



GENERAL MEETING

APRIL 6TH, 2020

In the context of Covid-19 and following the announcement by the Minister of Solidarity and Health (Order of March 9, 2020) of the prohibition on gatherings in France, the organizational arrangements for our General Meeting of shareholders scheduled to be held on April 06, 2020 could change depending on health and / or legal requirements.

You are invited to regularly consult the section dedicated to the General Meeting on the website www.thermador-groupe.fr.

Chairman's statement

SUMMARY OF THE SITUATION 2019 OF THE COMPANY



Guy Vincent, founder of Thermador, resigned from his position as Director on January 28, 2020, bringing to an end an extraordinary professional commitment spanning more than 50 years. We would like to express our immense appreciation to him for having initiated this human adventure, created the foundations for our corporate culture, shared the profits of a vast collective effort and ensured the longevity of our group, which currently **employs 600 people**.

We ended FY 2019 with net growth in Q4, improving still further our cumulative performance. In spite of the dip in the French market for new house builds and protest movements which undoubtedly disrupted business at the beginning and end of the year, **the group's growth to constant scope** reached a wholly satisfactory **8.3%**. The addition of Rousseau's turnover for a full year reflects an 18.5% increase in consolidated turnover, now up to **€368.8m**.

We would like to thank our subsidiaries' staff and management teams for their commitment, professionalism, reactivity and discernment in an environment where each unforeseen event has to be converted into an opportunity.

Our export activities with Syveco, Sodeco, FGinox and Ets Édouard Rousseau accounted for **19.2%** of our 2019 turnover. We pursue our efforts to reduce the risks of our high exposure to domestic markets.

The onboarding of Ets Édouard Rousseau, acquired on 31/12/2018, continues with the appointment of Laure Empereur as CEO on January 1, 2020. We have recently welcomed the Distrilabo team from Alsace, and look forward with enthusiasm to working together, ready to roll out our commercial synergies. Finally, we expect to complete the acquisition of Thermacome before the end of the first semester. The company reported turnover of €20.2m in 2018. This transaction would round off a series of acquisitions begun in 2015, and would herald the onset of a two-year period dedicated to synergies and operational efficiencies. However, we do remain open to further acquisition operations that neither exceed €5m nor take up too much time.

Our trading profit progressed 8.6% (**8.2%** to constant scope), curbed by an unfavourable euro-dollar exchange rate during the first half of the year. We also note the sale of the French side of the Sodeco business, which had exceptionally generated €525,000 in 2018. The lower tax rate improves still further our net profit, to €32.4m.

Our teams increased their efforts to improve stock rotation, resulting in a drop of 22 inventory days (purchases consumed). On December 31, 2019, **our net cash position was €32.3m, our bank debt €41.7m**, and our equity situation €203.2m after appropriation of net income. This low level of debt allows us to look ahead with equanimity.

Our excellent commercial results in 2019 will clearly not be repeated in 2020 because of the very beneficial effects of the Tax Credit for Energy Transition on some of our business areas. This tax incentive will be notably reduced in 2020, which will obviously have a substantial impact on our subsidiaries Thermador and Isocel. Ready to face up to unforeseen events linked to our business fields, we forecast reasonable growth over the next decade overall. We provide more detail on this

objectives and strategy on page 10 of this document.

2019 was marked by a drop in trading volumes for Midcaps in general and for Thermador Groupe in particular. In spite of that, we were able to re-classify a block of 5.4% of our capital in the space of two hours (cf. our press release of October 9th 2019). At the time of our most recent TPI (identifiable bearer share) in December 2019, **institutional investors** held **47%** of the group's capital and **private shareholders** **34%**. Faithful to our

distribution policy and in keeping with the long-term evolution of our results, we are offering **a dividend of €1.80**, up 2.9%.

Guillaume Robin

« We forecast reasonable growth for the next decade. »