



We continue our daily commitment to retaining our customers and winning new ones.

BUSINESS and SUSTAINABILITY

The group's consolidated turnover for FY 2025 declined by 2.9% to constant scope. This performance must be considered in the context of a negative price effect estimated at -1.4%. The resilience of our various business lines differed widely.

The building sector continued to face a difficult environment. In France, any real recovery in new builds has yet to materialise, while the MaPrimeRénov' scheme has proved less effective than anticipated and may be gradually reduced to cater to government budget constraints.

Industrial activities showed greater resilience. By contrast, the consumer segment – accounting for 16.2% of consolidated turnover – was the most adversely affected, posting a decline of 10.9%.

Our subsidiaries operating in the water cycle recorded mixed performances. The strong results delivered by Aello (swimming pool equipment) and Sferaco (valves for water utilities) partly offset weaker trends in markets served by Jetly and DPI, including irrigation, wastewater lifting, rainwater harvesting and plastic piping for public works.

Internationally, professional channel growth remained robust (+12.3%), whereas the consumer channel contracted (-11.4%). As a result, the share of international turnover increased from 16.3% to 17.3%.

In terms of environmental performance, we reaffirmed our climate strategy by adopting the ACT® Step by Step approach supported by the French environment agency, ADEME. Our medium-term carbon trajectory has now been modelled. At the same time, we continued refining the accuracy of our greenhouse gas emissions assessment to reduce remaining uncertainties.

The collective commitment of our teams enabled us to preserve profitability despite a particularly challenging context. To constant scope, operating income and net income declined only marginally, by 1.9% and 2.1% respectively.

FINANCIAL STRUCTURE and PROSPECTS

Stock fell to €175.8 million, representing 203 days of purchases consumed, compared with 213 days at the end of December 2024. Consolidated operating working capital requirements stood at 39.8% of turnover at year-end (versus 40.4% at the end of 2024).

As of December 31, 2025, bank debt amounted to €41.1 million, while equity after appropriation of earnings reached €387 million. Thanks to the rigorous efforts of our purchasing, sales and accounting teams, cash increased to €97 million.

Feedback from several suppliers and marked increases in certain raw material prices – particularly copper – suggest that the price effect should turn positive in 2026, following two consecutive years of deflation.

The sixth Energy Saving Certificates (ESC) period, launched on January 1, 2026 with a €40 billion budget over five years, represents a meaningful opportunity. This newly-bolstered programme (+27% compared with the fifth period) should support demand for heat pump accessories, solar thermal panels and other key products within our portfolio.

In response to the housing shortage, the government has set a target of building two million homes by 2030. Although the precise impact remains difficult to quantify, this ambitious initiative is expected to benefit our subsidiaries PBTub and Thermacome.

The overall environment remains comparable across our other business segments. We continue to focus daily on retaining existing customers while securing new ones. The industrial segment appears to offer the most promising prospects. Our positions – particularly in the highly fragmented markets for valves, fittings and industrial instrumentation – still provide significant room for development but justify our growth ambitions.

Supported by a solid cash position and a clear intention to reduce our exposure to the French market, we are actively exploring acquisition opportunities in Europe, targeting companies specialised in distribution to industry or the water cycle. At this stage, no major transactions are expected in 2026. Based on the objectives and strategy outlined on pages 10 and 11 of our Universal Registration Document, we will conduct a comprehensive review and present our conclusions upon publication of the 2026 results.

In accordance with European regulations, we welcome the simplifications introduced by the Omnibus Directive from 2027 onwards, particularly as our group is expected to exceed the threshold of 1,000 employees referenced in that directive.

DIVIDEND and GENERAL MEETING

At the forthcoming AGM, we will confirm our intention to separate the roles of Chairman and Chief Executive Officer, effective the following day. This important evolution will strengthen our governance framework and align it with recognised best practices. It will also enable senior management to devote greater attention to operational priorities.

In line with our distribution policy, we will propose a modest increase in the dividend to €2.10 per share.

As of December 2025, institutional investors held 44.3% of the share capital, individual shareholders 45.4%, and existing and retired employees 6.9%.

Our Annual General Meeting will take place **on April 7th at 5 p.m. at EM Lyon**. We look forward to your attendance or your vote in order to once again exceed the 77% participation rate achieved in 2024.

An information meeting will also be held in Paris on April 9th at 4 p.m. at Salons Hoche.

Yours sincerely,

Guillaume Robin