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5 November 2021

Stelrad Group PLC

Announcement of Offer Price

Offer Price set at 215 pence per Ordinary Share

Following the confirmation of intention to float announcement on 14 October 2021, the Company today announces the successful pricing of its initial public offering (the “IPO” or the “Offer”) at 215 pence per Ordinary Share (the “Offer Price”). Based on the Offer Price, the Company’s total market capitalisation at the commencement of conditional dealings on the main market of the London Stock Exchange will be approximately £274 million.

Trevor Harvey, Chief Executive of Stelrad, commented:

“Today is a momentous day for Stelrad as we begin our life as a public company and embark on the next stage of our development. I’d like to extend my sincere thanks to everyone who has helped us get to this point, most notably our invaluable and hard-working employees.

We have been encouraged by the level of support received from investors who recognise the solid foundations the business is built upon and the platform for growth we have created. Our focus remains on exploiting the breadth of organic and inorganic growth opportunities on offer, continuing to focus on further improving our extensive product offering and the strong relationships we have with major distributors and specifiers.

Alongside this, we are also excited by the supportive market backdrop and the important role we can play as the world decarbonises.”

Offer highlights:

- The Offer Price has been set at 215 pence per Ordinary Share.
- The Company's total market capitalisation at the commencement of conditional dealings on the main market of the London Stock Exchange will be approximately £274 million based on the Offer Price.
- The Offer comprises 11,627,907 new Ordinary Shares to be issued by the Company (raising gross proceeds of £25 million) and 32,558,130 existing Ordinary Shares to be sold by The Bregal Fund III L.P. (the "Major Shareholder") and certain members of management of the Company equating to a total offer size of approximately £95 million.
- Immediately following Admission, the Company's issued share capital will be 127,352,555 Ordinary Shares.
- Full details of the Offer will be included in the Prospectus, which is expected to be published later today and will be available on the Company's website at: <https://www.stelradplc.com/ipo-centre>, subject to certain restrictions.

Admission and dealings:

- Conditional dealings in the Ordinary Shares are expected to commence on the main market of the London Stock Exchange at 08:00 a.m. (London Time) on 5 November 2021 under the ticker "SRAD". Investors should note that only those who applied for and were allocated Ordinary Shares in the Offer will be able to deal in the Ordinary Shares on a conditional basis.
- Admission to the premium listing segment of the Official List of the FCA and to trading on the main market for listed securities of the London Stock Exchange, and the commencement of unconditional dealings is expected to take place at 8.00 a.m. (London time) on 10 November 2021.

Further information:

- It is expected that, subject to Admission and other conditions being met, the Company will in due course be considered eligible for inclusion in the FTSE UK indices.

For further information:

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Notes to Editors

Stelrad Group PLC is a leading specialist manufacturer and distributor of steel panel radiators in the UK, Europe and Turkey, selling an extensive range of standard and premium steel panel radiators, low surface temperature (LST) radiators, towel warmers, decorative steel tubular radiators and other steel “column” radiators to more than 500 customers annually.

The Group has four core brands: Stelrad, Henrad, Hudevad and Termo Teknik, which had approximately 16.6 per cent. share by volume of total markets in the UK, Europe, and Turkey in 2020, including 50.2 per cent. market share in the UK. In 2020, the Group held top 3 share positions in 11 countries and was #1 in the UK, Ireland, the Netherlands, Belgium and Denmark.

It is headquartered in Newcastle upon Tyne in the United Kingdom with manufacturing and distribution facilities at Mexborough in the UK, Nuth in the Netherlands and Çorlu in Turkey, employing 1,325 employees across the business, as at 31 December 2020.

The origins of the Group date back to the 1930s and, today, Stelrad enjoys long established commercial relationships with many of its customers, having served each of its top five customers for over twenty years.

Important legal information

The contents of this announcement, which has been prepared by and is the sole responsibility of the Company, have been approved by Investec Bank plc (“Investec”) solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended).

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States of America, Australia, Canada, Japan or South Africa. This announcement is not an offer of securities for sale into the United States, Australia, Canada, Japan or South Africa. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or with any securities regulatory authority of any state or other jurisdiction of the United States. The securities may not be offered or sold in the United States, except pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. No public offering of the securities referred to herein is being made in the United States.

In the United Kingdom, this announcement is being distributed only to, and is directed only at, persons who: (A) (i) are “investment professionals” specified in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) fall within Article 49(2)(a) to (d) of the Order (and only where the conditions contained in those Articles have been, or will at the relevant time be, satisfied); and (B) are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (“EUWA”); and (C) persons to whom it may otherwise lawfully be communicated (all such persons being “relevant persons”).

In the European Economic Area (the “EEA”), this announcement is addressed only to and directed only at, persons in member states who are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (“Qualified Investors”).

This announcement must not be acted on or relied on (i) in the United Kingdom, by persons who are not relevant persons, and (ii) in any member state of the EEA, by persons who are not Qualified Investors. Any investment or investment activity to which this announcement relates is available only to (i) in the United Kingdom, relevant persons, and (ii) in any member state of the EEA, Qualified Investors, and will be engaged in only with such persons.

This announcement may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Group’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made.

In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur or the Company’s or the Group’s actual results, performance or achievements might be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Investec, the Company or any member of the Group, or any of such person’s affiliates or their respective directors, officers, employees, agents or advisers expressly disclaim any obligation or undertaking to update, review or revise any such forward-looking statement or any other information contained in this announcement, whether as a result of new information, future developments or otherwise, except to the extent required by applicable law.

Any subscription or purchase of Ordinary Shares in the IPO should be made solely on the basis of information contained in the Prospectus which has been issued by the Company in connection with the IPO. The information in this announcement is subject to change. Before subscribing for or purchasing any Ordinary Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

The Group may decide not to go ahead with the IPO and there is therefore no guarantee that the Offer will be made or that Admission will occur. Potential investors should not base their financial decision on this announcement. 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 investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning a possible offer. The value of shares can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of a possible offer for the person concerned.

Nothing contained herein constitutes or should be construed as (i) investment, tax, accounting or legal advice; (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances; or (iii) a personal recommendation to you.

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companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available, or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith.

Investec Bank plc of 30 Gresham Street, London EC2V 7QP of is authorised by the Prudential Regulation Authority (the "PRA") and regulated by the FCA and the PRA in the United Kingdom. Investec will be acting exclusively for the Company and no one else in connection with the IPO. Investec will not regard any other person as its client in relation to the IPO and will not be responsible to anyone other than Company for providing the protections afforded to its clients nor for giving advice in relation to the IPO, the contents of this announcement or any transaction, arrangement or other matter referred to herein. In connection with the withdrawal of the UK from the European Union, Investec may, at its discretion, undertake its obligations in connection with the IPO by any of its affiliates based in the EEA.

In connection with the IPO, Investec and any of its affiliates may take up a portion of the Ordinary Shares in the IPO as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such securities and any other securities of the Company or related investments in connection with the IPO or otherwise. Accordingly, references to the Ordinary Shares being issued, offered, subscribed, acquired, placed or otherwise dealt with should be read as including any issue, offer, subscription, acquisition, dealing or placing by Investec and any of its affiliates acting in such capacity. In addition Investec or its affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which such Investec (or its affiliates) may from time to time acquire, hold or dispose of Ordinary Shares. Neither Investec nor any of its affiliates intends to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

Certain data in this announcement, including financial, statistical, and operating information has been rounded. As a result of the rounding, the totals of data presented in this announcement may vary slightly from the actual arithmetic totals of such data. Percentages in tables may have been rounded and accordingly may not add up to 100 per cent.

For the avoidance of doubt, the contents of the Group's website or any website directly or indirectly linked to the Group's website, are not incorporated by reference into, and do not form part of, this announcement.

UK Product Governance Requirements

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK Product Governance Rules"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any 'manufacturer' (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of (a) retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA, (b) investors who meet the criteria of professional clients as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA and (c) eligible counterparties as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS") ; and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU (the "UK Target Market Assessment"). Notwithstanding the UK Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary 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 UK Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the UK Target Market Assessment, Investec will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS; 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 Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

EU Product Governance Requirements

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 Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of retail clients 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 (the "EU Target Market Assessment"). Notwithstanding the EU Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary 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 EU Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the EU Target Market Assessment, Investec will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the EU 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 Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.