



Impressions about how the Recticel acquisition has been successful:

- Acquisition process was new for Carpenter, and this was a sizeable acquisition
- Added almost 35% to our topline revenue and about 30% to the workforce
- So far, it has exceeded Brad's expectations

Where are we capitalizing on synergies with Engineered Foams?

- Most obvious synergy is the scale and scope of the "new" Carpenter as the largest flexible foam manufacturer in the world
- We negotiated with our preferred vendors for new prices and agreements
- We have a detailed view of the things Recticel did well, and what Foam Partner and OttoBock (two companies that became part of Recticel Engineered Foams) did well
 - Changes are seen in some reports and info sharing
 - Some of this is "behind the scenes" with policies, procedures, structure, etc.

What does One Team mean to you, and what does successful integration of One Team look like?

- Brad's background is being involved with sports growing up and still today, so One Team came from the idea that even the best individual players need to work together for the success of the whole team
- One Team is getting everyone on the same page and thinking about things in the same way
- We are a family, and we are all working toward a common set of objectives

Innovation & diversification are key for a thriving business. How is Carpenter innovating and diversifying?

- Brad's research shows that thriving companies are those that focus on their customers and make sure employees are aligned and motivated
- We are focusing on Carpenter's strengths and considering how those can migrate to other markets
- We are going to keep doing what we do well and also incorporate what REF, Foam Partner and OttoBock did well to ensure our customers are extremely satisfied

Will any North American plants be adopting new technologies from REF?

- We are looking to actively invest in North American locations to add REF capabilities, such as technologies, software packages and business strategies
- REF sends a lot of materials to the US and has a good platform of approvals, activities and products that we think would do well in the North American market

Why doesn't Carpenter produce and sell Carpenter-branded products?

- Many of our customers are their own brand, so Carpenter-branded products could cause confusion or disrupt the market
- Cost to maintain brand names is very high (marketing and advertising)

Can we publish the quarterly financial results internally?

- Financial results will continue to be made available to employees in formats that protect the privacy of the company and help keep the info "inside the walls"

How is Carpenter performing currently, and what plans are in place to combat the current economic situation?

- 2020 and 2021 (COVID years) were the best two years Carpenter has ever had
 - Consumers were generally at home and had more disposable income for home improvement projects (furniture and bedding)
- 2023 is tracking along the metrics of what Carpenter experienced in 2017-2019
 - Two of those years fall within the top five years for Carpenter all-time
- Things are slower than we would like, but overall, it's still been a good year

What is the outlook for 2024, and can you share some of the strategy going into the year?

- We think business conditions will remain soft for the first half of the year
- Inflation, higher interest rates and consumers continuing to spend money on travel could pose challenges in 2024, but we expect things to moderate and improve
- Strategy is leveraging four drivers for growth:
 - Grow the polyol business – adding personnel resources to help fuel growth
 - Market diversification – uses of flexible foam beyond Living & Care and Comfort
 - Geographic diversification – see if we can grow in new markets in Asia that we are part of through the REF acquisition
 - Sustainability – long-term projects in the use of foam as it comes back to us