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Group

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**Milan, December 2, 2024**

**PRESS RELEASE**

**LAUNCH OF AN OFFERING OF SENIOR SECURED FLOATING RATE NOTES DUE 2029 BY FLOS B&B ITALIA S.P.A.**

Flos B&B Italia S.p.A. (the "**Issuer**") announced today that it intends to launch an offering (the "**Offering**") of Senior Secured Floating Rate Notes expected to mature in 2029 for an expected aggregate principal amount of €470.0 million (the "**Notes**"). In connection with the Offering and subject to certain conditions, the Issuer also expects to increase the total commitments under its existing revolving credit facility from €140.0 million to €145.0 million.

The proceeds from the offering of the Notes are expected to be used, together with cash on the Issuer's balance sheet, to (i) redeem the Issuer's outstanding €470.0 million Senior Secured Floating Rate Notes due 2026 at par plus accrued and unpaid interest thereon, and (ii) pay fees and expenses incurred in connection with the above transactions.

The Issuer will determine and publish the final terms and conditions of the Notes at pricing, upon completion of the book building process.

**CERTAIN ESTIMATED CURRENT TRADING DATA OF THE ISSUER**

The Issuer provides below certain information regarding certain estimated financial results and key financial metrics of the Issuer and its subsidiaries on a consolidated basis (the "**Group**"). All references to "we", "us", or "our" below are to the Group.

***Current Trading***

*The preliminary indications set forth below are based on an initial review of our results of operations from our management accounts and other preliminary reports. Neither our independent auditors nor any other independent auditors have audited, reviewed, compiled or performed any procedures with respect to such preliminary unaudited financial information for the purpose of its inclusion herein or for any other purposes and, accordingly, neither our nor any other independent auditors have expressed an opinion or provided any form of assurance with respect thereto. Furthermore, the preliminary unaudited financial information below does not take into account any circumstances or events occurring after the period to which it refers. The preliminary unaudited information set forth below regarding our results for the periods indicated is based on management accounts, systems and preliminary reports and in part on estimates. We believe the estimates underlying the financial information presented below may provide investors with a helpful indication of the development of our results of operations following September 30, 2024. However, our actual results for any such period and for the year ending December 31, 2024 may differ materially from the trends and ranges included herein. The preliminary information set forth below should not be regarded as an indication, forecast, capsule financial information or representation regarding our financial results for the year ended December 31, 2024 or for any other period. The preliminary information below also includes certain non-IFRS measures, including Order intake and requests for quotation (RFQs), which do not constitute a measure of financial performance under IFRS or any other accounting standard and have not been audited or otherwise reviewed by any auditors, consultants or experts. RFQs consists of all the requests for quotations we receive from our customers and are outstanding as of a certain date, which have not yet been converted into Orders. Order intake consists of the aggregate expected revenue from all the orders received from our customers during a reference period (regardless of whether any revenue has been recognized in respect of these orders in such period) for services and projects for which we have generally signed contracts or in respect of which we have otherwise received commitments from customers. Order intake does not purport to indicate our future revenue and is calculated based on various assumptions and*

*management estimates and is therefore inherently subject to risks and uncertainties. Our actual revenue may differ from our Order intake for a number of reasons, including, but not limited to, unforeseen events or circumstances, including termination or scaling down of contracts, increased time requirements to complete the relevant project, delays in commencing the project or other disruptions and potential litigation associated with the projects to which our Order intake refers. There can be no assurance that our RQS convert into Order intake. You should therefore not place undue reliance on the preliminary information presented below. In addition, the revenue recognition and measurement criteria we utilize in our management accounts or other preliminary reports may be different from those we utilize in our statutory accounts. Therefore, sales and operating results from our management accounts or other preliminary reports are marginally different from revenues and operating results deriving from our statutory accounts and consolidated financial statements.*

Based on preliminary results derived from our unaudited management accounts and other information currently available to us, we estimate our sales from customers and EBITDA margin adjusted for the twelve months ended October 31, 2024 to be approximately €766 million and approximately 25%, respectively. We also estimate that our sales from customers in October 2024 increased by approximately 2% compared to the same period in 2023. This growth was supported by an approximately 7% increase of sales from customers in our wholesale channel, driven by our intensified focus on top global dealers and the strategic conversion of multi-brand stores into shop-in-shop or mono-brand stores. The increased sales from customers in October 2024 were also supported by our Directly Operated Stores (DOS) channel, which experienced a growth of approximately 39% compared to same period in 2023, reflecting our efforts in recent years to expand our direct-to-consumer distribution channels, through which we are able to exercise greater control over product pricing and maintain closer relationships with our end customers. In addition, while sales from our contract channel in October 2024 continued to underperform due to, among others, the delayed phasing in of some relevant projects, we estimate that our Order intake for such channel increased by approximately 5% in October 2024 compared to the corresponding period in 2023, bolstered by significant new projects, especially in the Americas.

We estimate that our total Order intake for the twelve months ended October 31, 2024, which has constantly been higher than our sales from customers since the last quarter of 2023, thus indicating potential opportunities to increase our sales, amounted to €801 million. For the month of October 2024, we estimate our total Order intake increased by approximately 6% compared to the corresponding period in 2023.

In addition, our ability to convert, on average, approximately 40% of the requests for quotation we receive from our contract channel customers (amounting to over €800 million as of October 31, 2024) into actual Orders, coupled with the significant contribution of our made-to-order sales to our total sales, provides further visibility into potential future revenue streams.

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*This press release constitutes a public disclosure of inside information by Flos B&B Italia S.p.A. under Regulation (EU) 596/2014, as subsequently amended, and any relevant implementing rules and regulations.*

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**Cautionary Statements**

There can be no assurance that the Offering will be completed or, if completed, as to the terms on which it will be completed.

This press release is for information purposes only and does not constitute any offer to sell or the solicitation of an offer to buy any security in the United States or in any other jurisdiction. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or applicable state or foreign securities laws and may not be offered or sold in the United States without registration under federal or applicable state securities laws or an applicable exemption from such registration requirements. The Notes will be offered (a) in the United States to "qualified institutional buyers" as defined in Rule 144A under the Securities Act and (b) outside the United States to persons who are not U.S. persons (i) in an offshore transaction in accordance with Regulation S under the Securities Act, (ii) if resident in a Member State of the European Economic Area, to "qualified investors" within the meaning of Article 2(e) of Regulation 2017/1129/EU and amendments thereto (the "**Prospectus Regulation**") and any relevant implementing measure in each Member State of the European Economic Area and (iii) if a resident of the United Kingdom, to "qualified investor" within the meaning of Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**").

This press release does not constitute an offer to the public in Italy of financial products, as defined under Article 1, paragraph 1, letter (t) of legislative decree of February 24, 1998, no. 58, as amended. The Notes cannot be offered, sold or delivered, directly or indirectly, in Italy either on the primary or on the secondary market to any natural persons nor to entities other than qualified investors (*investitori qualificati*) as referred to in Article 2, paragraph (e), of the Prospectus Regulation or unless in any circumstances which are exempt from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation and the implementing regulations issued by the *Commissione Nazionale per le Società e la Borsa*, the Italian securities and financial markets regulator ("**CONSOB**"), including Article 34-*ter*, paragraph 1, of CONSOB Regulation no. 11971 of May 14, 1999, as amended, and the applicable Italian laws and regulations.

This press release is for informational purposes only and does not constitute and shall not, in any circumstances, constitute a public offering or an invitation to the public in connection with any offer within the meaning of the Prospectus Regulation. The Offering will be made pursuant to an exemption under the Prospectus Regulation and the UK Prospectus Regulation, as implemented in Member States of the European Economic Area and the United Kingdom, respectively, from the requirement to produce a prospectus for offers of securities.

This press release is only being distributed to, and is only directed at, persons in the United Kingdom that (i) are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). This press release is directed only at Relevant Persons and must not be acted on or relied upon by persons who are not Relevant Persons. Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

The offering memorandum prepared in connection with the Offering has not been and will not be approved by the U.S. Securities and Exchange Commission, CONSOB, the Financial Conduct Authority or any other competent authority.

This press release does not constitute a conditional notice of redemption in respect of the any notes. Holders of any notes are therefore urged to refer to the relevant notice of redemption (once available) for more information regarding the redemption price, record date and redemption date.

**Information to Distributors**

Manufacturer target market (MIFID II product governance; UK MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs or UK PRIIPs key information document (KID) has been prepared as not available to retail investors in EEA or the United Kingdom, respectively.

**Forward Looking Statements**

This press release may include forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. 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, their strategies, plans, objectives, goals and targets, future developments in the markets in which the Group participates or is seeking to participate or anticipated regulatory changes in the markets in which the Group operates or intends to operate. In some cases, you can identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "potential", "predict", "projected", "should" or "will" or the negative of such terms or other comparable terminology.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and are based on numerous assumptions. Our actual results of operations, including our financial condition and liquidity and the development of the industries in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this press release. In addition, even if our results of operations, including our financial condition and liquidity and the development of the industries in which we operate, are consistent with the forward-looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

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**Flos B&B Italia**

Flos B&B Italia is a global leader in high-end design with a cultural heritage of European origin, characterized by multi-channel distribution and diversified product categories. Guided by the purpose 'We design for a beautiful life', the Group designs for the planet, people, and culture. The Group includes Flos, B&B Italia, Louis Poulsen, Maxalto, Arclinea, Azucena, FENDI Casa, Audo and Lumens. Flos B&B Italia's catalogue features iconic objects designed by world-famous designers such as Achille and Pier Giacomo Castiglioni, Tobia Scarpa, Luigi Caccia Dominioni, Poul Henningsen, Arne Jacobsen, Antonio Citterio, Gaetano Pesce, Philippe Starck, Piero Lissoni, Konstantin Grcic, Jasper Morrison, Patricia Urquiola, Michael Anastassiades and many others. Flos B&B Italia is jointly owned by the global investment firms Investindustrial and Carlyle.

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