



## STATEMENT AT JUNE 30, 2023

**I. – Financial statement June 30, 2023**  
(in thousands of euros)

Assets	30/06/2023	30/06/2022	31/12/2022
<b><u>Non-current assets:</u></b>			
Goodwill	78 998	56 317	78 998
Intangible assets	21 357	8 767	22 460
<b>Tangible assets:</b>	<b>84 279</b>	<b>78 995</b>	<b>81 410</b>
Land	11 276	10 870	11 275
Buildings	52 020	45 710	51 149
Other tangible assets	9 862	8 936	8 882
Tangible assets in progress	2 452	7 572	3 567
Right of use in rental contracts	8 669	5 907	6 537
Financial investments	560	410	428
Deferred tax assets	1 340	1 324	1 238
<b>Total non-current assets</b>	<b>186 534</b>	<b>145 813</b>	<b>184 534</b>
<b><u>Current assets:</u></b>			
Stock (goods)	192 100	184 314	190 362
Trade notes and accounts receivable	126 421	118 108	100 806
Current tax assets	347	565	1425
Deferred tax assets	428	564	493
Other receivables	14 638	15 531	13 509
Financial instruments		590	
Cash and cash equivalent	15 296	3 546	16 031
<b>Total current assets</b>	<b>349 230</b>	<b>323 218</b>	<b>322 626</b>
<b>Total assets</b>	<b>535 764</b>	<b>469 031</b>	<b>507 160</b>

Liabilities	30/06/2023	30/06/2022	31/12/2022
<b>Equity:</b>			
Share capital and reserves	114 936	101 403	101 403
Consolidated reserves	185 587	159 234	158 527
Portion of net profit allocated to the group	34 516	30 825	58 899
Minority interests		161	
<b>Total shareholders' equity</b>	<b>335 039</b>	<b>291 623</b>	<b>318 829</b>
<b>Non-current liabilities:</b>			
Loans and long-term financial debt	32 965	9 814	35319
Rental obligations over one year	6 962	4 615	5089
Deferred tax liabilities	6 184	3 439	6432
Provisions for end-of-career commitment	3 600	4 134	3463
<b>Total non-current liabilities</b>	<b>49 711</b>	<b>22 002</b>	<b>50 303</b>
<b>Current liabilities:</b>			
Current provisions	579	602	624
Rental obligations under one year	1 720	1 272	1439
Short-term loans	3 367	18 749	2723
Current portion of loans and financial long-term debt	7 575	9 388	8521
Accounts payable	82 421	78 718	71455
Equipment supply accounts payable	6 303	2 296	6600
Current tax liabilities	1 740	2 116	3450
Tax and social charges debt	26 661	24 882	19138
Other liabilities	20 648	17 383	24078
<b>Total current liabilities</b>	<b>151 014</b>	<b>155 406</b>	<b>138 028</b>
<b>Total liabilities and shareholders' equity</b>	<b>535 764</b>	<b>469 031</b>	<b>507 160</b>

**II. – Global consolidated profit statement June 30, 2023** (in thousands of euros)

Consolidated profit and loss account	1 <sup>st</sup> half 2023	1 <sup>st</sup> half 2022	FY 2022
Net turnover	323 665	287 553	553 859
Other income from activity	400	402	1 323
Purchases consumed	-210 830	-187 669	-361 014
Personnel charges	-32 736	-29 721	-58 084
External costs	-24 730	-22 174	-42 548
Taxes	-2 741	-2 768	-4 392
Depreciation and amortization	-4 192	-2 991	-6 640
Depreciation and amortization – IFRS 16 impacts	-963	-755	-1 519
Increase in provisions	-372	-363	-995
Other earnings, other operating expenditure	-319	-203	-398
<b>Operating profit</b>	<b>47 182</b>	<b>41 311</b>	<b>79 592</b>
Change in the fair value of financial instruments			
Cash earnings and equivalent	3	39	35
Gross cost of debt	-590	-153	-526
Financial charges – IFRS 16 impacts	-64	-38	-55
Taxes	-12 015	-10 343	-20 147
<b>Net profit</b>	<b>34 516</b>	<b>30 816</b>	<b>58 899</b>
Net profit as a portion of the group	34 516	30 825	58 899
Net profit attributable to minority interests	0	-9	-
Net profit as a portion of the group per share in euros *	3,75	3,35	6,40
Net profit per share after dilution in euros **	3,56	3,18	6,07

\* Earnings per share are calculated on 9,197,849 shares, 9,200,849 shares from which we have deducted the 3,000 treasury shares held on June 30, 2023, June 30, 2022 and December 31, 2022.

\*\* Earnings per share after dilution are calculated on 9,697,849 shares, i.e., existing shares minus 3,000 treasury shares plus 500,000 shares corresponding to authorised non-issued capital of €2,000,000.

Statement of other elements of net overall consolidated profit	1 <sup>st</sup> half 2023	1 <sup>st</sup> half 2022	FY 2022
Net profit	34 516	30 816	58 899
<b>Other elements of overall profit:</b>			
Actuarial discrepancy on end-of-career commitment provision			860
Operations on treasury shares			
Fair value of financial instruments	761	495	- 1 127
Total overall profit	35 277	31 311	58 632
<b>Total overall profit – Portion of the group</b>	<b>35 277</b>	<b>31 320</b>	<b>58 632</b>
<b>Total overall profit allocated to minority interests</b>	<b>0</b>	<b>-9</b>	<b>0</b>

### III. – Cash flow statement June 30, 2023 (in thousands of euros)

Cash flow statement	30/06/2023	30/06/2022	31/12/2022
<b>Consolidated net profit</b>	<b>34 516</b>	<b>30 816</b>	<b>58 899</b>
Fair value of the derivative financial instruments			
Purchase of own shares - IFRS 2 impact	63	68	137
Plus, or minus net depreciation expense and provisions	4 334	3 195	7331
Plus, or minus depreciation allowance - IFRS 16 impacts	913	755	1519
Plus, financial charges – IFRS 16 impacts	64	38	56
Transfer gains/losses	70	-38	-103
<b>Cash flow from operations after net financial cost and taxes</b>	<b>39 960</b>	<b>34 834</b>	<b>67 839</b>
Taxes	12 015	10 343	20 147
Cash flow from operations before net financial cost and taxes	51 975	45 177	87 986
Taxes paid	- 12 495	- 10 764	- 20 631
<b>Cash flow from operations before net financial cost and after taxes</b>	<b>39 480</b>	<b>34 413</b>	<b>67 355</b>
Change in operating working capital	-13 090	- 43 149	- 42 183
<b>Net cash flow from operating activities</b>	<b>26 390</b>	<b>-8 736</b>	<b>25 172</b>
Net cash flow from operations of change in scope	0	0	- 27 881
Disbursements related to acquisitions of tangible and intangible fixed assets	-4 112	-5 289	- 11 037
Proceeds from disposal and redemption of non-derivative financial assets	14		65
Proceeds from disposal of property, plant and equipment	18	44	213
Owing to assets suppliers (variation)	-297	-355	3 949
<b>Net cash flow from investments</b>	<b>-4 377</b>	<b>-5 600</b>	<b>-34 691</b>
<b>Free cash flow</b>	<b>22 013</b>	<b>- 14 336</b>	<b>- 9 519</b>
Dividends paid to shareholders of the parent company	-19 131	-18 396	-18 396
Loans subscriptions			31 000
Increase in capital			
IFRS 16 financing flows	-953	-812	- 1 585
Loan repayments	-3 308	-6 648	- 13 181
<b>Net cash flow from financing activities</b>	<b>- 23 392</b>	<b>- 25 856</b>	<b>- 2 162</b>
<b>Net cash flow variation</b>	<b>- 1 379</b>	<b>- 40 192</b>	<b>- 11 681</b>
<b>Opening cash</b>	<b>13 308</b>	<b>24 989</b>	<b>24 989</b>
incl. Positive cash	16 031	27 379	27 379
incl. Short term loans	-2 723	-2 390	-2 390
<b>Closing cash</b>	<b>11 929</b>	<b>- 15 203</b>	<b>13 308</b>
incl. Positive cash	15 296	3 546	16 031
incl. Short term loans	-3 367	-18 749	- 2 723

**IV. –Statement of changes in equity June 30, 2023** (in thousands of euros)

Equity variation statements	Capital	Reserves linked to capital	Treasury shares	Retained earnings	Profits recorded directly as shareholders' equity	Total group share	Minority shareholders	Total shareholders' equity
<b>Situation on 31/12/2022</b>	<b>36 803</b>	<b>64 600</b>	<b>- 220,00</b>	<b>218 144</b>	<b>-498</b>	<b>318 829</b>		<b>318 829</b>
Dividends paid*				-19 131		-19 131		-19 131
Allocation of profits to reserves		13 533		-13 533				
Fair value on financial instruments					761	761		761
Exchange difference				1		1		1
Purchase of own shares IFRS 2 impact				63		63		63
Other variations								
Half Year net profit				34 516		34 516		34 516
<b>Situation on 30/06/2023</b>	<b>36 803</b>	<b>78 133</b>	<b>-220</b>	<b>220 060</b>	<b>263</b>	<b>335 039</b>		<b>335 039</b>

\* 2022 dividend: €2,08 on 9,197,849 shares, treasury shares owned on the day of detachment of dividend rights (i.e. 3000 shares) did not result in dividends being paid.

**V.- Notes to the condensed financial consolidated statements for the half year  
(in thousands of euros)**

The condensed consolidated half yearly statements on June 30, 2023 were closed by the Board on July 27, 2023.

**1) Main events of the period:**

***Inflationary context***

Inflation averaged 2.8% in France and 4% in Europe for the half year 2023. This inflationary phenomenon has several impacts on our business.

The purchase prices of our products kept on increasing, except for polythene, PVC or stainless steel based product. Our ability to pass on these increases to our customers is still critical. The selling prices of our products have partly followed this trend, resulting in an average increase of 8.2% o, June 30, 2023.

We keep a close eye on changes to our employees' purchasing power with a regular wage review.

***Impact of the war in Ukraine***

The war in Ukraine has not had a significant direct impact on the company's assets, financial situation or results.

***Tension on energy costs***

For the half year 2023, our gas and electricity bills have increased by €0.6m. This increase is the outcome of the expiration of our contracts for those utilities on December 31, 2022. Two new contracts have been signed with EDF for a period of one year with a planned increase by 3.5 and 4.5 times respectively of our costs in 2023. In the winter of 2022, we implemented an energy-saving plan to reduce gas and electricity consumption. We have now have two sites settled with solar panels.

***Possible acquisition of a minority stake in Femat Solutions***

Thermador Groupe has entered into negotiations with the Femat group's shareholders to acquire a minority stake in Femat Solutions. This wholly-owned subsidiary of Femat is headquartered at 14 chemin des Hirondelles in Dardilly (69570). Femat itself is a specialist distributor of materials and solutions for high-performance buildings. As part of the deal, Garibaldi Participations, which has been supporting the Femat group since 2021, is looking to strengthen its capital footprint alongside the group's banking partners, who are working on putting in place financing to boost the company's working capital.

Femat Solutions (<https://solutions.femat.fr/>) provides a range of services to trade, in particular optimising energy saving certificates (CEE) and organising financing solutions using government grants (MaPrimeRénov') to improve the energy performance of buildings.

More specifically, it provides support to professionals at every stage of their projects, ensures that the projects are technically sound, guarantees payment of the grants and manages the administrative and financial formalities required for the French housing improvement agency (ANAH), which promotes and finances a large part of the thermal and energy renovation of buildings.

In addition, Femat Solutions supports and advises its public and private clients, project managers and contractors, on energy-efficient renovation and construction projects (residential, collective and tertiary sectors).

It employs 4 people and generated sales of €1.19m in its last financial year.

The deal will give Thermador Groupe companies involved in the energy renovation of buildings access to Femat Solutions' expertise and network, enabling them to anticipate regulatory requirements, promote their technical solutions (and this would include large-scale projects), deliver training that targets stable installation professionals expected to be active on the market over the long term, and ensure that their products are properly installed, a sure-fire way of enhancing their reputation.

As a reminder, sales of accessories for the installation of heat pumps and solar water-heaters made a significant contribution to Thermador's growth in 2021 and 2022.



## 2) Accounting reference set:

In application of European regulation 1606/2002 of July 19, 2002, the consolidated financial statements of Thermador Groupe are prepared in accordance with the International Financial Reporting Standards (IAS/IFRS in accordance with the IFRS of the IASB) as adopted by the European Union on June 30, 2023. The accounting principles used are identical to those applied for the financial statements at December 31, 2022, with the exception of the normative changes listed below.

### *New standards and interpretations applicable as of January 1, 2023*

IFRS standards, amendments or interpretations applicable in 2022:

- IFRS 17 and amendments on insurance contracts,
- IFRS 17 and IFRS 9: first application of IFRS 17 and IFRS 9, compared information,
- Amendments to IAS 1 and IFRS Practice Statement 2: disclosure on significant accounting methods,
- Amendments to IAS 8: definition on accounting estimates,
- Amendments to IAS 12: deferred tax related to assets and liabilities arising from a single transaction,
- Amendment to IAS 12: international tax reform — Pillar Two Model Rules.

The group has opted for early implementation of these amendments as disclosed in the consolidated financial statements at June 30, 2023. They do not have a material impact on the group's consolidated financial statements.

In application of European regulation 1606/2002 of July 19, 2002, the consolidated financial statements of Thermador Groupe are prepared according to international financial information standards (IAS/IFRS compliant with IFRS and IASB) as adopted by the European Union on June 30, 2022, especially in accordance with IAS 34: Interim Financial Reporting. According to IAS 34 standard, only selected explanatory notes are included in these condensed financial statements. With the exception of the points mentioned below, the accounting principles used are identical to those adopted for the financial statements of December 31, 2021

In the financial statements presented hereafter, all standards and compulsory application interpretations on January 1st, 2022 have been applied. No accounting standard is applied by anticipation.

### *The following accounting standards have continued to be applied for the June 30, 2023 financial statements*

**IFRIC 23** «Uncertainty about tax treatments» is mandatory from January 1, 2019. As things stood on June 30, 2023, the application of this interpretation had no impact on the accounts or on the presentation of the financial statements.

#### Accounting treatment of **software configuration or customisation costs in SaaS mode**

In its decision of March 2021, the IFRS Interpretations Committee (IFRIC) clarified the accounting treatment of the costs of configuration or customisation of software applications used in SaaS mode (Software as a Service). Given the complexity of the analyses required and the fact that only one software application is concerned, this decision has not been applied for the consolidated financial statements at June 30, 2023. The impact of a restatement is considered immaterial.

### *IFRS standards, amendments or interpretations applicable after 2023 and not anticipated by the group*

- IAS 1 Amendments - Presentation of Financial Statements: classification of liabilities as current and non-current.
- Analyses of the impact of the application of these standards and amendments are in progress.



### 3) Consolidation scope and method

#### *Changes to the consolidation scope*

All subsidiaries in which Thermador Groupe directly or indirectly holds at least 20 % of the voting rights at June 30, 2023 are included in the consolidation scope.

On October 31, 2022, Thermador Groupe acquired 100% of the shares of DPI. In October and December 2022, Thermador Groupe bought the shares of Dipra's minority shareholders to secure 100% of the shares. On December 31, 2022, with retroactive effect to January 1, 2022, Ets Edouard Rousseau absorbed Dipra. The corporate name of the merged entity is Odra.

#### *Scope at June 30, 2023:*

Name	Location	Ownership interest (%)	Consolidation method
Aello	France	100,0000%	Fully consolidated subsidiaries
Axelair	France	99,9970%	Fully consolidated subsidiaries
Distilabo	France	100,0000%	Fully consolidated subsidiaries
Domac	France	100,0000%	Fully consolidated subsidiaries
DPI	Monaco	100,0000%	Fully consolidated subsidiaries
FGinox	France	100,0000%	Fully consolidated subsidiaries
Isocel	France	100,0000%	Fully consolidated subsidiaries
Jetly	France	100,0000%	Fully consolidated subsidiaries
Mecafer	France	100,0000%	Fully consolidated subsidiaries
Odra	France	100,0000%	Fully consolidated subsidiaries
Opaline	France	100,0000%	Fully consolidated subsidiaries
PB Tub	France	100,0000%	Fully consolidated subsidiaries
Rousseau SA	Spain	100,0000%	Fully consolidated subsidiaries
Sectoriel	France	100,0000%	Fully consolidated subsidiaries
Sferaco	France	100,0000%	Fully consolidated subsidiaries
Sodeco Valves	Belgium	100,0000%	Fully consolidated subsidiaries
Syveco	France	100,0000%	Fully consolidated subsidiaries
Thely	France	100,0000%	Fully consolidated subsidiaries
Thermacome	France	100,0000%	Fully consolidated subsidiaries
Thermador	France	100,0000%	Fully consolidated subsidiaries

#### 4) Notes about the balance sheet

##### Note 1 – Allocated goodwill

Goodwill arising on the purchase of Thely shares by Thermador Groupe in 1987 and 1990 was allocated to the items Land and Buildings; this correction was not extended to minority interests. The goodwill was written down in the income statement by means of depreciation in accordance with the rules applicable to the assets concerned. Thus, the goodwill allocated to land has not been depreciated and that allocated to buildings has been, according to the expected residual life of the buildings.

A CGU is the smallest identifiable group of assets whose continuing use generates cash inflows that are largely independent of the cash inflows generated by other assets or groups of assets. The company must allocate its assets to each of the CGUs that are independent in their operations. At Thermador Groupe, each operational subsidiary is a CGU, except for Mecafer and Domac, and the impairment tests and goodwill allocation is done historically per subsidiary.

Type of asset	in thousands of euros	Thely	Sodeco	Odrea	Distrilabo	Thermacome	DPI
Land	Gross value	39		952			
	Net value	39		952			
Buildings	Gross value	468	300	2 584			
	Depreciation	-468	-88	-534			
	Net value	0	212	2 050	0	0	0
Brand	Gross value			1 200	550	1 600	
	Net value			1 200	550	1 600	
Customer relations	Gross value			2 500	1 350	1 000	13 900
	Depreciation			-1 125	-473	-317	-927
	Net value			1 375	877	683	12 973
<b>TOTAL</b>		<b>39</b>	<b>212</b>	<b>5 577</b>	<b>1 427</b>	<b>2 283</b>	<b>12 973</b>

## Note 2 – Goodwill

When new companies are included in the consolidation scope, in application of the revised IFRS 3 standard, goodwill is recorded; it represents the synergies expected from the integration of the new businesses acquired and the economies of scale generated by the pooling of resources. It has been allocated to the groups of cash generating units (CGUs) represented by each acquired company.

The purchase price of the acquired businesses is the fair value at the date of acquisition given to the seller in exchange for control of the acquired businesses, excluding any other element that is a separate transaction from taking control.

The balance sheet includes a 'Goodwill' item for €78,998,000:

In thousands of euros	Net book assets acquired before accounting harmonisation	Restatements	Net asset acquired	Acquisition Cost	Goodwill
Pbtub, Isocel, Dipra, Thermador, Jetly, Sferaco, Syveco (prior to 2015)				6 136	6 136
Mecafer	8 940	-298	8 642	24 300	15 658
Nuair	741		741	2 700	1 959
Sodeco Valves	5 922	170	6 092	10 000	3 908
FgInox	6 930	21	6 951	22 881	15 930
Valfit Group acquired by Sferaco	2 653	-13	2 640	7 600	4 960
Vortice France business, acquired by Axelair and Syveco				850	850
Odrea (formerly Ets. E. Rousseau/Sanidom)	15 184	5 388	20 572	22 000	1 428
Sale of the business of Sodeco Sedin				-31	-31
Distrilabo	1 293	1 419	2 712	5 200	2 488
Thermacome	2 402	1 947	4 349	7 000	2 651
Theramcome goodwill				380	380
AFY business, acquired by Sferaco, Isocel and Syveco				500	500
DPI*	4 213	10 425	14 638	36 160	21 522
Fonds de commerce chez DPI				659	659
<b>Total au 30 juin 2023</b>	<b>48 278</b>	<b>19 059</b>	<b>67 337</b>	<b>146 335</b>	<b>78 998</b>

\* including an earn-out of €5.16m that may be paid at the beginning of 2024 if the average operating profit reaches €3.859m for FYs 2022 and 2023.

### Impairment tests of goodwill / testing of cash generating units (CGUs)

Impairment tests (IAS 36) are performed at least once per year for the CGUs to which goodwill has been allocated. They have been defined according to the business segment criteria defined under IFRS 8. Given the organisation of the group and the distribution of the various business lines, the cash-generating units retained by the group are made up of the legal entities Jetly, Sferaco, Thermador, Odrea, Isocel, Pbtub, Sectoriel, Syveco, Axelair, Mecafer/Domac, Aello, Sodeco Valves, FGInox, Distrilabo, Thermacome and DPI, and a separate unit made up of SCI Thely, Opaline and Thermador Groupe.

The results of the impairment tests on this goodwill based on the assumptions in the table below justify the absence of impairment losses.

As of June 30, 2023, we reviewed the indications of impairment and did not identify any indications leading to the performance of impairment tests, with the exception of the FgInox CGU. The update of the assumptions as of June 30, 2023 on this CGU justified the absence of impairment.

**Note 3 – Deferred tax (in thousands of euros)**

Deferred taxes were calculated on all items of the balance sheet and profit and loss account.

There aren't any non-activated deferred taxes

<b>Net pre-tax profit (accounting profit)</b>	<b>46 531</b>
<b>Theoretical tax rate</b>	<b>25,00%</b>
Theoretical tax expense	11 633
3,3 % social contribution	246
Non-deductible expenses and charges on dividends from subsidiaries	211
Tax rebates	-71
Non-deductible expenses and tax rate effect outside France	-4
<b>Income tax expense</b>	<b>12 015</b>
<b>Effective tax rate</b>	<b>25,82%</b>

Corporate tax rate on June 30, 2023:

<b>Theoretical tax rate</b>	<b>25,00%</b>
3,3 % social contribution	0,53%
Non-deductible expenses and charges on dividends from subsidiaries	0,45%
Tax rebates	-0,15%
Non-deductible expenses and tax rate effect outside France	-0,01%
<b>Effective tax rate</b>	<b>25,82%</b>

- (1) 25% tax rate has been used on French, Belgian and Spanish profits.
- (2) The finance law fixed the percentage of non-deductible fees and charges on subsidiaries' dividends at 5%. This represents a corporation tax charge on dividends of €210,000 which will be paid to Thermador Groupe in 2024.

Assets and liabilities of deferred taxes haven't been actualised and are compensated if they belong to a same entity and they have identical repayment deadlines. On June 30, 2022, assets and liabilities of deferred taxes have been allocated between current and non-current deferred taxes:

<b>Non-current deferred tax assets</b>	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>31/12/2022</b>
Provision for end-of-career commitment	624	737	596
Axelair and Sodeco Valves deficit	740	621	672
Land and building value	-49	-53	-51
Capital gain on building	33	33	33
Goodwill	-52	-59	- 56
Building depreciation	35	35	35
IFRS 16	9	10	9
<b>Total</b>	<b>1 340</b>	<b>1 324</b>	<b>1 238</b>

<b>Current deferred tax assets</b>	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>31/12/2022</b>
Odrea Deficit (formerly Dipra)	0	155	
Temporary differences	428	409	493
<b>Total</b>	<b>428</b>	<b>564</b>	<b>493</b>

Non-current deferred tax liabilities	30/06/2023	30/06/2022	31/12/2022
Goodwill *	1 429	1 429	1 429
Goodwill of land and construction	730	759	7
Provision for end-of-career commitment	-275	-295	-269
IFRS 16	-5	-3	
Gain on Building			736
Brand and customer relations	4 346	1 571	4 580
Temporary differences	-40	-22	-51
<b>Total</b>	<b>6 185</b>	<b>3 439</b>	<b>6 432</b>

Current deferred tax liabilities	30/06/2023	30/06/2022	31/12/2022
Tax on subsidiaries dividends	210	205	421
Fair value of financial instruments	-139	147	-393
Goodwill of land and construction	4	33	3
Gain on Building	37	8	37
Brand and customer relations	469	121	469
Temporary differences	-24	-21	-39
<b>Total</b>	<b>557</b>	<b>493</b>	<b>498</b>

**Note 4 – Tangible and intangible assets (in thousands of euros)**

**Accounting rules and principles:**

Tangible and intangible assets are valued at their purchase price (cost price plus associated costs) with the exception of land and buildings to which valuation discrepancies have been attributed.

Intangible assets, primarily concerning acquisitions since 2018 of brands (€3,350,000), customer relations (€18,750,000) and software.

**Changes in gross values:**

<b>Fixed assets</b>	<b>Gross Value at the opening of the period</b>	<b>Increases</b>	<b>Decreases</b>	<b>Gross value at the end of the period</b>
Goodwill on consolidation	78 998			78 998
Other intangible assets	29 481	254	135	29 600
<b>Total intangible assets</b>	<b>108 479</b>	<b>254</b>	<b>135</b>	<b>108 598</b>
Land	11 275	1		11 276
Buildings on own property	89 554	2 494		92 048
Machinery and equipment	12 966	411	58	13 319
General equipment, fixtures and fitments	9 867	1 072	246	10 693
Transport material	309	12	11	310
Other equipment and furniture	5 848	837	159	6 526
Other tangible assets in progress	3 567	-1 115		2 452
Right-of-use of leases	9 419	3 794	1 076	12 137
<b>Total tangible fixed assets</b>	<b>142 805</b>	<b>7 506</b>	<b>1 550</b>	<b>148 761</b>
Other financial assets	428	146	14	560
<b>Total financial assets</b>	<b>428</b>	<b>146</b>	<b>14</b>	<b>560</b>
<b>Grand total</b>	<b>251 712</b>	<b>7 906</b>	<b>1 699</b>	<b>257 919</b>

**Real estate:**

In 2022 in Saint-Quentin-Fallavier (Isère), we completed the work begun in 2019 to completely renovate the building initially occupied by our subsidiary Dipra. This renovation enabled us to provide our three subsidiaries Odrea, Aello and Axelair with a logistics complex and office space. SCI Thely also built a warehouse for FGInox from an existing building. Work on the renovation of the future Thermador Groupe headquarters began in 2022.

In July 2022, the portfolio was further expanded with the acquisition by SCI Thely of a 2,927 m2 building on a 6,889 m2 plot of land, also in Saint-Quentin-Fallavier, for €1.5m.

In March 2023, we completed the work started in 2022 to renovate an office space as the new headquarter of Thermador Groupe. The subsidiary Opaline will also be located in this building as for July 2023. The warehouse connected to these offices is still under renovation and will become a logistic complex dedicated to Pbtub.

In 2023, other renovation work has been led on two other sites to upgrade rented spaces. Sodeco has invested in solar panels on his building.

The property portfolio comprises 310,002 m2 of land and 123,114 m2 of buildings (warehouses and offices). The value of the real estate was evaluated in 2021 and 2022 – for the buildings located in Saint-Quentin-Fallavier, in April 2017 for the building of our subsidiary Domac, in August 2018 for the building of our subsidiary Sodeco Valves and in 2021 for the building of our subsidiary Etablissements Edouard Rousseau – at approximately €86.3m (evaluation by Expertise Galtier, chemin Moulin Carron - 69 Écully and CBRE in Brussels). This includes built and unbuilt land.

The depreciation periods were reviewed and have been kept the same. Our real estate assets are built according to the risks associated with their geographical location (seismic risks and other natural risks). None of our properties have major risks that require a revision of depreciation periods.

## IFRS 16

The 'rental contracts' IFRS 16 standards came into force for financial years beginning as of January 1, 2019. We opted for the simplified retrospective method.

Application of the IFRS 16 standard concerns the presentation and accounting of rental contracts. Rental contracts such as those defined by the 'rental contracts' IFRS 16 standards are booked on the balance sheet which results in the recognition:

- of an asset which corresponds to the right of use of the asset rented throughout the period of the contract
- of a debt for the lease liabilities.

### *Assessment of the right-of-use assets*

On the starting date of a rental contract, the right of use is assessed at its cost (i.e. the total of rents discounted against the period of the contract) and includes the initial amount of the debt. For rental contracts with a starting date prior to January 1, 2019 the starting date applied was January 1, 2019.

The right-of-use is amortised over the period of use of the subjacent assets (lease term for the rent component).

### *Assessment of lease liabilities*

On the starting date of a rental contract, the lease liability is booked for an amount equal to the discounted value of rents over the period of the contract. The amounts taken into account for rents in the assessment of debt are as follows:

- Fixed rent (including fixed rents in substance, i.e. even if they contain variability in the presentation, they are, in substance, unavoidable),
- Payments to be made by the tenant on account of an option to buy.

Assessment of liabilities linked to the rental contract:

- It is increased to include interest charges determined by implementation of a discount rate to the debt, at the beginning of the period,
- It is reduced by the amount of the payments already made.

Also, the liabilities can be re-valued in the following situations:

- Revision of the rental period,
- Modification linked to an assessment of the reasonable certainty (or otherwise) of exercising an option,
- Revision of the rates or index upon which rents are based when the adjustment of rents takes place.

### *Typology of capitalised rental contracts*

#### *'Real estate' rental contracts*

The group has identified rental contracts according to the standard for the buildings rented by its subsidiaries Mecafer, FGinox, Rousseau, Distrilabo, Thermacome and Thely. In 2023, SCI Thely has taken a new lease on two new warehouses to fit need of logistic space of the subsidiaries, as an addition of the lease taken in 2021 and 2022.

Those rental contracts mainly run for 3-6-9 years without a renewal option on the lease term. The duration used to calculate the lease liabilities is 9 years (excepted for Thermacome, which is 3 years) in compliance with ANC recommendations.

The discount rate used to calculate the rental debt for each asset is determined according to the marginal indebtedness rate on the starting date of the contract. We have used one single rate for all the buildings, the properties being usually purchased by SCI Thely which is 100% held by Thermador Groupe. This rate corresponds to the interest rate that the tenant would, at the beginning of the rental period, obtain to borrow the funds necessary to purchase the asset over a period with a similar guarantee and in a similar economic environment. The rate is obtained by adding the '10-year lead borrowing rate' and the spread that is specific to Thermador Groupe (the rate gap between Thermador Groupe's marginal lending rate and the '10-year lead borrowing rate').

#### *'Other assets' rental contracts*

The main lease contracts identified are for vehicles and photocopiers. The capitalization period for rents corresponds to the compulsory engagement period of the contract, with the majority of contracts not including renewal options. The discount rate used to calculate the rental debt is determined for each asset according to the marginal indebtedness rate at the date the contract comes into force (cf. paragraph 'real estate' to understand how the marginal indebtedness rate is determined). This discount rate is different from the discount rate used for 'real estate' rental contracts.

### *Typology of non-capitalised rental contracts*

The group uses two exceptions allowed by the IFRS 16 standard which means that they do not need to be booked on the balance sheet: short-period contracts and contracts concerning low-value assets:

- Short-term rental contracts for twelve months or less
- Rental contracts concerning low-value assets: these contracts concern rents for which the new replacement value of the asset is \$5,000 US or less.



**Note 5 – Depreciation and amortization (in thousands of euros)**

**Accounting rules and principles:**

Depreciation amortisation is calculated in linear fashion on the basis of the expected service life:

Brands	Not depreciated
Customer relations	10 years
Software	3, 4, 5 years
Primary works	40 years
Wall frames and roof frames	25 years
Roof	20 years
Electricity	20 years
Heating and plumbing	15 years
Partitions and paintwork	10 years
Building improvements and fixtures	3, 4, 5, 7 et 10 years
Installations and fixtures	2, 3, 4, 5 et 10 years
Office and computer equipment	2, 3, 4, 5, 6 et 10 years
Furniture	2, 3, 5, 8 et 10 years

**Changes in depreciation (in thousands of euros):**

Depreciation	Depreciation and the beginning of the period	Increases	Decreases	Depreciation at the end of the period
Goodwill				
Other intangible assets	7 021	1 356	134	8 243
<b>Total intangible assets</b>	<b>7 021</b>	<b>1 356</b>	<b>134</b>	<b>8 243</b>
Land				
Buildings on own property	38 405	1 647	24	40 028
Machinery and equipment	10 321	479	64	10 736
General equipment, fixtures and fitments	5 096	440	419	5 117
Transport materials	263	9	0	272
Office equipment and furniture	4 428	313	-120	4 861
Right-of-use of leases	2 882	914	328	3 468
<b>Total tangible assets</b>	<b>61 395</b>	<b>3 802</b>	<b>715</b>	<b>64 482</b>
<b>Grand total</b>	<b>68 416</b>	<b>5 158</b>	<b>849</b>	<b>72 725</b>

## Note 6 – Inventory (in thousand euros)

### Accounting rules and principles:

Inventories were assessed according to the weighted average cost method. The gross value of merchandise and supplies includes the purchase price and incidental costs. A provision for depreciation is made when the inventory value is lower than the accounting value defined above. The inventory value is established reference by reference according to rotation, based on quantities in inventory and sales completed, probability of inventory movement and, where applicable, the rates used by metal dealers. The depreciation rates chosen are adapted to each situation.

	Value at the opening of the period	Allocations	Reversals	Value at the end of the period
<b>Gross Stock value</b>	<b>194 840</b>			<b>197 210</b>
Provision for stock losses	4 478	997	365	5 110
<b>Net value of stock</b>	<b>190 362</b>			<b>192 100</b>

## Note 7- Currents assets (in thousands of euros)

Receivables	30/06/2023	30/06/2022	31/12/2022
Customers	126 069	117 696	100 524
<i>Of which accrued income</i>	305	125	542
Doubtful customers	352	412	282
Corporation tax	347	565	1 425
Deferred tax assets	428	564	493
<b>Other receivables</b>			
VAT	6 395	6 325	6 151
Other third parties	5 908	7 213	6 314
<i>Of which accrued income</i>	1 697	144	3 118
Prepaid expenses	2 335	1 993	1 044
<b>Total other receivables</b>	<b>14 638</b>	<b>15 531</b>	<b>13 509</b>
<b>Total Receivables</b>	<b>141 834</b>	<b>134 768</b>	<b>116 233</b>

### Trade receivables:

Trade receivables are recorded at their face value. A provision for bad debt is recorded when their balance sheet value is less than the book value. The inventory value is calculated on the basis of the probability of debt recovery, i.e. essentially in case of receivership (10%) and court-supervised liquidation (0%).

	Value at the opening of the period	Allocations	Reversals	Value at the end of the period
<b>Gross value of trade receivables</b>	<b>102 271</b>			<b>127 702</b>
Impairment of Trade receivables	1 465	157	341	1 281
<b>Net value of trade receivables</b>	<b>100 806</b>			<b>126 421</b>

### IFRS 9

IFRS standard 9 requires application of the depreciation model based on expected losses on all financial assets, including commercial debt, as of January 1, 2018. On the basis of these past five years, irrecoverable losses have represented an average of 0.05% of consolidated turnover. This non-significant impact did not justify an equity-type provision at the beginning of the financial period on June 30, 2018 or for the end-of-year results of December 31, 2018. For the next period, and at the end of June 30, 2023 the impact stayed non-significant.

### **Credit risk:**

We have no major customers default for first 2023 half year. We remain particularly vigilant for debt collection on customers working with the French housing improvement agency (ANAH).

Customer receivables on June 30, 2023:

In thousands of euros	Total amount	Maturing after 30/06/2022	Less than 30 days late	More than 30 days and less than 60 days late	More than 60 days and less than 90 days late	More than 90 days late
Trade receivables (excluding doubtful customers) on June 30, 2023	126 421	105 726	10 516	3 045	2 906	4 228
% customer receivables		84%	8%	2%	2%	3%

In thousands of euros	Total amount	Maturing after 30/06/2022	Less than 30 days late	More than 30 days and less than 60 days late	More than 60 days and less than 90 days late	More than 90 days late
Trade receivables (excluding doubtful customers) on December 31, 2022	100 524	86 598	9 263	1 621	761	2 281
% customer receivables		86%	9%	2%	1%	2%

### **Note 8 – Working capital requirement (in thousands of euros)**

#### **Change in WCR:**

In thousands of euros	30/06/2023	Variation	31/12/2022
Trade receivables	126 421	- 25 615	100 806
Stock	192 100	- 1 738	190 362
Account payables	82 421	- 10 966	71 455
Other current receivables	14 985	- 51	14 934
Other current liabilities	48 076	- 3 348	44 728
<b>Total WCR</b>	<b>203 009</b>	<b>- 13 090</b>	<b>189 919</b>

### **Note 9 – Equity**

At the beginning of the period, the capital was made up of 9,200,849 shares of €4 nominal value each, i.e. €36,803,396. On June 30, 2022 the capital stays unaffected and is still of €36,803,396 divided in 9,200,849 shares of €4 each. There is no stock-options.

Thermador Groupe purchased 1,200 of its treasury shares during 2018 for a value of €62,000. In April 2021 Thermador Group purchased 1800 of its own treasury shares for a total value of €158,000

**Note 10 - Loans and financial debts (in thousands of euros)**

30/06/2023 in thousands of euros	Current	Non-current	Total	Current	Over one year and under five years late	Over five years
Bank loans	-7 575	-32 965	-40 540	-7 575	-22 365	-10 600
Bank overdrafts	-3 367		-3 367	-3 367		
Rental debt (IFRS 16)	-1 720	-6 962	-8 682	-1 720	-4 516	-2 447
Cash and cash equivalent	15 296		15 296	15 296		
<b>Net cash</b>	<b>2 634</b>	<b>-39 927</b>	<b>-37 293</b>	<b>2 634</b>	<b>-26 881</b>	<b>-13 047</b>

Cash and cash equivalents for €15,296,000 include bank accounts for €11,961,000 and term deposits for €3,535,000 with a maturity of one month or less. All our bank loans are at a fixed rate to limit the possible impact of any rate variations.

DPI uses a factoring provider to which it assigns its trade receivables in return for short-term financing. The contract is non-recourse, i.e. the debts that would be unpaid in the hands of the factor are not returned to DPI, the factoring company therefore retaining the risk of insolvency of the customer within the limits of the guarantee granted. The amount financed amounts to €6,750,000 and is recorded as cash and cash equivalent.

**Note 11 – Provisions recorded in liabilities (in thousands of euros)**

Provisions	Value at the opening of the period	Increases	Decreases	Value at the end of the period
<b><u>Non-current provision</u></b>				
Provisions for end-of-career commitments	3 463	259	122	3 600
<b>Total non-current provision</b>	<b>3 463</b>	<b>259</b>	<b>122</b>	<b>3 600</b>
<b><u>Current provision</u></b>				
Other current provision	624	1	46	579
<b>Total current provision</b>	<b>624</b>	<b>1</b>	<b>46</b>	<b>579</b>
<b>Grand Total</b>	<b>4 087</b>	<b>260</b>	<b>168</b>	<b>4 179</b>

According to the wholesale trade's industry-wide agreement, the end-of-career indemnity is capped at three months' wages corresponding to 30 years' service for employees, six months' wages corresponding to 30 years' service for managers and six months' wages corresponding to 43.33 years' service for supervisors.

According to the metallurgy sector's industry-wide agreements, the end-of-career allowance is not capped. The benefit is conferred on the employee from the first year of service.

In 2023, Odrea and Thermacome employees have switched from the metallurgy sector's industry-wide agreements to the wholesale trade's industry-wide agreement.

Our hypothesis for the calculation of the end-of-career commitment have remained unchanged since December 31, 2022, even for the retirement age at 64.5 years, above the new legal age of 64 years. We have tested this hypothesis by bringing the age of retirement up to 65.5 years and even 66 years: the impact on the provision is not significant.

Commitments for long-service awards have been quantified in our subsidiary Thermacome for employees covered by the metallurgy industry-wide agreement. They totalled €3,000 at June 30, 2023.

**Note 12 – Liabilities and current liabilities (in thousands of euros)**

Debts	30/06/2023	30/06/2022	31/12/2022
Current provisions	579	602	624
Short-term rental obligations	1 720	1 272	1 439
Short-term borrowing	3 367	18 749	2 723
Current portion of loans and debts	7 575	9 388	8 521
Account payables	82 421	78 718	71 455
<i>Of which, accrued expenses</i>	<b>25 082</b>	<b>24 297</b>	<b>26 521</b>
Fixed Assets Suppliers	6 303	2 296	6 600
Corporation tax	1 740	2 116	3 450
<b>TAX AND SOCIAL SECURITY LIABILITIES</b>			
Staff and social organisations	15 482	14 223	14 123
Deferred tax liabilities	557	493	498
VAT	9 624	9 165	3 652
Other tax and duties	998	1 001	865
<b>TOTAL TAX AND SOCIAL SECURITY LIABILITIES</b>	<b>26 661</b>	<b>24 882</b>	<b>19 138</b>
<i>Of which, accrued expenses</i>	<b>12 579</b>	<b>12 220</b>	<b>9 180</b>
Other debt	20 648	17 383	24 078
<i>Of which, liabilities on customer contracts</i>	<b>14 609</b>	<b>11 414</b>	<b>6 044</b>
<i>Of which, accrued expenses</i>	<b>1 734</b>	<b>1 691</b>	<b>190</b>
<b>Total debt</b>	<b>151 014</b>	<b>155 406</b>	<b>138 028</b>

**Note 13 - Operations in foreign currencies, financial instruments and derivatives**

Operations in foreign currencies are registered for their value at the date of the operation.

Debt and credit in foreign currency appear on the balance sheet for their value in the course of the financial year or of the financial commitments made. The difference resulting from the reassessment of debt and credit in foreign currency at the most recent rate is included in the P&L account.

- Amount of accounts payable on June 30, 2023 in the main foreign currency (US dollar): \$14,560,000.
- Amount of payables in foreign currencies corresponding to advance payments made to suppliers at June 30, 2023 in the main currency (US dollar): \$784,000.

Thermador Groupe uses no financial derivatives for speculative purposes.

The derivatives used serve only to cover exchange rate fluctuations corresponding to purchase of merchandise in foreign currencies. Thermador Groupe decided to introduce centralised management of cash in dollars as of January 1, 2018 to cover the requirements of all the group subsidiaries. In this respect, Thermador Groupe subscribed to USD forward currency purchases for 17,500,000 USD with instalments in the second half of 2023.

The IFRS 9 criteria are respected, allowing the group to book this hedging according to hedging accounting methods. An effectiveness test was carried out on June 30, 2023.

The fair value of such financial instruments is recorded for €557,000 in equity.

**Financial assets and liabilities appearing on the balance sheet: ventilation per category of instruments:**

There is no difference between the fair value and the book value of financial assets and liabilities. Financial debts and loans rates are very close to the market ones.

Assets at 30/06/2023	Balance sheet value	Fair value	Fair value per result	Receivables	Hedging instruments
Business customers	126 421	126 421		126 421	
Other debtors	15 413	15 413		15 413	
Financial Instruments					
Cash	15 296	15 296			
<b>Total assets</b>	<b>157 130</b>	<b>157 130</b>	<b>0</b>	<b>141 834</b>	<b>0</b>

Liabilities at 30/06/2023	Balance sheet value	Fair value	Fair value per result	Payables	Hedging instruments
Loans and long-term financial debt	32 965	32 965		32 965	
Rental obligations of more than one year	6 962	6 962		6 962	
Non-current liabilities	9 784	9 784		9 784	
Short term loans and financial debt	10 942	10 942		10 942	
Rental obligations of less than one year	1 720	1 720		1 720	
Suppliers	82 421	82 421		82 421	
Supplier fixed assets	6 303	6 303		6 303	
Other creditors	49 628	49 628		49 628	
<b>Total liabilities</b>	<b>200 725</b>	<b>200 725</b>		<b>200 725</b>	

**Note 14 – Commitments or transactions with related parties (in thousands of euros)**

There were no commitments or transactions with related parties in 2023 except for earnings components and end-of-career commitments. The group does not use any assets owned directly or indirectly by the executives or their family members.

**Managers' gross earnings:**

The amount of direct or indirect gross earnings and benefits of any kind for each corporate officer within the group (including the consolidating company and controlled companies, within the meaning of Articles L233-3 and L233-16 of the French commercial code) allocated in respect of the financial year to the members of the Board of Directors by reason of their office amounts to €528,000, including allocated earnings.

Allocated earnings amounted to €86k and are recorded under other "external expenses" on the grounds that only independent directors receive it and they are not part of the Thermador Groupe workforce.

**End-of-career commitments for executives:**

The end-of-career commitment concerns the payment of a pension indemnity authorised by the Board of Directors on December 19, 2003. This indemnity is calculated in the same way as that paid to an executive in accordance with the terms of Article 5 of Amendment I to the wholesale trade's industry-wide agreement and Article 31 of the industry-wide agreement for engineers and executives in the metallurgy sector. At June 30, 2023, the commitment corresponding to this indemnity for directors and executives stood at €380,000.

There are no commitments for severance payments to executives.

**Earnings of operational Board members, CEO and Deputy CEOs:**

There are no golden handshakes / parachutes for corporate officers, nor do they have special pension schemes or compensation for noncompetition or severance clauses.

Jérôme Chabaudie, as the CEO of Aello, became beneficiary from a free share plan in 2021. The AGM of April 6, 2021 authorised the Board of Directors to buy back a maximum of 3,000 of the Company's shares with a view to granting them free of charge to certain employees and corporate officers of Axelair and Aello. The Board of Directors' meeting of July 29, 2021 determined the beneficiaries as well as the period of allocation and retention of said shares. Under the scheme, Jérôme Chabaudie was awarded an allocation right of 519 shares. This is contingent on his presence in the company for two years, starting on July 29, 2021. The IFRS 2 expense corresponding to the value of the shares allocated was calculated taking into account this criterion of deducting the value of dividends not received. Jérôme Chabaudie's allocation right was valued at €47,600, i.e. a share price of €91.80.

Earnings fixed and variable (due and paid) Values in thousands of euros									
Operational Board members Chairman & CEO and Deputy CEO	Fixed annual share			Variable annual share			Total annual earnings		
	1st Half 2023	1st Half 2022	2022	1st Half 2023	1st Half 2022	2022	1st Half 2023	1st Half 2022	2022
Philippe Bories Board member, Chairman of Mecafer and Domac (1)	90,5	86,5	173,0			30,0	90,5	86,5	203,0
Jérôme Chabaudie, Board member, and CEO of Aello	81,9	78,3	156,7			51,0	81,9	78,3	207,7
Lionel Monroe, Board member, Audit committee permanent guest and Deputy CEO									
- Earnings as CEO of Syveco	61,4	58,7	117,5			73,0	61,4	58,7	190,5
- Earnings as deputy CEO of Thermador Groupe	20,5	19,6	39,2				20,5	19,6	39,2
Patricia Mavigner, secretary of the Board of Directors and Deputy CEO since May 1, 2016 permanent guest of the Sustainable development committee	79,2	75,7	151,3			119,9	79,2	75,7	271,2
Guillaume Robin, CEO	108,8	103,9	207,9			146,8	108,8	103,9	354,7
<b>SUBTOTAL</b>	<b>442,3</b>	<b>422,7</b>	<b>845,6</b>	<b>0,0</b>	<b>0,0</b>	<b>420,7</b>	<b>442,3</b>	<b>422,7</b>	<b>1 266,3</b>
<b>External Board members</b>	<b>Attendance fees (due and paid)</b>								
Janis Rentrop, Independent member of the Earnings and appointments committee	13,9	13,3	26,5				13,9	13,3	26,5
<b>Independent Board members</b>	<b>Attendance fees (due and paid)</b>								
Karine Gaudin, Chairwoman and independent member of the audit committee until April 3, 2023	8,0	14,1	26,5				8,0	14,1	26,5
Caroline Meignen, Independent member of the Earnings committee	13,9	13,3	28,2				13,9	13,3	28,2
Laurence Paganini, Chairwoman and independent member of the Earnings committee, independent member of the Sustainable development committee	18,5	15,5	33,2				18,5	15,5	33,2
Olivier V. de la Clergerie, Chairman and independent member of the Audit committee since April 3, 2023	16,2	15,5	33,2				16,2	15,5	33,2
Mathilde Yagoubi, Chairwoman and independent member of the Sustainable development committee	11,6	13,3	26,5				11,6	13,3	26,5
Véronique Bouscayrol, independent member of the Audit committee	3,5						3,5		
<b>SUBTOTAL</b>	<b>85,6</b>	<b>85,0</b>	<b>174,1</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>85,6</b>	<b>85,0</b>	<b>174,1</b>
<b>TOTAL</b>	<b>527,9</b>	<b>507,7</b>	<b>1 019,7</b>	<b>0,0</b>	<b>0,0</b>	<b>420,7</b>	<b>527,9</b>	<b>507,7</b>	<b>1 440,4</b>



**Note 15 – Significant events after closing**

There have been no significant changes in the financial or commercial structure since the end of the financial year.

**Note 16 – Risk assessment**

Our principal risks are mentioned in our 2022 universal registration document in chapter 4 – Risk factors

The nature of the main risks was not modified for the first half of 2023. We however would like to give some more information about note 19 chapter 6 of our 2022 universal registration document.

***Liquidity risk:***

The company carried out a specific review of its liquidity risks. It believes that it can meet its future commitments. The situation on June 30, 2023 is positive (cash-flow statement, page 5 of the 2023 half-year statement). The group benefits from unused short-term cash facilities. None of the outstanding bank loans contain covenants or guarantees. We are not exposed to any risk of early repayment or interest rate revisions.

***Legal risks:***

Over the past twelve months, there has been no governmental, judicial, arbitration or administrative procedure (including any procedure of which we may have knowledge, any that may be subject to suspension or any that represents a potential threat) which could have or would recently have had significant effects on the group's financial situation or profitability.

On April 3, 2017, Thermador Groupe and its subsidiaries Aello and Jetly were taken before the commercial tribunal of Rennes by the companies Diffusion Equipements Loisirs – D.E.L. and Multifija on the grounds of unfair competition and parasitism on the market for swimming pool equipment and accessories. We deplore this legal action and reject these charges in their entirety. On June 26, 2018 our lawyer presented our plea before the Court of Appeal against the decision of the Rennes commercial tribunal handed down on March 20, 2018 rejecting our application for lack of jurisdiction raised in the Court of Arbitration. The deliberation of the Court of Appeal dated October 2, 2018 ended with our application being rejected. Following our appeal to the Supreme Court, we obtained a favourable ruling which overturned this decision of the Court of Appeal in December 2019. In February 2020, we represented our conclusions of lack of jurisdiction before the Court of Appeal and our lawyer pleaded in July 2020.

Following the October 2019 hearing before the Commercial Court of Rennes in the unfair competition lawsuit, the latter ordered the case to be struck off the register for lack of diligence on the part of the plaintiffs, D.E.L. and Multifija. This case was reinstated at the initiative of DEL and Multifija on May 21, 2021. At the hearing of June 22, 2021, a stay of proceedings was requested pending the forthcoming ruling of the Court of Cassation, which the Commercial Court of Rennes granted on September 23, 2021. On January 26, 2022 the Court of Cassation handed down its decision: the unfair competition case will be dealt with before the Arbitral Tribunal. It is now left to the initiative of the claimants to refer the case to the Arbitral Tribunal.

We remain confident as to the results of these procedures. No provision was entered on June 30, 2023 because to date we have no obligation to do so, and it cannot be estimated in any reliable way.

## 5) Notes on the profit and loss account

**Note 17** - Explanation concerning turnover for the first half of 2023 (in thousand euros)

### **Recognition of turnover:**

The group's turnover comes mainly from sales of finished products. It is recorded net of discounts and commercial advantages granted to customers, costs related to commercial agreements, listing costs or costs related to specific promotional actions invoiced by distributors. Our turnover is recognised on delivery. Our group is not subject to any other performance obligations related to additional services (installation and/or maintenance of goods, etc.).

With regard to the warranties provided, our group offers legal guarantees only. The impacts of these guarantees under IFRS 15 are not material and have not been restated.

### **Change in turnover (in thousands of euros):**

	30/06/2023	30/06/2023	30/06/2022	Variation 2023/2022	Variation 2023/2022
		Change to constant scope			Change to constant scope
Turnover	323 665	299 366	287 553	12,6%	4,1%

### **Definition of constant scope:**

The June 30, 2023 turnover includes the turnover of DPI, acquired on October 31, 2022 for €24,299,000.

### **Breakdown of turnover by distribution channel (in thousands of euros):**

	30/06/2023	30/06/2023	30/06/2022	Variation 2023/2022	Variation 2023/2022
		Change to constant scope			Change to constant scope
Retail	56 864	56 864	53 773	5,7%	5,7%
Professional channel	266 582	242 283	233 615	14,1%	3,7%
Other structures	219	219	165	32,7%	32,7%
<b>Total</b>	<b>323 665</b>	<b>299 366</b>	<b>287 553</b>	<b>12,6%</b>	<b>4,1%</b>

### **Breakdown of turnover by geographical area (in thousands of euros):**

<b>Breakdown of Turnover by geographical area</b>	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>Variation</b>
France	275 310	240 069	15%
Syveco	17 590	17 259	2%
Sodeco Valves	11 878	12 729	-7%
Rousseau SA (Spain)	6 975	6 445	8%
Other export companies	11 912	11 051	8%
<b>Total international</b>	<b>48 355</b>	<b>47 484</b>	<b>2%</b>
<i>% international</i>	<i>14,9%</i>	<i>16,5%</i>	

**Note 18** – Explanation operating result and net result on the first half of 2023 (in thousands of euros)

***Change in results (in thousands of euros):***

	<b>30/06/2022</b>	<b>30/06/2021</b>	<b>Variation 2022/2021</b>
Operating profit from ordinary business	41 311	39 102	5,6%
Portion of net profit allocated to the group	30 825	28 240	9,2%

***Definition of constant scope:***

The June 30, 2023 operating profit includes the operating profit of DPI, acquired on October 31, 2022 for €1,420,000.

The June 30, 2023 portion of net profit allocated to the group includes the net profit of DPI, acquired on October 31, 2022 for €979,000.

Our purchases correspond to the purchase cost of goods from our suppliers plus or minus transport costs, plus or minus stock and exchange rate variations.

In our costs, logistics being handled mainly by our own teams, the most important items are:

- Our staff costs,
- Our transport costs on sale.

Our financial result corresponds mainly to the interest on the loans taken out.

**Note 19** – Employee benefits and share allocations

***Distribution of staff by status:***

	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>30/06/2021</b>
<b>By category</b>	238	219	217
Management	257	238	219
Supervisory staff	50	53	57
Employees	474	444	408

***Distribution of staff by age:***

	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>30/06/2021</b>
<b>By age</b>	94	87	89
From 18 to 29	98	94	87
From 30 to 39	161	165	149
From 40 to 49	257	238	244
Over 50	265	238	204

***Allocation of free shares:***

In 2021, a free share allocation plan reserved to certain categories of personnel was implemented. These are conditional upon the employee being with the group for 2 years. The IFRS 2 expense has been calculated taking into account this criterion, the non-transferability of the shares, and after deducting the present value of the dividends not received. It has been spread over the vesting period of up to two years. The allocation rights corresponding to 3,000 shares were granted to employees and corporate officers of our subsidiaries Aello and Axelair by decision of the Board of Directors on July 29, 2021.

The share price used is €94.40 minus the value of dividends not received. The number of shares has been reduced to take account of turnover. The expense recognised on June 30, 2023 is €63,300 on a pro rata basis.

## 6) Market sector report

### Note 20 – Market sector report (in thousands of euros)

Cash-generating units have been defined according to the business segment criteria.

Given the organisation of the group and the distribution of the various business lines, the cash-generating units retained by the group are made up of the legal entities that constitute an operational market. Each subsidiary manager is autonomous in the operational management of his entity (human resources, customers, suppliers, etc.): Jetly, Sferaco integrating Valfit group (since December 31, 2017), Thermador, Odrea, Isocel, PBtub, Sectoriel integrating Nuair France since July 1, 2015, Syveco, Axelair, Mecafer (since July 1, 2015) integrating Domac since March 1, 2017, Aello, Sodeco Valves, FGinox, Distrilabo (since December 31, 2019), Thermacome (since April 30, 2020), DPI (acquired on October 31, 2022) and a separate unit consisting of Thely, Opaline and Thermador Groupe.

The performance indicators presented in this market sector report are those monitored by our subsidiary managers who are members of our Executive Committee.

Profit and loss account:		June 2023			June 2022		
		Turnover	Operating Profit	% of profitability	Turnover	Operating Profit	% of profitability
<b>Mecafer/Domac</b>	Heavy Tooling for DIY stores	17 982	1 555	8,6%	17 258	737	4,3%
<b>Odrea</b>	Pumps, technical plumbing accessories and taps	38 882	2 652	6,8%	36 515	-152	-0,4%
<b>Isocel</b>	Supply of components for OEM	6 024	1 043	17,3%	5 729	984	17,2%
<b>Aello</b>	Equipment for swimming pools	13 128	1 549	11,8%	13 746	1 800	13,1%
<b>DPI*</b>	Plastic pipes for wet and dry networks	24 299	1 420	5,8%			
<b>Jetly</b>	Pumps	34 658	9 328	26,9%	32 798	8 195	25,0%
<b>Thermador</b>	Central heating and domestic water accessories	55 868	13 148	23,5%	49 023	11 943	24,4%
<b>Pbtub</b>	Heating - cooling surfaces	15 886	1 623	10,2%	16 323	1 917	11,7%
<b>Thermacome</b>	and piping systems	11 800	701	5,9%	13 033	1 040	8,0%
<b>Axelair</b>	Ventilation equipment and accessories	4 126	-264	-6,4%	4 018	50	1,2%
<b>Sferaco</b>	Valves, meters and connectors	43 340	8 341	19,2%	40 288	8 323	20,7%
<b>Sectoriel</b>	Motorised valves and air compressors	15 599	2 899	18,6%	15 475	3 076	19,9%
<b>Distrilabo</b>	Measure and control	3 521	591	16,8%	3 233	485	15,0%
<b>Syveco</b>	International	17 590	2 911	16,5%	17 272	3 076	17,8%
<b>FG Inox</b>	Stainless steel connectors, flanges, valves and accessories	8 865	438	4,9%	9 955	982	9,9%
<b>Sodeco Valves</b>	Industrial Valves	11 878	973	8,2%	12 722	770	6,1%
<b>Other structures</b>		219	- 1 727		165	- 1 915	
<b>Total</b>		<b>323 665</b>	<b>47 181</b>	<b>14,6%</b>	<b>287 553</b>	<b>41 311</b>	<b>14,4%</b>

\* DPI has been acquired on October 31, 2022. Turnover and operating profit on June 30, 2023 include 6 month of DPI activity.

## VI. – 2023 Half yearly management Report

### 1) Business

On a like-for-like basis, turnover was stable in the second quarter, taking into account two fewer billing days compared to 2022. However, there was a marked slow-down compared to Q1 2023, due to the unfavourable environment described below.

The MaPrimeRénov' funding mechanism seems to have stopped working. We have had communications to that effect from some of our customers who are experiencing major difficulties in obtaining funding from ANAH, the State-appointed body responsible for checking that work has been done properly and releasing grants accordingly: the engine room driving Thermador sales is clearly losing momentum.

The number of new housing starts continued to fall, with a direct impact on around 10% of consolidated business, affecting PBtub and Thermacome in particular, whose products are almost exclusively designed for this market.

The French swimming pool market is in sharp decline (at least 15%), hitting Aello's sales to their long-standing customers.

Manufacturing activity in France and Europe is declining, reducing demand for our industrial valve ranges.

The prices of certain raw materials, such as polyethylene, PVC and stainless steel, have fallen sharply in recent months, resulting in price-drops for specific products sold by DPI and FGinox. Fortunately, this phenomenon remains marginal. For the activities of Thermador Groupe subsidiaries, the average rate of inflation passed on to customers in the first half of the year was estimated at 8.2%, compared with sales growth of 4.1% at constant scope.

In order to gain greater control over the financing of energy-efficient building renovations and to anticipate regulatory changes affecting our products, we plan to acquire a minority stake in Femat Solutions (cf: our June 29th press release on our website).

### 2) Results and financial situation

Despite a significant increase in costs (salaries, energy prices), our subsidiaries have managed to maintain their profitability. For Odrea, price increases have resulted in a return to profit levels close to those of June 2021. As a result, consolidated operating profitability is slightly higher than in 2022, at 14.6%.

At constant scope, our inventory continues to decline in line with the economic slowdown: 196 days of purchases, compared with 204 days at the end of June 2022. Our consolidated operating working capital requirement (without the company DPI) represents 42.6% of turnover for a 12-month rolling period (44% in June 2022 on the same basis).

At June 30, 2023, our cash position net of bank overdrafts was €11.9 million and our bank debt was €40.5 million. When compared to our equity of €335 million these are very reasonable amounts.

### 3) Main related-party

The main transactions are detailed in note 14 of the notes to the half-year financial statements.

### 4) Main risks and uncertainties

Main risks are those related to economic activity. Their type has not been modified during the first half year. These risks are mentioned in our 2022 universal registration document.

### 5) Prospects for 2023

The business context described in the first section above suggests that we are entering a period of several months of decline in demand for many of our products. Our subsidiaries will step up their sales efforts to offset part of this expected downturn and, above all, to prepare for the future.

At the same time, they are working to develop new product ranges to ensure future growth and to meet environmental challenges: reducing greenhouse gas emissions from our products, saving energy and conserving water.

They are also considering how they can best support the energy renovation of buildings. This is a hot topic for the French authorities, who recently announced their intention to increase the 'MaPrimeRénov' budget to €4bn for 2024 onwards (compared to around €2.4bn in 2023).

For context, our sales only fell 5.5% during the 2009 financial crisis. We sell products and solutions that meet essential needs, which makes our Group very resilient. Over a 10-year period, we are therefore in line with the targets outlined on page 10 of our Universal Registration Document.

### 6) Sustainable development (environment, social and governance)

We are keeping a close eye on discussions surrounding the new European regulations on the publication of a sustainability report for companies (CSRD), with a view to updating our current extra-financial performance statement when required.

## **VII. Certification of the author**

To my knowledge I certify that the condensed consolidated half yearly statements have been drawn up in compliance with prevailing accounting standards and reliably reflect the assets, financial situation and profits of the company and all the companies in the consolidated accounts, and the half yearly management report presents a reliable account of the business trends of the first six months of the year as well as a description of the main risks and uncertainties which those companies face for the six remaining months of the year.

Saint Quentin Fallavier, July 28, 2023  
Guillaume Robin  
Chairman &CEO.

## **VIII. – Statutory Auditors’ Review on the Half-yearly Financial Information**

To the Shareholders,

In compliance with the assignment entrusted to us by your general assembly and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (« Code monétaire et financier »), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Thermador Groupe, for the period from January 1st, 2022 to June 30th, 2023;
- the verification of the information presented in the half-yearly management report.

The condensed half-yearly consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

### **I – Conclusion on the financial statements**

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

### **II – Specific verification**

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements

Saint Etienne and Lyon, July 28, 2023

The Statutory Auditors:

*French original signed by*

Cabinet Royet  
Serge Guillot, Partner

Deloitte et Associés  
Patrice Choquet, Partner