addressed the written questions submitted by the VEB. The questions were answered by the chair of the Remuneration Committee, Pieter Boone.

a. What is/are the reason(s) for nominating CEO John Kruijssen for reappointment during an EGM in December, while his term (still) runs until the AGM in 2022?

Management continuity is important to be able to roll out the growth strategy. In order to avoid uncertainty about the reappointment, the Supervisory Board considers it important to submit this to the shareholders now. If John Kruijssen were not to be reappointed in May 2022, his mandate would end at the end of that shareholders' meeting. This could delay implementation of the company's strategy and transition.

b. Did the Supervisory Board consider placing the one-time (conditional) share scheme on the agenda as a separate agenda item?

Yes, this was carefully considered. Although this is sometimes placed on the agenda separately at shareholders' meetings of other companies, the Supervisory Board considers the two items to be connected. To ensure reappointment, the Supervisory Board is proposing a related incentive in the shape of performance shares. In order to inform the shareholders as accurately as possible, this has been included in the explanatory notes to the agenda as transparently as possible.

The remuneration policy for the Management Board, approved by the General Meeting of Shareholders in 2020, contains a discretionary power for the Supervisory Board to temporarily deviate from the remuneration policy by granting performance shares. The Supervisory Board has used this discretionary power for the one-time grant of performance shares, and therefore submits it to the shareholders as one item on the agenda.

c. How did the Supervisory Board arrive at the amount of the share scheme?

The Supervisory Board wanted to make sure that John Kruijssen commits himself to a subsequent term of office in order to implement the strategy and related transition. Appropriate incentives to pursue this growth strategy are part of this. The Remuneration Committee obtained advice from external consultants and submitted a proposal to the Supervisory Board on that basis. The proposal was then discussed with John Kruijssen and subsequently approved unanimously by the Supervisory Board. The reappointment, including the one-time grant of performance shares, is now being submitted to the shareholders' meeting.

d. Was this arrangement a condition for Mr Kruijssen to make himself available for a new term?

The Supervisory Board and John Kruijssen have agreed on a new term of office on these terms. The award is the outcome of discussions between John Kruijssen, the Remuneration Committee, and the Supervisory Board. No further details of those discussions will be provided.

e. Will the Supervisory Board undertake to publish the exact levels in terms of EBITDA margin and revenue target, which have been set, no later than on expiry of both the two-year and four-year performance periods?

The remuneration report will be drawn up in accordance with the rules applicable at that time. As indicated earlier, the targets, EBITDA margin and revenue, which are linked to the objectives of the growth strategy launched in May 2021, will not be disclosed for competitive reasons. If the targets are not met, the performance shares awarded will lapse. The Supervisory Board will continuously supervise and monitor compliance with the performance terms. This will be reported in the remuneration report. The shareholders will be able to track how the targets progress because the targets are KPIs defined in the current growth strategy on which reports are made on a regular basis. The award of the shares is linked to that. The remuneration report will show whether or not the shares have been allocated.

f. Why did the Supervisory Board not opt for a minimum holding period of two years after allocation of the (second) tranche of shares, similar to the regular share allocation (PSUs) in the existing remuneration policy?

This has been prompted by the specific circumstances of the case: the arrangement has been set up in such a way as to bind John Kruijssen to the successful execution of the growth strategy 2021-2025 announced in May of this year.

The chair gave the floor to Mr Michel van Agt, who presented the voting results of the proxy votes. On the shares represented (13,173,174), 11,005,223 votes were in favour, 15,383 against, with 2,152,568 abstentions. The chair concluded that the proposal had been adopted by 99.86%. John Kruijssen's reappointment would be announced in a press release, and the voting results posted on the company's corporate website.

3. Announcements

Consideration was given to Mr Pieter Boone's decision, announced on 21 October, to resign from his position as a Supervisory Director at BBH on 31 December 2021. On behalf of the Supervisory Board and Management, the chair stated that he understood his decision and thanked him for his contribution to the Supervisory Board since December 2018 and wished him all the best. Pieter Boone briefly took the floor to thank the Supervisory Board, the Management Board, and all members of staff and to wish them every success for the future. Barbara van Hussen will succeed Mr Boone as vice chair of the Supervisory Board and chair of the Remuneration Committee.

4. Any other business

Due to the virtual setting of the meeting, there was no opportunity to raise any other issues.

5. Closing

The chair thanked all attendees for taking part in the webcast and for their flexibility, attention and constructive contribution to the Extraordinary Meeting of Shareholders. He expressed his wish for everyone to stay healthy, so that we would hopefully be able to meet again in person at the next general meeting in May 2022.

List of resolutions

- Reappointment of Mr A.J.G.P.M. Kruijssen as CEO and Management Board member.

Mr B.E. Karis,
Chair

Mrs G. de Jong-Ruijs,
Secretary