



Griffon Concludes Review of Strategic Alternatives

April 20, 2023

Company Increases Return of Capital to Shareholders with an Upsized \$258 million Buyback Authorization and a \$2.00 per share Special Dividend

NEW YORK--(BUSINESS WIRE)--Apr. 20, 2023-- Griffon Corporation (“Griffon” or the “Company”) (NYSE:GFF) announced today its Board of Directors unanimously decided to conclude its review of strategic alternatives. After extensive evaluation and deliberation, the Board determined the ongoing execution of the Company’s strategic plan is the best way to maximize value for shareholders at this time.

Also today, the Griffon Board approved two actions to return additional capital to shareholders. First, Griffon increased its share repurchase authorization to \$258 million from the prior unused authorization of \$58 million. Second, the Griffon Board declared a special cash dividend of \$2.00 per share, payable on May 19, 2023 to shareholders of record as of the close of business on May 9, 2023.

The Griffon Board initiated the strategic alternatives process in January 2022 with the formation of a Committee on Strategic Considerations, comprised solely of independent members of the Board. The Committee, together with its advisors Goldman Sachs & Co and Dechert LLP, evaluated a comprehensive range of strategic alternatives to maximize shareholder value including a possible sale, merger, divestiture, and recapitalization. Griffon publicly announced the process in May 2022 and subsequently solicited interest from a wide range of potential counterparties. After careful consideration, the Board unanimously determined that none of the proposals received reflect the intrinsic value and strong operating performance of the business, and therefore elected to conclude its review.

James W. Sight, Chair of the Committee of Strategic Considerations, said, “After a comprehensive and exhaustive process, the Committee recommended, and the Board unanimously agreed, that continuing to execute Griffon’s strategic plan is the best approach for maximizing shareholder value. Although the process has now concluded, Griffon’s Board will continue to be open to and consider all opportunities to enhance shareholder value.”

“Over the past year, our financial performance has improved despite headwinds in the housing market and the global economy. We remain confident about our business and operating strategy,” said Ronald J. Kramer, Chairman and CEO of Griffon. “The special dividend announced today demonstrates our commitment to providing immediate value to our shareholders, and reflects the confidence of Griffon’s Board and management regarding our outlook.”

“We have a strong balance sheet with no significant debt maturities until 2028. Regarding our capital allocation, we expect to utilize excess cash to further reduce debt, and will use the special dividend and increased repurchase authorization to return value to shareholders,” Mr. Kramer continued. “Based on our confidence in the Company’s continued strong operating performance and free cash flow, we believe Griffon’s best days are ahead of us.”

The Company will release fiscal second quarter results on Wednesday, May 3, 2023, followed by a conference call at 8:30 AM ET.

Safe Harbor Statements

“Safe Harbor” Statements under the Private Securities Litigation Reform Act of 1995: All statements related to, among other things, income (loss), earnings, cash flows, revenue, changes in operations, operating improvements, the impact of the Hunter Fan transaction, the outcome of our strategic alternatives review process, industries in which Griffon Corporation (the “Company” or “Griffon”) operates and the United States and global economies that are not historical are hereby identified as “forward-looking statements” and may be indicated by words or phrases such as “anticipates,” “supports,” “plans,” “projects,” “expects,” “believes,” “should,” “would,” “could,” “hope,” “forecast,” “management is of the opinion,” “may,” “will,” “estimates,” “intends,” “explores,” “opportunities,” the negative of these expressions, use of the future tense and similar words or phrases. Such forward-looking statements are subject to inherent risks and uncertainties that could cause actual results to differ materially from those expressed in any forward-looking statements. These risks and uncertainties include, among others: the impact of the strategic alternatives review process announced in May 2022, any transaction that may result from that process and the possibility that the process may not result in any transaction; current economic conditions and uncertainties in the housing, credit and capital markets; Griffon’s ability to achieve expected savings from cost control, restructuring, integration and disposal initiatives; the ability to identify and successfully consummate, and integrate, value-adding acquisition opportunities (including, in particular, integration of the Hunter Fan acquisition); increasing competition and pricing pressures in the markets served by Griffon’s operating companies; the ability of Griffon’s operating companies to expand into new geographic and product markets, and to anticipate and meet customer demands for new products and product enhancements and innovations; increases in the cost or lack of availability of raw

materials such as resin, wood and steel, components or purchased finished goods, including any potential impact on costs or availability resulting from tariffs; changes in customer demand or loss of a material customer at one of Griffon's operating companies; the potential impact of seasonal variations and uncertain weather patterns on certain of Griffon's businesses; political events that could impact the worldwide economy; a downgrade in Griffon's credit ratings; changes in international economic conditions including inflation, interest rate and currency exchange fluctuations; the reliance by certain of Griffon's businesses on particular third party suppliers and manufacturers to meet customer demands; the relative mix of products and services offered by Griffon's businesses, which impacts margins and operating efficiencies; short-term capacity constraints or prolonged excess capacity; unforeseen developments in contingencies, such as litigation, regulatory and environmental matters; Griffon's ability to adequately protect and maintain the validity of patent and other intellectual property rights; the cyclical nature of the businesses of certain of Griffon's operating companies; possible terrorist threats and actions and their impact on the global economy; effects of possible IT system failures, data breaches or cyber-attacks; the impact of COVID-19, or some other future pandemic, on the U.S. and the global economy, including business disruptions, reductions in employment and an increase in business and operating facility failures, specifically among our customers and suppliers; Griffon's ability to service and refinance its debt; and the impact of recent and future legislative and regulatory changes, including, without limitation, changes in tax laws. Such statements reflect the views of the Company with respect to future events and are subject to these and other risks, as previously disclosed in the Company's Securities and Exchange Commission filings. Readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements speak only as of the date made. Griffon undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

About Griffon Corporation

Griffon is a diversified management and holding company that conducts business through wholly-owned subsidiaries. Griffon oversees the operations of its subsidiaries, allocates resources among them and manages their capital structures. Griffon provides direction and assistance to its subsidiaries in connection with acquisition and growth opportunities as well as in connection with divestitures. In order to further diversify, Griffon also seeks out, evaluates and, when appropriate, will acquire additional businesses that offer potentially attractive returns on capital.

Griffon conducts its operations through two reportable segments:

- **Consumer and Professional Products ("CPP")** is a leading North American manufacturer and a global provider of branded consumer and professional tools; residential, industrial and commercial fans; home storage and organization products; and products that enhance indoor and outdoor lifestyles. CPP sells products globally through a portfolio of leading brands including AMES, since 1774, Hunter, since 1886, True Temper, and ClosetMaid.
- **Home and Building Products** conducts its operations through Clopay Corporation ("Clopay"). Founded in 1964, Clopay is the largest manufacturer and marketer of garage doors and rolling steel doors in North America. Residential and commercial sectional garage doors are sold through professional dealers and leading home center retail chains throughout North America under the brands Clopay, Ideal, and Holmes. Rolling steel door and grille products designed for commercial, industrial, institutional, and retail use are sold under the Cornell and Cookson brands.

For more information on Griffon and its operating subsidiaries, please see the Company's website at www.griffon.com.

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Source: Griffon Corporation