

## Ariston Holding N.V. announces its intention to launch an initial public offering and list on Euronext Milan

**Milan**, Italy, 8 November 2021 – Ariston Holding N.V. ("**Ariston**", the "**Company**", and together with its subsidiaries, the "**Group**"), a global player in sustainable comfort solutions for hot water and space heating, today announces its intention to launch an initial public offering (the "**Offer**") and seek admission to listing and trading of its ordinary shares (the "**Shares**") on Euronext Milan, a regulated market organised and managed by Borsa Italiana S.p.A. ("**Euronext Milan**") (the "**Admission**").

The Offer is expected to take place in the coming weeks, subject to market conditions and other relevant considerations, and is expected to consist of (i) a private placement of newly issued Shares by the Company, which is expected to raise gross proceeds of approximately €300 million and (ii) a secondary offering of existing Shares (together the "**Offer Shares**") held by the Company's shareholders, Merloni Holding S.p.A. ("**Merloni Holding**") and Amaranta S.r.l. ("**Amaranta**" and together with Merloni Holding, the "**Selling Shareholders**") to certain institutional investors in various jurisdictions, with the aim to create a meaningful free float in the Shares upon Admission. There will be no public offering in any jurisdiction.

The share capital of the Company consists of ordinary Shares and multiple voting shares, which are held by the Selling Shareholders.

The Company intends to use the net proceeds from the issue of the new Offer Shares to support and develop further growth of the Group, invest and accelerate the organic growth – such as digital route to market, technologies and industrial footprint - and to finance acquisitions of businesses, technologies and intellectual property rights in the future. The Admission will also further enhance the Company's profile and brand recognition and aims to permit the Group to continue to attract talented individuals in the future.

The Company has appointed Goldman Sachs Bank Europe SE, Intesa Sanpaolo – IMI Corporate & Investment Banking Division and Mediobanca – Banca di Credito Finanziario S.p.A. as joint global coordinators and joint bookrunners (in such and any other capacity, the "**Joint Global Coordinators**"), CC & Soci as Financial Advisor and BNP PARIBAS, BofA Securities Europe SA, Citigroup Global Markets Europe AG and Equita SIM S.p.A. as joint bookrunners (together with the Joint Global Coordinators, the "**Underwriters**").

*"I am delighted to announce our intention to list Ariston on Euronext Milan. With a history of over 90 years, the Company has established itself as a one-of-a-kind global player in sustainability. Ariston has a global reach and a unique proposition of renewable and high efficiency hot water and heating solutions and services, uniquely balanced between hot water and heating, in established markets as well as emerging economies, growing organically as well*

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*as inorganically”, Paolo Merloni, Executive Chairman of Ariston Group, commented. “As a listed company, we believe we will be able to fully capitalise on growth opportunities, continuing to complement our strong organic growth with accretive acquisitions. We believe Ariston can and will play a key role in the consolidation process of our industry, accelerating with M&A what we successfully accomplished in the last decade. We are focused on being a preeminent global provider of sustainable comfort solutions in hot water and heating”.*

If and when the Offer is launched, further details about the Offer and the Admission will be included in the Prospectus. Once the Prospectus has been approved by the Dutch Authority for the Financial Markets (“**AFM**”), the Prospectus will be published and made available at no cost at the start of the offer period through the corporate website of the Company ([www.aristongroup.com](http://www.aristongroup.com)), subject to securities law restrictions in certain jurisdictions. Further details of the intended Offer and Admission will be announced in due course.

## CONTACTS

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## ARISTON'S HIGHLIGHTS

Ariston Group is a global provider of renewable and high efficiency solutions for hot water and space heating, components and burners.

The Group's solutions are driven by a belief in sustainability as a key element of its vision and mission. The Group provides renewable, highly efficiency and hybrid solutions and services supporting the energy transition and aimed at reducing energy consumption and environmental impact. Ariston aims to provide solutions as sustainable and efficient as possible, for any energy source chosen by the user, via a wide array of high-quality products (including heat pumps, high efficiency boilers, high efficiency and renewable water heaters) and systems (including hybrid heat-pumps and boiler systems).

The group has more than 7,400 employees, representative offices in 42 countries, 23 production sites and 25 centres of competences for research and development in 4 continents, selling solutions and services in about 150 countries around the world. A key component of the Group's success is its balanced organisation, allowing the business to stay close to the markets and at

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the same time benefit from a streamlined management structure and integrated global supply chain and industrial base.

The Group offers its range of products, solutions and services mainly under the global brand Ariston, and operates a premium service brand with ELCO as well as iconic local brands such as Calorex, NTI, HTP, Chaffoteaux, ATAG, Racold as well as Thermowatt and Ecoflam in the component and burner business.

Faithful to its vision and mission, the Group has built its over 90-year operating history and decade-long profitable growth – both organic and as part of successful acquisitions – on its core values: strong corporate governance practices comparable to those of a publicly listed company, a solid organisation built around values of integrity, customer orientation and sustainability, as well as an unwavering spirit of entrepreneurship. Since its founding, the Group has promoted strong managerial capabilities, nurturing career development internally as well as bringing in outside talents.

## COMPETITIVE STRENGTHS

### *Well positioned to capitalise on growing markets across the globe*

The Group serves hot water and heating needs around the world and is well positioned to capitalise on markets that are expected to continue to grow. The hot water and heating businesses are a fundamental enabler of the sustainable energy transition. According to the International Energy Agency, 36% of green-house-gas emissions in Europe (and 18% globally) are originating from buildings; heating and hot water account for approximately 80% of the European residential energy consumption, according to the European Commission. Market research consultant BRG Building Solutions estimates that sales of renewable and highly efficiency solutions, which in 2021 should account for 51% of the global total value pools (excluding Japan and South Korea) will grow to 54% already in 2024.

### *Decades-long consistent story of profitable growth*

As anticipated, the Group has built its over 90-year operating history and decade-long profitable growth on its core values: strong corporate governance practices, integrity, customer orientation and sustainability, as well as an unwavering spirit of entrepreneurship. The Group has invested extensively in R&D, supply chain effectiveness and manufacturing footprint.

Driven by its core values (Act with Integrity, Believe in Sustainability, Inspire through Excellence, Start from Customers, People come First), the Group has a history of a strong financial performance and steady growth, including over the past twenty years. To sustain and fuel this upward momentum, the Group continually makes strategic decisions and improvements to its operations, optimising its manufacturing footprint and value chain processes.

*Strong M&A track record of attractive market and technology platforms.*

The Group has expanded considerably over the past two decades to achieve its current global reach. In 2001, the Group doubled its size in terms of revenues with the transformative acquisitions of Elco, Chaffoteaux, Cuenod and Rendamax. Since then, the Group has continued to grow and expand. Including the recent announcement of the acquisition of Chromagen in Israel, the Group has completed seven major acquisitions (in Canada, the United States, Mexico, the Netherlands, Denmark, South Africa, Israel and Australia) and ten bolt-ons (in France, Italy, Germany, Belgium, Israel and Switzerland, among others) since 2014.

When the Group has acquired, it has consciously sought to preserve and integrate the cultural features that make each organisation, its management team and its brand recognisable in its respective markets, while working to achieve integration and harmonisation where appropriate and generating synergies primary in operations, supply chain, product development and technologies. The Group believes that its structured approach to acquisitions allows to grow its market and technological leadership globally.

The Group aims to build upon this success with additional acquisitions in the future, including both bolt-ons, mid-size deals and larger deals. The fragmented nature of Ariston's markets provides ample opportunities for consolidation. Ariston intends to accelerate proactively scouting for and assessing acquisition opportunities that provide strong strategic rationale and broad potential synergies for the Group.

*Global company with extensive geographical reach and the ability to feel "at home around the world"*

The Group operates in 42 countries, with 80% of revenues derived from 18 different countries in 2020, and has meaningful market positions in 15 of the 20 largest countries in the world by 2020 GDP. The Group has extensive reach, with a global and integrated supply chain and manufacturing footprint to take advantage of local cost leadership opportunities, and a strong position in many global markets for both hot water (where it estimates to have a top-3 position by market share in over 40 countries) and heating (where it estimates to have a top-5 position by market share in over 15 countries).

*Extensive portfolio of products and solutions*

The Group's technological competencies and its extensive infrastructure allow it to be a leading provider in several subcategories within hot water (Heat Pumps, Electric Storage, Electric Instant, Gas Storage, Gas Instant and Solar) and heating (Residential Heat Pumps, Condensing Wall-Hung Boilers and Commercial Condensing Boilers).

In the Components division, the Group provides a wide portfolio of hot water elements and thermostats, with a solid vertical integration with the Thermal Comfort division and selling components externally to the Group. In the Burners division, the Group engineers, produces, markets technologically advanced burner products for commercial and industrial customers, and provide to the thermal comfort division core heating components.

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The Group has developed a comprehensive approach to research and product development, with central business units steering 25 R&D competence centres distributed across 4 continents.

*Agile organisation and governance, designed to establish a local presence and deliver on organic growth targets*

With its entrepreneurial attitude and global supply chain and manufacturing footprint, the Group has scaled its operations to create a global company with local roots. Although spread across 42 countries, the Group is structured around three global divisions, allowing it to scale innovation, extract synergies and focus on its mission and strategies. A key component of the Group's success is its balanced organisation, at once centralised and localised, as well as its robust governance framework, cash controls and Group-wide systems.

*Risk factors*

Investing in the Company involves certain risks. A description of these risks, which include risks relating to the Company as well as risks relating to the Offer and the Shares, will be included in the Prospectus. Any decision to participate in the Offer should be made solely on the basis of the information contained in the Prospectus.

## DISCLAIMER

The contents of this announcement have been prepared by and are the sole responsibility of the Company.

This announcement is not for release, publication or distribution in whole or in part, directly or indirectly, in the United States, Canada, Australia, South Africa or Japan or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The information contained in this announcement is for information purposes only, it does not purport to be full or complete and is not intended to constitute, and should not be construed as, an offer to sell or a solicitation of any offer to buy the Shares in any jurisdiction, including the United States, Canada, Australia, South Africa or Japan. This announcement is not for publication or distribution, directly or indirectly, in or into the United States. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement does not contain, constitute, or form part of, an offer to sell, or a solicitation of an offer to purchase, any securities in the United States, Australia, Canada or Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Shares have not been and will not be registered under the U.S. Securities Act of 1993, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States absent from registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register the Shares in the United States or to make a public offering of the Shares in the United States.

The Company has not authorised any offer to the public of securities in any member state of the European Economic Area (each a "Member State"). With respect to any Member state no action has been

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undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in any Member State. As a result, the Shares may only be offered in Member States (i) to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or (ii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation. For the purpose of this paragraph, the expression "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the offer and the Shares to be offered so as to enable the investor to decide to exercise, purchase or subscribe for the Shares and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 and includes any relevant delegated regulations.

The Company has not authorised any offer to the public of securities in the United Kingdom. With respect to the United Kingdom no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in the United Kingdom. As a result, the Shares may only be offered in the United Kingdom (i) to any legal entity which is a qualified investor as defined in the UK Prospectus Regulation; or (ii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation. For the purpose of this paragraph, the expression "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the offer and the Shares to be offered so as to enable the investor to decide to exercise, purchase or subscribe for the Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This announcement is an advertisement and does not constitute a prospectus within the meaning of the Prospectus Regulation and does not constitute an offer to acquire securities. Any offer to acquire securities will be made, and any investor should make his investment, solely on the basis of information that will be contained in the Prospectus to be made generally available in the Netherlands in connection with the Offer. When made generally available, copies of the Prospectus may be obtained at no cost from the Company or through the website of the Company. The information in this announcement is subject to change.

In the United Kingdom, this announcement is only being distributed to, and is only directed at, and any investment or investment activity to which this announcement relates is available only to, and will be engaged in only with, "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 who are also (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order, or (iii) persons to whom it may otherwise be lawfully communicated (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons in the United Kingdom should not take any action on the basis of this announcement and should not act or rely on it.

No action has been taken by the Company or the Selling Shareholders that would permit an offer of Shares or the possession or distribution of this announcement or any other offering or publicity material relating to such Shares in any jurisdiction where action for that purpose is required.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which they are released, published or distributed, should inform themselves about, and observe, such restrictions.

This announcement may include statements, including the Company's financial and operational medium-term objectives that are, or may be deemed to be, "forward-looking statements". These forward-looking

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statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "target", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made. Each of the Company, the Selling Shareholder and the Underwriters (both as defined below) and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise. The price and value of securities may go up as well as down.

Information in this announcement or any of the documents relating to the Offer cannot be relied upon as a guide to future performance.

Each of the Company, the Selling Shareholders, the Underwriters and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

Any purchase of Shares in the proposed Offer should be made solely on the basis of the information contained in the final Prospectus to be issued by the Company in connection with the Offer. The information in this announcement is subject to change.

The date of Admission may be influenced by factors such as market conditions. There is no guarantee that Admission will occur and you should not base your financial decisions on the Company's intentions in relation to Admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the Offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offer for the person concerned.

The Underwriters are acting exclusively for the Company and/or the Selling Shareholders and no one else in connection with any offering of Shares. They will not regard any other person as their respective clients in relation to any offering of Shares and will not be responsible to anyone other than the Company and/or the Selling Shareholders for providing the protections afforded to their respective clients nor for providing advice in relation to any offering of Shares, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

None of the Underwriters or any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents, alliance partners or any other entity or person accepts any responsibility or liability whatsoever for, or makes any representation, warranty or undertaking, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from this announcement) or any other information relating to the Group, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith. Accordingly, the Underwriters and each of their respective subsidiary undertakings, affiliates



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In connection with the Offer, each of the Underwriters and any of their affiliates, may take up a portion of the Shares in the Offer as a principal position and, in that capacity, may retain, purchase, sell, offer to sell for its own account such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. In addition, each of the Underwriters and any of their affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which each of the Underwriters and any of their affiliates may from time to time acquire, hold or dispose of Shares. None of the Underwriters or their affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so."

The Company may decide not to go ahead with the Offer and there is therefore no guarantee that Admission will occur. You should not base your financial decision on this announcement. Acquiring investment to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.