

May 4<sup>th</sup>, 2022

## **Ariston delivers strong growth (+23.8%) and excellent margins (9.1% EBIT adjusted) in the first quarter of 2022**

### **Q1 2022 RESULTS HIGHLIGHTS**

- **Net revenue at 552 million euro**, an overall increase of 23.8% compared to Q1 2021
- **EBIT adjusted amounted to 50 million euro**, increasing +15.6% versus Q1 2021
- **Free cash flow at -45 million euro**, versus +10 million euro in Q1 2021
- **Positive net financial position<sup>1</sup> at 21 million euro net cash**, following strong front-loading of net working capital and payment for the Chromagen acquisition

*“After a year characterized by strong growth and record margins, we are happy to announce yet another quarter with a double-digit organic top line increase, very good M&A contribution, and EBIT adjusted above 9%.” – said **Paolo Merloni, Executive Chairman** – “We successfully seized the opportunities presented by the healthy demand in most of our markets around the world, whether driven by economic development or by the enhanced awareness of the importance of the energy transition.”*

*“This is particularly remarkable given the continuing and even worsening disruptions worldwide in supply chains and logistics” – added **Laurent Jacquemin, Chief Executive Officer** – “We resolved to make every effort to minimize their consequences, and we succeeded thanks to the commitment of our team, the flexibility of our global centrally-managed footprint, and a front-loading of working capital to sustain continuity.”*

The Board of Directors of Ariston Holding N.V. (MTA/EXM; Bloomberg ticker: ARIS IM) met today and approved the disclosure of additional periodic financial information for the quarter ending on March 31<sup>st</sup> 2022 (“Q1 2022”).

### **Q1 2022 CONSOLIDATED RESULTS**

**Net revenue** amounted to 552.1 million euro, a growth of 23.8% compared to the 445.9 million euro registered in the first quarter of 2021.

A strong performance was registered across all divisions and geographic areas, supported by robust global demand in both heating and hot water.

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<sup>1</sup> Calculated according to ESMA 32-382-1138 guidelines

€M	Q1 2022	Q1 2021	Change	o/w M&A
Thermal Comfort	507.7	404.8	+25.4%	31.8
Burners	21.8	20.9	+4.7%	
Components	22.5	20.2	+11.3%	
<b>Total</b>	<b>552.1</b>	<b>445.9</b>	<b>+23.8%</b>	<b>31.8</b>

€M	Q1 2022	Q1 2021	Change	o/w M&A
Europe	357.2	303.9	+17.5%	1.3
Americas	71.3	61.8	+15.5%	0.2
Asia/Pacific & MEA	123.6	80.3	+54.0%	30.3
<b>Total</b>	<b>552.1</b>	<b>445.9</b>	<b>+23.8%</b>	<b>31.8</b>

The currency exchange contributed for +2.2%, while the consolidation in the entire quarter of the newly-acquired Chromagen business represented an addition of 7.1%.

**EBITDA** registered at 67.2 million euro, a growth of 15.4% with respect to the 58.3 million euro registered Q1 2021, while **EBIT** amounted to 46.6 million euro, up 17.0% compared to the 39.8 million euro of Q1 2021.

These margins are also presented in an adjusted form which is more suitable to appreciate the trend of the normal business operations, with the exclusion of costs or revenues not representative of them; the most significant adjustments for the period are related to the write-off of assets in Ukraine, and a capital gain on real estate.

**EBITDA adjusted** amounted to 70.1 million euro, a growth of 14.5% with respect to the 61.2 million euro registered in Q1 2021, with a decrease in margin on net revenue from 13.7% to 12.7%.

**EBIT adjusted** amounted to 50.1 million euro, up 15.6% compared to the 43.3 million euro of Q1 2021. The corresponding margin on net revenue decreased from 9.7% to 9.1% – incorporating a dilution from M&A and a step-up in SG&A aimed at sustaining future growth. The negative pressure from last year's raw material inflation was mitigated by the pricing initiatives carried out over the course of 2021.

**Free cash flow** in the period amounted to -45.5 million euro, versus +10.3 million euro for Q1 2021. Among its components, the higher EBITDA and change in assets & liabilities were overshadowed by a significant increase in net working capital aimed at preserving business continuity in the presence of significant disruptions in worldwide supply chains and logistics. The increase, in addition of normal seasonal factors, brought net working capital to 13.1% of last-twelve-months sales. This ratio is expected to decrease by year-end, assuming a normalization in global trade.

**Net Financial Indebtedness at the end of the period** (calculated according to ESMA 32-382-1138 guidelines) went from 149.0 million euro net cash to 20.6 million net cash, substantially due to the increase in net working capital and the cash-out related to the Chromagen acquisition.

For comparison purposes, applying the calculation method used before the adoption of ESMA guidelines, the net financial position went from 184.8 to 74.9 million euro net cash. The main differences are ESMA's inclusion – among liabilities – of put & call options related to acquisitions, and the neutralization of positive mark-to-market from derivatives.

\* \* \* \* \*

This additional periodic financial information is disclosed by Ariston Group on a voluntary basis and is not subject to auditing.

The Board of Directors is responsible for preparing the additional periodical information for the three months ended March 31st, 2022, in accordance with the Dutch Financial Supervision Act and the applicable International Financial Reporting Standards (IFRS).

The Q1 2022 Analyst Presentation will be made available at the authorized repository [www.1info.it](http://www.1info.it) and on [www.aristongroup.com](http://www.aristongroup.com) in the “Investor Relations” section.

## CONTACTS

[www.aristongroup.com](http://www.aristongroup.com)

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### About Ariston Group

*Ariston Group is a global leader in sustainable solutions for hot water and space heating, components and burners. In 2021 the Group reported almost 2€ bn revenues. Ariston Group has about 8,000 employees, representative offices in 43 countries, 25 production sites and 26 research and development centers in 5 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, Chromagen, Racold as well as Thermowatt and Ecoflam in the component and burner 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 Ariston Group's FY 2021 Financial Statements*

**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:

**(PARTIAL) RECLASSIFIED Q1 2022 INCOME STATEMENT**

**RECLASSIFIED Q1 2022 CASH FLOW STATEMENT**

**ARISTON GROUP**  
**RECLASSIFIED CONSOLIDATED INCOME STATEMENT**  
**AT 31 MARCH 2022**

(€M) – unaudited	Q1 2022		Q1 2021	
Net revenue	552.1	100.0%	445.9	100.0%
Other revenue and income	8.9	1.6%	7.4	1.7%
<b>Total Revenue and income</b>	<b>561.0</b>	<b>101.6%</b>	<b>453.3</b>	<b>101.7%</b>
Operating expense	-514.4	-93.2%	-413.5	-92.7%
<b>OPERATING PROFIT (EBIT)</b>	<b>46.6</b>	<b>8.4%</b>	<b>39.8</b>	<b>8.9%</b>
Adjustment on operating expense	3.5	0.6%	3.5	0.8%
<b>OPERATING PROFIT ADJUSTED (EBIT ADJUSTED)</b>	<b>50.1</b>	<b>9.1%</b>	<b>43.3</b>	<b>9.7%</b>
Financial income (expense)	-2.6	-0.5%	-3.5	-0.8%
Profit (loss) on investments	0.2	0.0%	0.0	0.0%
<b>PROFIT BEFORE TAX</b>	<b>44.2</b>	<b>8.0%</b>	<b>36.3</b>	<b>8.1%</b>
Total depreciation & amortisation	20.6	3.7%	18.5	4.1%
<b>EBITDA</b>	<b>67.2</b>	<b>12.2%</b>	<b>58.3</b>	<b>13.1%</b>
<b>EBITDA ADJUSTED</b>	<b>70.1</b>	<b>12.7%</b>	<b>61.2</b>	<b>13.7%</b>

**ARISTON GROUP**  
**RECLASSIFIED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR Q1 2022**

(€M) – unaudited	Q1 2022	Q1 2021
<b>NET FINANCIAL POSITION AT THE BEGINNING OF THE PERIOD</b>	<b>184.8</b>	<b>-143.6</b>
EBITDA	67.2	58.3
Taxes paid	-9.3	-8.8
Provisions and other changes from operating activities	24.3	12.3
Changes in net operating working capital	-112.1	-33.7
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-29.9</b>	<b>28.1</b>
Capital expenditure	-5.3	-7.5
IFRS16 leasing payments	-5.8	-5.4
Other changes	-4.5	-4.8
<b>FREE CASH FLOW</b>	<b>-45.5</b>	<b>10.3</b>
Cash flow from financial investment activities	-52.6	-3.4
Cash flow from other activities	-11.9	8.2
<b>TOTAL CHANGE IN NET FINANCIAL POSITION</b>	<b>-109.9</b>	<b>15.0</b>
<b>NET FINANCIAL POSITION AT THE END OF THE PERIOD</b>	<b>74.9</b>	<b>-128.6</b>