

July 30, 2021

Dear Shareholder,

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

**2021 HALF YEAR TURNOVER : +39.9%**  
**AT CONSTANT SCOPE : +35.8%**

In thousands of euros	2021	2021 constant scope*	2020	Variation 2021/2020	Variation 2021 constant scope* /2020	Variation 2021 constant scope* /2019
<b>Total half year – according to IFRS 15</b>	<b>262,749</b>	<b>255,206</b>	<b>187,869</b>	<b>39.9%</b>	<b>35.8%</b>	<b>30.0%</b>
1 <sup>st</sup> quarter	127,007	121,513	94,952	33.8%	28.0%	28.7%
2 <sup>d</sup> quarter	135,742	133,693	92,917	46.1%	43.9%	31.1%

**Breakdown by business:**

Mecafer and Domac, equipment tools	18,858	18,858	14,824	27.2%	27.2%	29.3%
Dipra / Rousseau, pumps, technical plumbing accessories and taps	37,831	37,831	28,308	33.6%	33.6%	31.1%
Isocel, supply of components to OEM	4,164	4,164	2,975	40.0%	40.0%	36.2%
Aello, equipment for swimming pools	13,192	13,192	7,800	69.1%	69.1%	125.0%
Jetly, pumps	32,593	32,593	24,226	34.5%	34.5%	22.9%
Thermador, central heating and domestic water accessories	37,629	37,629	22,817	64.9%	64.9%	69.2%
PBtub	15,632	15,632	11,285	38.5%	38.5%	15.6%
Thermacome * Heating - cooling surfaces and piping systems	11,793	4,250	3,097	280.8%*	37.2%	Not available **
Axelair, ventilation equipment and accessories	3,396	3,396	3,512	-3.3%	-3.3%	2.3%
Sferaco, valves, meters and connectors	36,516	36,516	26,334	38.7%	38.7%	21.8%
Sectoriel, motorised valves and air compressors	13,649	13,649	10,571	29.1%	29.1%	25.6%
Distrilabo, measure and control	3,117	3,117	2,224	40.2%	40.2%	Not available **
FGinox, stainless steel connectors, flanges, valves and accessories	8,587	8,587	6,824	25.8%	25.8%	1.8%
Syveco, international	15,515	15,515	13,087	18.6%	18.6%	11.4%
Sodeco Valves, industrial valves	10,115	10,115	9,791	3.3%	3.3%	7.7%
Other structures	162	162	194	-16.5%	-16.5%	0.0%

\* 2021 turnover: with acquisition of Thermacome on April 30, 2020 by Thermador Groupe, turnover consolidated since May 1, 2020.

\*\* Distrilabo and Thermacome were acquired respectively December 31, 2019 and April 30, 2020. 2019 turnover for both entities is not available.

**CONSOLIDATED HALF YEARLY SITUATION AT JUNE 30, 2021**

Simplified Profit & Loss statement in thousands of euros first half year	2021	2021 constant scope*	2020	Variation 2021/2020	Variation 2021 constant scope* /2020
Turnover (according to IFRS 15)	<b>262,749</b>	<b>255,206</b>	<b>187,869</b>	<b>39.9%</b>	<b>35.8%</b>
Current operating income for the business	39,102	38,522	23,358	67.4%	64.9%
Net profit as a portion of the group	28,240	27,823	16,472	71.4%	68.9%

Detailed accounts are available on our website <https://www.thermador-groupe.fr/en/finance-en/regulated-information/>

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## BUSINESS

The oldest of our subsidiaries, Thermador, saw a sharp rise in turnover of over €15 million in the first half of 2021 compared to the first half of 2019. Its range of accessories for heat pumps, solid fuel boilers and hydraulic solar panels fits perfectly with the groundswell of interest in improving energy efficiency in buildings, very substantially boosted by the government-funded *MaPrimeRénov* scheme and energy saving certificates funded by energy suppliers. Recent statements by the French government hint at good prospects for the next 5 years.

This explains 25% of the organic growth, which is intrinsically good news. Other subsidiaries such as Dipra-Rousseau, Aello, Sferaco, Jetly and Mecafer-Domac are also performing exceptionally well in their respective markets (DIY, swimming pools, construction, HVAC, industry, domestic pumps). The commitment of our teams, the agility of our organisations and the quality of our stocks have probably enabled us to gain some market share during this very chaotic and surprisingly dynamic period.

Unprecedented cost increases, caused by a perfect storm of higher raw material prices and shipping container costs and shortages, have forced us to increase our own prices significantly. This has undoubtedly led to most of our customers making precautionary purchases, which we estimate to be a maximum of one month's sales.

## RESULTS AND FINANCIAL SITUATION

As a result of overheating in the economy, the cost ratio fell by 1.7% and the operating margin neared an all-time high. We consider this increase too sudden to be sustainable.

Stock levels have fallen in six months from 173 to 142 days of purchases consumed, far too low for many of our subsidiaries.

At 30 June 2021, our net cash position was €37.4m (excluding IFRS 16) and our bank debt €32.7m, indicating a further strengthening of our financial structure.

## PROSPECTS

On the basis of the second half of 2019 and that of 2020, which were both very strong, and taking into account the precautionary purchases of most of our customers, we expect growth to slow sharply in the second half of 2021. Confident in our ability to meet our long-term objectives, we continue to recruit and invest in real estate, IT and logistics. More operationally, our purchasing teams are working hard to rebuild our stocks under the best possible conditions.

## SUSTAINABLE DEVELOPMENT (ENVIRONMENT, SOCIAL AND GOVERNANCE)

Our governance and our social approach are now thoroughly assessed by non-financial analysts. However, our stakeholders are asking us to set more challenging targets in our environmental policy. Accordingly, we are working on measuring our carbon footprint (Scope 3) more accurately in order to put in place an appropriate reduction plan for the next 10 years. A first estimate will be issued before the end of 2021.

To give themselves every chance of being able to fulfil their mission, all Thermador Groupe's corporate executive officers have taken the initiative of getting vaccinated against SARS-CoV-2.

[Please register for our live webconference](#) of Friday, July 30 at 6pm (CET).

Yours faithfully.

The Chairman  
Guillaume Robin