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PRESS RELEASE

EuroGroup Laminations S.p.A. announces its intention to list on Euronext Milan

- **EuroGroup Laminations is a world leader in the design and production of the motor core, key component of any electric machine**
- **A profitable, pure-play in the fast growing electric motor and generator sector, with strong revenue growth and visibility**
- **The Initial Public Offering aims to further accelerate the expansion plans and continue leading the EV and energy transition waves**

Baranzate (MI), 19 January 2023 – EuroGroup Laminations S.p.A. ("**EuroGroup Laminations**" or the "**Company**") – a world leader in the design, production and distribution of the "motor core" (stators and rotors) for electric motors and generators – announces its intention to proceed with the listing (the "**Listing**") of its ordinary shares (the "**Shares**") on Euronext Milan, a regulated market organized and managed by Borsa Italiana S.p.A ("**Euronext Milan**").

The free float required for the Listing is expected to be achieved through a private placement (the "**Offering**") reserved exclusively to qualified investors in the European Economic Area and in other jurisdictions and foreign institutional investors outside the United States pursuant to the Regulation S of the United States Securities Act of 1933, as subsequently amended (the "**Securities Act**"), and, in the United States, limited to Qualified Institutional Buyers pursuant to Rule 144A of the Securities Act, excluding those countries in which the Offering is not permitted in the absence of authorization from competent authorities, in accordance with applicable laws or by way of exemption to such provision.

It is currently envisaged that the Offering will consist of (i) newly issued ordinary shares (the "**New Shares**") for a maximum amount of Euro 250 million resulting from a capital increase with the exclusion of pre-emptive rights (the "**Capital Increase**"); and (ii) existing ordinary shares (the "**Existing Shares**") offered for sale by the following shareholders of the Company: (a) Euro Management Services S.p.A. ("**EMS**", the holding company owned by five Italian families); (b) the vehicle of Tikehau Capital, Delorean Partecipazioni S.p.A., as well as the investment funds of Tikehau Capital, T2 Eltif Energy Transition Fund and T2 Energy Transition Fund (together "**Tikehau Capital**", and together with EMS the "**Selling Shareholders**"). The free float is expected to be above the minimum requirement of Borsa Italiana.



It is expected that, following the Offering, EMS will retain control of the Company, also through the multiple voting shares.

The final structure of the Offering will be determined in proximity, and communicated prior, to its launch.

Finally, it is expected that the Company, the Selling Shareholders and certain directors and key executives of the Company will enter into lock-up commitments with the Joint Global Coordinators and Joint Bookrunners (as defined below) with respect to their respective holdings in the Company, in line with market practice which will remain in force for the following 6 months after the Offering.

The proceeds from the Offering will be used by EuroGroup Laminations to implement its strategy, in particular to expand production capacity (including the creation of new production sites), develop new technologies, strengthen its capital structure, as well as further expand its geographical footprint. Additionally, if the opportunity arises, the Company may also pursue external growth opportunities.

In connection with the Listing, the Company will prepare a prospectus to be approved by CONSOB. The Offering, which will be carried on the basis of a separate offering document, is expected to commence during the month of February 2023, subject to market conditions and the obtainment of the required approvals.

EuroGroup Laminations' competitive strengths

Pure-play in the fast growing electric motor and generator sector, leading the EV and energy transition waves

EuroGroup Laminations' growth is underpinned by regulatory-driven energy transition trends across the automotive and industrial markets which are leading to significant growth of the underlying reference markets and provide long-term visibility. In particular, the global transition to electric vehicles is supported by several trends and government initiatives to reduce emissions of pollutants and combat climate change.

As a result, production of electric vehicles (including BEV, Hybrid-Full, Hybrid-Mild and Fuel Cell technologies) is forecasted to grow from 21 million units in 2022 to 63 million units in 2028 (CAGR: +21%)¹. Also, industrial motors market is envisaged to increase in value from \$65 billion in 2022 to \$91 billion in 2026 (CAGR: +9%)².

Undisputed global market leader in the design and production of the motor core, key component of any electric machine

With a market share of approximately 51% in Europe and North America in the BEV product line and a 100% customer retention rate since 2019 for the EV & Automotive segment, EuroGroup Laminations is the global market leader in the design and production of the motor core.

The long-standing client relationships with global automotive OEMs and Tier 1 suppliers of automotive components and the significant know-how have been the backbone of the Company's success story. In 2021, 87% of EuroGroup Laminations sales were delivered by customized products. In addition, as the Company acts as sole supplier for the vast majority (80%) of BEV platforms of its customers, it is best positioned to benefit from the

¹ Source: third-party analysis of publicly available information.

² Source: third-party analysis of publicly available information.

energy transition wave and capture any future expansion opportunity, including in the Chinese market.

Unique set of competitive advantages built over more than five decades

In more than 55 years, EuroGroup Laminations has gained significant experience and know-how in the processes of lamination blanking, design and production of the motor core of electric motors, with key innovation, technology, process, and scale competitive advantages making it able to win and maintain contracts and be chosen as development partner by its customers.

EuroGroup Laminations operates on a global scale with 12 plants strategically located across 5 countries. Close customer proximity combined with a fully vertically integrated business model enables the Company to organize production efficiently whilst ensuring maximum flexibility to quickly scale-up and realize new opportunities.

In addition, the Company is the world's biggest buyer of electrical steel by volume, processing approximately 400,000 tons of electrical steel per year, sourced from a diversified, high-quality supplier base.

Profitable business with strong revenue growth and high revenue visibility

EuroGroup Laminations generated revenues of €557 million in 2021 representing a revenue CAGR of 26% between 2019 and 2021. In the first nine months in 2022, EuroGroup Laminations further grew its revenue to €651 million bolstering its strong growth trajectory across both business segments. The Company targets a revenue growth CAGR of around 23%-25% over the 2022-2025 period.

On the back of operational excellence, EuroGroup Laminations increased EBITDA margin from 7.4% in 2019 to 10.7% in 2021, to 11.8% for the nine months ended September 30, 2022. EBITDA grew at a CAGR of 51% between 2019 and 2021. The Company targets an EBITDA growth CAGR of around 27%-29% over the 2022-2025 period.

With an Order Book for the EV & Automotive segment with an estimated value of approximately €5 billion and an additional Pipeline of orders under discussion of €2.5 billion, the Company expects to make a significant contribution to the transition to electric vehicles and benefit from that transition in terms of revenues.

EuroGroup Laminations' growth objectives come along with clearly identified areas for further margin improvements.

Visionary and committed ownership and management team

EuroGroup Laminations is led by a management team formed by professionals who have significant experience in the sector. Thanks to the management's vision regarding electrification trends in the automotive industry, EuroGroup Laminations has been an early mover in the design and production of motor core for electric vehicles affording mission critical competitive advantages.

EuroGroup Laminations is therefore well positioned to benefit from the transition to the use of electric vehicles, also thanks to the vision and support of its main shareholders, the lori family, which founded the Company in 1967, and Tikehau Capital, which invested in the Company in 2020 to support its growth trajectory.

J.P. Morgan, BNP PARIBAS, Intesa Sanpaolo (Divisione IMI CIB) and UniCredit are acting as joint global coordinators and joint bookrunners (the "**Joint Global Coordinators and Joint Bookrunners**"), Rothschild & Co as Financial Advisor.

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UniCredit is also acting as Listing Agent and Kepler Cheuvreux as Specialist for the purposes of the Listing.

Latham & Watkins is acting as legal advisor to the Company, while Linklaters is acting as legal advisor to the Joint Global Coordinators and Joint Bookrunners. Close to Media is acting as communication advisor.

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About EuroGroup Laminations

EuroGroup Laminations is a world leader in the design, production and distribution of the motor core (stators and rotors) for electric motors and generators. The Group's business is organized along two segments: (i) EV & AUTOMOTIVE, which designs and produces the motor core of electric motors used in electric vehicles traction, as well as a wide range of non-traction automotive applications; and (ii) INDUSTRIAL, which designs and produces products used in various applications including, among others, industrial applications, home automation, HVAC equipment, wind energy, logistics and pumps. With headquarters in Baranzate (MI), EuroGroup Laminations recorded revenues for approximately Euro 557 million in 2021, it can currently count on a workforce of approximately 2,800 employees, 7 production plants in Italy and 5 abroad (Mexico, United States, China, and Tunisia) and an Order Book for the EV & AUTOMOTIVE segment with an estimated value of approximately €5 billion.

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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, (iii) persons who are outside the United Kingdom; or (iv) 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.

This document is an announcement and is not a prospectus for the purposes of the Prospectus Regulation. A prospectus prepared pursuant to Regulation (EU) 2017/1129 (the “Prospectus Regulation”) Commission Delegated Regulation (EU) 2019/980, and the Commission Delegated Regulation (EU) 2019/979 will be published and made available in connection with the Offering described below. Investors should not subscribe to any securities referred to in this document except based on information contained in the prospectus which includes detailed information regarding the Company and the risks involved in investing in the securities. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation. The distribution of this document in certain countries may constitute a breach of applicable law. The information contained in this document does not constitute an offer of securities for sale in Canada, Australia, or Japan.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II to such target market (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal, or regulatory selling restrictions in relation to the offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Global Coordinators and Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares. Each distributor is

responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

All statements other than statements of historical fact included herein are forward-looking statements. Forward-looking statements give the Company's current expectations, estimates, forecasts, and projections relating to its financial condition, results of operations, plans, objectives, future performance, and business as well as the industries in which the Company operates, as well as the beliefs and assumptions of the Company's management. Certain statements with regard to management objectives, trends in results of operations, margins, costs, return on equity, risk management and competition tend to be forward-looking in nature. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target," "believe," "expect," "aim," "intend," "goal," "may," "anticipate," "estimate," "plan," "project," "seek," "will," "can have," "likely," "should," "would," "could" and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the Company's actual results, performance, or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future. Therefore, the Company's actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. They are neither statements of historical fact nor guarantees of future performance. The Company therefore cautions against relying on any of these forward-looking statements.

The date of admission to trading on Euronext Milan ("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 Offering. The value of Shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offering for the person concerned.

No representation or warranty, express or implied, is made by any of the banks acting as joint global coordinators or joint bookrunners in the context of the Offering (the "Joint Global Coordinators and Joint Bookrunners"), or any of their respective affiliates, directors, officers, employees, advisers or agents as to the accuracy or completeness or verification of the information contained in this announcement (or whether any information has been omitted therefrom), and nothing contained herein is, or shall be relied upon as, a promise or representation by the Joint Global Coordinators and Joint Bookrunners in this respect, whether as to the past or future. The information in this announcement is subject to change. None of the Joint Global Coordinators and Joint Bookrunners assumes any responsibility for its accuracy, completeness, or verification and accordingly the Joint Global Coordinators and Joint Bookrunners disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this announcement or any such statement. The Joint Global Coordinators and Joint Bookrunners are each acting exclusively for the Company and/or the Selling



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