

July 31, 2020

Dear Shareholder,

Here are the main indicators on the current situation of our group.

2020 HALF YEAR TURNOVER: -1,5%
AT CONSTANT SCOPE: -4,3%

In thousands of euros	2020	2020 Constant scope*	2019	Variation 2020/2019	Variation 2020 Constant scope* /2019
Total 1st half year – according to IFRS 15	187,869	182,548	190,699	-1.5%	-4.3%
1 st quarter	94,952	93,601	93,048	+2.0%	+0.6%
2 nd quarter	92,917	88,947	97,651	-4.8%	-8.9%
Breakdown by business					
Mecafer and Domac, equipment tools	14,824	14,824	14,581	+1.7%	+1.7%
Dipra / Rousseau, pumps, technical plumbing accessories and taps	28,308	28,308	28,847	-1.9%	-1.9%
Isocel, supply of components to OEM	2,975	2,975	3,057	-2.7%	-2.7%
Aello, equipment for swimming pools	7,800	7,800	5,863	+33.0%	+33.0%
Jetly, pumps	24,226	24,226	26,512	-8.6%	-8.6%
Thermador, central heating and domestic water accessories	22,817	22,817	22,234	+2.6%	+2.6%
PBtub	Heating - cooling surfaces and piping systems	11,285	13,523	-16.5%	-16.5%
Thermacome**		3,097	-		
Axelair, ventilation equipment and accessories	3,512	3,512	3,320	+5.8%	+5.8%
Sferaco, valves, meters and connectors	26,334	26,334	29,980	-12.2%	-12.2%
Sectoriel, motorised valves and air compressors	10,571	10,571	10,865	-2.7%	-2.7%
Distrilabo, measure and control*	2,224	-	-		
FGinox, stainless steel connectors, flanges, valves and accessories	6,824	6,824	8,437	-19.1%	-19.1%
Syveco, international	13,087	13,087	13,925	-6.0%	-6.0%
Sodeco Valves, industrial valves	9,791	9,791	9,393	+4.2%	+4.2%
Other structures	194	194	162	+19.8%	+19.8%

CONSOLIDATED HALF YEAR POSITION ON JUNE 30, 2020

Simplified P&L statement (thousand euros) - Half year	2020	2020 Constant scope*	2019	Variation 2020/2019	Variation 2020 Constant scope* /2019
Turnover (according to IFRS 15)	187,869	182,548	190,699	-1.5%	-4.3%
Current operating income for the business	23,358	23,235	25,017	-6.6%	-7.1%
Net profit as a portion of the group	16,472	16,397	16,981	-3.0%	-3.4%

* Distrilabo was acquired by Thermador Groupe on December 31, 2019. Its turnover has been consolidated since January 1, 2020.

** Thermacome was acquired by Thermador Groupe on April 30, 2020. Its turnover has been consolidated since May 1, 2020.

Detailed accounts are available on our website www.thermador-groupe.fr

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BUSINESS

In publishing our 2019 Universal Registration Document, we made a special effort to describe the risks that our group could face and the consequences of one sort of occurrence or another. This work was somewhat in vain, given that we were not able to predict that a global pandemic would cause the temporary closure of our suppliers' factories, illness affecting some of our employees and the collapse of sales for several weeks. Fortunately, the commitment of our staff and our devolved organisation proved highly resilient in the face of the unexpected, which is very reassuring for the future.

We therefore thank our employees for their courage, lucidity and responsiveness in such difficult circumstances, especially those physically present on our logistics sites.

The group's other stakeholders also rose to the challenge: the majority of our customers met their obligations, our suppliers adapted their manufacturing programmes, our bankers supported our cash flow and the French authorities reacted pragmatically and quickly. You yourselves, as shareholders of Thermador Groupe, held your nerve during the stock market storm that followed the health crisis. We would also like to thank you for your contribution.

These internal and external forces combined to enable us to achieve the impossible in June 2020, as we recorded a 25% increase in turnover compared to June 2019. This rescues our second quarter revenue tally, which is down only 8.9%, and our first half year turnover, which is down only 4.3%. The turnover trends presented here are on a like-for-like basis, without taking into account our two most recent acquisitions.

The onboarding of Distrilabo, acquired on December 31, 2019 and Thermacome, acquired on April 30, 2020, is proceeding as planned, helped by the cooperative approach adopted by the staff concerned. Their objectives and strategies within the group have been presented and challenged by the members of the Executive Committee and of the Board.

Finally, there is a detailed description of our management of the COVID-19 crisis on page 7 of our half-yearly report, available at this link on our website (<https://www.thermador-groupe.fr/en/finance-en/regulated-information/>).

RESULTS AND FINANCIAL SITUATION

Effective cost control enabled us to limit the impact on operating income, which only declined 7.1%, at constant scope. If we factor in the results for Distrilabo and Thermacome, the fall is only 6.6%.

Our focus is on our net cash position, which remains at a more than adequate level (€8.7m), despite a relative increase in stock (0.6 months of purchasing consumed) and late payment on the part of a major customer. A post-closing event note 10 page 22 of our half-year does however mention that this unusual situation with the aforementioned customer has now been settled. All in all, customer receivables have only increased by 7.3 days' turnover.

Our financial debt of €47.5m (excl. IFRS16) remains reasonable when set against our equity, which stands at €222.6m.

PROSPECTS

The decline in GDP in the European countries where we operate and the estimated 46% drop in planning permits for housing construction in France between March and May 2020 will undoubtedly have a negative impact on our business from autumn 2020 onwards. However, the increase in our market share during the crisis and the proven success of certain energy-efficiency product lines mean we can uphold our long-term ambition outlined on page 10 of our 2019 Universal Registration Document.

GOVERNANCE

Since 2016, we have confirmed the Chairman & CEO succession process in the event of an accident or sudden unavailability on a yearly basis. Since that time, Jean-François Bonnefond, Chairman & CEO of Jetly and Deputy CEO of Thermador Groupe, has been appointed to take over the position. Anticipating his retirement and the end of his term of office as director in April 2021, Thermador Groupe's Executive Committee met for the first time in conclave to identify the person from amongst their number who would have the qualities to succeed him and the will to take on the responsibility. After three rounds of voting, a majority emerged in favour of Lionel Monroe, currently Chairman & CEO of Syveco. The directors, who had been involved in this new process from the outset to identify the required profile, approved this decision at the Board meeting held on July 29. As a result, Lionel Monroe will be put forward as a Board member at the General Meeting scheduled for Tuesday 6 April 2021 and appointed Deputy CEO of Thermador Groupe for a period of 4 years at the Board meeting scheduled for 7 April 2021.

Finally, we look forward to seeing you on July 31 at 6pm for a webconference reserved for our shareholders.

The Chairman
Guillaume Robin