

Ariston Group completes the acquisition of Chromagen

5 January 2022 – Ariston Group, the global leading player of sustainable solutions for hot water and space heating, announces today the closing of the previously announced acquisition of Chromagen¹ after all closing conditions were met, including the clearance from the Israeli Antitrust authorities.

Founded in 1962, Chromagen develops, manufactures and markets renewable hot water solutions, with a strong heritage on solar thermal technology. Chromagen is headquartered in Israel and has two subsidiaries in Australia and Spain, as well as a solid network of distributors that help serve customers in about 35 countries worldwide. Chromagen employs over 300 people, in 2020 reported revenues of approximately 400 NIS million and mid-single digit adjusted EBIT margin.

Ariston Group acquired 100% of the shares and voting rights of the entity active in Israel. The acquisition allows Ariston Group to consolidate its position in the Israeli market, a market supported by a growing economy and a solid trend of population growth where the majority of households meet hot water needs with solar thermal. Ariston Group is present in the Israeli market since 2017 following the acquisition of Atmor, a company specialized in manufacturing tank-less electric instant water heaters.

In Australia, Ariston Group acquired the shares owned by Kibbutz Shaar Haamakim while confirming both the current management team as well as the governance structure with the current minority shareholders. This acquisition will allow Ariston Group to enter a relevant market for hot water, building on the solid position of Chromagen Australia on the builders' channel, with strong focus on renewables hot water solutions.

On an equity value basis, the transaction values Chromagen at around 130 NIS million, paid in cash.

"We are excited to welcome Chromagen in Ariston Group, Chromagen perfectly fits with our vision to provide sustainable comfort for everyone. It is also a testimony of Ariston capability to deliver on M&A – which is a strategic pillar – in a context of strong organic growth and listing activities in 2021", commented **Paolo Merloni, Executive Chairman of Ariston Group**.

"We start 2022 by further strengthening the Group position in the in Israel market and by entering in the Australian market with a distinctive value proposition based on renewable technologies. We'll now work with our new colleagues to capture value generation synergies for all stakeholders", commented **Laurent Jacquemin, CEO of Ariston Group**.

About Ariston Group

Ariston Group is a global leader in sustainable solutions for hot water and space heating, components and burners. In the last 12 months, as of 30 September 2021, the Group reported 1.95 € bn revenues, about 7,700 employees, representative offices in 42 countries, 23 production sites and 25 research and development centers in 4 continents. Ariston Group is listed on Euronext Milan since November 2021.

Ariston Group demonstrates its commitment to sustainability through the development of renewable and high efficiency solutions, such as heat pumps, water heating heat pump, hybrid solutions and solar thermal systems. The Group also stands out for its continuous investment in technological innovation, digitalization and advanced connectivity systems.

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

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¹ See Ariston Group's press release issued on October 21st, 2021.

Forward-looking statements

This announcement may contain certain forward-looking statements, estimates and forecasts reflecting management's current views with respect to certain future events. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding the Group's future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the Group operates or intends to operate. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. Forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions. It is based on information available to the Group as of today. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual result to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Forward-looking statements speak only as of the date of this announcement. Except as required by applicable laws and regulations, the Group expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based. Further information on the Group and its activities, including those factors that may materially influence its financial results, are contained in the reports and documents of the Group deposited with the AFM and CONSOB.

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