



Acuity Brands to Acquire KE2 Therm

April 14, 2023

Acquisition extends Distech Controls' addressable market into commercial refrigeration

ATLANTA, April 14, 2023 (GLOBE NEWSWIRE) -- Today, Acuity Brands, Inc. (NYSE: AYI) ("Acuity") a leading industrial technology company, announced a definitive agreement to acquire KE2 Therm Solutions, Inc. ("KE2 Therm"), which develops and provides intelligent refrigeration control solutions that improve profitability by increasing system efficiency and decreasing operational and service costs.

The transaction is expected to close during the spring of 2023 when KE2 Therm will begin integrating into Distech Controls within the Intelligent Spaces Group business segment of Acuity.

"We are focused on increasing our addressable market for Distech Controls," said Peter Han, President of the Intelligent Spaces Group. "In recent months, we have expanded our presence in new regions and now, with the acquisition of KE2 Therm, we will expand into the commercial refrigeration controls market as it transitions from analog to digital controls. KE2 Therm's controls and software will help us lead this transition, and we are excited to welcome the talented team to Acuity."

"By combining Distech Controls' market-leading controls, sensors, and software with KE2 Therm's refrigeration solutions, we will improve our customer access and unlock new market opportunities," said Patrick Holdmeyer, President of KE2 Therm. "We share the same values and focus on product innovation and superior technical support. We are thrilled to join Acuity."

The transaction is subject to the satisfaction of certain customary closing conditions. Until close, the companies will continue to operate independently.

About Acuity Brands

Acuity Brands, Inc. (NYSE: AYI) is a market-leading industrial technology company. We use technology to solve problems in spaces, light, and more things to come. Through our two business segments, Acuity Brands Lighting and Lighting Controls ("ABL") and the Intelligent Spaces Group ("ISG"), we design, manufacture, and bring to market products and services that make a valuable difference in people's lives.

We achieve growth through the development of innovative new products and services, including lighting, lighting controls, building management systems, and location-aware applications. We achieve customer-focused efficiencies that allow us to increase market share and deliver superior returns. We look to aggressively deploy capital to grow the business and to enter attractive new verticals.

Acuity Brands, Inc. is based in Atlanta, Georgia, with operations across North America, Europe, and Asia. The Company is powered by more than 13,000 dedicated and talented associates.

For more information, visit www.acuitybrands.com

About Distech Controls

Distech Controls connects people with intelligent building solutions through our forward-thinking technologies and services. We partner with customers to deliver innovative solutions that can provide better health, better spaces, and better efficiencies. Our passion for innovation, quality and sustainability guides our business, which serves multiple market segments through worldwide business divisions, service offices and a superior network of Authorized System Integrators and Distributors. Distech Controls Inc. is a subsidiary of Acuity Brands, Inc.

For more information, visit www.distech-controls.com

About KE2 Therm

KE2 Therm is a developer and manufacturer of branded, intelligent refrigeration control solutions that use proprietary advanced controls algorithms, software, and controls. The company's technology is specified by a wide range of end users, consultants and major OEM manufacturers of evaporators, walk-in freezers and coolers for both new install and retrofit refrigeration applications.

KE2 Therm seeks to save energy, preserve the environment, and improve profitability for its customers by delivering energy saving electronic solutions to the heating, ventilating, air conditioning and refrigeration (HVAC-R) industry.

KE2 Therm was founded in 2009 by Patrick Holdmeyer to accelerate the penetration of smart digitized and connected refrigeration controllers in North America. The company is headquartered in Washington, Missouri.

For more information, visit <https://ke2therm.com/>

Forward-Looking Information

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the "Act"). Forward-looking statements use words such as "expect," "believe," "intend," "anticipate," "indicative," "projection," "predict," "plan," "may," "could," "should," "would," "potential," and words of similar meaning, as well as other words or expressions referencing future events, conditions, or circumstances. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Act. Statements that describe or relate to the Company's plans, goals, intentions, strategies, or financial outlook, and statements that do not relate to historical or current fact, are examples of forward-looking statements. Examples of forward-looking statements in this release include, without limitation: our expectation that the acquisition of KE2 Therm will close during the spring of 2023 when KE2 Therm will begin integrating into Distech Controls within the Intelligent Spaces Group business segment of Acuity; statements relating to the focus on increasing our addressable market for Distech Controls, including, but not limited to, with the acquisition of KE2 Therm, expansion into the commercial refrigeration controls market as it transitions from analog to digital controls and the expectation that KE2 Therm's controls and software will help us lead this transition; and

that the acquisition will improve customer access and unlock new market opportunities. Forward-looking statements are not guarantees of future performance. Our forward-looking statements are based on our current beliefs, expectations, and assumptions, which may not prove to be accurate, and are subject to known and unknown risks and uncertainties, many of which are outside of our control. These risks and uncertainties could cause actual results to differ materially from our historical experience and management's present expectations or projections. These risks and uncertainties are discussed in our filings with the U.S. Securities and Exchange Commission, including our most recent annual report on Form 10-K (including, but not limited to, Part I, Item 1a Risk Factors), quarterly reports on Form 10-Q, and current reports on Form 8-K. Any forward-looking statement speaks only as of the date on which it is made. You are cautioned not to place undue reliance on any forward-looking statements. Except as required by law, we undertake no obligation to publicly update or release any revisions to these forward-looking statements to reflect any events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events, whether as a result of new information, future events, or otherwise.

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