

February 28, 2025

Dear Shareholder,

Our Board of Directors met today for final closing of the 2024 accounts, which present as follows:

- **2024 TURNOVER: -13.3%**
- **AT CONSTANT SCOPE: -13.5%**
- **ESTIMATED EFFECT OF CHANGES IN OUR SELLING PRICES: -2.6%**

In thousands of euros	2024	2024 constant scope*	2023	Variation 2024/2023	Variation 2024 constant scope* /2023
Total at 31 December - according to IFRS 15	503,885	502,516	580,950	-13.3%	-13.5%
1 st quarter	141,190	141,190	170,513	-17.2%	-17.2%
2 ^d quarter	130,344	130,344	153,152	-14.9%	-14.9%
3 rd quarter	119,017	118,583	130,520	-8.8%	-9.1%
4 th quarter	113,334	112,399	126,765	-10.6%	-11.3%

Breakdown by business:

Mecafer and Domac, air compressors, generators, power packs, solar panels, welding stations and high-pressure cleaners	29,969	29,969	34,164	-12.3%	-12.3%
Odrea, pumps, technical plumbing accessories and taps	61,220	61,220	71,395	-14.3%	-14.3%
Isocel, supply of components to OEM	7,087	7,087	9,711	-27.0%	-27.0%
Aello, equipment for swimming pools	17,645	17,645	19,103	-7.6%	-7.6%
DPI, plastic piping for wet and dry networks	33,012	33,012	41,950	-21.3%	-21.3%
Jetly, pumps, tanks and lifting stations	58,304	58,304	62,467	-6.7%	-6.7%
Thermador, central heating, solar and domestic water accessories	65,969	65,969	96,729	-31.8%	-31.8%
PBtub	20,411	20,411	26,367	-22.6%	-22.6%
Thermacome	15,122	15,122	19,687	-23.2%	-23.2%
Axelair, ventilation equipment and accessories	7,437	7,437	7,226	2.9%	2.9%
Alto Metering*, remote reader systems and electricity, water, gas, domestic fuel and energy meters	1,164	-			
Sferaco, valves, meters and fittings	75,706	75,706	79,048	-4.2%	-4.2%
Sectoriel, motorised valves and air compressors	29,790	29,790	29,492	1.0%	1.0%
Distrilabo, measure and control	7,043	7,043	6,728	4.7%	4.7%
FGinox, stainless steel connectors, flanges, valves and accessories	15,830	15,830	16,583	-4.5%	-4.5%
Syveco, international	35,785	35,785	34,742	3.0%	3.0%
Sodeco Valves*, industrial valves	21,963	21,758	25,167	-12.7%	-13.5%
Other structures	428	428	391	9.5%	9.5%

* Turnover 2024: with the acquisition by Thermador Groupe of Compteur-energie.com, OTMetric, and MyMeterInfo, merged into Alto Metering on July 31, 2024, their turnover has been consolidated since August 1, 2024. Additionally, following the acquisition of Vena Contracta's business assets by Sodeco Valves on August 9, 2024, its turnover has been consolidated since August 10, 2024.

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BUSINESS AND SUSTAINABILITY

Admittedly, at the end of 2023 we were hardly expecting the decline in sales witnessed in 2024. The second-half rebound we had hoped for never came; quite the contrary: we have recorded an average decline of 10.9% in volumes and 2.6% in prices.

The main reasons for this fall are the significant reduction in the budgets allocated by the public authorities for energy-efficient renovation of buildings, combined with changes to the rules for awarding MaPrimeRénov' grants. Added to this, the fall in the number of property transactions combined with a historically low level of new housing starts has had a severe impact on PBtub and Thermacome, with turnover down 22.8%.

Although less depressed, the DIY market still declined 4% over the year, dragging our subsidiaries Odra, Mecafer and Domac into very negative territory (-13.6%). The cause was record rainfall, which led to a decline in Odra's sales of sprinkler pumps, and the exceptionally high volume of generators sold by Mecafer and Domac to DIY superstores in 2023.

DPI, for its part, posted an 11.2% fall in volume, made worse by an estimated 10.1% fall in average prices.

Fortunately, market share gains in products for industry enabled us to cushion the negative effects of this very difficult set of circumstances.

Despite this sharp drop in business levels, our subsidiaries have chosen not to reduce headcount. They are focusing on holding onto their human resources so that they can be fully operational when business picks up again. In the short term, this has resulted in a much sharper fall in operating profit on a like-for-like basis (-25.7%) than in turnover (-13.5%).

From the sustainability perspective, 2024 saw us devoting extensive resources to complying with the new European reporting regulations (CSRD). This considerable effort has led us to publish our results and our first sustainability statement, which we invite you to read, starting in chapter 3 of our Universal Registration Document.

Operating profit: -25.6% and net profit as a portion of the Group: -23.3%

In thousands of euros	2024	2024 constant scope	2023	Variation 2024 / 2023	Variation 2024 constant scope/2023
Operating profit	60,167	60,076	80,841	-25.6%	-25.7%
Portion of net profit allocated to the Group	44,743	44,989	58,299	-23.3%	-22.8%

FINANCIAL STRUCTURE AND PROSPECTS

Even though it has decreased by €4.6 million in value, our stock level has risen to 213 days of consumed purchases, compared to 187 days at the end of December 2023. Our consolidated operating working capital requirement was 40% of sales at the end of the year. At December 31, 2024, we had bank debt of €30.5m and equity after appropriation of net profit of €363m. Against this gloomy business backdrop, our teams have worked hard to increase the amount of available cash to €63.3m by effectively managing customer and supplier outstanding balances.

With the 4th quarter of 2024 still clearly depressed, we cannot expect sales to stabilise in Q1 2025. With all due caution as regards our forecasts on future net prices, we believe that the price effect in 2025 will be virtually nil. However, assuming a gradual recovery in the construction and energy renovation markets and our continued good performance in the industrial market, we are predicting stability in turnover starting in 2025.

In these very difficult times and unpredictable economic conditions, our long-term ambitions look challenging. However, we are determined to rise to it, convinced that we will soon see a return to organic growth, and through targeted acquisitions. One such opportunity was unveiled on 18 December when we published a press release describing our joint project with the shareholders and management of C2Ai. Regarding the two other opportunities mentioned in our Letter to Shareholders n° 117, we are continuing our discussions with the owners of a European company with 2024 turnover of around €14m and are confident that we will be able to close the deal in 2025.

DIVIDEND AND AGM

In December 2024, private shareholders held 48.3% of capital, institutional investors 41.7% and our current and retired employees 6.6%. As we wrote in July 2024 in our letter to shareholders n° 116, we will propose maintaining the dividend at €2.08 per share at the next Annual General Meeting.

It will be held in Lyon on Monday, 7th April at 5pm at Musée des Confluences. We are counting on your attendance and your votes to help us achieve a turnout in excess of 77%. We will also be holding an information meeting in Paris on Thursday, 10th April at 4pm at Salons Hoche.

Yours sincerely,

The Chairman
Guillaume Robin



The webinar presenting our annual results will take place on Monday 3rd March at 4 pm (CET).