

October 16, 2020

Dear Shareholder,

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

TURNOVER AT SEPTEMBER 30, 2020 : +4.8%
AT CONSTANT SCOPE: +0.8%

In thousands of euros		2020	2020 Constant scope*	2019	Variation 2020/2019	Variation 2020 Constant scope* /2019
Total at 30 September - according to IFRS 15		296,075	284,851	282,463	+4.8%	+0.8%
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%
3 rd quarter		108,206	102,303	91,764	+17.9%	+11.5%
Breakdown by business:						
Mecafer and Domac, equipment tools		23,478	23,478	21,927	+7.1%	+7.1%
Dipra / Rousseau, pumps, technical plumbing accessories and taps		47,536	47,536	42,936	+10.7%	+10.7%
Isocel, supply of components to OEM		4,567	4,567	4,693	-2.7%	-2.7%
Aello, equipment for swimming pools		11,003	11,003	7,907	+39.2%	+39.2%
Jetly, pumps		39,255	39,255	39,311	-0.1%	-0.1%
Thermador, central heating and domestic water accessories		34,565	34,565	33,620	+2.8%	+2.8%
PBtub	Heating - cooling surfaces and piping systems	16,875	16,875	19,120	-11.7%	-11.7%
Thermacome**		7,638	-	-	-	-
Axelair, ventilation equipment and accessories		4,935	4,935	4,725	+4.4%	+4.4%
Sferaco, valves, meters and connectors		40,776	40,776	44,444	-8.3%	-8.3%
Sectoriel, motorised valves and air compressors		16,084	16,084	16,233	-0.9%	-0.9%
Distrilabo, measure and control*		3,586	-	-	-	-
FGinox, stainless steel connectors, flanges, valves and accessories		10,714	10,714	12,188	-12.1%	-12.1%
Syveco, international		19,290	19,290	20,556	-6.2%	-6.2%
Sodeco Valves, industrial valves		15,534	15,534	14,570	+6.6%	+6.6%
Other structures		239	239	233	+2.6%	+2.6%

* 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.

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BUSINESS

Since coming out of lockdown, we have seen that consumers are investing primarily in improving their homes, tending their gardens and doing odd jobs. This has resulted in surprisingly positive figures for some of our subsidiaries, particularly in the consumer channel, where Mecafer, Domac, Dipra and Rousseau have grown by an average of more than 9% since the beginning of the year.

Jetly, a major player in the French cold water pumps market for domestic applications, had a record summer, making up the lost revenues accumulated to the end of June.

Aello, our subsidiary specialising in equipment and accessories for swimming pool construction and maintenance, is doing extremely well in a booming market and achieved exceptional cumulative growth of 39.2%.

On the other hand, other sectors such as new-builds in the housing market, industry and international have suffered sharp reversals as a direct consequence of the now very real economic crisis.

Collating all these results gives stable consolidated turnover for the first nine months of the year, which in this very particular context is an excellent performance for the group.

FINANCIAL SITUATION

The great figures of the last four months and the regularisation of a major delay in payment from one of our leading customers for several of our subsidiaries have contributed to improving our cash position. Having emerged from what has been a highly turbulent period, we have made loan repayments that our banking partners had agreed to postpone.

Despite the difficulties linked to the health crisis, we delivered our subsidiary Dipra's new building and are continuing our property investments to be able to move Aello before the peak of the 2021 season.

These main elements mean a financial debt of €45.3m (excl. IFRS16) and a net cash position exceeding €27m at the end of September 2020, an improvement on the figures disclosed at the time of our previous publication.

PROSPECTS

The fall in GDP and the increase in the unemployment rate in France and Europe will most certainly hurt our business. Fortunately, sales of some of our products that contribute to improving energy efficiency in buildings and reducing water consumption will undoubtedly be boosted by the government's recovery plan (concerning accessories for heat pumps, solar energy systems and wood-fired boilers, variable speed pumps, rainwater recovery tanks, individual water and heat meters, double-flow mechanically-controlled ventilation, water-saving mixer-taps, connected thermostats, thermostatic radiator taps, etc.).

As usual, and particularly in the new circumstances that face us today, we have chosen to refrain from making business forecasts. The challenge over the next three months is all the greater as we recorded exceptional growth of 13.1% on a like-for-like basis in the fourth quarter of 2019.

Aware that we have shown excellent resilience over the last six months, we intend to further strengthen our position by launching a major internal survey on the quality of life at work and investing heavily in digital tools. The loyalty of our teams, the satisfaction of our customers, the vertiginous rise of e-commerce, environmental protection, continuous logistics efficiency improvements and innovation remain at the heart of our concerns.

COMMUNICATION

We are holding a webinar on October 16 at 6pm to comment on these results and answer your questions. For the first time, the whole event will be broadcast simultaneously in English. You can register for the live event or the replay on our website: <https://www.thermador-groupe.fr/en/videos-en/>

Yours faithfully,

The Chairman
Guillaume Robin