

March 5th, 2024

All time highest FY revenues and profitability; +31% Dividend Per Share proposal

FY 2023 RESULTS HIGHLIGHTS

- **Net revenue at 3,092 million euro**, increasing 30.0% compared to 2022
- **EBIT adjusted 314 million euro**, increasing 41.2% compared to 2022
- **Net profit of 191 million euro**, increasing 36.3% compared to 2022
- **Free cash flow at 112 million euro**, versus 32 million euro in 2022¹
- **Net debt² at 611 million euro**, following cash-out for the acquisition of Wolf & Brink, dividend payments and share buyback
- **Proposed dividend of 17 eurocent** per share, +31% vs previous year and equivalent to a 33% pay-out on net profit

The Board of Directors of Ariston Holding N.V. (MTA/EXM; Bloomberg ticker: ARIS IM) met today and approved the annual report for the full year ending on 31 December 2023.

Paolo Merloni, Executive Chairman, said: *"Since our IPO back in November 2021, Ariston Group almost doubled both its net revenue and EBIT adjusted. In 2023 we welcomed Wolf and Brink in our group and, amidst contrasting market conditions, we delivered a solid performance. At Ariston Group, we continue to be driven by our vision to bring sustainable comfort for everyone. As we relentlessly operate to deliver organic growth, we will continue to explore strategically worthy M&A opportunities, confident in our track record to making our group a home where successful companies can further grow and succeed."*

Maurizio Brusadelli, Chief Executive Officer, said: *"2023 was a positive year for Ariston Group. Germany, now our biggest market accounting around 25% of our net revenues, drove our performance. We delivered solid profitability, benefiting from scale effects and the synergies from the Wolf and Brink deal. Despite the signs of a perduring volatility of European markets, especially on the first half of 2024, I believe we have a very exciting mid-term growth journey ahead of us. Thanks to the passion, commitment, know-how and strong values of our people, we will play a leading role in the technology and renewable transition, ultimately creating value for our shareholders"*

¹ Free Cash Flow restated excluding non-cash MtM derivatives impact.

² Calculated according to ESMA 32-382-1138 guidelines.

FY2023 CONSOLIDATED RESULTS

Net revenue at 3,091.8 million euro, growth of 30.0% compared to 2,378.8 million euro registered in 2022. Growth came from the Thermal Comfort division in Europe, with a significant contribution from the Wolf & Brink acquisition completed in January 2023.

The following tables show the split of net revenues by division and by geographic area:

€M	FY 2023	FY 2022	Change	o/w M&A
Thermal Comfort	2,910.5	2,187.4	+33.1%	808.2
Burners	92.9	95.9	-3.1%	
Components	88.4	95.5	-7.4%	
Total	3,091.8	2,378.8	+30.0%	808.2

€M	FY 2023	FY 2022	Change	o/w M&A
Europe	2,281.4	1,536.7	+48.5%	798.2
Americas	274.5	300.3	-8.6%	
Asia/Pacific & MEA	535.9	541.8	-1.1%	10.0
Total	3,091.8	2,378.8	+30.0%	808.2

Foreign exchange had a negative effect at -1.8% in the full year, -2.2% in the fourth quarter. For a better evaluation of the underlying business trends, pro-forma growth (including Wolf & Brink also in the FY22 comparison base) amounted to +1.1% vs. previous year; +2.5% excluding FX headwind on the pro-forma perimeter.

EBITDA reached 417.1 million euro, growth of 47.1% vs. 283.5 million euro registered in the previous year, while **EBIT** was 285.7 million euro, up 47.5% compared to 193.7 million euro in 2022.

These margins are also presented in an adjusted form to indicate the trend of normal business operations, excluding non-representative costs or revenues; the most significant adjustments for 2023 are the impact of PPA from M&A activity and the net insurance reimbursement related to the flash flood which occurred in September 2022 and hit two manufacturing plants in Italy.

EBITDA adjusted at 422.2 million euro, with growth of 38.3% compared to 305.3 million euro registered in 2022 and an increase from 12.8% to 13.7% in margin on net revenue.

EBIT adjusted at 314.2 million euro, up 41.2% compared to 222.6 million euro of 2022. The corresponding margin on net revenue went from 9.4% to 10.2%.

Net profit for the year reached 191.2 million euro, 36.3% higher than 140.3 million euro in 2022. The corresponding consolidated tax rate was 24.6% versus 22.0% in the previous year, as consequence of a different country mix due to the Wolf & Brink acquisition.

Free cash flow in the year was 111.6 million euro, compared to 31.7 million euro for 2022. The year-on-year increase was linked to the strong momentum in central European markets, despite net working capital increased YoY and the increase in capital expenditure on digitalization,, technologies, operations flexibility and efficiency.

Net financial indebtedness (calculated according to ESMA 32-382-1138 guidelines) went from 60.2 million euro net cash at 31 December 2022 to 610.9 million euro net debt at 31 December 2023, reflecting the payment for the Wolf & Brink acquisition, dividends to shareholders, and the purchase of 1.5 million treasury shares to service LTI plans in the upcoming years.

For comparison purposes, applying the calculation method used before the adoption of ESMA guidelines, Net financial position went from 98.9 million euro net cash to 575.0 euro million net debt. The main difference is in ESMA's inclusion – among liabilities – of put and call options related to acquisitions, and the positive component of the mark-to-market on derivatives.

DIVIDEND PROPOSAL

The Board of Directors will propose to the general meeting a dividend of 17 eurocent per share, a 31% increase compared to the previous year.

The dividend, if approved by the general meeting, will be paid on 22 May 2024, with 21 May 2024 as the record date, and 20 May 2024 as the ex-dividend date.

For fiscal purposes where relevant, the dividend will be drawn from 2023 net profit.

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OTHER RESOLUTIONS OF THE BOARD OF DIRECTORS

Annual General Meeting. The Board of Directors resolved to call the Annual General Meeting on 6 May 2024 to approve the annual report including, inter alia, the financial statements for the year ended 31 December 2023, the non-financial disclosure, the corporate governance report and the remuneration report.

Binding nomination of directors. The Board of Directors also resolved to submit to the general meeting a binding nomination of executive and non-executive directors following the end of office term of some of the current directors. The Board proposed to reappoint Paolo Merloni as executive director and Roberto Guidetti, Maria Francesca Merloni, Ignazio Rocco di Torrepadula, Marinella Soldi, Enrico Vita and appoint Katja Gerber as non-executive directors. The Board includes Maurizio Brusadelli as executive director, Antonia Di Bella, Laurent Jacquemin and Guido Krass as non-executive directors, whose term does not expire in 2024.

2024 LTI Plan. The Board of Directors resolved to propose to the general meeting to approve the 2024 LTI Plan. The plan foresees the granting of a maximum of 10.5 million euro at target to selected beneficiaries. The relevant bodies will be authorized to implement the plan by 31 December 2024. Relevant details will be made available in the Information Document pursuant to article 114-bis of the Italian Consolidated Law on Financial Intermediation to be published on Ariston Group's website.

Appointment of Honorary President. The Board of Directors appointed Francesco Merloni as Honorary President of Ariston Holding N.V.

Articles of association amendment. The Board of Directors resolved to submit to the Shareholders' meeting the amendment of the current article 26.1 of the Company's articles of association further limiting the voting rights casted by shareholders holding Multiple Voting Shares under certain thresholds of issued and outstanding Ordinary Shares and Non-Listed Ordinary Shares, in order to enhance stock eligibility to the most relevant market indexes.

ANNUAL REPORT AND ANALYST PRESENTATION

The annual report 2023 (including, inter alia, the non-financial disclosure, the corporate governance report, the report of the non-executive directors, the statement and responsibilities in respect to the annual report, the remuneration report and the independent auditor's report) is available at the corporate offices of the Company in Milan, Via Broletto 44, at the authorized repository www.1info.it and on the corporate website www.aristongroup.com in the "Investor Relations" section.

The annual report has been prepared in accordance with the Dutch Civil Code and the applicable International Financial Reporting Standards (IFRS).

The FY2023 analyst presentation, which includes management's remarks on the outlook for 2024, will be made available at the authorized repository www.1info.it and on www.aristongroup.com in the "Investor Relations" section.

The Board of Directors is responsible for preparing the annual report, inclusive of the management report, the full year consolidated financial statements and the Company-only financial statements at 31 December 2023, in accordance with the Dutch Financial Supervision Act and the applicable International Financial Reporting Standards (IFRS).

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About Ariston Group

Ariston Group is a global leader in sustainable thermal comfort that offers a unique, extensive range of solutions for hot water, space heating and air treatment, as well as components and burners. Listed on Euronext Milan since November 2021, in 2023 the Group reported almost 3.1-billion-euro revenues, with over 10,000 employees, direct presence in 40 countries in 5 continents, 29 production sites and 29 research and development centers. The Group demonstrates its commitment to sustainability through the development of renewable and high efficiency solutions, such as heat pumps, water heating heat pumps, hybrids, domestic ventilation, air handling and solar thermal systems. The Group also stands out for its continuous investment in technological innovation, digitalization, and advanced connectivity systems. The Group operates under global strategic brands Ariston, Elco and Wolf, and brands such as Calorex, NTI, HTP, Chaffoteaux, Atag, Brink, Chromagen, Racold, as well as Thermowatt and Ecoflam in the components and burners business.

Alternative Performance Measures (APMs)

This document contains certain financial performance measures that are not defined in IFRS standards (non-GAAP measures). These measures comply with the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority ('ESMA') in its communication ESMA/2015/1415. For a full presentation and discussion of alternative performance measures, please refer to chapter 4.11 "Definition and reconciliation of the Alternative Performance Measures (APMs or non GAAP measures) to GAAP measures" in the annual report.

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. Forward-looking information is based on information available to the Group as of today and is based on certain key assumptions; as such, forward-looking statements speak only as of the date of this announcement. No assurance can be given that such future results will be achieved; actual events may materially differ as a result of risks and uncertainties faced by the Group, which could cause actual result to vary materially from the future results indicated, expressed or implied in such forward-looking statements. 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. 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; the Group expressly disclaims and does not assume any liability in connection with any inaccuracies in any of the forward-looking statements in this document, and in any related oral presentation, including responses to questions following the presentation, or in connection with any use by any third party. 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.

Attachments:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31/12/2023

FY 2023 CONSOLIDATED INCOME STATEMENT

FY 2023 CONSOLIDATED CASH FLOW STATEMENT

ARISTON GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

(in euro million)	31/12/2023	31/12/2022
Assets		
NON-CURRENT ASSETS		
Intangible assets		
<i>Goodwill</i>	894.1	312.7
<i>Other intangible assets</i>	618.3	129.9
Total intangible assets	1,512.4	442.6
Property, plant and equipment		
<i>Land and buildings excluding ROU</i>	197.4	125.9
<i>Land and buildings ROU</i>	56.3	47.4
Land and buildings	253.7	173.3
<i>Plant and machinery excluding ROU</i>	136.3	109.2
<i>Plant and machinery excluding ROU</i>	1.4	1.6
Plant and machinery	137.7	110.8
<i>Other property, plant and equipment excluding ROU</i>	198.6	99.3
<i>Other property, plant and equipment ROU</i>	29.5	21.8
Other property, plant and equipment	228.1	121.1
Total property, plant and equipment	619.4	405.1
Investments in associates & Joint ventures	6.0	2.4
Deferred tax assets	114.6	101.2
Financial assets	4.4	6.1
Other non-current assets	7.8	7.0
Non-current tax receivables	1.4	2.1
Total non-current assets	2,266.0	966.4
CURRENT ASSETS		
Inventories	619.0	476.8
Trade receivables	361.3	308.4
Tax receivables	47.8	28.4
Current financial assets	35.1	47.1
Other current assets	87.4	50.8
Cash and cash equivalents	451.2	999.3
Total current assets	1,601.8	1,910.8
ASSETS HELD FOR SALE	0.3	1.3
TOTAL ASSETS	3,868.0	2,878.5

(in euro million)

	31/12/2023	31/12/2022
LIABILITIES AND EQUITY		
NET EQUITY		
Share capital	46.5	46.1
Share premium reserve	711.3	313.3
Retained earnings and other reserves	553.6	510.3
Net profit attributable to the Group	191.2	140.3
Net equity attributable to the Group	1,502.6	1,010.0
Non-controlling interests and reserves	-0.1	2.1
Net profit attributable to non-controlling interests	0.0	0.1
Net equity attributable to non-controlling interests	-0.1	2.2
Net equity	1,502.5	1,012.2
NON-CURRENT LIABILITIES		
Deferred tax liabilities	214.3	61.8
Non-current provisions	73.8	59.6
Post-employment benefits	87.2	38.6
Non-current financing	942.1	865.2
Other non-current liabilities	20.5	12.0
Non-current tax liabilities	3.9	1.8
Total non-current liabilities	1,341.5	1,038.9
CURRENT LIABILITIES		
Trade payables	463.7	481.4
Tax payables	83.9	53.0
Current provisions	68.9	36.2
Current financial liabilities	72.5	49.7
Current loans	46.7	32.7
Other current liabilities	288.2	174.5
Total current liabilities	1,024.0	827.4
LIABILITIES HELD FOR SALE	0.0	0.0
TOTAL LIABILITIES AND NET EQUITY	3,868.0	2,878.5

ARISTON GROUP
CONSOLIDATED INCOME STATEMENT
AS AT 31 DECEMBER 2023

(in euro million)	2023		2022	
REVENUE AND INCOME				
Net revenue	3,091.8	100.0%	2,378.8	100.0%
Other revenue and income	58.3	1.9%	42.7	1.8%
Revenue and Income	3,150.1	101.9%	2,421.5	101.8%
OPERATING EXPENSES				
Change in inventories	-36.0	-1.2%	-93.7	-3.9%
Raw materials, consumables and goods for resale	1,475.8	47.7%	1,243.3	52.3%
Services	517.3	16.7%	464.0	19.5%
Personnel	674.6	21.8%	459.0	19.3%
Depreciation and amortisation	131.4	4.3%	89.8	3.8%
Additions and release of provisions	67.8	2.2%	31.2	1.3%
Write-downs	1.1	0.0%	3.8	0.2%
Other operating expenses	32.5	1.1%	30.4	1.3%
Operating expenses	2,864.4	92.6%	2,227.8	93.7%
OPERATING PROFIT	285.7	9.2%	193.7	8.1%
FINANCIAL INCOME AND EXPENSE				
Financial Income	11.6	0.4%	6.0	0.3%
Financial Expense	-44.0	-1.4%	-15.7	-0.7%
Exchange rate gains/losses	1.5	0.0%	-8.9	-0.4%
Financial Income and Expense	-30.8	-1.0%	-18.6	-0.8%
PROFIT (LOSS) ON INVESTMENTS				
Profit (loss) on investments	-1.3	0.0%	4.7	0.2%
PROFIT BEFORE TAX	253.6	8.2%	179.8	7.6%
TAXES				
	62.4	2.0%	39.5	1.7%
		24.6%		22.0%
PROFIT (LOSS) FROM CONTINUING OPERATIONS	191.2	6.2%	140.3	5.9%
NET PROFIT	191.2	6.2%	140.3	5.9%
Net profit attributable to non-controlling Interests	0.0	0.0%	0.1	0.0%
Net profit attributable to the Group	191.2	6.2%	140.3	5.9%

ARISTON GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2023

(in euro million)	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT	191.2	140.3
Taxes	62.4	39.5
Income and expense from financing and investment activities	32.1	13.9
Depreciation and amortisation excluding ROU	101.6	64.4
Depreciation ROU	29.8	25.4
Provisions	67.8	14.0
Other adjustments	1.1	3.8
GROSS OPERATING CASH FLOW	486.0	301.2
Change in trade receivables	-5.3	-21.2
Change in inventories	-32.3	-67.6
Change in trade payables	-26.2	-27.0
Change in other short-term assets/liabilities	-0.4	-3.4
Change in provisions	-44.3	-15.6
Tax paid	-74.0	-35.4
+ NET OPERATING CASH FLOW	303.5	130.9
CASH FLOW FROM INVESTMENT ACTIVITIES		
Investments in intangible assets	-30.2	-21.0
Investments in property, plant and equipment (PPE)	-128.4	-57.6
Business combinations	-547.0	-23.9
Investments in financial assets	-4.9	-30.3
Change in the scope of consolidation	0.0	-1.9
Proceeds from sale of intangible assets and PPE	0.7	0.9
+ CASH FLOW FROM INVESTMENT ACTIVITIES	-709.9	-133.8
CASH FLOW FROM FINANCING ACTIVITIES		
Financial expense paid	-30.3	-7.4
Financial income collected	8.9	5.0
Financial expense pursuant to IFRS16	-2.9	-1.9
Other inflows (outflows) of cash classified as financing activities	-0.5	-8.9
Increase/decrease in short-term financial payables	14.5	6.4
New loans	388.6	450.5
Loans repayment	-444.7	-62.8
Dividends	-48.3	-46.4
Capital and reserves increase/distribution	0.0	0.0
Proceeds from issue of ordinary shares	0.0	0.0
Buyback/sale of treasury shares	-8.7	-12.5
+ CASH FLOW FROM FINANCING ACTIVITIES	-123.4	322.1
= CASH FLOW FROM CONTINUING OPERATIONS	-529.7	319.3
+ CASH FLOW FROM DISCONTINUED OPERATIONS	0.0	0.0
= TOTAL CASH FLOW	-529.7	319.3
+ Effect of changes in exchange rates	-7.8	2.8
= TOTAL MOVEMENT IN CASH AND CASH EQUIVALENTS	-537.5	322.0
+ CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	977.5	655.5
= CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	440.0	977.5