



Fortune Brands Acquires SpringWell; Increases Presence in High-Growth Water Filtration Market and Further Expands Whole Home Water Offering

DEERFIELD, Ill – February 29, 2024 – Fortune Brands Innovations, Inc. (NYSE: FBIN or “Fortune Brands” or the “Company”), an industry-leading innovation company focused on creating smarter, safer and more beautiful homes and improving lives, today announced it has acquired [SpringWell Water Filtration Systems](#) (“SpringWell”). SpringWell provides residential whole-home water filtration and water softening solutions via direct-to-consumer channels. Its portfolio of point-of-entry and point-of-use products, including Do-It-Yourself installations, are sold under the SpringWell brand.

The addition of SpringWell paves the way for Fortune Brands to invest and capture opportunities in the approximately \$4 billion water filtration and water quality U.S. residential market. SpringWell increases FBIN’s strategic exposure to recurring revenue streams, and SpringWell’s digital and direct marketing expertise augments Fortune Brands’ established digital capabilities.

“This acquisition opens opportunities for Fortune Brands to cross-sell our complementary water management products and positions Fortune Brands to continue to strategically expand our whole home water ecosystem enabled by smart, connected products,” said Fortune Brands Chief Executive Officer Nicholas Fink.

SpringWell has delivered accelerated growth every year since its founding in 2018 through 2023, resulting in a double-digit five-year CAGR. SpringWell is expected to deliver accretive EBITDA margins to Fortune Brands.

Fortune Brands completed the acquisition on February 29, 2024, for a purchase price of approximately \$105 million, or \$92 million net of tax benefits, on a cash-free, debt-free basis, subject to customary adjustments. The net purchase price of \$92 million equates to approximately 8.5x 2023 adjusted EBITDA for the Company before synergies.

About Fortune Brands Innovations

Fortune Brands Innovations, Inc. (NYSE: FBIN), headquartered in Deerfield, Ill., is a brand, innovation and channel leader focused on exciting, supercharged categories in the home products, security and commercial building markets. The Company’s growing portfolio of brands includes Moen, House of Rohl, Aqualisa, Emtek, Therma-Tru, Larson, Fibron, Master Lock, SentrySafe, Yale residential and August. To learn more about FBIN, its brands and environmental, social and governance (ESG) commitments, visit www.FBIN.com.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This press release contains certain “forward-looking statements” made within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical statements of fact and those regarding our intent, belief, or expectations, including regarding the anticipated benefits of the SpringWell acquisition. Statements preceded by, followed by or that otherwise include the words “believes”, “positioned”, “expects”, “estimates”, “plans”, “look to”, “outlook”, “opportunity,” “confident,” “intend”, and similar expressions or future or conditional verbs such as “will”, “should”, “would”, “may” and “could” are generally forward-looking in nature and not historical facts. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is based on the current plans and expectations of our management. Although we believe that these statements are based on reasonable assumptions, they are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those indicated in such statements, including but not limited to: unanticipated difficulties or expenditures relating to the SpringWell transaction, including, without limitation, difficulties that result in the failure to realize expected synergies, efficiencies and cost savings from the transaction within the expected time period (if at all); legal proceedings, judgments or settlements following the announcement of the proposed transaction; disruptions of our or SpringWell’s current plans, operations and relationships with customers, suppliers, distributors, business partners and regulators caused by the announcement of the transaction; potential difficulties in employee retention due to the announcement of the transaction; general business and economic conditions; our reliance on the North American repair and remodel and new home construction activity levels; our reliance on key customers and suppliers; our ability to maintain our strong brands and to develop innovative products while maintaining our competitive positions; our ability to improve organizational productivity and global supply chain efficiency; our ability to obtain raw materials and finished goods in a timely and cost-effective manner; the impact of sustained inflation, including global commodity and energy availability and price volatility; our ability to attract and retain qualified personnel and other labor constraints; our ability to achieve the anticipated benefits of our strategic initiatives; our ability to successfully execute our acquisition strategy and integrate businesses that we have and may acquire; and the other factors discussed in our securities filings, including in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 30, 2023, filed with the Securities and Exchange Commission. The forward-looking statements included in this release are made as of the date hereof, and except as required by law, we undertake no obligation to update, amend or clarify any forward-looking statements to reflect events, new information or circumstances occurring after the date of this release.

Source: Fortune Brands Innovations, Inc.

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