VICTORIA PLC

Interim Results Presentation

for the six months ended 3 October 2020

Geoffrey Wilding, Executive Chairman
Philippe Hamers, Group Chief Executive
Mike Scott, Group Finance Director

H1 FY21 Results Overview
Executive summary

"The first half of FY21 has proven the underlying resilience of Victoria. The strength of the Group's operational management, the skill and flexibility of our workforce, our robust customer loyalty, and the strength of our balance sheet, came together under the most difficult trading conditions in living memory to deliver an outstanding result for its shareholders."

- **REVENUE: £305.5m**
  - *98% of H1 2020, despite Covid-19*
  - *+22.8% year-on-year growth post April-May lockdown, including capacity investment in Italy*
  - *+9.2% growth post lockdown on a like-for-like basis[1] (excluding Italy investment)*

- **EBITDA[2]: £52.4m**
  - *17.2% margin*
  - *20.1% post April-May lockdown, representing a +300bps LFL year-on-year increase*

- **PBT[2]: £13.7m, EPS[2]: 8.09p**

- **OPERATING CASH FLOW[3]: £43.6m**
  - *83% conversion from EBITDA*
  - *Free cash flow[3] generated of £18.3m, after tax, interest and replacement capex*

- **NET DEBT[4]: £364.6m**
  - *Reduction of £5.0m from prior year-end (before translational FX movements)*

- **LEVERAGE[4]: 3.3x net debt / EBITDA**
  - *Stable leverage despite Covid-19 lockdowns*

Note

1. *Like-for-like revenue growth shown on a constant-currency basis and adjusted to remove the impact of prior year acquisitions and the extra trading week in the current year*
2. *EBITDA, PBT and EPS shown fully diluted, before exceptional and non-underlying items. All figures shown on a post- IFRS16 basis.*
3. *Operating cash flow defined as underlying EBITDA, less non-cash items, less payments under right-of use lease obligations, plus movement in working capital. Free cash flow before acquisition, refinancing and other exceptional items*
4. *Net debt shown before right-of-use lease liabilities, bond issue premia, prepaid finance costs, and embedded notes redemption option. Leverage (Net debt / pro-forma EBITDA) consistent with the methodology used by our lending banks*

H1 FY21 Results Overview
Segmental performance

Continuing operations £m	27 weeks ended 3 October 2020					26 weeks ended 28 September 2019				
	UK & Europe – soft flooring	UK & Europe – ceramic tiles	Australia	Central costs	TOTAL	UK & Europe - soft flooring	UK & Europe – ceramic tiles	Australia	Central costs	TOTAL
Revenue	**126.0**	**132.5**	**47.0**	**-**	**305.5**	140.6	122.0	49.7	-	312.3
% growth	*-10.4%*	*+8.6%*	*-5.4%*	-	*-2.2%*	*+4.4%*	*+49.3%*	*-6.4%*	-	*+15.8%*
Gross profit	**40.8**	**47.0**	**14.5**	**-**	**102.3**	46.8	52.7	15.0	-	114.5
% margin	*32.4%*	*35.5%*	*30.9%*	-	*33.5%*	*33.3%*	*43.2%*	*30.2%*	-	*36.7%*
Underlying EBITDA[1]	**19.2**	**27.7**	**6.2**	**(0.7)**	**52.4**	19.4	34.4	5.6	(0.9)	58.5
% margin	*15.2%*	*20.9%*	*13.2%*	-	*17.2%*	*13.8%*	*28.2%*	*11.3%*	-	*18.7%*
Underlying EBIT[1]	**10.2**	**15.2**	**3.8**	**(1.0)**	**28.2**	10.5	26.8	3.3	(0.9)	39.7
% margin	*8.1%*	*11.5%*	*8.1%*	-	*9.2%*	*7.5%*	*22.0%*	*6.6%*	-	*12.7%*

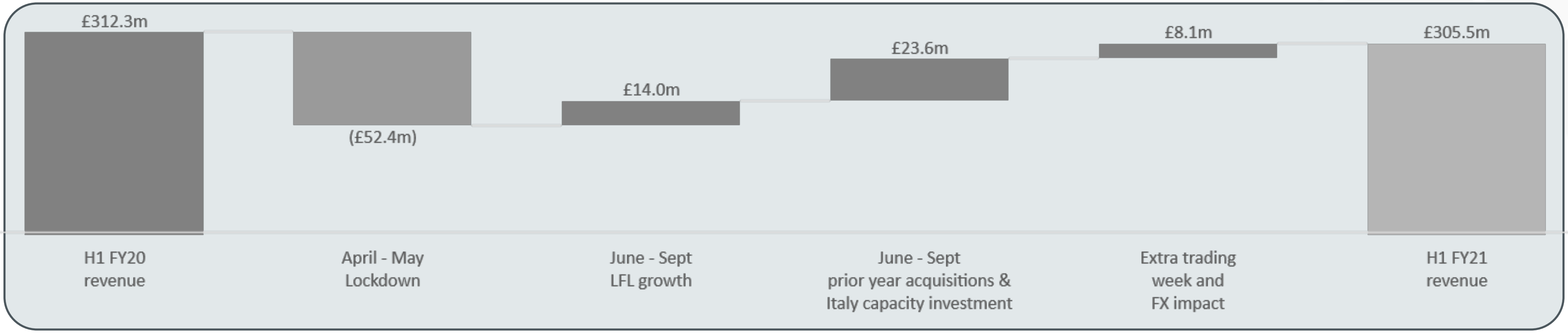
Note

1. *Figures presented are underlying and pre-exceptional items*

H1 FY21 Results Overview
Revenue growth: +9.2% like-for-like post lockdown

Year-on-year revenue growth	27 weeks ended 3 October 2020		
	H1 Total	April – May Lockdown	June - September
Absolute			
UK & Europe – soft flooring	-10.4%	-80.0%	**+27.8%**
UK & Europe – ceramic tiles	+8.6%	-24.7%	**+27.4%**
Australia	-5.4%	-12.1%	**-2.4%**
Group total	-2.2%	-48.1%	**+22.8%**
Like-for-like[1]			
UK & Europe – soft flooring			**+21.2%**
UK & Europe – ceramic tiles			**-2.6%**
Australia			**Jun-Aug: +14.7%**
Group total	-13.9%	-55.6%	**+9.2%**

Australia revenues impacted in the latter part of August and September by local lockdown in the Melbourne area



Note

1. *Like-for-like revenues are shown on a constant-currency basis, after removing the impact of prior year acquisitions, and the extra trading week in the current year*

H1 FY21 Results Overview
Margin improvement: +300bps like-for-like post lockdown

Underlying EBITDA margin	27 weeks ended 3 October 2020	
	H1 Total	June - September
UK & Europe – soft flooring		
EBITDA margin	15.2%	**18.5%**
LFL margin variance to prior year[1]	+150bps	**+500bps**
UK & Europe – ceramic tiles		
EBITDA margin	20.9%	**24.2%**
LFL margin variance to prior year[1]	-350bps	**+150bps**
Australia		
EBITDA margin	13.2%	**14.0%**
LFL margin variance to prior year[1]	+210bps	**+260bps**
Group total		
EBITDA margin	17.2%	**20.1%**
LFL margin variance to prior year[1]	-50bps	**+300bps**

Additional reduction in reported margin versus prior year of 100bps simply due to mix effect of prior year acquisitions of lower-margin businesses

Note

1. *LFL margin variance shown after removing the impact of prior year acquisitions. Variances rounded to nearest 10bps*

H1 FY21 Results Overview
Non-underlying items

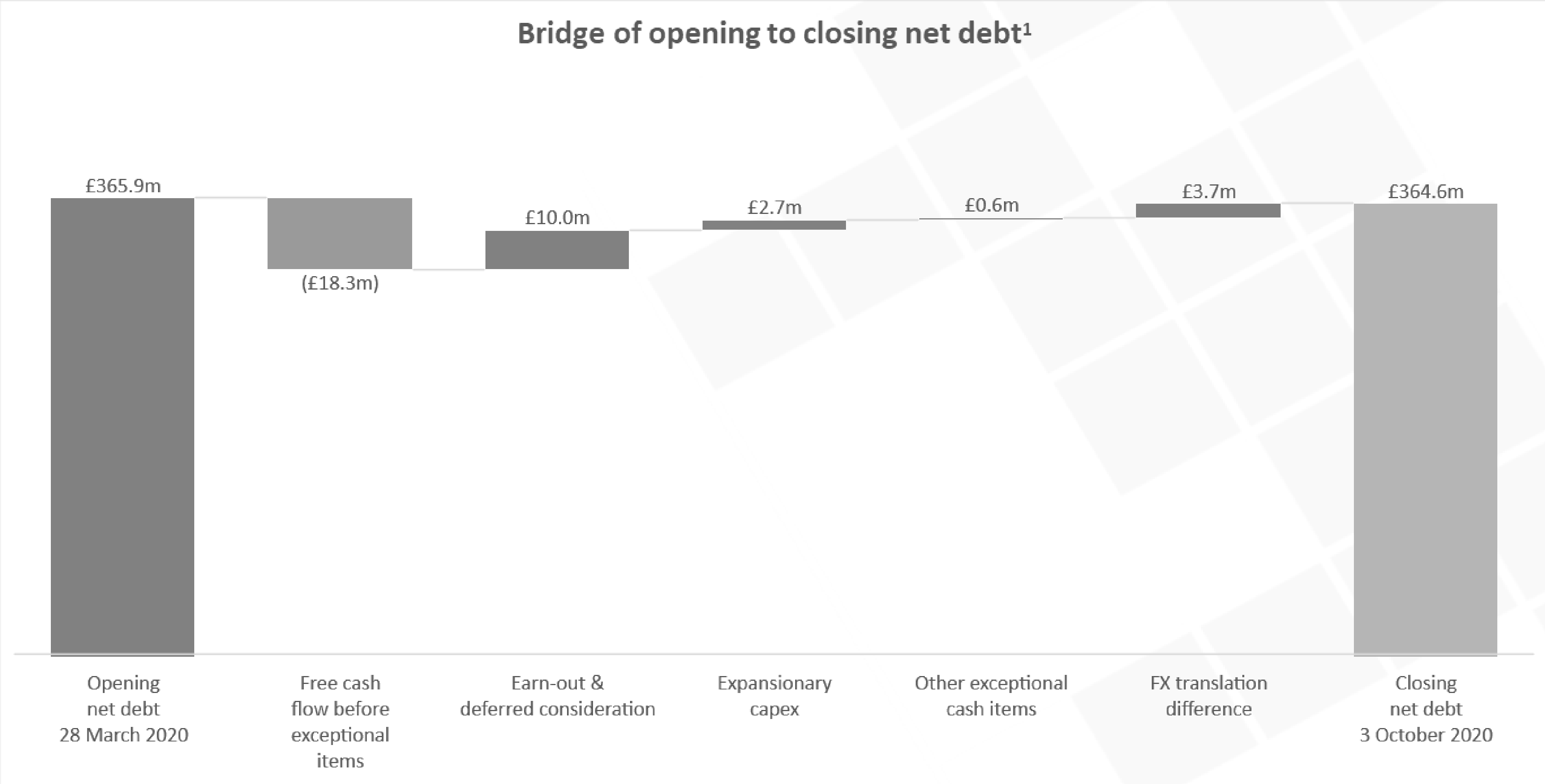
Non-underlying items from continuing operations £m	H1 FY21					H1 FY20
	Reorg & Covid-19 related	Refinancing related	Acquisition related	Other	Total	Total
Exceptional items						
Acquisition and disposal related costs			(0.4)		**(0.4)**	(1.0)
Reorganisation and Covid-related exceptional costs	(3.0)				**(3.0)**	(1.8)
Negative goodwill arising on acquisition					**-**	0.6
	(3.0)	-	(0.4)	-	**(3.4)**	(2.2)
Other operational items						
Non-cash share incentive plan charge				(0.5)	**(0.5)**	(1.0)
Amortisation of acquired intangibles			(13.5)		**(13.5)**	(12.1)
Acquisition-related performance plan charge					**-**	(0.6)
	-	-	(13.5)	(0.5)	**(14.0)**	(13.7)
Finance items						
Interest on short-term draw of Group revolving credit facility	(1.4)				**(1.4)**	-
Release of prepaid finance costs					**-**	(2.8)
Underwriting fees and costs relating to previous bank facilities					**-**	(6.2)
Fair value adjustment to notes redemption option		0.7			**0.7**	-
Deferred consideration – unwinding of discount and other adj.			0.6		**0.6**	(2.7)
Mark to market adj. on foreign exchange forward contracts				(2.6)	**(2.6)**	1.6
Translation difference on foreign currency loans				3.5	**3.5**	4.0
	(1.4)	0.7	0.6	0.9	**0.8**	(6.1)

Key: Cash items

H1 FY21 Results Overview
Consistent strong operational cash generation

£m	H1 FY21	H1 FY20	Full year FY20
Revenue	**305.5**	**312.3**	**621.5**
% growth	*-2.2%*	*15.8%*	*9.7%*
Underlying EBITDA (post credit loss provision)	**52.4**	**58.5**	**115.3**
% margin	*17.2%*	*18.7%*	*18.6%*
Payments under right-of-use lease obligations	(6.6)	(6.6)	(11.6)
Non-cash items	(0.5)	(0.4)	(0.8)
Underlying movement in working capital	(1.7)	(6.8)	(5.2)
Operating cash flow before interest, tax and exceptional items	**43.6**	**44.7**	**97.6**
% EBITDA conversion	*83%*	*76%*	*85%*
Interest paid	(16.1)	(5.6)	(25.0)
Income tax paid	(0.6)	(4.4)	(8.6)
Replacement capex	(9.1)	(12.3)	(25.4)
Proceeds from fixed asset disposals	0.5	0.4	0.7
Free cash flow before exceptional items	**18.3**	**22.8**	**39.2**
% EBIT conversion	*65%*	*57%*	*53%*

H1 FY21 Results Overview
Focused treasury management through the pandemic



Note

1. *Net debt shown before bond issue premia; notes redemption option; prepaid finance costs; and obligations under right-of-use leases*

H1 FY21 Results Overview
Stable leverage

Breakdown of net debt £m	H1 FY21	H1 FY20	Full year FY20
Net cash and cash equivalents	129.6	82.1	174.7
Senior secured debt (at par)	(453.0)	(293.9)	(448.4)
Revolving credit facility	-	-	(75.0)
Term Loan	-	(143.2)	-
Unsecured loans and finance leases (pre- IFRS16)	(41.2)	(17.4)	(17.2)
Net debt (before obligations under right-of-use leases)	**(364.6)**	**(372.4)**	**(365.9)**
Bond issue premium - cash	(6.6)	-	(7.5)
Bond issue premium - non-cash (related to embedded redemption option)	(6.1)	-	(6.8)
Notes redemption option (at fair value)	0.8	-	-
Pre-paid finance costs	8.7	8.1	9.9
Obligations under right-of-use leases (incremental)	(78.5)	(60.3)	(78.2)
Statutory net debt (net of prepaid finance costs)	**(446.3)**	**(424.6)**	**(448.5)**
Adjusted net debt / pro-forma EBITDA[1]	**3.3x**	**3.3x**	**3.0x**

Note

1. Leverage (Net debt / pro-forma EBITDA) consistent with the methodology used by our lending banks

Operational Highlights

UK & Europe - Soft Flooring: **Post-lockdown LFL operating margin +500bps**

	H1 FY21 Total	June – September (post-lockdown)
Revenue	£126.0m	£94.3m
Absolute growth %	-10.4%	+27.8%
LFL growth %	-	+21.2%
Underlying EBITDA margin	15.2%	18.5%
LFL margin variance %	+150bps	+500bps

Carpet

- Strong H1 margin growth (+200bps) due to FY19 & FY20 investment/reorganisation
- Ongoing focus on margin expansion
- Bottom slicing of margin-dilutive products
- Full production integration of G-Tuft plant (acquired in 2019) completed. Resulting efficiency has enabled 30% more production with 12% fewer employees

Underlay

- Demand at 100% capacity. Focus on improving output via removing production bottlenecks
- Logistics brought in-house, improving margin
- Diversified supply chain to ensure raw material availability post-Brexit

Logistics

- Key differentiator – driving market share gains
- OTD of stock increased from 91% to 94% - resulting in retailers favouring Victoria as a supplier over competitors with slower & less certain delivery
- Productivity of the three distribution centres also jumped as the impact of our investment in FY19 and FY20 arrived. We are now cutting and delivering 45% more orders with 25% fewer employees
- Reorganisation and productivity enhancements have also delivered more spare capacity – allowing for future growth of more than 20% without further capex investment required

UK & Europe - Ceramic Tiles: **Post-lockdown sales +27.4% year-on-year**

	H1 FY21 Total	June – September (post-lockdown)
Revenue	£132.5m	£100.5m
Absolute growth %	+8.6%	+27.4%
LFL growth %	-	-2.6%
Underlying EBITDA margin	20.9%	24.2%
LFL margin variance %	-350bps	+150bps

Italy

- Production capacity added in March 20 following very strong growth, by acquiring the factory and assets of a neighbouring business facing closure. A highly efficient way to add immediate production capacity versus the 18-24 months it takes to build a new factory, instal the plant, and acquire emission rights
- Full integration completed of the acquired factory into the current Italian structure, allowing for a reduction of employees from 368 to 250 FTE alongside production output increasing by 1.2m m^2 of red body tiles and 0.7m m^2 of porcelain tiles
- Capacity has again been filled and production is again being outsourced. We will look to add additional capacity in the New Year

Spain

- With a longer duration and less government support, Q1 was more negatively influenced by the Covid-19 lockdown than our Italian factories
- Q2 saw a strong recovery in demand other than the Saloni brand, which is more focussed on the commercial/construction market, which has been slower to recover than consumer/redecorating markets
- Significant improvements in the overall production cost in Q2 due OPEX initiatives and reduced cost of utilities
- Strong consumer demand through the longer lockdown has resulted in significant backorders, which the business is now working at full capacity to meet. This is expected to deliver a very good H2

Australia: H1 LFL Margin +210bps and EBITDA +10.7%

	H1 FY21 Total	June – September (post-lockdown)
Revenue	£47.0m	£32.3m
Absolute growth %	-5.4%	-2.4%
LFL growth %	-2.2%	Jun-Aug: +14.7%
Underlying EBITDA margin	13.2%	14.0%
LFL margin variance %	+210bps	+260bps

Carpets & Underlay

- Delivered an outstanding result with the H1 EBITDA +10.7% versus last year, despite revenues being down slightly at -5.4%. Operating margins have been markedly improved by management actions taken last year and the result for H1 would have been even better but for the very strict seven-week lockdown in August/September, which required the total shutdown of our Victoria State businesses
- Loyal retailers continued to sell Victoria product to consumers despite our inability to deliver due to the lockdown. Record back orders have been received, which will fuel October and November revenues
- We have a significant pipeline of new products which will further carry momentum in H2
- The underlay factory consolidation previously announced continues to drive efficiencies, with the H1 budget achieved, despite the impact of Covid-19

Organic Growth: Trading YTD

Victoria continues to trade very strongly following the short-term Q1 impact of COVID-19

- Victoria's **high degree of operational flexibility and geographic diversification** enabled it to be resilient to the challenges posed by COVID-19
- **Low operational gearing**
  - c. 90% of operating costs are wholly variable or semi-variable
  - Only c.10% are fixed
- **Diversified customer base**
  - Wide geographic spread of customers and manufacturing
  - Creditworthy
  - No customer concentration
- **Trading recovered quickly during May and demand since then has been at record levels**
  - Consumers are consistently focused on home improvement / maintenance vs. travel or leisure
  - Victoria's focus on residential end-markets rather than commercial has been an advantage
- **Cash neutral for the first half of the year**

Resilient balance sheet

- Current cash and undrawn credit facility headroom of more than £200 million (prior to the preferred equity investment) – up from £180 million as at June 2020
- Net debt (pre IFRS-16) at half year: c. £365 million
- €500 million (£453 million) of Senior Secured Notes are due July 2024 and in themselves have no maintenance financial covenants
- Since Covid-19, Moody's, Fitch, and S&P all confirmed their credit ratings of B1, BB-, and BB- respectively

Koch Equity Development Investment

Koch Equity Development Investment

£175 million of preferred equity to accelerate Victoria's acquisition plans

Koch Equity Development ("Koch") becomes a major shareholder and supportive investor in Victoria

- Koch undertook extensive due diligence on Victoria's business, management team, and the market opportunity
- Koch have acquired 10.7% of Victoria's equity in the secondary market
- Koch has committed to £175 million of perpetual preferred equity – "fuel in the tank"

Preferred equity capital to fund the acquisition of up to £100m of EBITDA

- Preferred equity will be invested in cash-flow generating acquisitions targets

Victoria will continue its conservative financial policy

- New perpetual preferred equity reinforces its prudent approach to capital management
- Victoria is committed to its financial policy of c. 3x senior net debt/EBITDA post-acquisition, falling to 2x when in 'steady state'
- If the perpetual preferred equity does not convert, then it may be refinanced via a similar instrument or common equity

"We are delighted to be partnering with Victoria… we are confident in Victoria's strategy, its management team, and the size of the market opportunity. This investment will help Victoria accelerate execution of its clear growth plans, creating value for all the company's shareholders."

Blake Ressel, Managing Director, Koch Equity Dev.

Koch Equity Development Investment

A supportive long-term partner with demonstrated experience in industrial investments

Koch Industries

- Founded in 1940
- Owned by the Koch family
- Under the leadership of its current CEO, Charles Koch, the company has grown revenues from around US$400m to $115bn and is now one of the largest privately-held companies in the US
- Koch owns a diverse group of companies involved in refining, chemicals and biofuels; forest and consumer products; fertilizers; polymers and fibres; electronics, software and data analytics; automotive components; process and pollution control equipment and technologies; commodity trading; minerals; ranching; and investments
- Koch has significant experience and expertise in the flooring sector through its Invista and Stainmaster carpet businesses, predominantly focused on the US markets

INVISTA™ STAINMASTER® CARPET

Koch Equity Development ("KED")

- Koch Equity Development is Koch's acquisition and investment subsidiary and has the primary responsibility in investing the firm's excess capital
- It has invested $30 billion since 2012
- With its long-term investment horizon, KED is an attractive partner for Victoria and will bring expertise and market access alongside its shareholding and capital contribution
- KED has high structuring and duration flexibility and a streamlined decision making process, with a minimum investment of $100m

Victoria Share Buyback

Share Buy-back: Concentrates benefits of value creation

"Wise capital allocation is the single largest driver of value creation over the medium term"

- **Decision to proceed taken after reviewing:**
  - Trading outlook. The Board was encouraged by the sustainability of the trading recovery previously advised to shareholders as revenue continued to strengthen each month
  - Liquidity. Victoria has a resilient balance sheet with more than £200m of cash and undrawn credit-lines (up from £180m as at 30 June and prior to the Koch investment) to which it continues to add each month.
  - Value: Given Victoria's trading prospects, the Board considered Victoria's shares very materially undervalued
  - Alternative uses for excess cash

The buy-back reduced Victoria's ordinary shares outstanding by 6.8%, thereby increasing current and future EPS and FCF per shares by 7.3%

It is important to stress that the buy-back does not imply a departure from the Company's financial policy, either in terms of leverage appetite or payment of dividends

The Directors are firmly of the view that the buy-back, in conjunction with the new preferred equity being raised, was an optimal use of capital and will be value-enhancing for shareholders

Outlook

Organic Growth: Outlook positive

Victoria continues to trade very strongly following the initial short-term impact of COVID-19

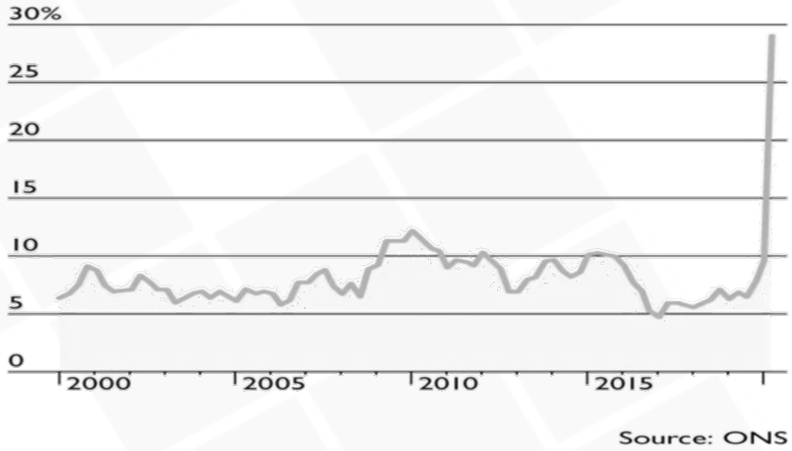
Economic factors

- Victoria's key market – residential renovation – has proven to be extremely resilient as consumers are spending more time at home and re-focusing expenditure away from travel and leisure (see chart bottom right. Source Bank of England)
- As a result of people spending more time at home, household savings have increased dramatically (see chart top right). This savings growth has been weighted towards higher income households – Victoria's key market
- UK house sales – a driver of renovation (people generally replace flooring 6-12 months after purchase) – have rebounded and are +50% in October (vs last year) according to Rightmove
- Unemployment biased towards the young (working in retail and hospitality), who tend not to be homeowners

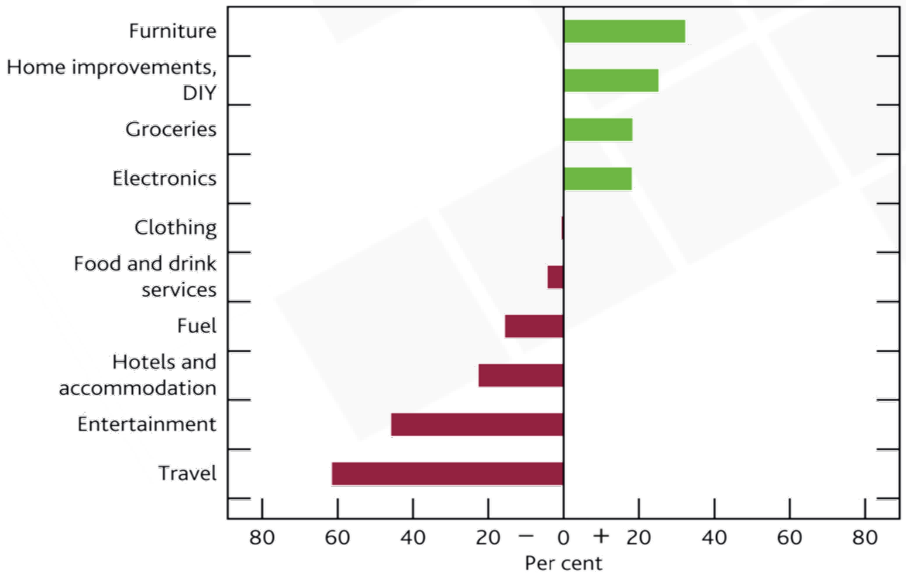
Victoria unique factors

- Victoria's diversified exposure to a number of different economies = resilience. Recession or lockdown in one geography is offset by others
- More productivity enhancements to come (without significant cost) – driving further margin expansion
- Victoria's focus on residential end-markets rather than commercial, and ability to react extremely fast to shut and re-open operations, has been a key advantage

Savings as a percentage of disposable income



Annual growth in spending in selected categories, 2020 Q3



Acquisitions: attractive prospects

Value-accretive acquisitions have grown EBITDA from £2.3m (2013) to £107.2m (2020)

Consolidator in a fragmented industry

- European flooring sector is worth **€23 billion** at factory gate
- Motivated sellers – retirement, capital structure under pressure
- Deal structure minimises downside risk
- Pro-active deal origination – Victoria actively prospects for opportunities

Synergies create strong levers for margin expansion

- Better buying power on raw materials
- Rationalisation of product lines and cross selling via new distribution channels
- Ability to affect price increases
- Distribution, warehousing and logistics
- Consolidation of manufacturing capacity

Illustrative example: Buying £100m EBITDA

Purchase price:

£100m EBITDA (from one or more targets) at 7x multiple:	£700m

Funding:

Senior debt: 3 x £100 million EBITDA:	£300m
Convertible Preferred Equity:	£167m
Earn-out (33% of purchase price):	£233m
Total funding:	£700m

Investment Highlights

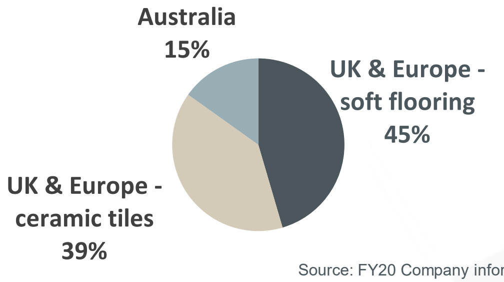
Key investment highlights

The Victoria Group presents a unique equity story

1. Global business with a focus on the mid to high-end products
2. Diversified business across products, customers and geographies
3. Stable flooring market underpinned by the resilient improvement and repair segment
4. High structural barriers to entry
5. Low operational gearing through a flexible cost base and limited capex intensity
6. Proven acquisition track record and ability to realize synergies
7. Experienced management team with proven track record of sustainable value creation

Global business with a focus on the mid to high-end products

	Ceramic tiles (39% FY20 Revenue) (28% Adj. EBITDA margin[1])	**Soft flooring** (61% FY20 Revenue) (14% Adj. EBITDA margin[1])	
	Strong market positions across key markets	**UK & Europe**	**Australia**
Market position	(see chart below)	#1 in UK Carpets(2); #1 in UK Underlay and accessories(2)	#2 in Carpets(3); #1 in Underlay and accessories(3)
Brands span from mid-end mass market up to high-end covering every price point	atlantictiles; Keraben; IBERO Porcelanico; Saloni cerámica; CasaInfinita; Metropol; mono Serra ceramic; Ascot Ceramiche; Dom Ceramiche	**Artificial grass:** Grass Inc.; avalon. **LVT:** westex; Distinctive Flooring. **Underlay and accessories:** Duralay; tredaire; Stikatak; Gripperrods; estillon; Softstep; Super Step. **Carpet:** westex; Millennium Weavers Europe; The Love Story Collection; Hugh Mackay carpets; whitestone weavers; Thomas Witter; Wilton Royal; Victoria Carpets; gaskell; Stainfree; G~tuft	**LVT:** Heartridge; frontier. **Underlay and accessories:** Dunlop flooring. **Carpet:** Victoria Carpets; Quest



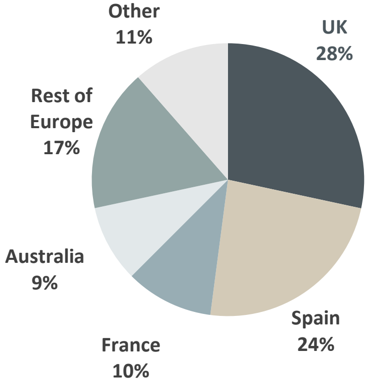
Source: FY20 Company information.

(1) Adj. EBITDA margin is post IFRS 16 and before credit loss provision.
(2) Largest UK manufacturer by volume.
(3) By sales.

Diversified business across products, customers and geographies

Highly diversified geographic exposure

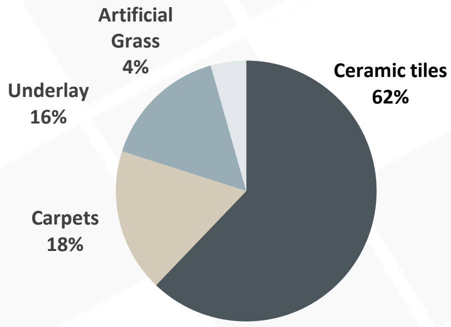
Split of EBITDA by destination country(1)



Flexibility to produce in and serve multiple geographies

Well balanced product portfolio

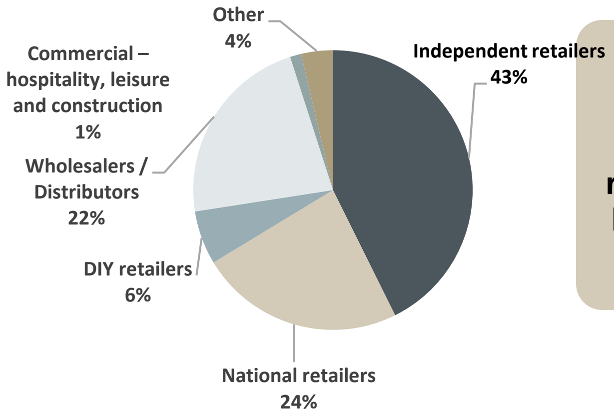
Split of EBITDA by product category(1)



Wide product offering increases cross selling opportunities, visibility and pricing power

Multi-channel customer base

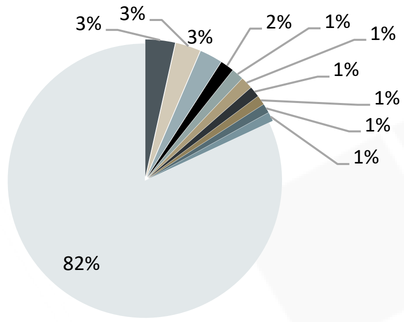
Split of revenue by customer type(2)



Largest group of customers are independent flooring retailers having brand loyalty and long term relationships

Low customer concentration

Split of revenue by key customer(2)

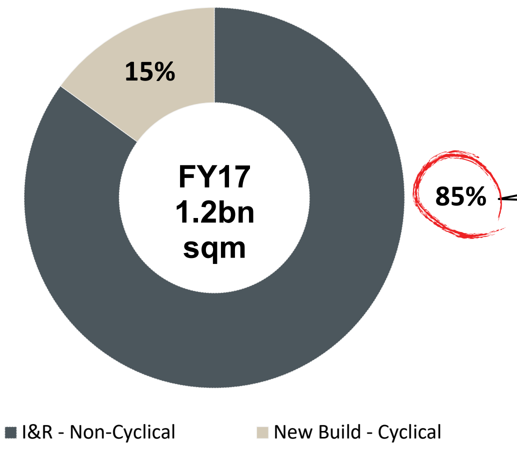


Top 10 customers account for 18% sales with largest customer accounting for 3%

Source: Company information.
(1) Based on FY19 underlying EBITDA.
(2) Based on FY19 pro-forma revenues.

Stable flooring market underpinned by the resilient improvement and repair segment

Improvement & repair is the primary driver of the Western European and Australian residential flooring markets



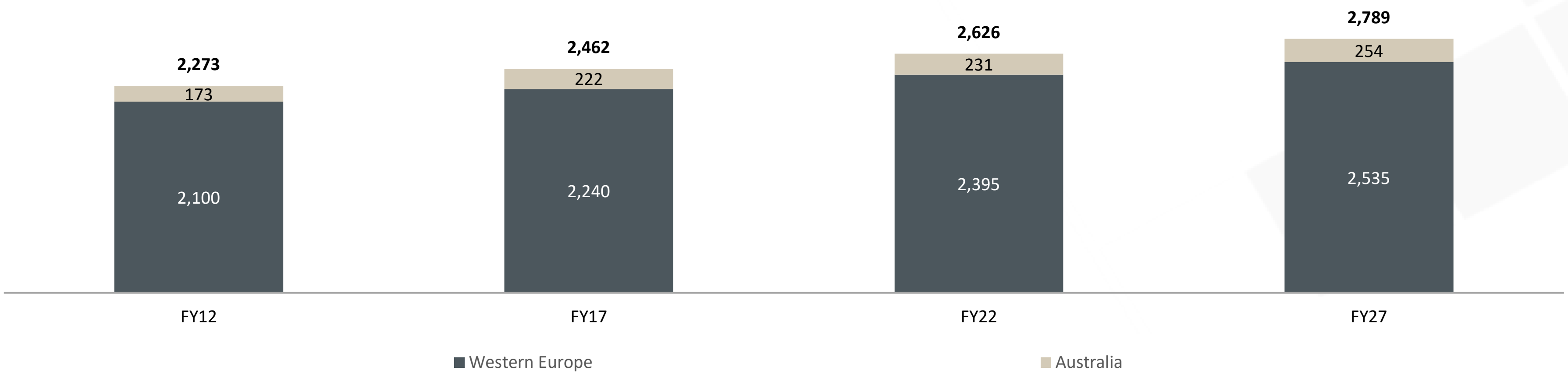
I&R end market **5-6x larger** than new construction

Key advantages of I&R vs. new build

- **End users less price sensitive**
- **More stable through the cycle given lower cost vs. new build**

We operate in developed markets with steady growth drivers

Western European and Australian flooring market (m sqm)



	CAGR FY12-17	CAGR FY17-22
Total	1.6%	1.3%
Australia	5.1%	0.8%
Western Europe	1.3%	1.3%

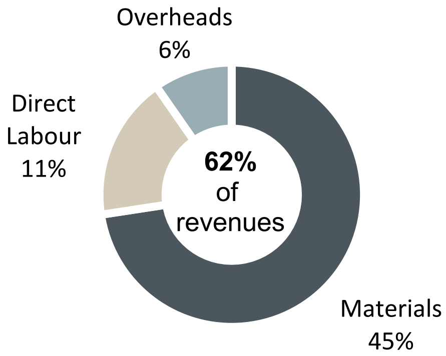
Source: Freedonia Global Flooring Market Report (Jan-19).

High structural barriers to entry

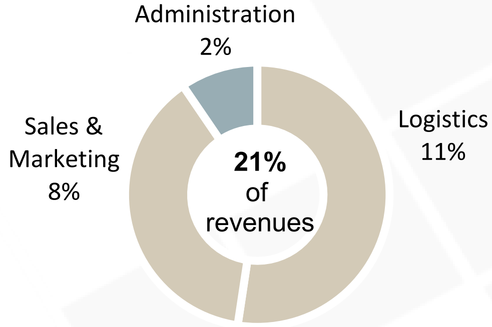
- **Fragmented customer base –** focus on long-standing relationships with broad network of independent retailers
- **Proximity to customers** helps influence designs/trends and maintain customer relationships
- **Established and trusted brands –** well known with retailers for certainty of supply and quality
- **Scale is key –** smaller operations / contract manufacturing significantly less efficient than long production runs
- **Product handling –** specialist warehousing and distribution required; difficult over long distances
- **Deep product knowledge and technical expertise –** vital to underpin operational efficiency and innovation

Low operational gearing through a flexible cost base and limited capex intensity

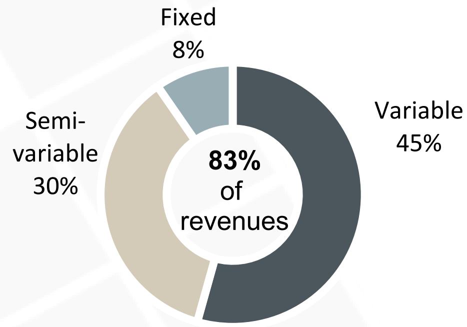
Cost of sales[1]



SG&A[1]



Total cost base[1]

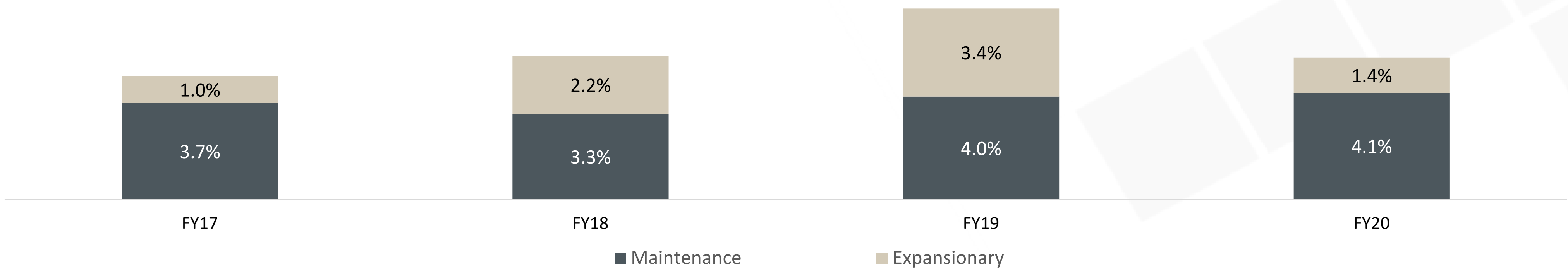


Variable cost – varies directly with revenues

Semi-variable cost – flexibility within a few months

Fixed cost (can still be subject to synergies)

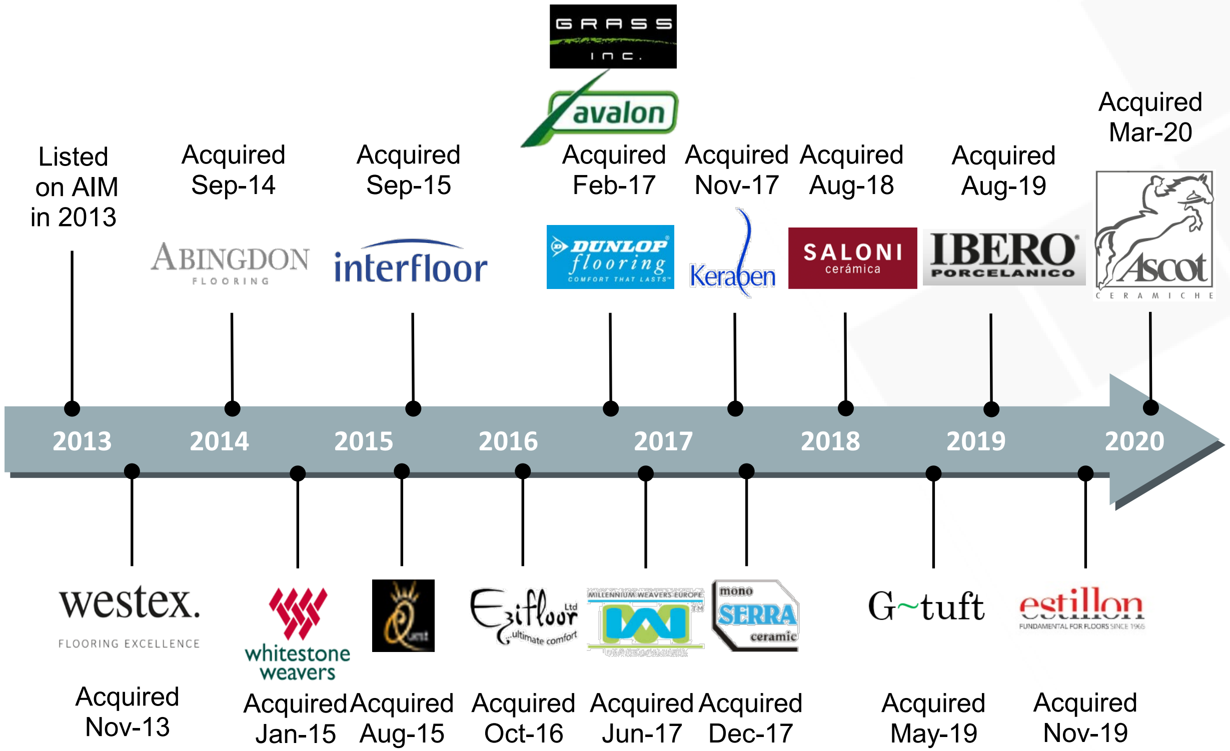
Capex % of revenue – low maintenance requirement



Note: Based on underlying FY19 figures.
(1) Represent costs within underlying EBITDA.

Proven acquisition track record and ability to realise synergies

Value accretive acquisitions driving EBITDA growth



	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Underlying EBITDA	£2.3m	£5.1m	£15.8m	£32.3m	£45.7m	£64.7m	£96.3m	£107.2m
% margin	*3.0%*	*7.0%*	*12.4%*	*12.7%*	*13.8%*	*15.2%*	*16.8%*	*17.3%*

Consolidator in a fragmented industry

- Built meaningful scale since 2013 with 17 acquisitions
- Keraben, Serra & Saloni propelled group to a strong market position in European Ceramic tiles

Synergies create strong levers for margin expansion

- Better buying power on raw materials
- Rationalisation of product lines and cross selling via new distribution channels
- Ability to affect price increases
- Distribution, warehousing and logistics
- Consolidation of manufacturing capacity

Experienced management team with proven track record of sustainable value creation

Geoffrey Wilding
Executive Chairman

Wider Management Team

- 15 Managing Directors responsible for individual business units
- Extensive industry experience
- Experience, product knowledge, enthusiasm, skill second to none
- Actively incentivized in Victoria's future with significant investment in shares, LTIP plans, and cross-unit Board membership / project

Philippe Hamers
Chief Executive

Retention of management

- All managers retained post acquisition earn-out period, excluding retirees
- Almost all managers have meaningful amounts of their net worth invested in VCP
- Of 17 acquisitions to date, 9 have completed earn-out and 5 did not have earn-outs

Michael Scott
Group Finance Director

Value Creation

	FY14	Adj. PF 2020
Revenues (£m)	71	622
EBITDA margin (%)	7.2%	17.3%[1]
Market Cap (£m)	23	707[2]

Notes:
(1) FY20 EBITDA margin based on underlying EBITDA, pre IFRS 16 and before movement in credit loss provision, from continuing operations.
(2) As of 27 November 2020.

Appendix

H1 FY21 Income Statement

Continuing operations £m	H1 2021	H1 2020	H1 2021 margin
Revenue	305.5	312.3	
Cost of sales	(203.2)	(197.8)	
Gross profit	**102.3**	**114.5**	**33.5%**
Distribution and admin. expenses	(75.6)	(76.3)	
Other operating income	1.5	1.5	
Underlying operating profit	**28.2**	**39.7**	**9.2%**
Underlying finance costs	(14.5)	(12.2)	
Underlying PBT	**13.7**	**27.5**	**4.5%**
Amortisation of acquired intangibles	(13.5)	(12.1)	
Exceptional costs	(3.9)	(3.8)	
Non-underlying finance costs	(2.7)	(10.1)	
Translation difference on foreign currency loans	3.5	4.0	
Reported PBT	**(2.9)**	**5.5**	

H1 FY21 Balance Sheet

£m	3 Oct 2020	28 Sep 2019	28 Mar 2020
Property, plant & equipment	208.8	202.5	211.8
Current assets	282.5	285.4	309.5
Current liabilities	(178.7)	(154.0)	(210.1)
Non-current liabilities	(17.5)	(24.1)	(16.8)
Net tangible operating assets	**295.1**	**301.7**	**294.4**
Net cash and cash equivalents	129.6	82.1	174.7
Senior secured debt (at par)	(453.0)	(293.9)	(448.4)
Revolving credit facility	-	-	(75.0)
Term Loan	-	(143.2)	-
Bond issue premium - cash	(6.6)	-	(7.5)
Bond issue premium - non-cash (related to embedded redemption option)	(6.1)	-	(6.8)
Fair value adjustment to notes redemption premium	0.8	-	-
Unsecured loans	(40.8)	(15.7)	(15.6)
Obligations under right-of-use leases	(78.9)	(62.0)	(79.8)
Pre-paid finance costs	8.7	8.1	9.9
Net debt including right-of-use leases	**(446.3)**	**(424.6)**	**(448.5)**
Goodwill and intangibles	433.0	466.6	439.9
Deferred tax liability	(64.7)	(59.2)	(64.7)
Right-of-use lease assets	73.4	63.8	78.5
Deferred and contingent earn-out liabilities	(28.8)	(32.7)	(39.0)
Intangible assets and other items	**412.9**	**438.5**	**414.7**
Overall net assets	**261.7**	**323.7**	**260.6**

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