

3 June 2022

## MELROSE INDUSTRIES PLC

### SALE OF ERGOTRON

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Melrose Industries PLC (“Melrose”, the “Company” or the “Group”) has entered into an agreement to sell its Ergotron business (“Ergotron”), to funds managed by The Sterling Group (“Sterling”) for total consideration of approximately \$650 million (c.£520 million), payable in cash on completion (the “Disposal”). Ergotron is a leading designer, manufacturer and distributor of ergonomic products for use in a variety of working, learning and healthcare environments, with gross assets (mostly goodwill) as at 31 December 2021 of £617 million and 2021 adjusted operating profit of £58 million (2021 EBITDA £62 million).

Completion of the Disposal is expected to occur in the third quarter of 2022 (“Completion”) and is conditional upon customary US antitrust approvals. On or before Completion, Melrose will announce how it intends to use the net proceeds from the Disposal.

#### Successful execution of Melrose’s strategy for Nortek

Having sold the Nortek Air Management and Nortek Control businesses last year, Ergotron is the last of the businesses remaining from the Nortek Inc acquisition in 2016. On Completion, Melrose will have more than doubled shareholders’ initial investment, whilst transforming the Nortek businesses themselves.

Refocusing them away from unprofitable work, Melrose made the significant investment necessary to implement operational best practices, increase R&D, develop new products and build stronger customer relationships. These actions resulted in an almost doubling of adjusted operating margins and ensured each business remained highly cash generative, with over \$1 billion generated during Melrose ownership.

This strong support and appropriate investment under Melrose ownership unlocked the potential of all the Nortek businesses and set them on the path for further success under new owners for the next stage of their development.

#### Simon Peckham, Chief Executive of Melrose, today said:

*“The sale of Ergotron is the final step in our Nortek ownership cycle, capping what has been a very successful acquisition for Melrose shareholders. We will have more than doubled shareholders’ equity investment in Nortek and have transformed the businesses themselves. Our attention now remains firmly on achieving the same result for the current Group.”*

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