

22nd June 2018

Climate Technologies today announced that it has entered into an agreement to be acquired by Symphony Limited

Climate Technologies, one of Australia's largest privately-owned manufacturers of heating and cooling products, has entered into an agreement to be acquired by Symphony Limited, one of the world's largest manufacturers of evaporative coolers.

Climate Technologies is responsible for some of the most recognised heating and cooling appliances in Australia, including brands like Bonaire, which has a 64-year history, and Celair, which has a 46-year history.

Mr. Tim O'Leary, CEO of Climate Technologies, said he was delighted with the transaction as the company will benefit from an alignment with a business that could accelerate geographical expansion as well as provide improved ranging and supply efficiencies to current and future customers.

"We have a clear plan to grow the business. There are significant local and global growth opportunities available to the business and the sale will assist Climate Technologies take advantage of those opportunities.

Symphony will add significant value to our business and provide the platform to continue our commitment to our customers and suppliers, enabling Climate Technologies to remain at the forefront of the heating and cooling segment," Mr. O'Leary said.

Mr. O'Leary, who will retain an ownership interest in Climate Technologies, will continue as the CEO of the business.

Mr. Achal Bakeri, Symphony Limited's CEO and its major shareholder, said this was an exciting opportunity for Symphony as a very strong strategic fit existed with Climate Technologies.

"We are uniquely placed to assist Climate Technologies in its next phase of growth, by providing immediate access to an international distribution network across 60 countries. The opportunity exists for Symphony to provide supply chain expertise and infrastructure to grow the business and realise significant synergies.

Both businesses have an extremely complimentary suite of products, which will be enhanced over time as the combined group continues to focus on research and development.

We are pleased that Mr. O'Leary has committed to continue as CEO, we have been impressed by his energy during this transaction. We have also been impressed by the broader Climate Technologies team. Symphony is focussed on nurturing a strong employee culture and we are dedicated to maintaining the strong culture that has been built by Mr. O'Leary and Climate Technologies' founder, Mr. Ted Celi".

Mr. Ted Celi, who began Climate Technologies in 1972 and purchased the Bonaire business from Southcorp Heating and Cooling, was pleased to sell the business to a group who displayed a similar commitment to its employees.

“My family’s long history with Climate Technologies has been enjoyable, but that enjoyment would not have been possible without the dedication of the staff and their families and our customers and suppliers, to which the Celi family owe tremendous thanks”.

Climate Technologies was advised by Miles Advisory Partners and Clarendon Lawyers.

The transaction is expected to close around the 4th of July 2018.

About Climate Technologies

Established in 1972, Climate Technologies is one of Australia’s leading manufacturers of evaporative cooling and ducted gas heating products, with household names Bonaire, Celair and Pyrox. In addition to a strong presence in Australia, Climate Technologies’ products are exported to many global markets, including USA, South Africa and New Zealand.

About Symphony

Symphony Limited (BSE:517385) engages in the manufacturing and trading of residential, commercial, and industrial air coolers internationally. Established in 1988 and based in Ahmedabad, India, Symphony have a global presence across 60 countries distributing commercial and residential evaporative cooling systems (EAC) under the "Symphony", "Arctic Circle", "Master Cool" and "Ki" brands. Symphony’s leadership in the EAC category and its asset light business model has allowed it deliver consistent high return and growth to its stakeholders. Symphony is listed on the National Stock Exchange and Bombay Stock Exchange in India and has a market capitalisation equivalent to AUD 1.9 billion.