

SECOND QUARTER AND FIRST HALF 2025 RESULTS

31ST JULY 2025



Highlights

Financials

Outlook

Appendix

SOLID Q2 ORGANIC GROWTH, MARGIN IMPROVING YoY

Net revenues

644 €M

+3.6% YoY organic¹

Heating improving, led by heat pump
Water heating stable

Adj. EBIT

31 €M

4.8% margin

Improved YoY margin, thanks to efficiencies and operating leverage, partly offset by go-to-market, digital, and R&D investments

Free Cash Flow

3 €M

vs. 27 €M in Q2 2024

Strong NWC management, Q2 stable at constant perimeter;
H1 Free Cash Flow improved YoY

Highlights

Lennox JV: distribution partner to accelerate water heating USA & Canada market penetration
Bolt-on acquisition: Z.R.E. for Components division in June

Guidance

2025 guidance confirmed, with narrowed range on net revenues; mid-term outlook unchanged

ARISTON-LENNOX JV TO ACCELERATE IN USA & CANADA WATER HEATING MARKET



Leading NAM HVAC OEM with reputation for innovation, quality, and reliability

Top **3 HVACR** distributor with over **300 locations** in North America

Omni channel footprint with over 10k direct dealers and **~1k** independent distributors

World-class technology integration to deliver innovative and leading products

Establishes strategic partner for water heating technology & manufacturing beginning in early 2026



Active globally in sustainable climate and water comfort solutions

Tank-type water heater leader, **top 3** in over 40 countries, and **top 5** in the USA

29 manufacturing locations globally underpinned by **29 R&D centers**

North America tank-type market served from Saltillo (MX)

Establishes large distribution partner to accelerate the USA & Canada penetration

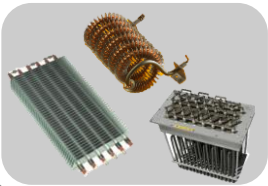
Strengthening customer relationships through optimal product management, shared market insights and effective technical assistance to promote growth in the water heater sector in the USA and Canada.

BOLT-ON ACQUISITIONS TO ACCELERATE COMPONENTS DIVISION GROWTH



Q1 2025

DDR
HEATING INC.
USA
Components



DDR HEATING: FIRST STEP IN THE US COMPONENTS MARKET

- **Rationale:** entry point into the North America components market
- **Business:** US-based player specializing in tubular electric heaters for professional and industrial applications
- **Revenues:** 6 \$M, 2024
- **Transaction structure:** 100% stake acquisition; signing on 12th March 2025



Q2 2025

Z.R.E.
ELECTRIC HEATERS
Italy
Components



Z.R.E.: ENTRANCE IN NEW MARKET VERTICALS

- **Rationale:** new band heaters technology for applications in plastics, packaging and medical sectors
- **Business:** Italy-based player specializing in the design and production of industrial electric heaters
- **Revenues:** 7 €M, 2024
- **Transaction structure:** 80% stake acquisition; signing on 12th June 2025

BALANCED EXPOSURE TO BOTH CLIMATE COMFORT AND WATER HEATING MARKETS

FY 2024

THERMAL COMFORT DIVISION

Climate comfort



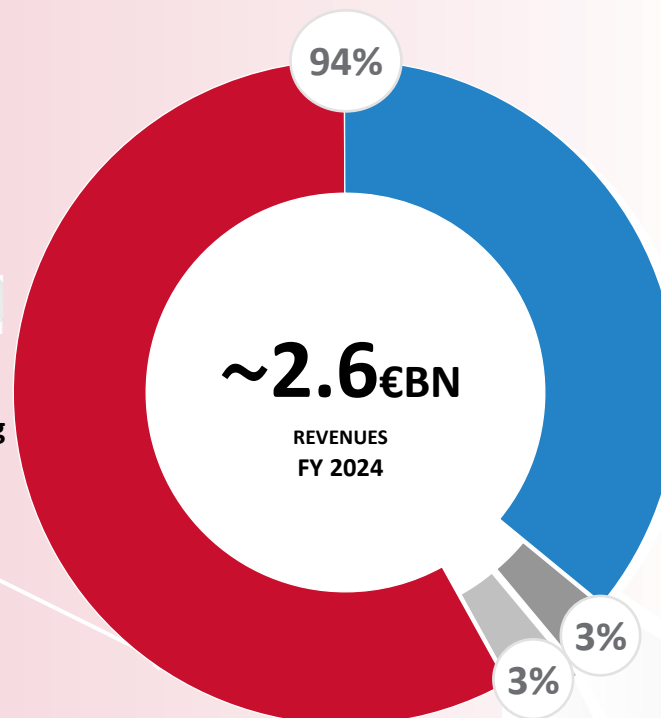
Services & Parts



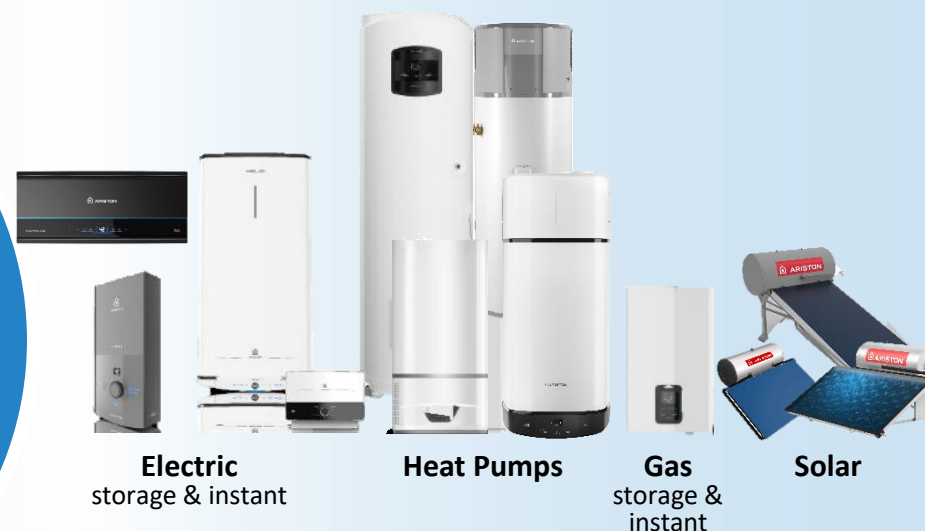
Residential heat-recovery ventilation



Air Handling units



Water Heating



COMPONENTS DIVISION



BURNERS DIVISION



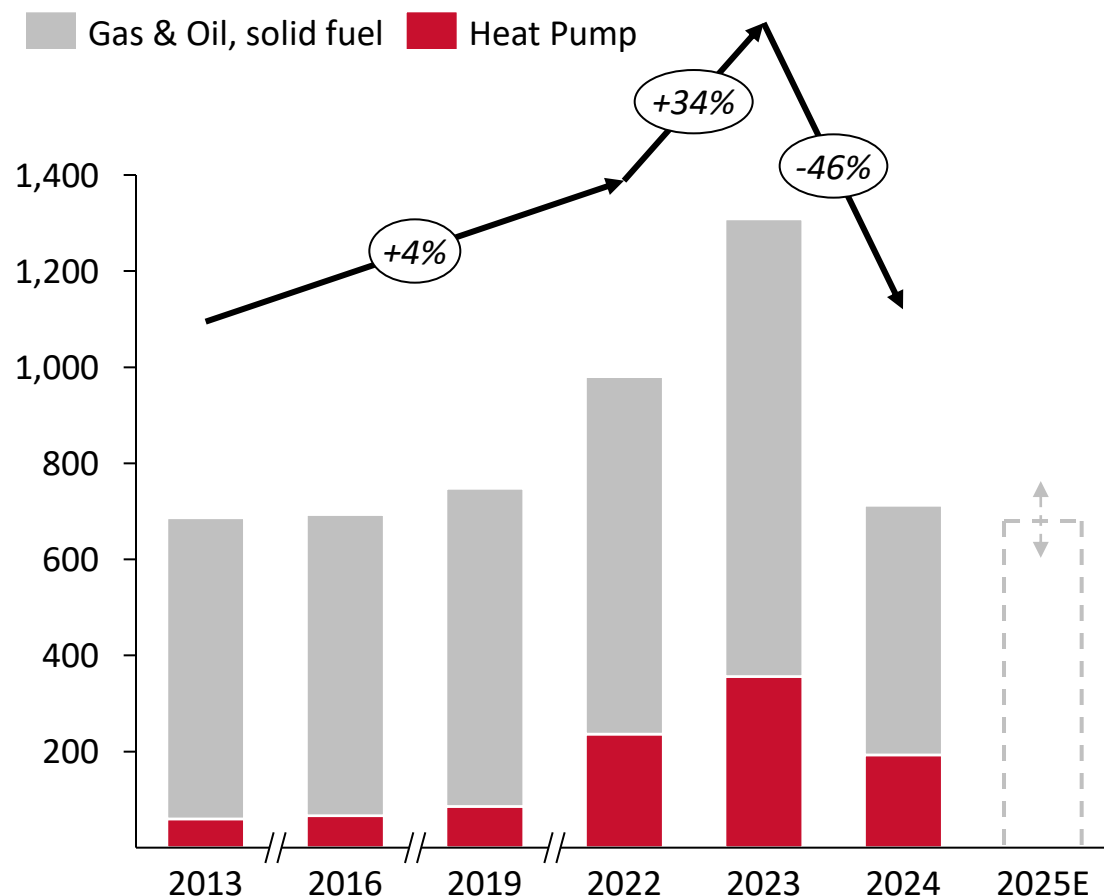
Note: Renewables accounted for a mid-teens percentage of total revenues.

GERMAN MARKET UPDATE

'000 PCS



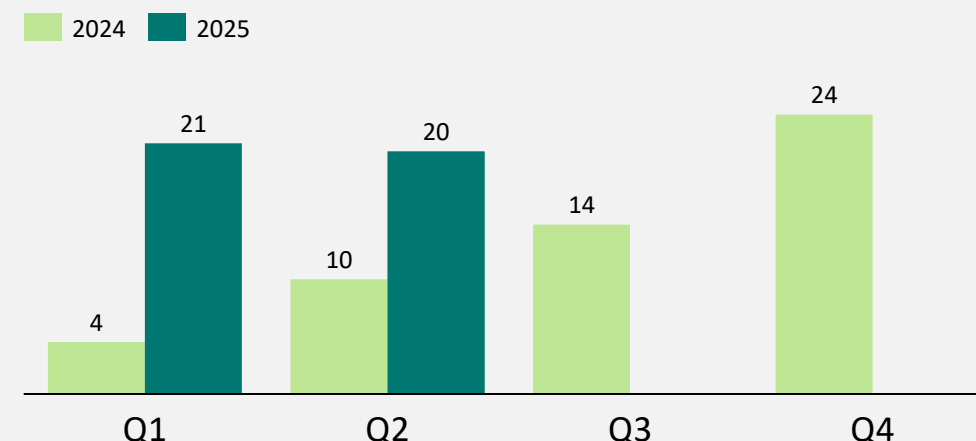
Germany¹ example: heating generators market (volume)



Comments

- **Historically (2013-22):** +4% volume growth, replacement market, shift to higher efficiency and renewable solutions
- **2023:** exceptional peak driven by incentives and fear of gas boiler ban in 2024 (not materialized); followed by demand normalization coupled with destocking and regulatory uncertainties²
- **2025:** market stabilizing but still negative in H1 YoY. HHP growing (c. 20k incentives per month); boiler demand weak

Quarterly avg. of heating heat pumps incentive approvals³ - '000



1. Germany represented circa 20% of 2024 Group revenues.

2. New governmental portal to process the incentive requests active since February 2024; incentives paid from October 2024 onwards.

3. Source: BEG website (German Government, Federal Ministry for Economics and Climate Protection). Figures include air-to-air.

Source: BDH and Company estimates.

Highlights

Financials

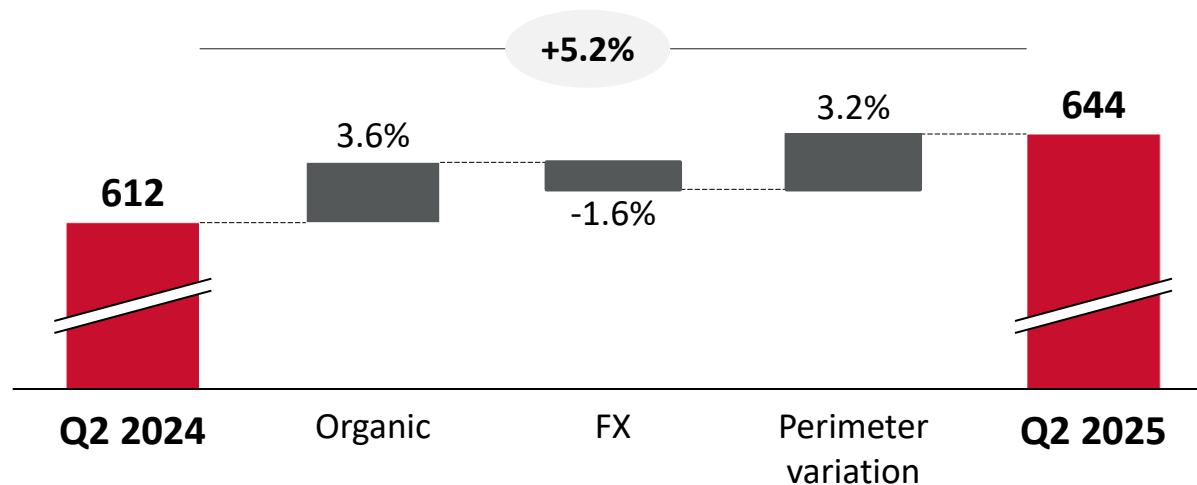
Outlook

Appendix

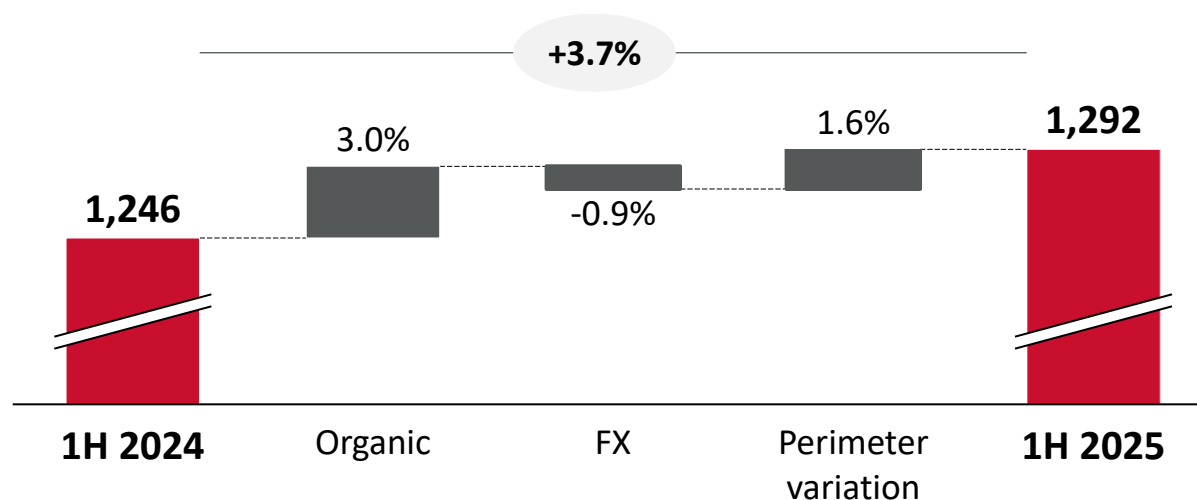
SOLID Q2 ORGANIC GROWTH, PARTIALLY OFFSET BY FX

NET REVENUES¹, €M

Q2



H1



Q2 comments

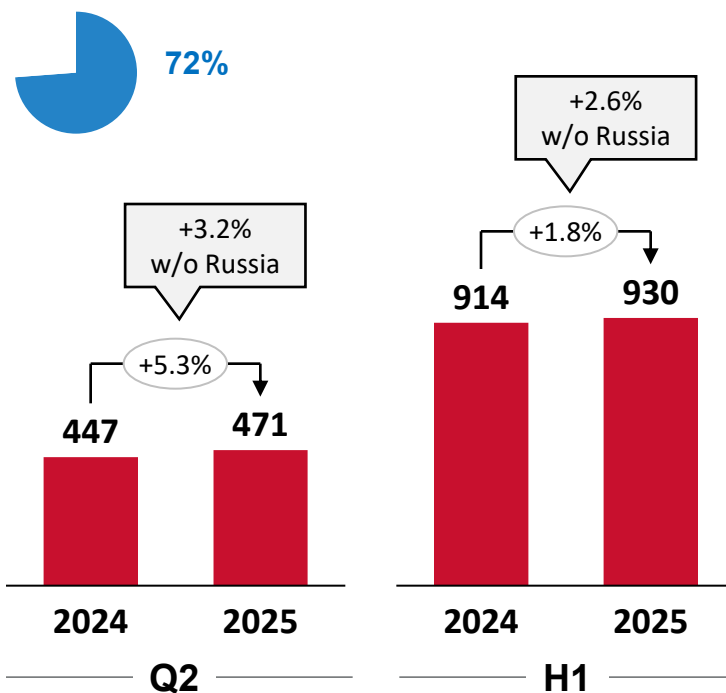
- Heating: continued recovery
 - Europe: back to growth
 - Americas: continuing positive trend, FX headwind
- Water heating: organically positive, FX headwind
 - Europe: positive growth
 - Asia Pacific & MEA, Americas: organically positive, FX headwind
- Services and Parts: continued to grow
- FX: headwinds mainly in Mexico, US and Asia Pacific countries
- Perimeter variation: Russia reconsolidated since end-March (18.6 €M net revenues) and DDR acquisition on March 12th, 2025

EUROPE GROWTH ACCELERATING QoQ, RoW NEGATIVELY AFFECTED BY FX

NET REVENUES¹, €M

● Share of net revenues, %, H1 2025

Europe



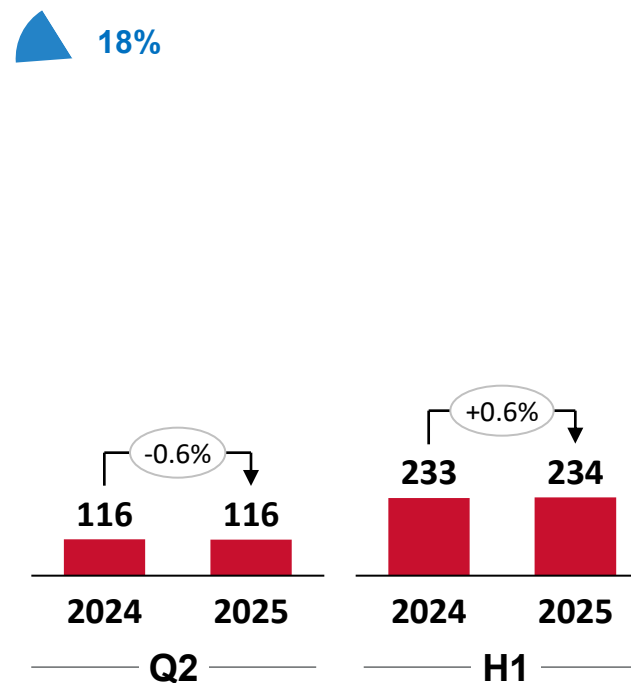
Q2 comments:

Markets in top 3 countries (Germany, Italy, France) stabilizing but still down, while other markets have positive trend

Ariston overperforming the market trends

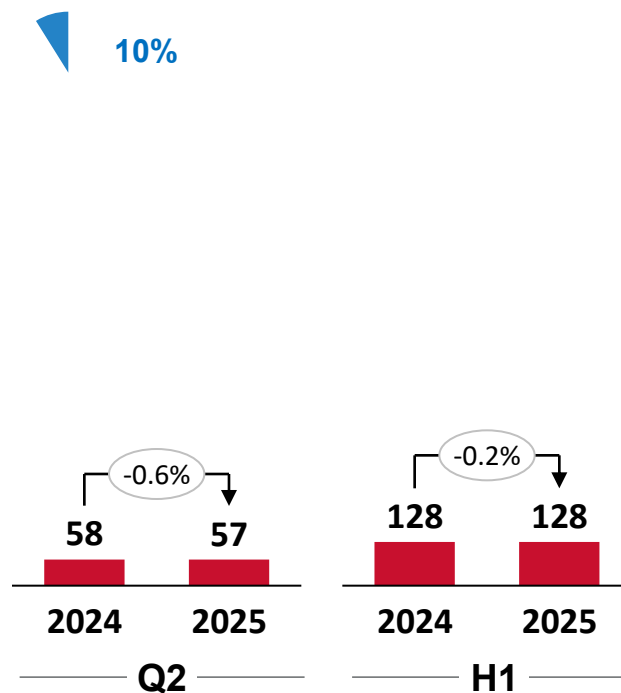
Positive Heating Heat pumps demand

Asia Pacific & MEA



Mid-single digit organic growth, offset by FX headwinds

Americas



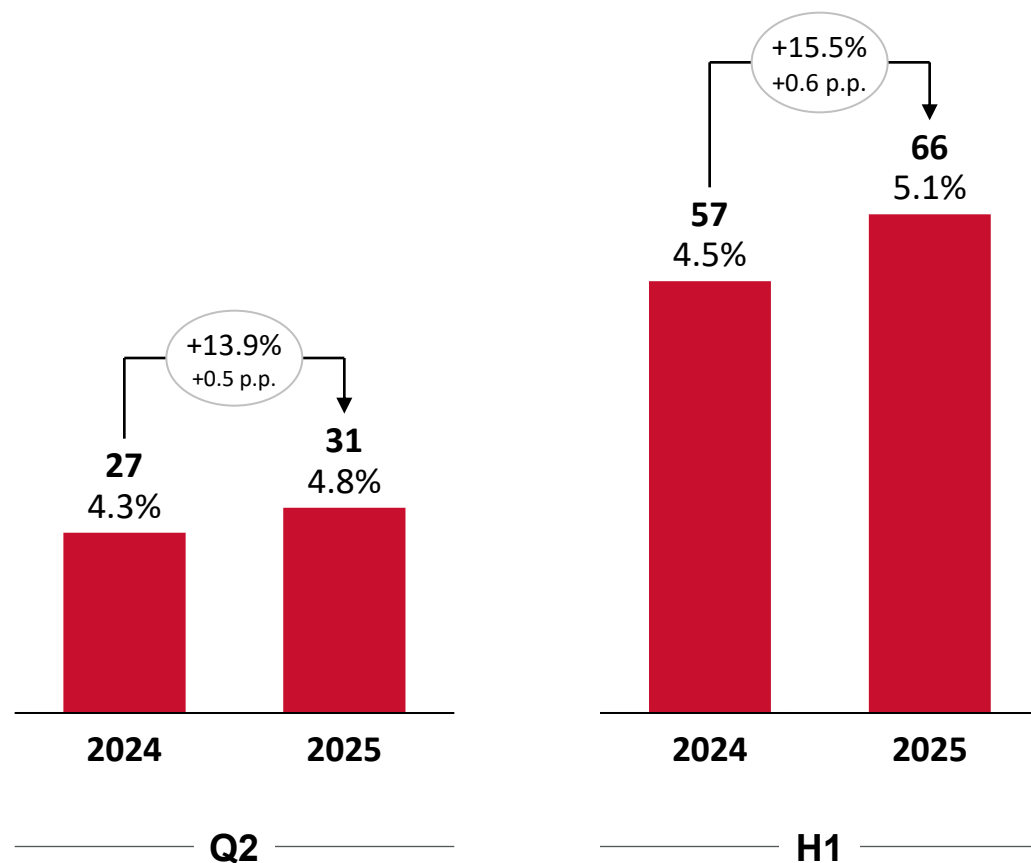
Mid-single digit organic growth, more than offset by strong FX headwinds in Mexico and USA

2025 figures include DDR Heating contribution

ACCELERATION OF INVESTMENTS WEIGHS ON MARGIN IMPROVEMENT

€M, % OF NET REVENUES

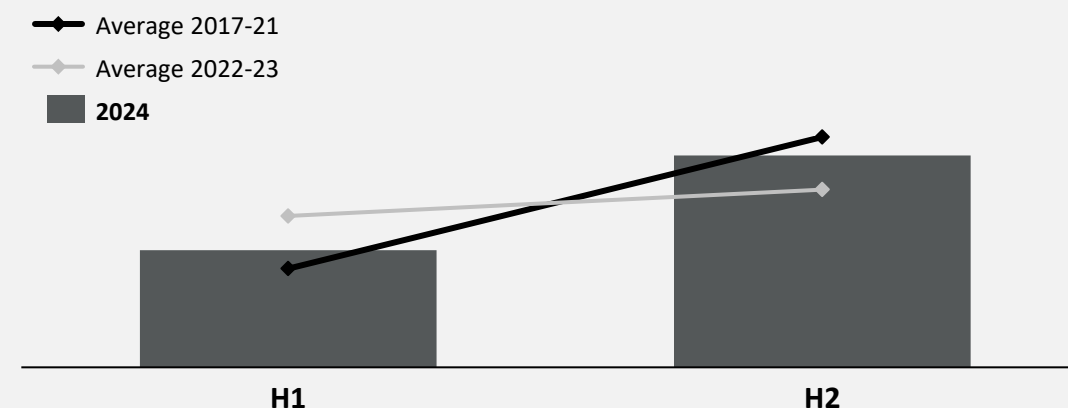
Adj. EBIT¹



Q2 comments

- Margin improved by 50bps YoY, driven by efficiency initiatives and moderate operating leverage offset by acceleration of investment in go-to-market, digital and R&D
- Trajectory as per historical H1-H2 seasonality
- Reported EBIT at 61 €M; main adjustments:
 - Russian subsidiary reconsolidation: -40 €M
 - PPA amortization: +5 €M

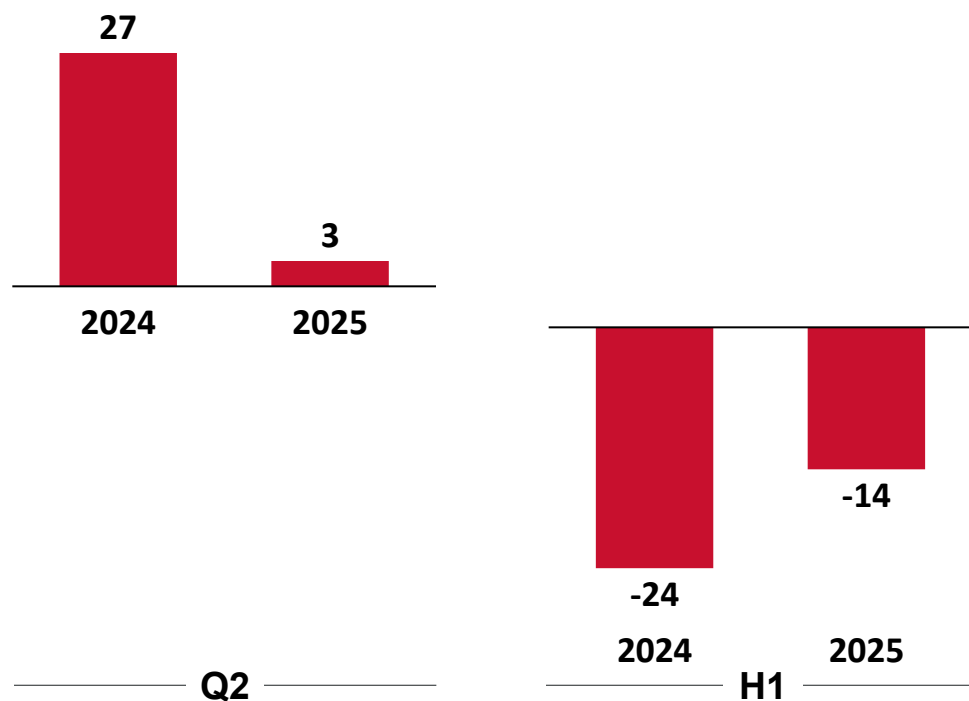
Adj. EBIT historical distribution



FCF PERFORMANCE IMPROVING IN H1

€M

Free Cash Flow

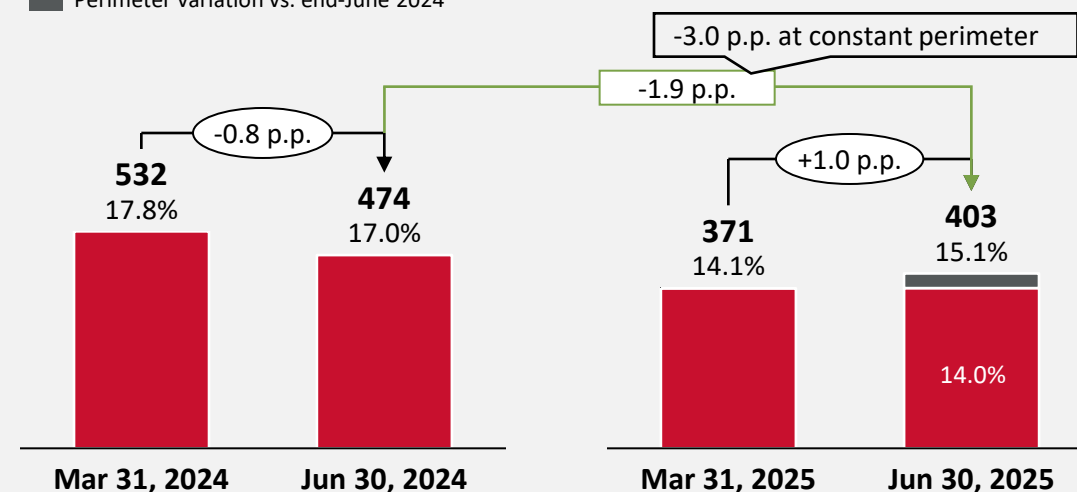


Q2 comments

- Strong NWC discipline: -3.0 p.p. YoY at constant perimeter; Q2 stable vs. Q1 despite seasonality
 - Perimeter variation drives the quarterly NWC increase
- CapEx increased YoY as planned

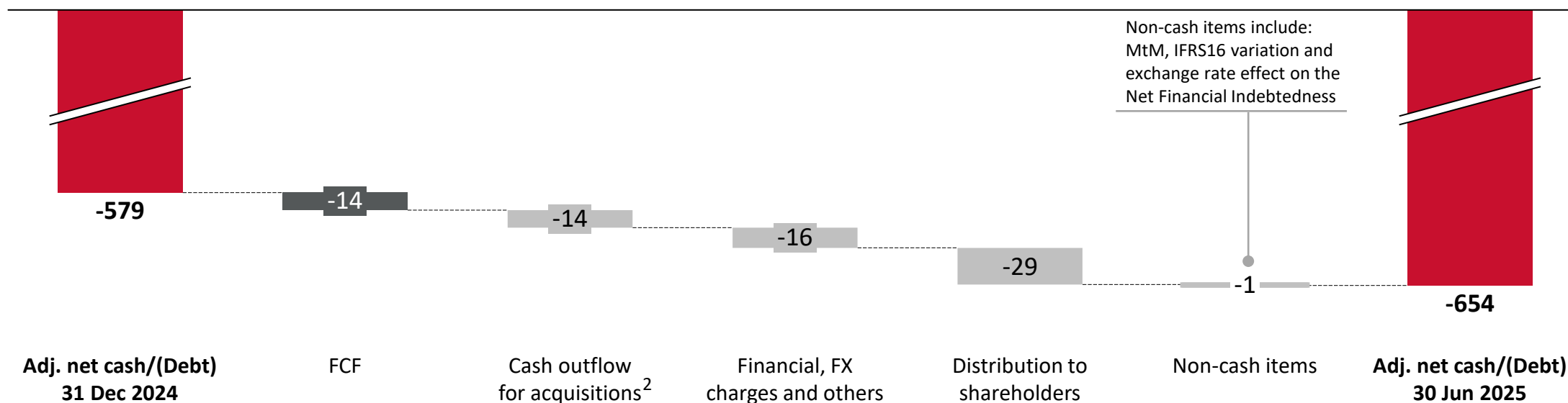
Net Working Capital, % of rolling net revenues

■ Perimeter variation vs. end-June 2024



NET DEBT INCREASE DUE TO SEASONALITY AND DISTRIBUTION TO SHAREHOLDERS

€M



Leverage¹ **2.1x**

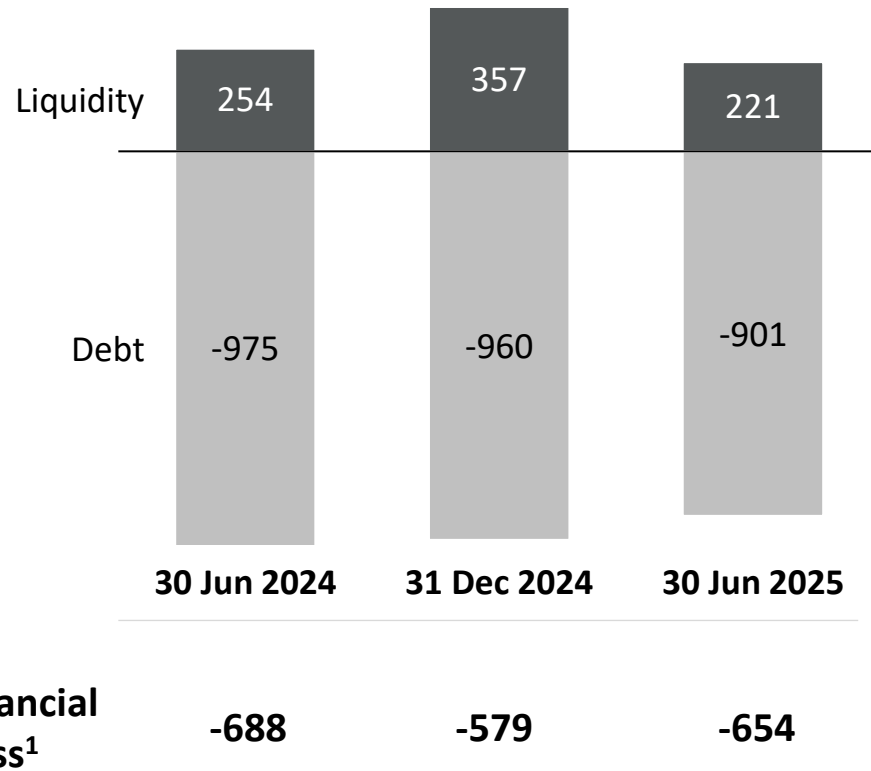
2.3x

1. Adj. net debt/(Cash) / Adj. EBITDA.

2. Includes NFP impact from Ariston Thermo Rus LLC reconsolidation.

SOLID NET FINANCIAL POSITION

€M



Q2 comments

- Non-current bank debt duration at 3.2 years:
 - c.90% of maturities in 2027-2031
- Low sensitivity to inflation: ~70% of long-term debt at fixed-rate or hedged
- Additional 0.9 €BN committed unused credit lines to fuel organic & inorganic growth

1. Adj. Net Financial Indebtedness is the sum of liquidity, debt and adjustments (put & call options, escrow accounts and positive MtM). Full details on slide 37.

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2025 AND MID-TERM GUIDANCE

2025: reversing the trend, drive internal efficiencies

2025 guidance

Top line

- Organic revenues between +1% and +3% YoY like-for-like¹ (previously between 0% and +3%)

Profitability

- Adj. EBIT 7+%, thanks to cost efficiencies (Fit-2-Win program and direct cost savings) and operating leverage

Cash Flow

- Generation concentrated in Q4
- Investing more for future development: CapEx 5-6% on revenues

M&A

- Continuous assessment of bolt-on options and strategic M&A

The guidance does not incorporate the potential demand-side implications of ongoing tariff discussions or prospective adjustments across our key markets

Mid-term guidance

- Mid-single-digit organic growth (assuming neutral FX)
- Adj. EBIT margin > 10%

Plus M&A

1. Ariston Thermo Rus LLC deconsolidated from 2024 and excluded from 2025 figures (unaudited). Ariston Thermo Rus LLC contributed for circa 28 €M revenue in Jan-Apr 2024.



Q&A Session

Company Profile

Deep Dive into Q2/H1 2025 Financials



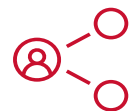
Champion of Thermal Comfort, with solid growth

- Balanced presence in **Water Heating** and **Climate Comfort**¹
- Leading market position in 40+ countries worldwide
- Focused on **residential** market – demand driven by **replacement** in Europe/Americas and **penetration** in Asia Pacific & MEA
- Key strengths to win competition: 95 years of heritage, high quality, innovation and strong relationship with **installers**
- **Historical annual growth rate of 8% recorded from 2001 to 2024**



Driving profitability and cash flow

- Solid profitability levels – average of **~9% adj. EBIT margin**², with peaks up to 10+%
- Reliable cash conversion – average of **~80% FCF/Adjusted Net Profit ratio**²



Well-balanced capital allocation

- **CapEx**: significant investment on development to drive **future growth**
- Key player in **M&A**
- **Dividend policy** designed to fairly distribute returns to shareholders

1. Heating, Ventilation, Air Handling, Air Conditioning, Parts & Services

2. 2014-2024 period

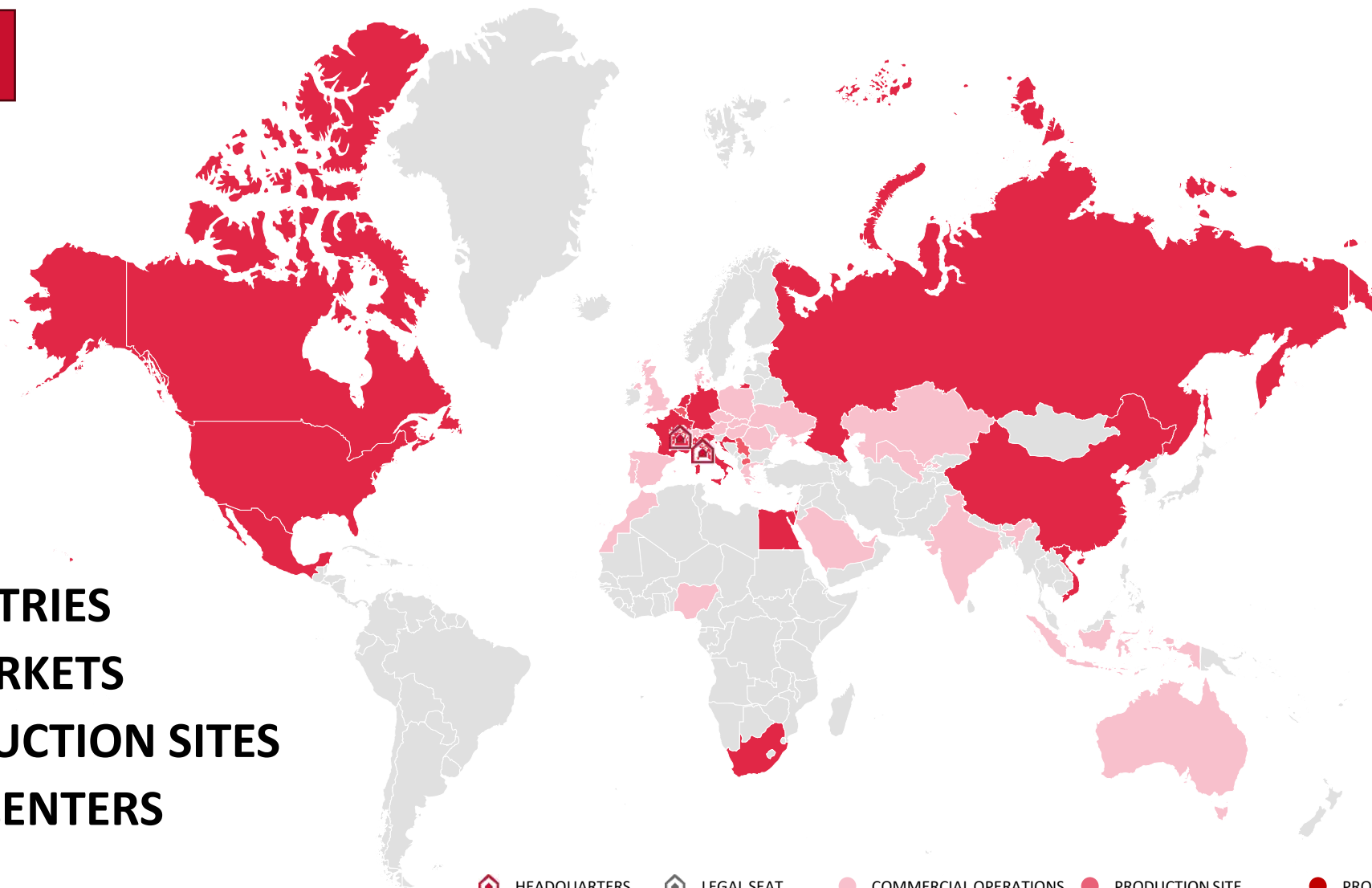
OUR GLOBAL PRESENCE

H1 2025

AT HOME AROUND THE WORLD

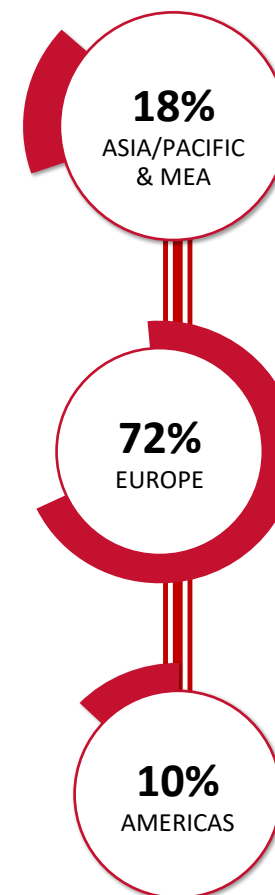
>10k employees

- 40 COUNTRIES
- 170+ MARKETS
- 29 PRODUCTION SITES
- 28 R&D CENTERS



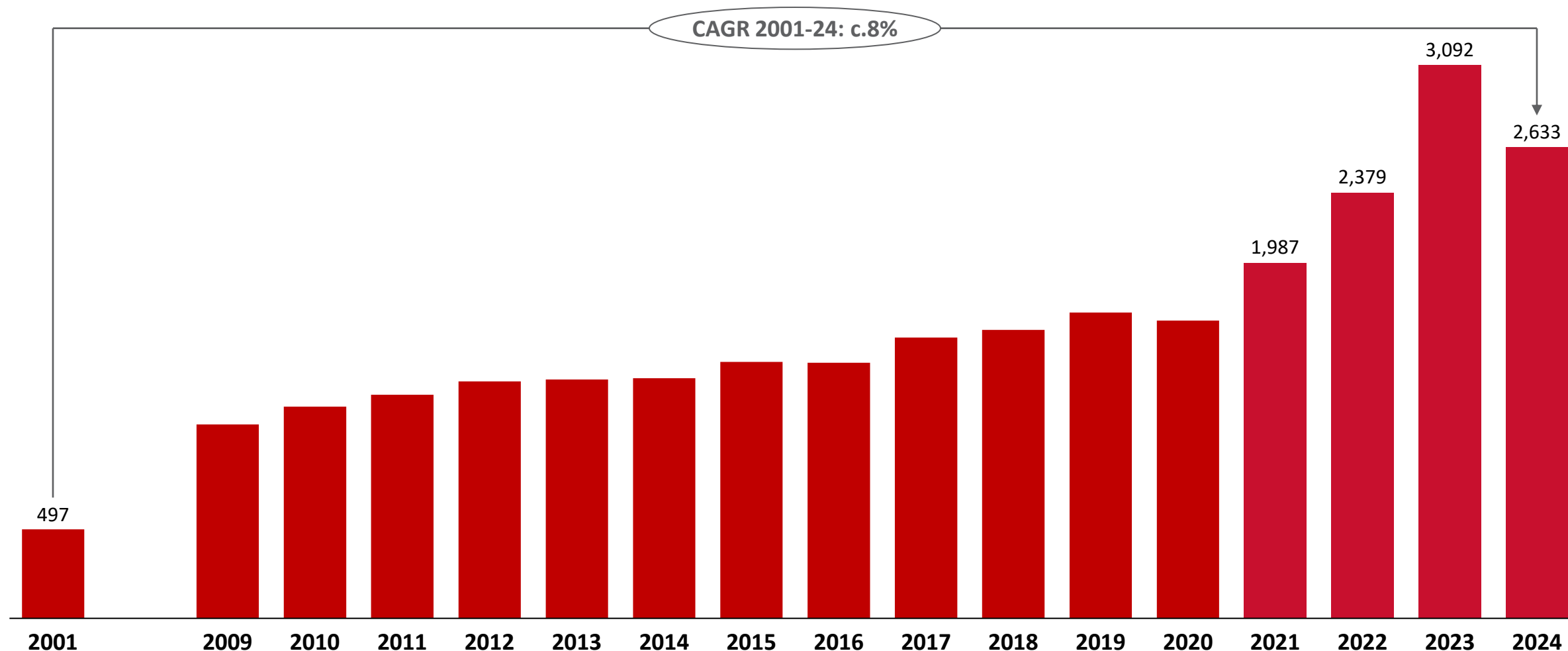
HEADQUARTERS
 LEGAL SEAT
 COMMERCIAL OPERATIONS
 PRODUCTION SITE
 PRODUCTION SITE + R&D

H1 2025
NET REVENUES



STORY OF SOLID AND CONTINUOUS GROWTH, ORGANIC AND INORGANIC

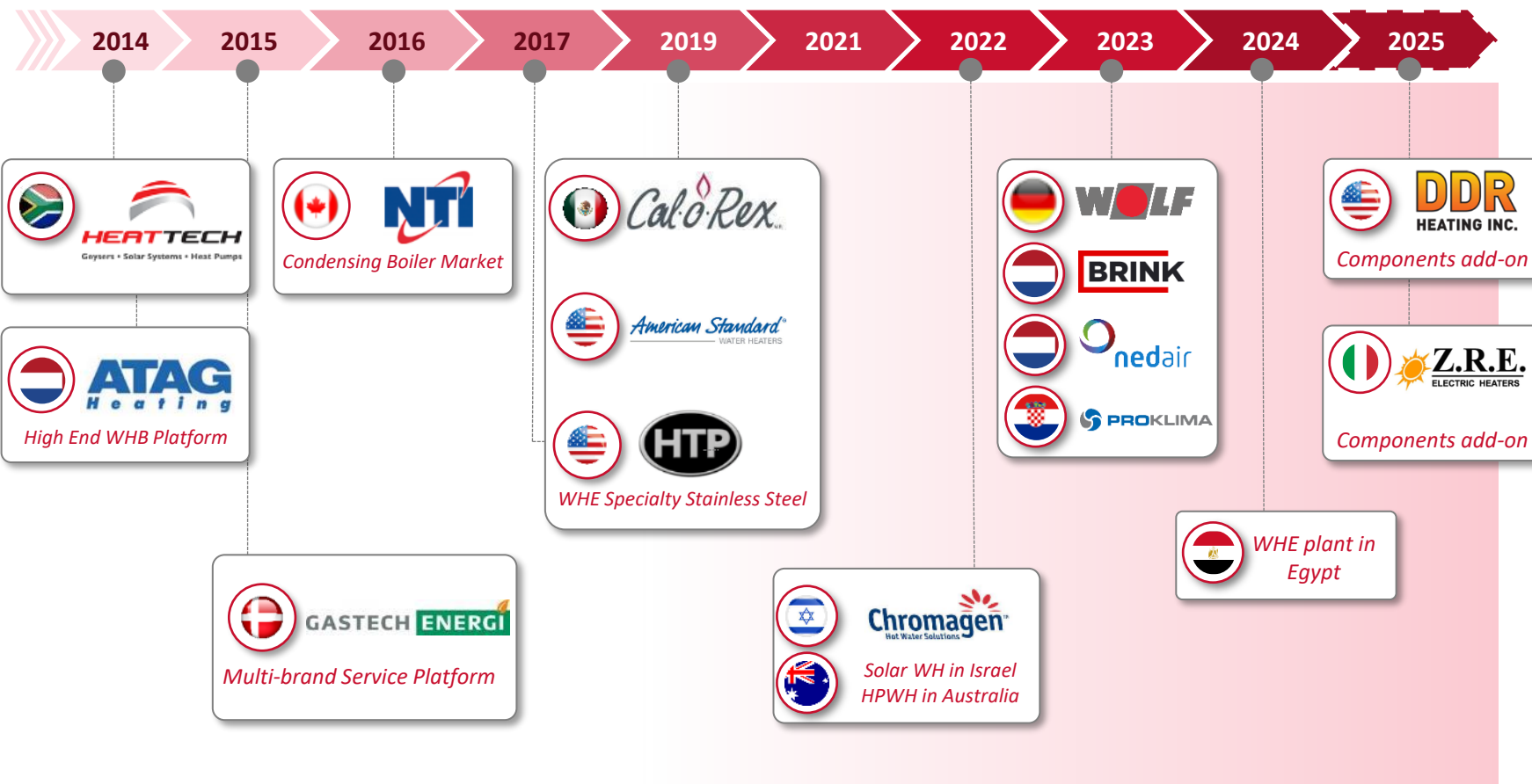
Net revenues
€M



Note: figures adjusted for non-recurring events or transactions, restructuring or employment termination agreements, other events not representative of normal business operations. financial figures from 2001 to 2017 are reported according to Italian GAAP and therefore not fully comparable with figures since 2018. Figures are accounted under the IFRS9, IFRS5 and IFRS16. 2020 adj. EBITDA net of €5M Covid-19 cost, that are recasted to recurring operations. EBITDA 2001 not adjusted.

LAST 10-YEAR M&A TRACKRECORD

KEY DRIVERS OF VALUE CREATION



STEPPING UP EFFORTS ON EFFICIENCY INITIATIVES

70-80 €M efficiency initiatives in FY 2024

OpEx

Immediate impact:

- Labor costs: org. optimization, hiring freeze
- Indirect costs: travel, rental, services
- Technology: developments re-prioritization without affecting future growth

CapEx

- Optimized timing
- Synergies leveraging global footprint

Executed



As announced in H1 2024
results presentation

2025-2027 “Fit-2-Win” program

Goal

Simplify operating model to drive cost efficiency, lean and effective processes

Key areas & actions

Organization

Future proof operating model, developing COEs¹, optimizing legal entities setup

G&A

Reduce internal demand and simplify processes, upgrade systems & tools and enhance capabilities

Sales & Service

Increase frontline productivity leveraging data analytics and efficient back-office functions

R&D

Platform and modularity initiatives, synergies between Ariston and Wolf portfolios

Procurement

Boost data-driven practices such as Should Cost and review policies for non-business critical expenses

IT

Act as a backbone of the Fit-2-Win transformation, upgrade critical systems, digital transformation, AI

3 years savings target: ~50 €M



1. COE = Centre Of Excellence

SERVING ALL OUR CUSTOMERS' NEEDS GLOBALLY WITH AN EXTENSIVE PORTFOLIO OF BRANDS

STRATEGIC GLOBAL BRANDS



The global expert in heating and water heating, offering a wide range of renewable and high efficiency solutions to provide easy and sustainable comfort to every home



The European high end heating solutions provider that covers the most advanced consumer needs and offers first class service throughout the entire products and systems life cycle



The German indoor climate expert which offers high quality heating, residential ventilation and air handling solutions in close partnership with our professionals.

STRATEGIC REGIONAL BRANDS

Water heating



Heating



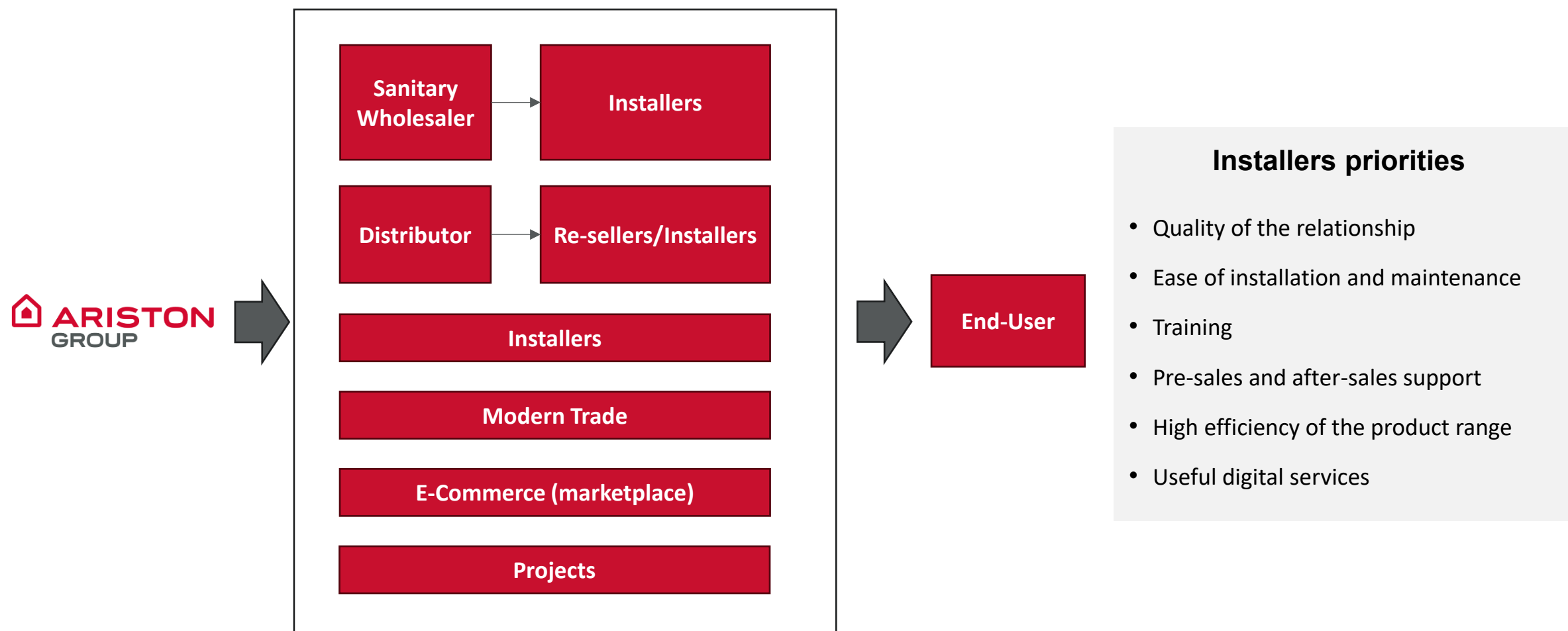
Ventilation



BURNERS & COMPONENTS



DISTRIBUTION CHANNELS: MAINLY B2B2C



CURRENT REGULATION IN THE EUROPEAN HEATING MARKET: SUMMARY OF OUR MAIN COUNTRIES



EU: Energy Performance of Buildings Directive (EPBD):

Stop incentives for «stand-alone boilers powered by fossil fuels» from 2025. Push towards decarbonisation technologies, reduction of energy consumption of existing building stock. Phase-out of fossil fuels used in boilers by 2040.



Incentives / ban presence	Replacement	Incentives for Heating Heat Pumps and Water Heating Heat Pumps, Hybrids included No incentives for gas boilers			
	New Buildings	Heat Pumps are mandated both for Heating and Water Heating Stand-alone gas boilers not allowed (with very limited exceptions e.g. in Germany)			
Incentives structure		Up to 70% reimbursement, max €30k expenditure	Up to 50% tax deduction spread over 10 years, subject to income eligibility	Depending on type, Canton, power and system	Up to 60% upfront grant, subject to income eligibility

OUR RELENTLESS COMMITMENT TO SUSTAINABILITY

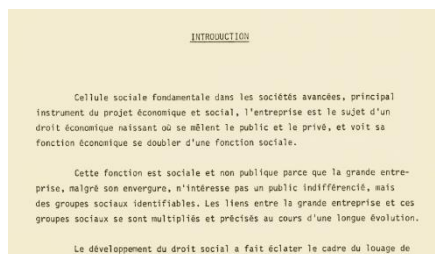
ENCRYPTED IN OUR DNA...



.1967

"There is no value in the economic success of any industrial initiative, unless it is accompanied by a commitment to social progress".

ARISTIDE MERLONI, FOUNDER



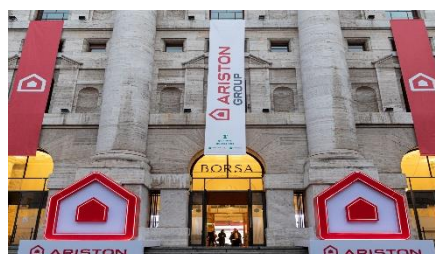
.1979

Discloses the first social report in Italy, published by Battelle Centre de Recherche de Geneve.



.2018

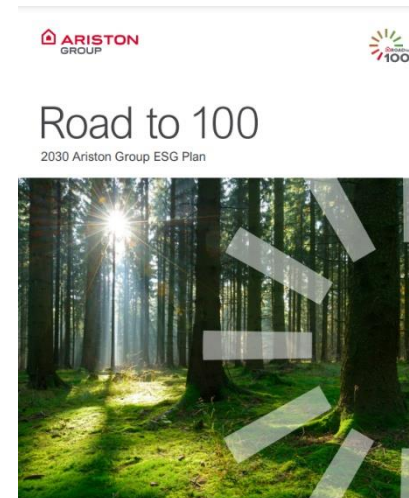
Starts reporting non-financial performances and establishes a sustainability governance framework.



.2021

After listing on Euronext Milan, defines the new ESG vision and embarks on the new ESG journey towards 2030.

...SHAPING OUR FUTURE



.2023

Releases Road to 100, its ESG roadmap to 2030;



5 ENGAGEMENTS: Solutions, Operations, People & Communities, Customers, Governance;



9 material topics & **10** Clear-cut ESG objectives.

KEY DECARBONIZATION TARGETS TO 2030

Ultimate objective of **100 million tons** of CO₂ emissions avoided by 2030 thanks to the renewable and high efficiency products we sell in the regions we operate in.

SCOPE 4, WRI



42% Reduction by 2030 in emissions generated by the way we operate vs. 2021.

SCOPE 1 AND SCOPE 2, GHG PROTOCOL



>50% Reduction by 2030 in GHG emissions from sold products per €Mln value added vs. 2021.

SCOPE 3, GHG PROTOCOL

Ratings improvement

Emission targets approval

	2023	2024	2025
ecovadis	Bronze Medal ¹ Score: 57/100 	Silver Medal ¹ Score: 68/100 	
S&P Global Ratings	Global CSA Score ² 27/100 <i>Household Durable</i> CSA Score avg.: 19/100	Global CSA Score ² 39/100 <i>Building Products</i> CSA Score avg.: 30/100	
MSCI 	B ³ <i>(Household Durable sector)</i>	BBB ³ <i>(Building Products sector)</i>	
Bloomberg	3.66 (Above median) <i>(Electrical equipment peer group)</i>	4.17 (Leading) <i>(Electrical equipment peer group)</i>	4.63 (Leading) <i>(Electrical equipment peer group)</i>
SCIENCE BASED TARGETS 	Science Based Targets initiative validated the “Road to 100” decarbonization 2030 targets <i>(Scope 1, Scope 2, Scope 3 emission reduction targets)</i>		

1.The EcoVadis assessment evaluates a company on 21 sustainability criteria in four core areas: Environment, Labor & Human Rights, Ethics and Sustainable Procurement.

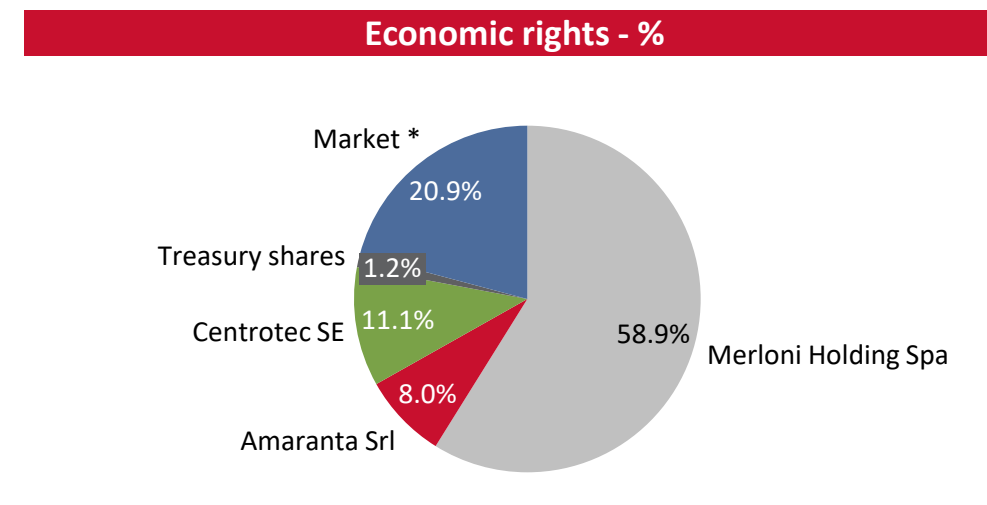
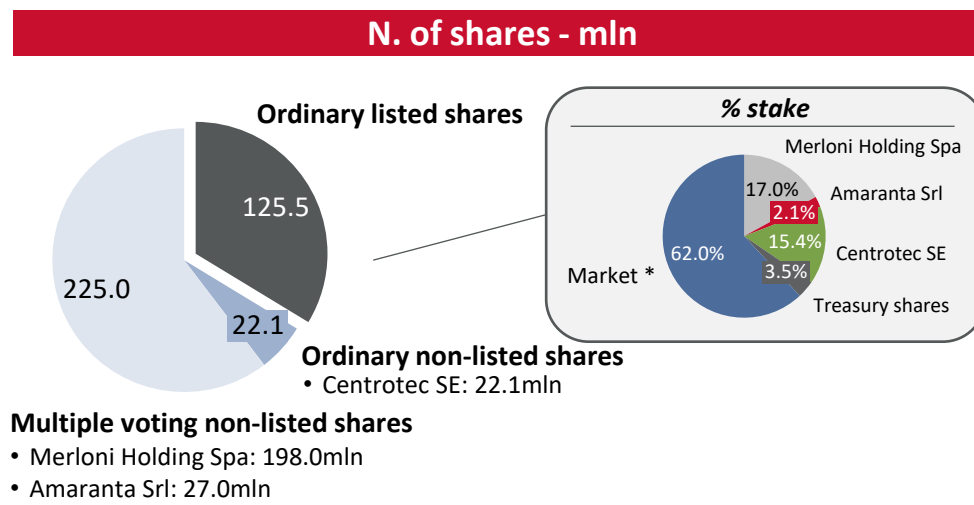
2.The S&P Global ESG Score measures a company’s performance on and management of material ESG risks, opportunities, and impacts informed by a combination of company disclosures, media and stakeholder analysis, modeling approaches, and in-depth company engagement via the S&P Global Corporate Sustainability Assessment (CSA). The Corporate Sustainability Assessment includes 62 industry-specific questionnaires.

3.As of 2024, Ariston Group received an MSCI ESG Rating of BBB. MSCI ESG Research provides MSCI ESG Ratings on global public and a few private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers.

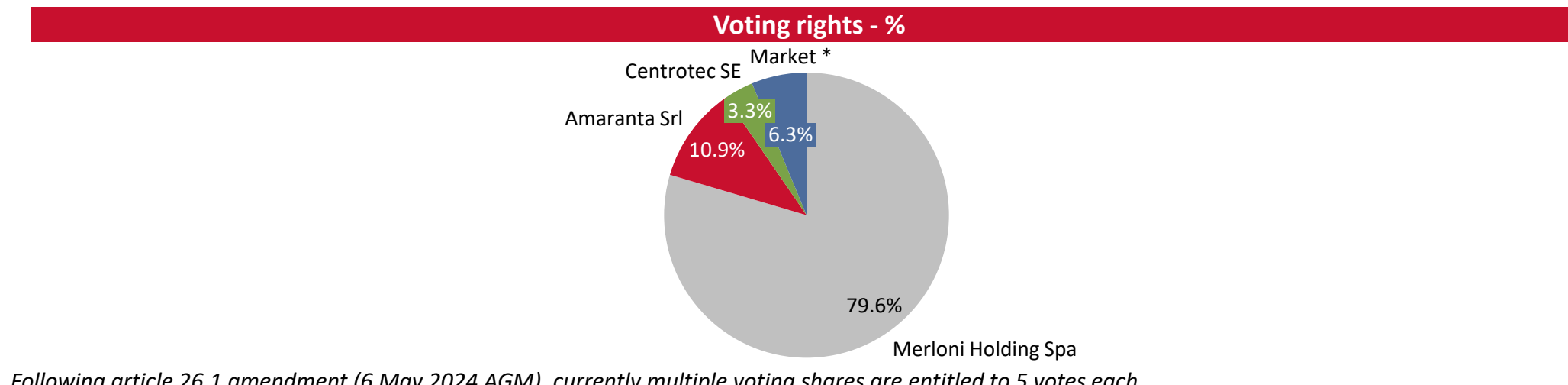
SHAREHOLDERS AND VOTING RIGHTS

AS OF 17 JUNE 2025¹

Share capital:
372.6mln shares



Voting rights



* Including 535,268 ordinary shares held directly by Mr. Paolo Merloni.


1. Between June and September 2024 Merloni Holding acquired c.1.6m of ordinary listed shares.

Company Profile

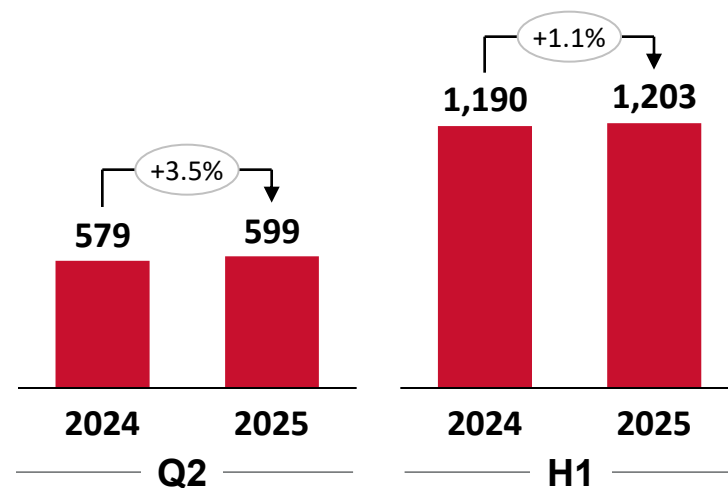
Deep Dive into Q2/H1 2025 Financials

NET REVENUES BY DIVISION

NET REVENUES¹, €M

 Share of net revenues, %, H1 2025

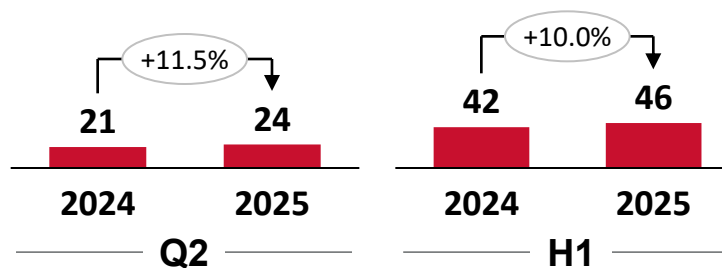
Thermal Comfort



Q2 comments:

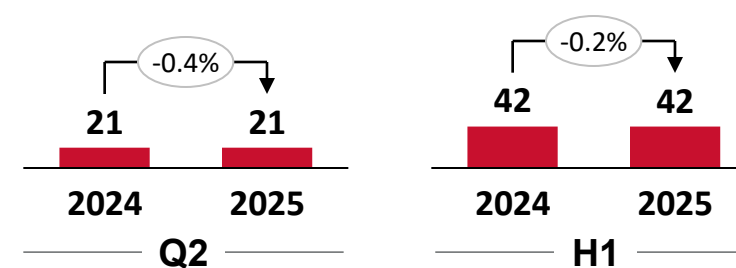
Improving demand, especially in Europe
FX headwinds in Mexico, USA and Australia

Components



Good recovery of professional and industrial segments
DDR Heating included in 2025 figures

Burners



Positive growth in most of our markets offset by headwinds in large industrial projects in Europe and some Asian countries

HISTORICAL QUARTERLY GROWTH BY REGION

NET REVENUES, YOY

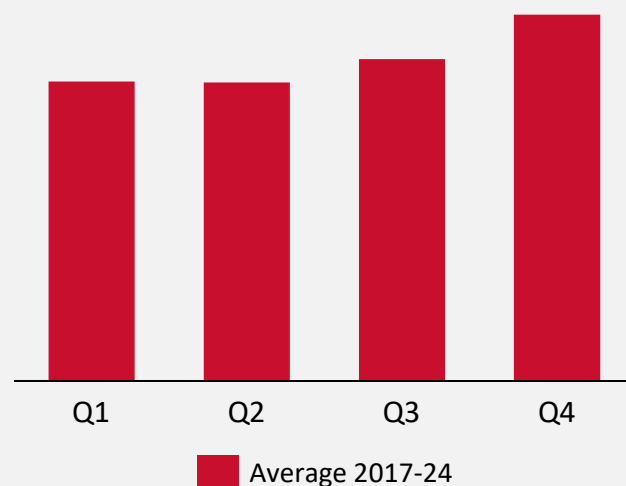
	2021		2022					2023 ²					2024 ¹					2025	
	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
Europe	+6.6%	+18.1%	+17.5%	+18.2%	+15.3%	+14.1%	+16.2%	+59.6%	+50.8%	+46.7%	+38.5%	+48.5%	-18.2%	-20.3%	-17.1%	-10.1%	-16.4%	+2.1%	+3.2%
Asia Pacific & MEA	+5.6%	+20.3%	+54.0%	+52.3%	+48.5%	+18.0%	+40.6%	-1.4%	+3.6%	-1.7%	-4.4%	-1.1%	-4.5%	-11.8%	-7.4%	3.9%	-4.9%	+3.4%	+0.0%
Americas	+16.1%	+24.9%	+15.5%	+17.7%	-5.1%	+5.1%	+7.4%	-4.9%	-22.2%	-4.5%	-3.9%	-8.6%	+4.1%	+5.0%	-7.6%	-6.3%	-1.8%	+0.2%	-0.6%
Total Group	+7.6%	+19.4%	+23.8%	+24.3%	+18.7%	+13.6%	+19.7%	+37.6%	+31.5%	+28.9%	+23.1%	+30.0%	-14.0%	-17.0%	-14.4%	-7.3%	-13.1%	+2.1%	+2.2%
o/w organic	+5.9%	+19.9%	+14.5%	+13.0%	+6.4%	+4.2%	+9.1%	+7.0%	+3.5%	-1.4%	-3.2%	+2.5%	-13.6%	-16.9%	-13.7%	-6.8%	-12.7%	+2.4%	+3.6%

1. Like-for-Like: Ariston Thermo Rus LLC deconsolidated from end-April in 2024 and 2023 (unaudited) figures. Reconsolidated since end-March 2025.

2. Organic pro-forma growth (including Wolf-Brink also in 2022)

Net revenues

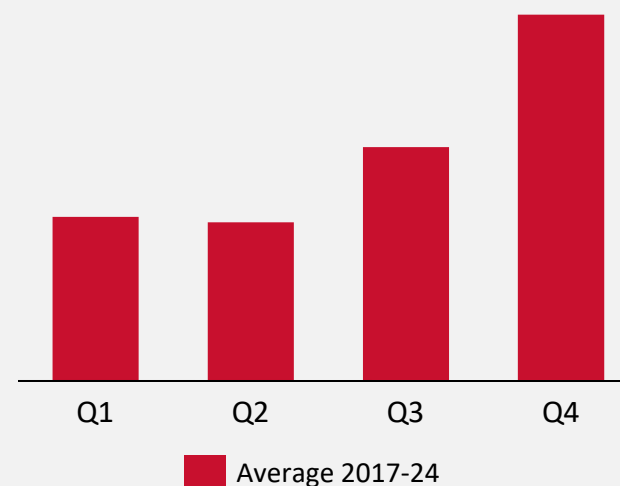
Quarterly weight on FY



Demand for heating-related products concentrated toward 2H

Adj. EBIT

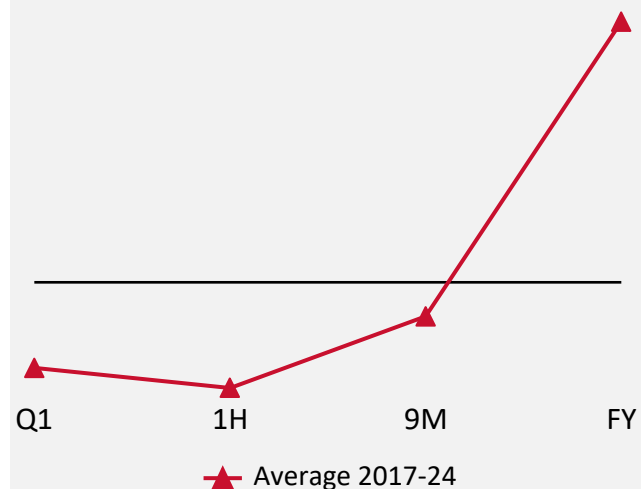
Quarterly weight on FY



Operating leverage gives margins an even more pronounced seasonality

Cumulated FCF

Quarterly trend



The last quarter of the year usually generates >100% of yearly FCF

Q2 INCOME STATEMENT — LIKE-FOR-LIKE

€M

	Q2 2025	Q2 2024	% change
Net revenue	623.6	611.5	2.0%
EBITDA	94.4	6.6	n.m.
% margin	15.1%	1.1%	
Adjusted EBITDA	59.2	53.9	n.m.
% margin	9.5%	8.8%	
EBIT	59.9	(27.1)	n.m.
% margin	9.6%	(4.4%)	
Adjusted EBIT	29.8	26.1	14.2%
% margin	4.8%	4.3%	

Note: Ariston Thermo Rus LLC deconsolidated from 2024 and excluded from 2025 figures (unaudited).

H1 INCOME STATEMENT – REPORTED

€M

	H1 2025	H1 2024	% change
Net revenue	1,291.8	1,274.4	1.4%
EBITDA	158.1	64.4	<i>n.m.</i>
% margin	12.2%	5.1%	
Adjusted EBITDA	124.5	113.2	10.0%
% margin	9.6%	8.9%	
EBIT	89.2	(3.6)	<i>n.m.</i>
% margin	6.9%	(0.3%)	
Adjusted EBIT	65.9	57.0	15.5%
% margin	5.1%	4.5%	
Net financial charges	(17.9)	(25.4)	
Income/(losses) from associates	(3.6)	(0.0)	
Profit before tax	67.7	(29.0)	
Taxes	(8.6)	(3.0)	
Reported net profit	58.7	(31.9)	
Adjusted net profit	38.6	29.2	

Comments

- Reported figures: Ariston Thermo Rus LLC deconsolidated from end-April in 2024 and reconsolidated from end-March in 2025
- Main adjustments on EBIT:
 - Reconso of Ariston Thermo Rus LLC: -40€M
 - PPA amortization: 10 €M

RECLASSIFIED H1 CASH FLOW STATEMENT

€M

	H1 2025	H1 2024	Change
EBITDA	158.1	64.4	93.7
Tax paid	(21.7)	(19.2)	(2.5)
Provisions and other changes from operating activities	(51.1)	34.3	(85.4)
Change in working capital ¹	(43.5)	(51.0)	7.6
Operating Cash Flow	41.8	28.5	13.3
CapEx	(38.1)	(29.8)	(8.3)
IFRS16 lease payments	(18.7)	(17.2)	(1.5)
Other changes ²	0.9	(5.4)	6.3
Free Cash Flow	(14.1)	(23.9)	9.8

Comments

- Cash absorption from Net Working Capital improved vs H1 2024
- EBITDA improvement
- Higher CapEx vs H1 2024, in line with our 2025 guidance

1. Change in working capital does not include FX and acquisition perimeter variation effects.

2. Excludes MtM derivatives impact.

NET FINANCIAL INDEBTEDNESS

€M

	30/06/2025	31/12/2024	30/06/2024
Liquidity	221.4	357.1	254.4
minus: Current financial indebtedness	(153.1)	(148.2)	(69.1)
minus: Non-current financial indebtedness	(748.1)	(811.7)	(906.2)
Net Financial Indebtedness¹ (ESMA guidelines)	(679.8)	(602.7)	(721.0)
Adjustments: Put & call options, escrow accounts and positive MtM	26.0	23.6	33.4
Adjusted Net Financial Indebtedness¹ (previous calculation method)	(653.7)	(579.1)	(687.5)

Comments

- Non-current bank debt duration at 3.2 years:
 - c.90% of maturities in 2027-2031
- Low sensitivity to inflation: ~70% of long-term debt at fixed-rate or hedged
- Additional 0.9 €BN committed unused credit lines to fuel organic & inorganic growth

1. Positive figures represent net cash.

DISCLAIMER

This document contains forward-looking statements that relate to future events and future operating, economic and financial results of Ariston Group. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Actual results may differ materially from those reflected in forward-looking statements due to a variety of factors, most of which are outside of the Group's control, including the direct and indirect consequences resulting from the ongoing developments in Ukraine and Russia.



THANK YOU

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