



THERMON GROUP HOLDINGS, INC. EARNINGS PRESENTATION

SECOND QUARTER FISCAL YEAR 2026

NOVEMBER 6, 2025

Cautionary Note Regarding Forward-looking Statements

This presentation includes forward-looking statements within the meaning of the U.S. federal securities laws in addition to historical information. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements regarding our industry, business strategy, plans, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information. When used in this discussion, the words "anticipate," "assume," "believe," "budget," "continue," "contemplate," "could," "should," "estimate," "expect," "intend," "may," "plan," "possible," "potential," "predict," "project," "will," "would," "future," and similar terms and phrases are intended to identify forward-looking statements in this release. Forward-looking statements reflect our current expectations regarding future events, results or outcomes. These expectations may or may not be realized. Some of these expectations may be based upon assumptions, data or judgments that prove to be incorrect. In addition, our business and operations involve numerous risks and uncertainties, many of which are beyond our control, which could result in our expectations not being realized or otherwise materially affect our financial condition, results of operations and cash flows.

Actual events, results and outcomes may differ materially from our expectations due to a variety of factors. Although it is not possible to identify all of these factors, they include, among others, (i) future growth of our key end markets and related capital investments; (ii) our ability to operate successfully in foreign countries; (iii) uncertainty over and changes in administrative policy; (iv) general economic conditions and cyclicity in the markets we serve; (v) our ability to successfully develop and improve our products and successfully implement new technologies; (vi) competition from various other sources providing similar heat tracing and process heating products and services, or alternative technologies, to customers; (vii) our ability to deliver existing orders within our backlog; (viii) our ability to bid and win new contracts; (ix) the imposition of certain operating and financial restrictions contained in our debt agreements; (x) our revenue mix; (xi) our ability to grow through strategic acquisitions; (xii) our ability to manage risk through insurance against potential liabilities (xiii) changes in relevant currency exchange rates; (xiv) tax liabilities and changes to tax policy; (xv) impairment of goodwill and other intangible assets; (xvi) our ability to attract and retain qualified management and employees, particularly in our overseas markets; (xvii) our ability to protect our trade secrets; (xviii) our ability to protect our intellectual property; (xix) our ability to protect data and thwart potential cyber-attacks and incidents; (xx) a material disruption at any of our manufacturing facilities; (xxi) our dependence on subcontractors and third-party suppliers; (xxii) our ability to profit on fixed-price contracts; (xxiii) the credit risk associated to our extension of credit to customers; (xxiv) our ability to achieve our operational initiatives; (xxv) unforeseen difficulties with expansions, relocations, or consolidations of existing facilities; (xxvi) potential liability related to our products as well as the delivery of products and services; (xxvii) our ability to comply with foreign anti-corruption laws; (xxviii) export control regulations or sanctions; (xxix) environmental and health and safety laws and regulations as well as environmental liabilities; and (xxx) climate change and related regulation of greenhouse gases. Any one of these factors or a combination of these factors could materially affect our future results of operations and could influence whether any forward-looking statements contained in this annual report ultimately prove to be accurate. See also Item 1A, "Risk Factors" for information regarding the additional factors that have impacted or may impact our business and operations.

NON-GAAP FINANCIAL MEASURES

Disclosure in this release of "Adjusted EPS," "Adjusted EBITDA," "Adjusted EBITDA margin," "Adjusted Net Income/(loss)," "Free Cash Flow," "Organic Sales," "OPEX Sales," "CAPEX Sales" and "Net Debt," which are "non-GAAP financial measures" as defined under the rules of the Securities and Exchange Commission (the "SEC"), are intended as supplemental measures of our financial performance that are not required by, or presented in accordance with, U.S. generally accepted accounting principles ("GAAP"). "Adjusted Net Income/(loss)" and "Adjusted EPS" (or "Adjusted fully diluted EPS") represent net income/(loss) before the impact of restructuring and other charges/(income), Enterprise Resource Planning ("ERP") system implementation related cost, costs associated with impairments and other charges, acquisition costs, amortization of intangible assets, tax expense for impact of foreign rate increases, and any tax effect of such adjustments. "Adjusted EBITDA" represents net income before interest expense (net of interest income), income tax expense, depreciation and amortization expense, stock-based compensation expense, acquisition costs, costs associated with restructuring and other income/(charges), ERP implementation related cost, debt issuance costs and costs associated with impairments and other charges. "Adjusted EBITDA margin" represents Adjusted EBITDA as a percentage of total revenue. "Free Cash Flow" represents cash provided by operating activities less cash used for the purchase of property, plant, and equipment. "Organic Sales" represent revenue excluding the impact of the Company's October 2024 acquisition of F.A.T.I. "OPEX Sales" represents Point-in-Time Sales plus Over-Time Small projects "(i.e., less than \$0.5 million in total revenue). "CAPEX Sales" represents Over Time-Large Projects (i.e., equal to or greater than \$0.5 million in total revenue)". "Net Debt" represents total outstanding principal debt less cash and cash equivalents.

We believe these non-GAAP financial measures are meaningful to our investors to enhance their understanding of our financial performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin or Adjusted Net Income. Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, Organic Sales, OPEX Sales, CAPEX Sales and Free Cash Flow should be considered in addition to, and not as substitutes for, revenue, income from operations, net income, net income per share and other measures of financial performance reported in accordance with GAAP. We provide Free Cash Flow as a measure of liquidity. Our calculation of Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, OPEX Sales, CAPEX Sales and Free Cash Flow may not be comparable to similarly titled measures reported by other companies. For a description of how Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, OPEX Sales, CAPEX Sales and Free Cash Flow are calculated and reconciliations to the corresponding GAAP measures, see the sections of this release titled "Reconciliation of Net income to Adjusted EBITDA," "Reconciliation of Net income to Adjusted Net Income and Adjusted EPS," "Reconciliation of Point-in-Time and Over-Time Sales to OPEX Sales and CAPEX Sales" and "Reconciliation of Cash Provided by Operating Activities to Free Cash Flow." We are unable to reconcile projected fiscal 2026 Adjusted EBITDA and Adjusted EPS to the most directly comparable projected GAAP financial measure because certain information necessary to calculate such measures on a GAAP basis is unavailable or dependent on the timing of future events outside of our control. Therefore, because of the uncertainty and variability of the nature of and the amount of any potential applicable future adjustments, which could be significant, we are unable to provide a reconciliation for projected Fiscal 2026 Adjusted EBITDA and Adjusted EPS without unreasonable effort.



Trailing Twelve Months Highlights

\$509MM

Total Revenue

45%

Gross Margin

22.4%

Adj. EBITDA
Margin

\$2.03

Adjusted EPS

\$50MM

Free Cash Flow

\$36MM

Share Repurchases

\$529MM

Total Bookings

1.0x

Book-to-Bill

72%

Diverse Mkt. Sales

\$98M

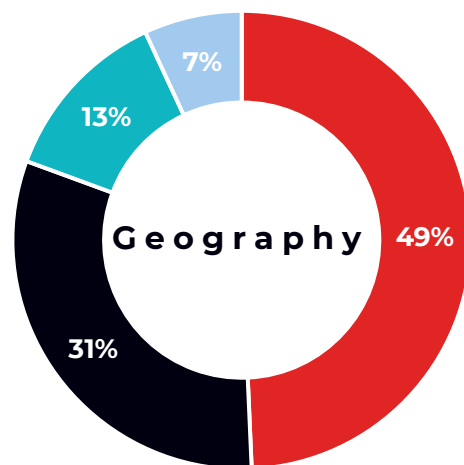
3D Initiatives
Revenue

27

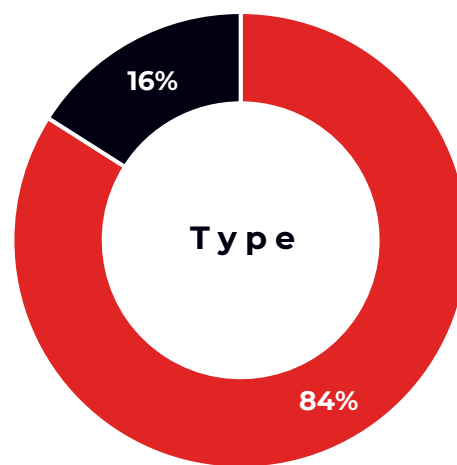
New Products

1.0x

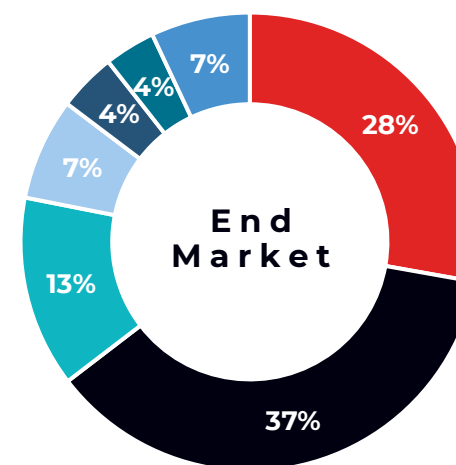
Net Leverage



■ USLAM ■ CAN ■ EMEA ■ APAC



■ OPEX Sales1 ■ CAPEX Sales2



■ O&G ■ General Industries & Other
 ■ Chemical / Petrochemical ■ Commercial
 ■ Power ■ Strategic Adjacencies3
 ■ Renewables



Q2 FY2026 Earnings

1. "OPEX Sales" (non-GAAP) represents Point-in-Time Sales plus Over Time - Small Projects. See table "Reconciliation of Point-in-Time and Over-Time Sales to OPEX Sales."
2. "CAPEX sales" (non-GAAP) represents large projects tied to our customers' capital expenditure budgets and are comprised of more than \$0.5 million in total revenue
3. Includes Mining & Mineral Processing, Maritime / Shipbuilding, Semiconductors, Pharmaceutical & Biotechnology, Food & Beverage, and Data Centers

Second Quarter 2026 Highlights

- Q2 revenue increased 15% driven by improved business momentum and strong backlog conversion
 - Revenue up 9% organically excluding revenue from F.A.T.I.
- Adjusted EBITDA increased 29%; margin of 23.2% (up 240 bps y-o-y) illustrative of earnings capacity of the business
- Positioned to benefit from several favorable secular demand trends—including reshoring, electrification, decarbonization, and rising power demand; bid pipeline up 11%
- Secured first order for the new Poseidon Liquid Load Bank datacenter testing solution, robust activity with quote log expanding to nearly \$30M
- Net leverage at 1.0x and \$129 million in available liquidity providing support for continued growth investments
- Returned \$6 million in capital through share repurchases, remain committed to balancing capital allocation between opportunistic share repurchases and growth investments
- Increasing FY26 guidance based on robust Q2 performance, strong backlog and improving business momentum



Q2 FY2026 Earnings



Thermon's Strategic Pillars

PROFITABLY GROW INSTALLED BASE

- Apply industry leading process heating technology to solve the world's most difficult thermal engineering problems
- Support ongoing customer operations with upgrades, expansions and maintenance
- Deliver continuous improvement to drive margin expansion

DECARBONIZATION, DIGITIZATION & DIVERSIFICATION

- Leverage existing Thermon solutions and new product development to meet customers' decarbonization and electrification needs
- Industry-leading controls and monitoring to digitize and optimize maintenance
- Diversify end market exposure into higher growth and defensive markets to deliver above market growth while reducing earnings volatility through economic cycles

DISCIPLINED CAPITAL ALLOCATION

- Drive organic growth through investments in technology and people
- Prioritize debt paydown and inorganic growth opportunities that exceed WACC by year 3
- Actively returning capital to shareholders via refreshed \$50MM share repurchase authorization
- Target 1.5x – 2.0x Net Debt to Adjusted EBITDA leverage under normal conditions

Execution on strategic pillars combined with dedicated focus on operational excellence drive long-term shareholder value creation



Digitization Enabling Growth

Leveraging Digital Technology across the Breadth of Thermon Solutions

Genesis Network Installed base growing to 86,000 Circuits **+49%** in the first half of FY 2026

Digitization enables growth—Electrical Heat Tracing (EHT), Rail and Transit (R&T), Liquid Load Banks (LLB) and Commercial expansion

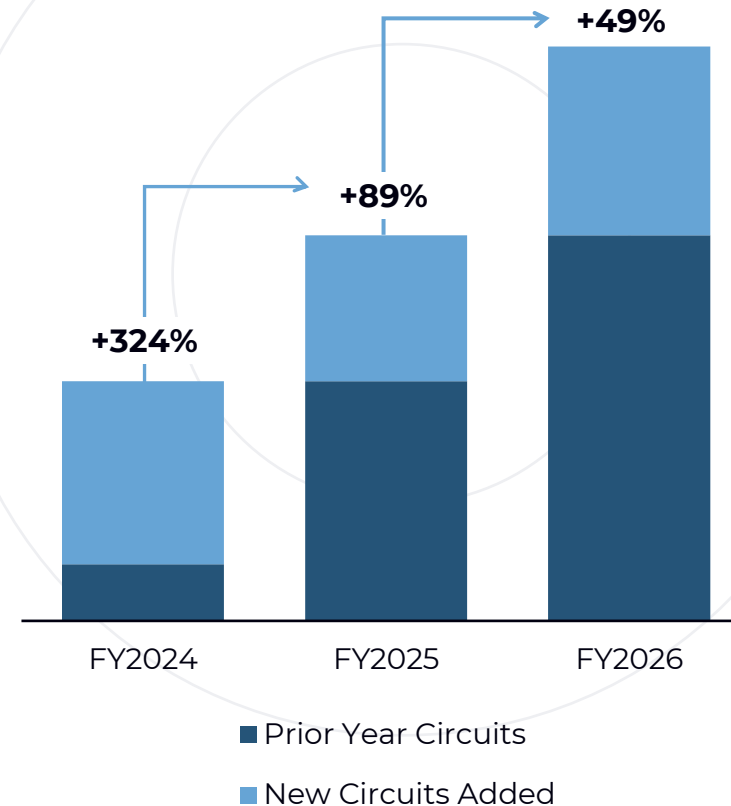
Industrial customers need **real-time operational awareness and analytics** to provide actionable insights

Thermon's digital capabilities are not just add-ons—they're **core to our value proposition**

Data unlocks **predictive** maintenance, performance optimization, and energy efficiency

Digitization **creates customer value**, improves retention, and **drives enhanced returns**

Genesis Network Adoption



Leading Technology in Medium Voltage Heaters

Leveraging Thermon's Brand

Electrification Mega-Trend driving momentum to replace gas-fired systems with electric, especially in Europe

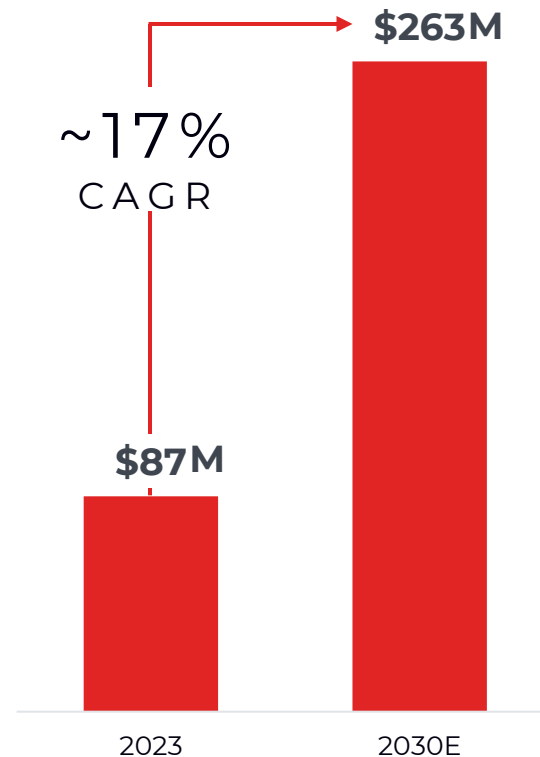
3600 – 7200V options for the most demanding bulk industrial heating applications

More efficient, zero emissions, lower capital costs and with higher level of control than hydrocarbon-based heating technology

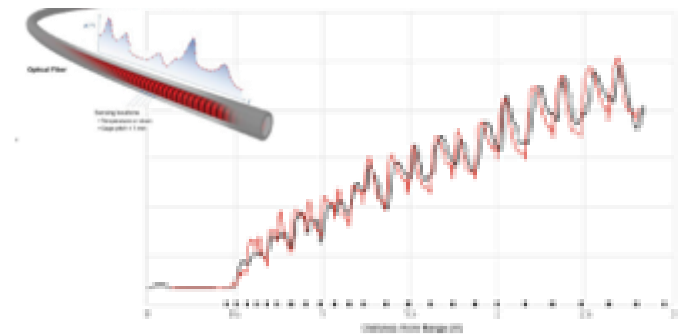
Launched in 2024 with **first 2 orders** in production for over **\$9.5M** in the US & Middle East

Leveraging Thermon's relationships with existing customers in chemical, general industrial, oil & gas and food & beverage end markets

MARKET SIZE¹



Market Leading Software Analytics



Q2 FY2026 Earnings

1. Source: Global Market Insights Medium Voltage Industrial Electric Boiler Market Size by Capacity, June 2024, amounts represented in USD millions

Building Market Presence in Data Center Market

LIQUID LOAD BANK PRODUCT LAUNCH UPDATE:

- Market projected to grow at **21% CAGR**, from \$84M in 2024 to \$386M in 2032¹
- Targeting **20 to 25% market share** within 24 to 36 months
- **Prototype builds completed** for Poseidon and Pontus, customer demonstrations under way
- **Quote log ~\$30M** and is growing, Secured **first order** for 20 units
- Our customers are excited about our differentiated design as compared to competitors:
 - Compliance to ASME pressure vessel code
 - Canadian Registration Number (CRN) for Canada
 - Industry leading power density Kw to weight ratios
 - Pursuit of UL/cUL product certification
- **Channel development underway** with owners/operators, HVAC contractors, commissioning companies and rental houses



Q2 FY26 Operating Highlights

- Revenues increased 15% (+9% organically) driven by more favorable spending trends, including improved trends in large projects, and the recognition of revenues impacted by the delayed backlog conversion in the prior quarter
 - OPEX Sales² +10.1% as reported and +3% organically
 - CAPEX Sales³ +41.1% YOY
- Gross profit margin was 46.4% during the second quarter, up from 44.4% last year, improved profitability in CAPEX and OPEX sales, driven by efficient execution and pricing benefits.
- Adjusted EBITDA was up 29% due to the strong revenue growth, improved gross margins, and disciplined cost management.
- Orders flat versus last year due to timing and a tough comparison; book-to-bill¹ for the quarter was 1.0x
- Backlog increased 17% as reported and was up 4% organically due to the recent bookings momentum and the delayed revenue conversion

US\$ millions,

except per share data

	FY26 Q2	FY25 Q2	YOY%
Revenue	\$131.7	\$114.6	14.9%
Gross Profit	\$61.1	\$50.9	20.0%
Net Income	\$15.0	\$9.5	57.9%
Adjusted EBITDA	\$30.6	\$23.8	28.6%
EPS	\$0.45	\$0.28	60.7%
Adjusted EPS	\$0.55	\$0.38	44.7%
Orders	\$131.0	\$131.1	(0.1%)
Book-To-Bill ¹	1.0x	1.1x	(0.1)x
Backlog	\$251.3	\$214.9	16.9%



Q2 FY2026 Earnings

1. Book-to-bill ratio defined as orders/revenue

2. "OPEX Sales" (non-GAAP) represents Point-in-Time Sales plus Over Time - Small Projects. See table "Reconciliation of Point-in-Time and Over-Time Sales to OPEX Sales."

3. "CAPEX sales" (non-GAAP) represents large projects tied to our customers' capital expenditure budgets and are comprised of more than \$0.5 million in total revenue

Balance Sheet and Cash Flow

SELECTED BALANCE SHEET

US\$ millions	FY26 Q2	FY25 Q2	YOY%
Cash and Cash Equivalents	\$29.7	\$37.0	(19.7%)
Total Debt	\$139.7	\$165.8	(15.7%)
Net Debt/Adj. EBITDA	1.0x	1.3x	(0.3)x
Working Capital ¹	\$171.8	\$156.7	9.6%
WC % of TTM Revenue	33.7%	31.7%	202 bps

SELECTED CASH FLOW

US\$ millions	FY26 Q2	FY25 Q2	YOY%
Net Income	\$15.0	\$9.5	57.9%
Depreciation & Amortization	\$5.8	\$5.5	5.5%
Change in Working Capital	(\$1.2)	\$3.7	(132.4%)
Other	(\$12.2)	(\$10.1)	20.8%
CFOA	\$7.4	\$8.6	(14.0%)
CAPEX	(\$3.1)	(\$1.9)	61.2%
Free Cash Flow	\$4.4	\$6.7	(34.3%)
FCF % of NI	29.3%	70.5%	(4119) bps

- Free cash flow of \$4.4 million, down from last year owing to inventory build-up for heating season, increased project activity, and timing of shipments
- Leverage of 1.0x down from second quarter last year
- Conservative leverage and total available liquidity of \$129 million provide flexibility to pursue strategic initiatives



Full Year Guidance

- CAPEX: 2.5% - 3.0% revenue
- Depreciation and amortization: ~\$23MM
- Effective tax rate: ~26%

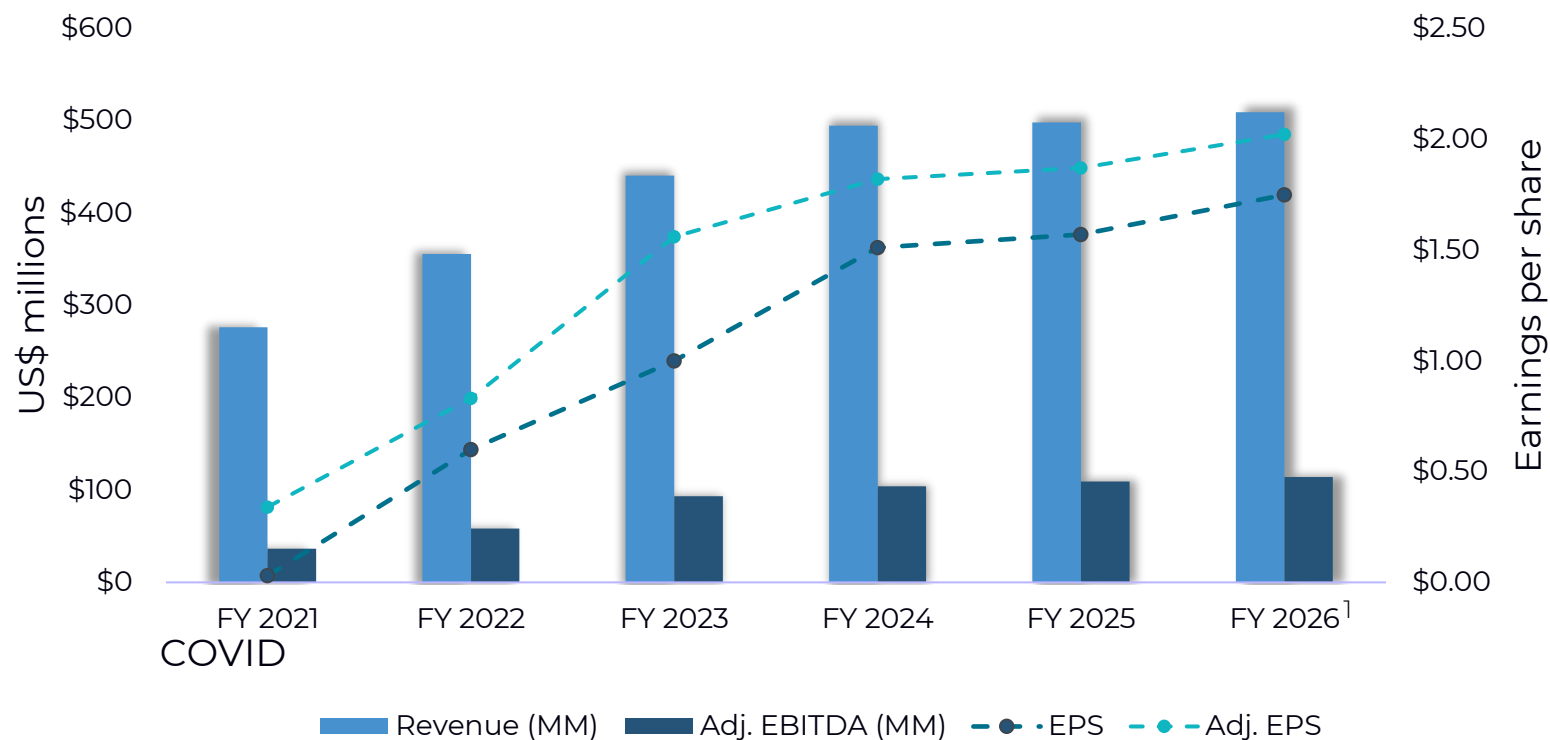
Assumptions:

- Tariff headwinds fully offset by price and productivity in H2
- Order momentum building following Liberation Day
- Current tariff regime remains in place with no notable improvement or escalation of trade war

US\$ MILLION, EXCEPT PER SHARE DATA	FY25 ACTUAL	FY26 PREV	FY26E
Revenue	\$498.2	\$495 - \$535	\$506 - \$527
YOY%		(0.6%) – 7.4%	1.6% -5.8%
Net Income	\$53.5		
EPS	\$1.57	\$1.35 - \$1.57	\$1.62 - \$1.77
Adjusted EPS	\$1.87	\$1.77 - \$1.99	\$2.00 - \$2.15
Adjusted EBITDA	\$109.2	\$104 - \$114	\$112 - \$119
YOY%		(4.8%) – 4.4%	2.6% - 9.0%
Adjusted EBITDA %	21.9%	21.0% - 21.3%	22.1% - 22.6%



Track Record of Performance



+13%

Revenue
CAGR

+26%

Adjusted
EBITDA CAGR



Compelling Investment Opportunity

- **Leading Global Brand** in high value, diversified end markets with mission critical technology and high barriers to entry, supported by culture of operational excellence
- **Large Installed Base** with loyal customers and resilient aftermarket franchise
- **Exposure to Sizeable Growth Opportunities** in high-growth energy transition and decarbonization, chemicals/petrochemicals, power, data centers, onshoring in North America and infrastructure
- **Strong & Flexible Balance Sheet** with high margin, low capital investment model that yields significant free cash flow



FINANCIAL RECONCILIATIONS

Reconciliation of Net Income to Adjusted EBITDA

Unaudited, in thousands

	Three Months Ended September 30,		Six months ended September 30,	
	2025	2024	2025	2024
Net income	\$ 14,954	\$ 9,494	\$ 23,535	\$ 18,005
Interest expense, net	2,022	2,790	3,983	5,637
Income tax expense	5,060	3,482	7,486	6,002
Depreciation and amortization expense	5,808	5,573	11,471	11,137
EBITDA (non-GAAP)	\$ 27,844	\$ 21,339	\$ 46,475	\$ 40,781
Stock compensation expense	1,883	1,511	3,365	2,576
Restructuring and other charges/(income) ¹	—	614	343	2,866
Transaction-related costs ²	—	116	—	355
Debt issuance cost ³	523	—	523	—
ERP implementation-related costs	359	233	1,142	389
Adjusted EBITDA (non-GAAP)	\$ 30,609	\$ 23,813	\$ 51,848	\$ 46,967
Adjusted EBITDA %	23.2 %	20.8 %	21.5 %	20.4 %

¹ Fiscal 2026 charges associated with cost-cutting measures including reduction-in-force. Fiscal 2025 charges associated with cost-cutting measures including reduction-in-force and facility consolidation, of which \$0.1 million are in cost of sales.

² Fiscal 2025 charges relate to the Vapor Power acquisition.

³ Debt issuance costs related to refinancing the Company's credit facility.



Reconciliation of Net Income to Adjusted Net Income and Adjusted EPS

Unaudited, in thousands except per share amounts

	Three Months Ended September 30,		Six months ended September 30,		
	2025	2024	2025	2024	
Net income	\$ 14,954	\$ 9,494	\$ 23,535	\$ 18,005	
Amortization of intangible assets	3,502	3,402	6,991	6,799	Intangible amortization
Restructuring and other charges/(income) ¹	—	614	343	2,866	Operating expense and cost of sales
Transaction-related costs ²	—	116	—	355	Operating expense
Debt issuance cost ³	523	—	523	—	Operating expense
ERP implementation related costs	359	233	1,142	389	Operating expense
Tax effect of adjustments	(1,052)	(1,049)	(2,182)	(2,500)	
Adjusted Net Income (non-GAAP)	\$ 18,286	\$ 12,810	\$ 30,352	\$ 25,914	
Adjusted Fully Diluted Earnings per Common Share (Adjusted EPS) (non-GAAP)	\$ 0.55	\$ 0.38	\$ 0.91	\$ 0.76	
Fully-diluted common shares	33,244	34,143	33,189	34,096	

¹ Fiscal 2026 charges associated with cost-cutting measures including reduction-in-force. Fiscal 2025 charges associated with cost-cutting measures including reduction-in-force and facility consolidation, of which \$0.1 million are in cost of sales.

² Fiscal 2025 charges relate to the Vapor Power acquisition.

³ Debt issuance costs related to refinancing the Company's credit facility.



Reconciliation of Cash Provided by Operating Activities to Free Cash Flow

Unaudited, in thousands

	Three Months Ended September 30,		Six months ended September 30,	
	2025	2024	2025	2024
Cash provided by operating activities	\$ 7,425	\$ 8,562	\$ 18,167	\$ 21,221
Cash provided by/(used in) by investing activities	(3,052)	(1,845)	(5,404)	(5,749)
Cash provided by/(used in) by financing activities	(6,841)	(5,657)	(19,481)	(13,659)
Cash provided by operating activities	\$ 7,425	\$ 8,562	\$ 18,167	\$ 21,221
Less: Cash used for purchases of property, plant and equipment	(3,064)	(1,862)	(5,485)	(5,785)
Free cash flow (non-GAAP)	<u>\$ 4,361</u>	<u>\$ 6,700</u>	<u>\$ 12,682</u>	<u>\$ 15,436</u>



Reconciliation of Point-in-Time and Over-Time Sales to OPEX Sales

Unaudited, in thousands

	Three Months Ended September 30,		Six months ended September 30,	
	2025	2024	2025	2024
Point-in-Time Sales	\$ 93,484	\$ 82,279	\$ 171,781	\$ 159,045
Over Time - Small Projects	13,542	14,885	28,539	35,622
Over Time - Large Projects (CAPEX)	24,697	17,484	40,301	35,107
Total Over-Time Sales¹	<u>\$ 38,239</u>	<u>\$ 32,369</u>	<u>\$ 68,840</u>	<u>\$ 70,729</u>
Total Sales	<u>\$ 131,723</u>	<u>\$ 114,648</u>	<u>\$ 240,621</u>	<u>\$ 229,774</u>
Point-in-Time Sales	93,484	82,279	171,781	159,045
Over Time - Small Projects	13,542	14,885	28,539	35,622
OPEX Sales (non-GAAP)	<u>\$ 107,026</u>	<u>\$ 97,164</u>	<u>\$ 200,320</u>	<u>\$ 194,667</u>
OPEX Sales %	81.3 %	84.7 %	83.3 %	84.7 %

¹ Over Time Sales are presented as Over Time - Small Projects and Over Time - Large Projects. Over Time - Small Projects are each less than \$0.5 million in total revenue and Over Time - Large Projects are each equal to or greater than \$0.5 million in total revenue.





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