THERMON GROUP HOLDINGS, INC.
EARNINGS PRESENTATION

FIRST QUARTER FISCAL 2022

AUGUST 5, 2021

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This presentation may include 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 herein, 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) the outbreak of the novel strain of coronavirus (COVID-19); (ii) general economic conditions and cyclicality in the markets we serve; (iii) future growth of energy, chemical processing and power generation capital investments; (iv) our ability to operate successfully in foreign countries; (v) our ability to deliver existing orders within our backlog; (vi) our ability to bid and win new contracts; (vii) the imposition of certain operating and financial restrictions contained in our debt agreements; (viii) tax liabilities and changes to tax policy; (ix) our ability to successfully develop and improve our products and successfully implement new technologies; (x) competition from various other sources providing similar heat tracing and process heating products and services, or alternative technologies, to customers; (xi) our revenue mix; (xii) our ability to grow through strategic acquisitions; (xiii) changes in relevant currency exchange rates; (xiv) impairment of goodwill and other intangible assets; (xv) our ability to attract and retain qualified management and employees, particularly in our overseas markets; (xvi) our ability to protect our trade secrets; (xvii) our ability to protect our intellectual property; (xiii) our ability to protect data and thwart potential cyber-attacks; (xix) a material disruption at any of our manufacturing facilities; (xx) our dependence on subcontractors and third-party suppliers; (xxi) our ability to profit on fixed-price contracts; (xxii) the credit risk associated to our extension of credit to customers; (xxiii) our ability to achieve our operational initiatives; (xxiv) unforeseen difficulties with expansions, relocations, or consolidations of existing facilities; (xxv) potential liability related to our products as well as the delivery of products and services; (xxvi) our ability to comply with foreign anti-corruption laws; (xxvii) export control regulations or sanctions; (xxviii) changes in government administrative policy; (xxix) geopolitical instability in Russia and Ukraine and related sanctions by the U.S. government; (xxx) environmental and health and safety laws and regulations as well as environmental liabilities; and (xxxi) climate change and related regulation of greenhouse gases, and (xxxii) those factors listed under Item 1A “Risk Factors” included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2021 filed with the Securities and Exchange Commission (the “SEC”) on May 27, 2021 and in any subsequent Quarterly Reports on Form 10-Q, Current Reports on Form 8-K or other filings that we have filed or may file with the SEC. Any one 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 release ultimately prove to be accurate.

Our forward-looking statements are not guarantees of future performance, and actual results and future performance may differ materially from those suggested in any forward-looking statements. We do not intend to update these statements unless we are required to do so under applicable securities laws

NON-GAAP FINANCIAL MEASURES

Disclosure in this presentation of "Adjusted EPS," "Adjusted EBITDA," "Adjusted EBITDA margin" and "Adjusted Net Income/(Loss)" 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 tax benefit from income tax rate reductions in certain foreign jurisdictions, amortization of intangible assets, the income tax effect on any non-tax adjustments, costs associated with our restricting and other income/(charges), and income related to the CEWS per fully-diluted common share in the case of Adjusted EPS. "Adjusted EBITDA" represents net income/(loss) before interest expense (net of interest income), income tax expense, depreciation and amortization expense, stock-based compensation expense, costs associated with our restructuring and other income/(charges), and income related to the CEWS. 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 or Adjusted Net Income/(Loss). Adjusted EPS, Adjusted EBITDA and Adjusted Net Income/(Loss) should be considered in addition to, and not as substitutes for, income from operations, net income/(loss), net income/(loss) per share and other measures of financial performance reported in accordance with GAAP. Our calculation of Adjusted EPS, Adjusted EBITDA and Adjusted Net Income/(Loss) may not be comparable to similarly titled measures reported by other companies. For a description of how Adjusted EPS, Adjusted EBITDA and Adjusted Net Income/(Loss) are calculated and reconciliations to the corresponding GAAP measures, see the sections of this release titled "Reconciliation of Net Income/(Loss) to Adjusted EBITDA" and "Reconciliation of Net Income/(Loss) to Adjusted Net Income/(Loss) and Adjusted EPS."

FY'22 Q1 SUMMARY

$USD in millions, except per share data

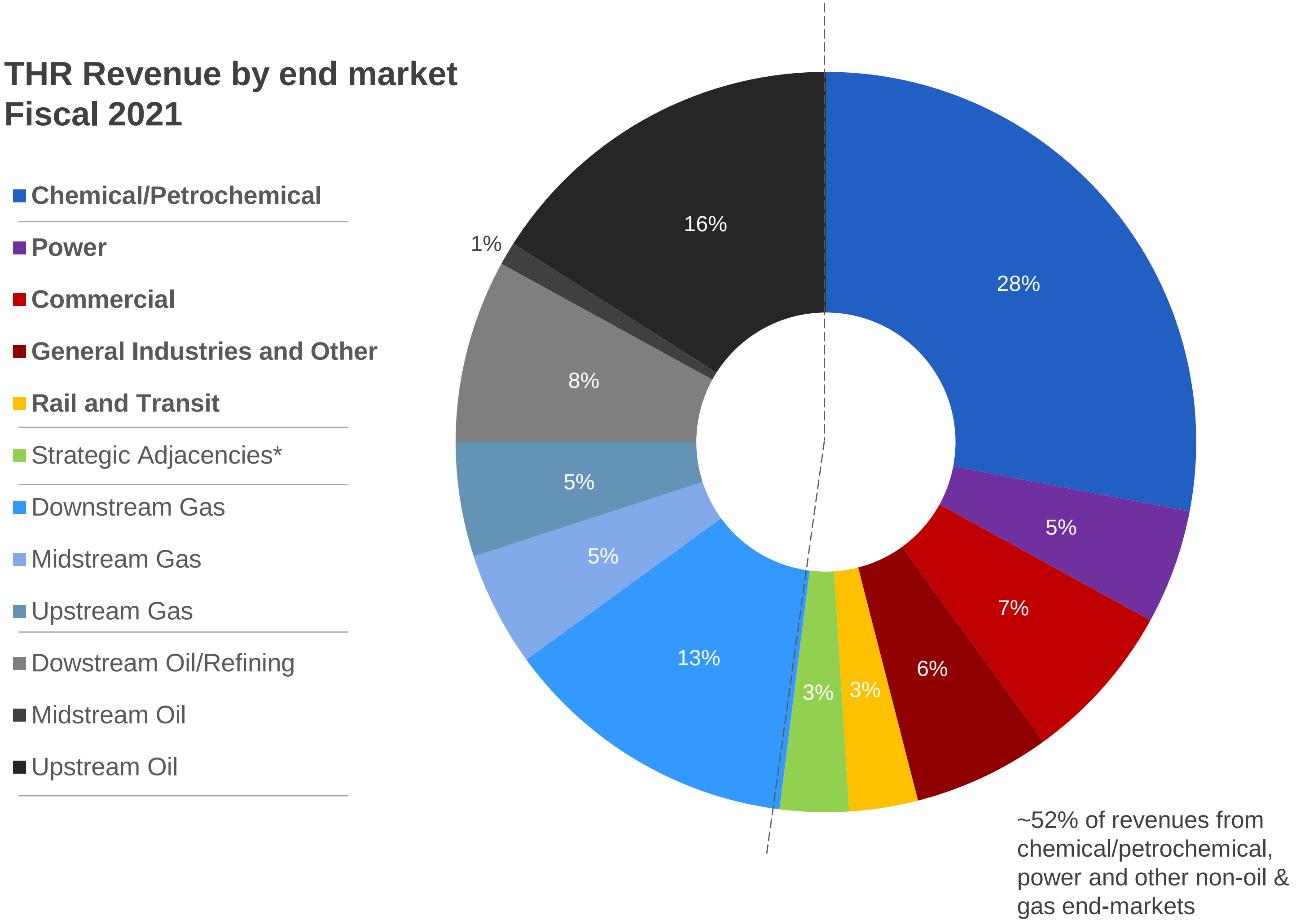
FY'22 Q1 Summary

- Improving spending environment, particularly in Canada and USLAM
- $116MM in backlog, +5% vs prior year
- First order for Genesis Network
- Significant operating leverage due to FY21 cost-out initiatives … +$8 Adj. EBITDA on +$14 revenue
- Continue to invest in long-term strategic initiatives
  - Developing Markets
  - End Market Diversification
  - Technology Enabled Maintenance

	Q1'22	Q1'21	YOY%
Revenue	$71.2	$56.8	25.4%
Net Income	$0.9	($6.1)	114.8%
Adjusted EBITDA	$9.7	$1.4	592.9%
Free Cash Flow	$1.6	$1.3	23.1%
Net Debt/Adj. EBITDA	2.4 x	2.5 x	(10.0%)
GAAP EPS	$0.03	($0.18)	116.7%
Adjusted EPS	$0.07	($0.11)	163.6%

External Environment

THR Revenue by end market Fiscal 2021



Selected End Market Trends

Chemical / Petrochemical: 3-4% growth projections with tight supply and high resin prices in the near term

Power: Growing demand in Asia with long-term growth of GDP/GDP+

Rail and Transit: Gradual recovery underway; long-term growth of GDP/GDP+

Strategic Adjacencies: GDP+ growth opportunities driven by developing markets and expanding middle class

Downstream / Midstream Gas: Favorable demand as a bridge fuel with LNG transportation opportunities

Downstream Oil / Refining: Capacity shift to Asia, move to biofuels and tightening environmental regulations

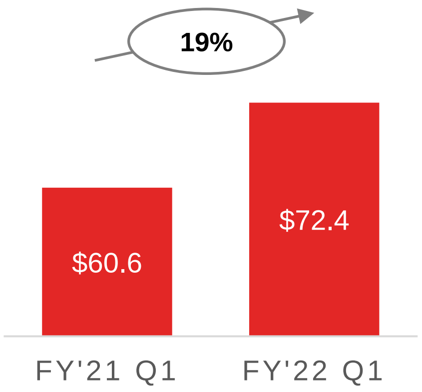
*Strategic Adjacencies includes Mining and Mineral Processing, Maritime/Shipbuilding, Semiconductors Pharmaceutical and BioTechnology, Food and Beverage, Data Centers and Renewables

Orders and Backlog

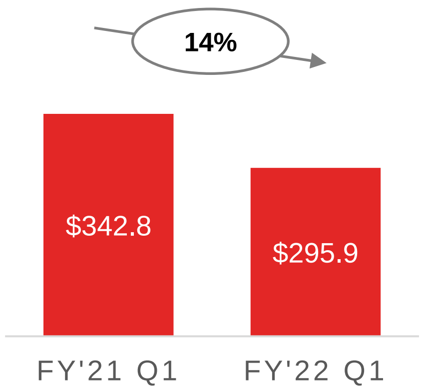
$USD in millions

Orders

Current Quarter



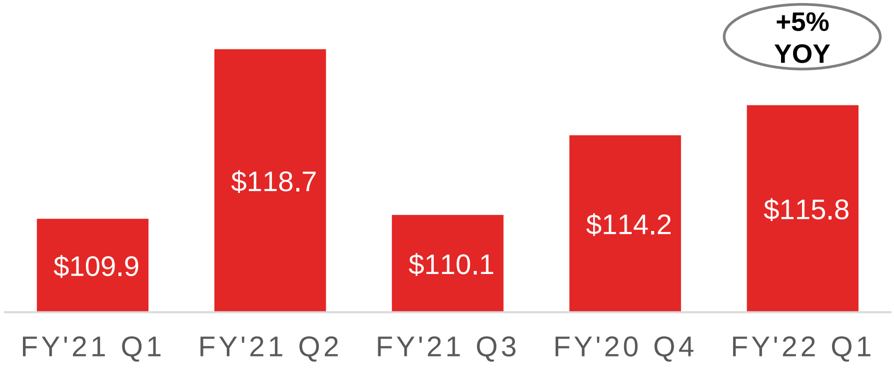
Trailing 12 Months



- Book to bill of 1.02x in both quarter & trailing 12-months
- TTM orders of $296 … above previous guidance
- APAC impacted by COVID restrictions (e.g. India)

Backlog

Last Five Quarters



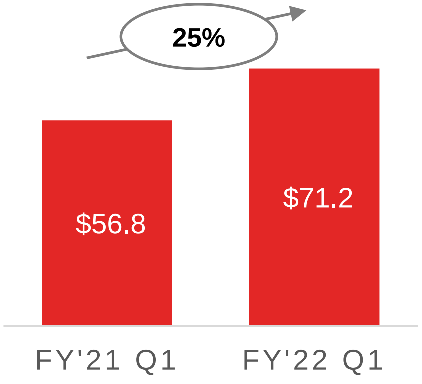
- Large projects completing, offset by growth in Canada and USLAM
- Gross Margin in Backlog highest since Fiscal 2018

Revenue and Gross Margin

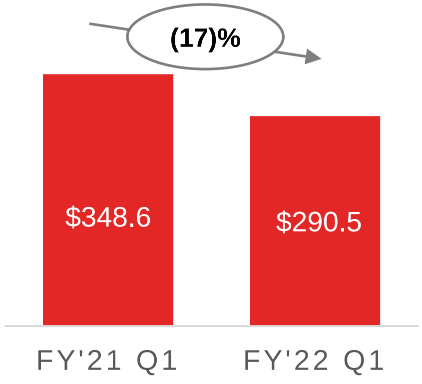
$USD in millions

Revenue

Current Quarter



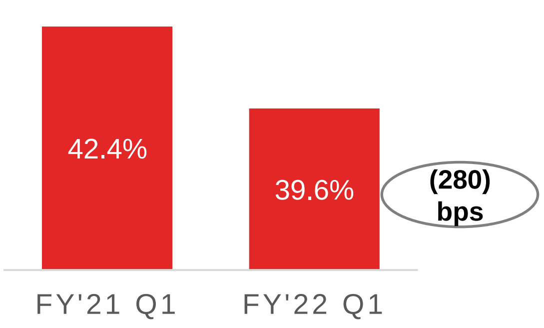
Trailing 12 Months



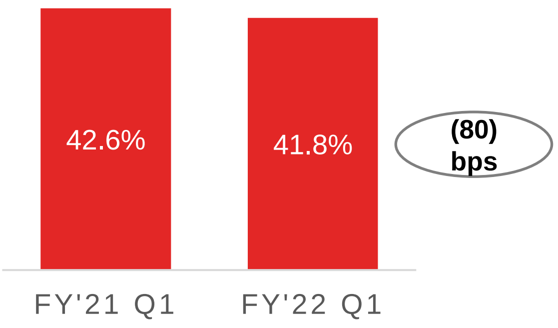
- Revenue +25% vs FY21 Q1, excluding FX +17%
- Growth in all regions except APAC
- Pricing increases effective July 2021 … no impact in Q1

Gross Margin %

Current Quarter



Trailing 12 Months[-a)]



- Manufacturing cost increases and under-absorption due to global supply chain timing and labor shortages
- Headwind from larger projects with dilutive margins
- Slight headwind from legacy MRO/UE[-b)] mix of 65% versus prior year of 68%

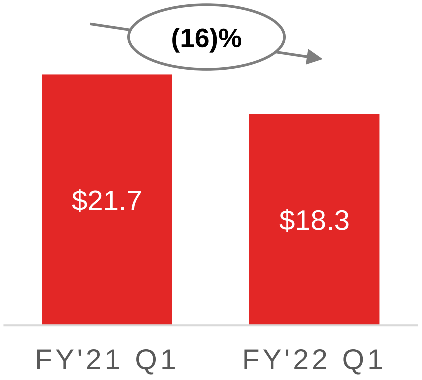
(a-FY'21 includes unusual items of $4.9 million
(b- MRO/UE revenues refer to legacy business only

SG&A and Adjusted EBITDA

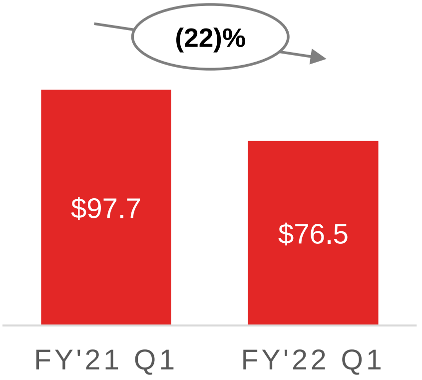
$USD in millions

SG&A

Current Quarter



Trailing 12 Months

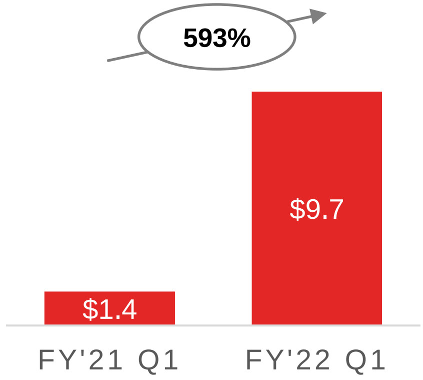


SG&A Reconciliation	FY'21	FY'22
Selling, general and administrative expenses-a)	$108.4	$88.1
(-) Depreciation	10.7	11.6
SG&A	**$97.7**	**$76.5**

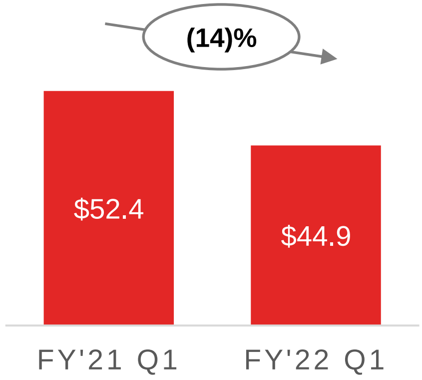
- Continued cost discipline & impact of FY21 actions

Adjusted EBITDA

Current Quarter



Trailing 12 Months



	Current Quarter FY'21 Q1	Current Quarter FY'22 Q1	Trailing 12 Months FY'21 Q1	Trailing 12 Months FY'22 Q1
Adj. EBITDA Margin %	**2.4%**	**13.6%**	**15.1%**	**15.5%**

- Significant operating leverage due to increased volume and cost management efforts

(a-previously "Marketing, general and administrative and engineering"

Balance Sheet and Cash Flow

$USD in millions

Selected Balance Sheet Accounts

	Q1'22	Q1'21	YOY%
Cash	$41.1	$48.2	(14.7%)
Total Debt	$147.9	$179.0	(17.4%)
Net Debt / Adjusted EBITDA	2.4x	2.5x	(0.1x)
Working Capital [–a)]	$116.0	$118.6	(2.2%)
WC % of TTM Revenue	39.6%	34.2%	

- No optional debt repayments in Q1'22
- Working Capital decrease driven by inventory reductions

Selected Cash Flow

	Q1'22	Q1'21	YOY%
Net Income (GAAP)	$0.9	($6.1)	114.8%
CFOA	$2.5	$3.4	26.5%
CAPEX	$0.9	$2.1	(58.5%)
Free Cash Flow	$1.6	$1.3	23.1%
FCF % of NI	177.8%	21.3%	

- 12th consecutive quarter of positive free cash flow
- Q1'22 Depreciation $3.1 and Amortization $2.2
- Strength of asset-light business model

(a- Working Capital equals Accounts Receivable plus Inventory less Accounts Payable

Long Term Value Creation

Long Term Goals

2x in 5

Double the business in the next five years

> 60%

of revenues derived from non-Oil & Gas end markets

Strategic Initiatives

Technology Enabled Maintenance

- ✓ First Order for Genesis Network

End Market Diversification

- ✓ Estimate $750 million addressable Commercial market
- ✓ Launched two new products … 120V heat tracing and Low-Smoke, Zero Halogen for EU market

Developing Markets

- ✓ Finalizing competitive analysis

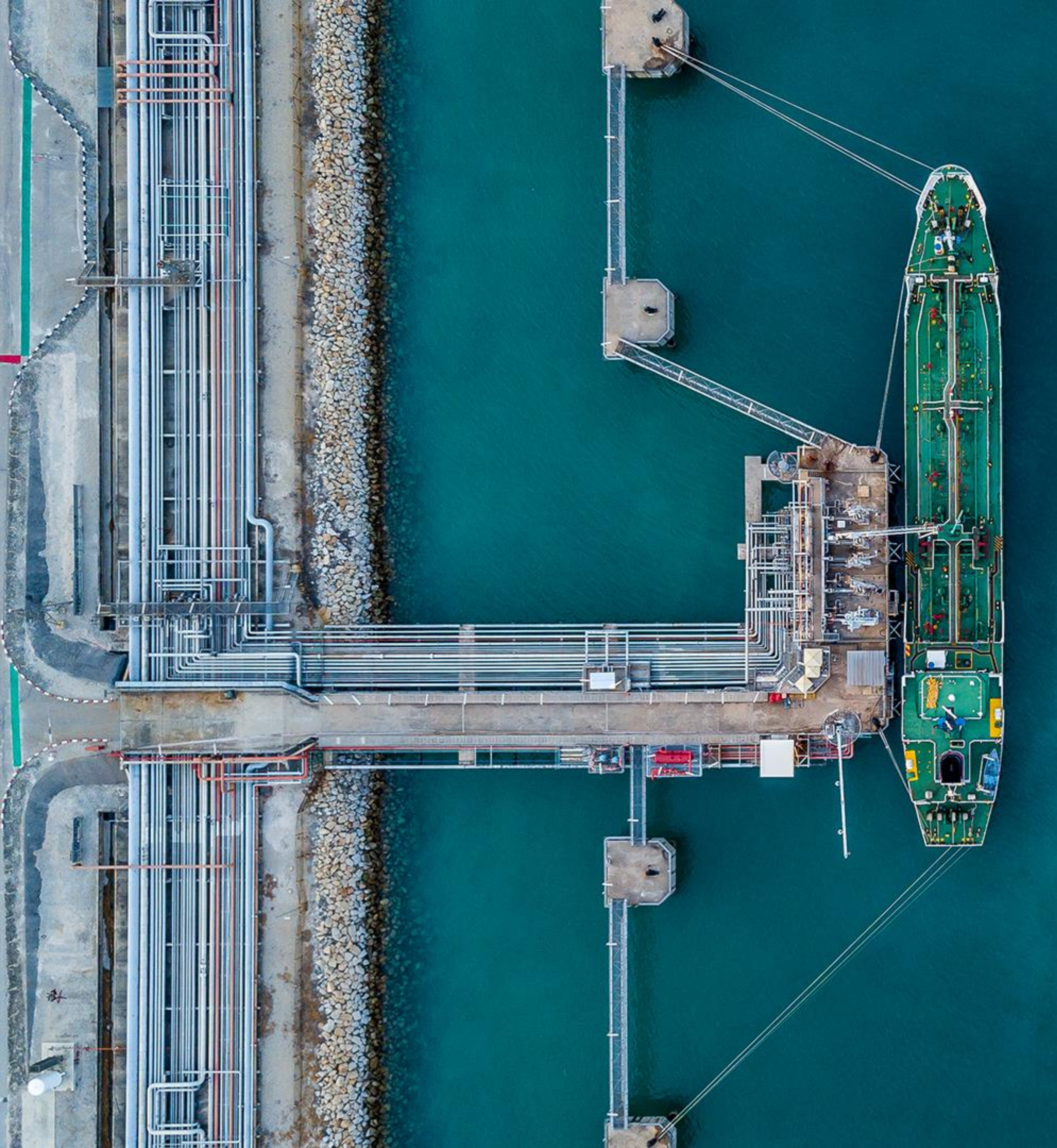
Investing in long-term strategic initiatives to drive incremental shareholder value

Fiscal 2022 Guidance

- FY'21 revenues of $276.2 million
- Raising FY'22 guidance due to improving customer spending
- FY'22 estimated revenue range of $293 - $308 million, or 6-12% growth

Other Modeling Items

- Continuous Improvement ~$2MM
- Effective tax rate of ~26% (previously 27%)
- Capex ~1.5 - 2.0% of revenue
- Net Debt to Adjusted EBITDA of 1.5 - 2.0x by 3/31/2022, excl. inorganic



a degree above

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