THERMON GROUP HOLDINGS, INC.
EARNINGS PRESENTATION

THIRD QUARTER FISCAL 2022

FEBRUARY 3, 2022

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 such as our Fiscal 2022 full-year guidance and five-year long term goals. 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 presentation. 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; (xxxi) our ability to remediate the material weakness identified in a previous quarterly period; and (xxxii) climate change and related regulation of greenhouse gases, and (xxxiii) those factors listed under Item 1A “Risk Factors” included in our Annual Report on Form 10-K/A 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 presentation 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," "Adjusted Net Income/(Loss)" and "Free Cash Flow" 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), amortization of intangible assets, tax expense for impact of foreign rate increases, withholding tax on dividend related to the debt amendment, loss on debt extinguishment, the benefit from the Canadian Emergency Wage Subsidy (the "CEWS"), and any tax effect of such adjustments. "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), the loss on our debt extinguishment, and income related to the CEWS. "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, net of sales of rental equipment and proceeds from sales of land and buildings.

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, Adjusted EBITDA Margin, Adjusted Net Income/(Loss) and Free Cash Flow 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. We provide Free Cash Flow as a measure of liquidity. Our calculation of Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income/(Loss) 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 and Adjusted Net Income/(Loss) are calculated and reconciliations to the corresponding GAAP measures, see the sections of our latest release titled "Reconciliation of Net Income/(Loss) to Adjusted EBITDA," "Reconciliation of Net Income/(Loss) to Adjusted Net Income/(Loss) and Adjusted EPS" and "Reconciliation of Cash Provided by Operating Activities to Free Cash Flow."

FY'22 Q3 SUMMARY

$USD in millions, except per share data

FY'22 Q3 Summary

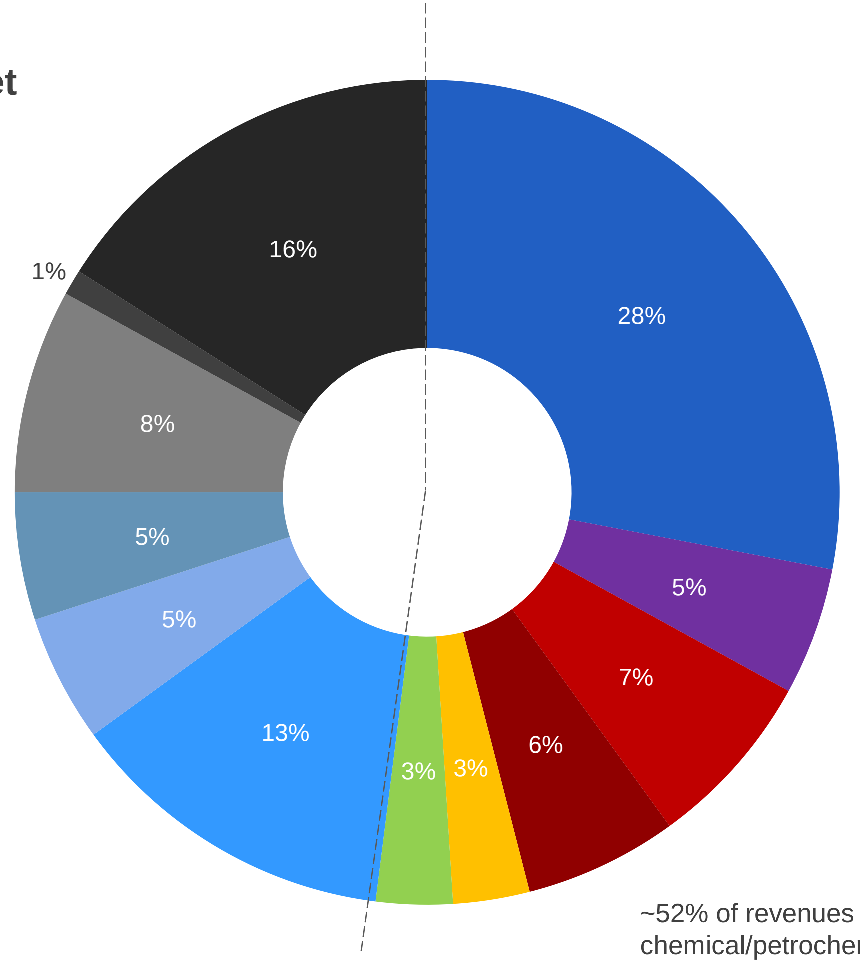
- Continued strong execution in a complex economy
- Growth driven by North America
- Global supply chain challenges persist … price realization helping to offset increasing material and transportation costs
- Disciplined cost management … annual SG&A run-rate on target to meet $80MM goal
- Progressing with long-term strategic initiatives
  - Developing Markets
  - End Market Diversification
  - Technology Enabled Maintenance

	Q3'22	Q3'21	YOY%
Revenue	$100.6	$79.6	26.4%
Net Income	$11.3	$6.2	82.3%
Adjusted EBITDA	$20.6	$18.5	11.4%
Net Debt/Adj. EBITDA	2.2x	3.0x	(0.8x)
Free Cash Flow	$2.6	$2.3	13.0%
GAAP EPS	$0.33	$0.18	83.3%
Adjusted EPS	$0.37	$0.30	23.3%

External Environment

THR Revenue by end market
Fiscal 2021

- **Chemical/Petrochemical**
- **Power**
- **Commercial**
- **General Industries and Other**
- **Rail and Transit**
- Strategic Adjacencies*
- Downstream Gas
- Midstream Gas
- Upstream Gas
- Dowstream Oil/Refining
- Midstream Oil
- Upstream Oil



~52% of revenues from chemical/petrochemical, power and other non-oil & gas end-markets

Selected End Market Trends

Chemical / Petrochemical: Improving maintenance environment with CAPEX cycle emerging on tight resin supply … building momentum into FY23

Power: Strong 60% year-over-year order growth positively impacted by winter storm Uri in the Texas Gulf Coast. Demand growth across Asia creating longer term opportunities.

Rail and Transit: Continued momentum in Transit/Rail with bookings up over 20% from prior year. Launched new Hovey Hellfire Blizzard Duty for rail switch heating.

Strategic Adjacencies: Gaining traction in Commercial, Food and Beverage and Hydrogen. Well positioned to play leading role in energy transition.

Downstream / Midstream Gas: Previously delayed projects being revisited due to tightening supply

Downstream Oil / Refining: Continued CAPEX investments in Biofuels with over $3MM in bookings in the quarter and a solid pipeline of project opportunities

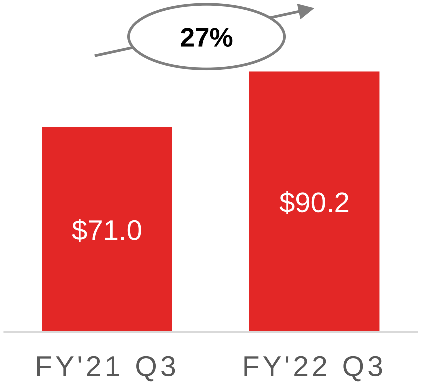
*Strategic Adjacencies includes Mining and Mineral Processing, Maritime/Shipbuilding, Semiconductors Pharmaceutical and BioTechnology, Food and Beverage, Data Centers and Renewables

Orders and Backlog

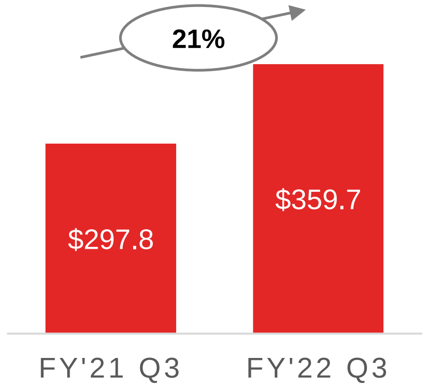
$USD in millions

Orders

Current Quarter



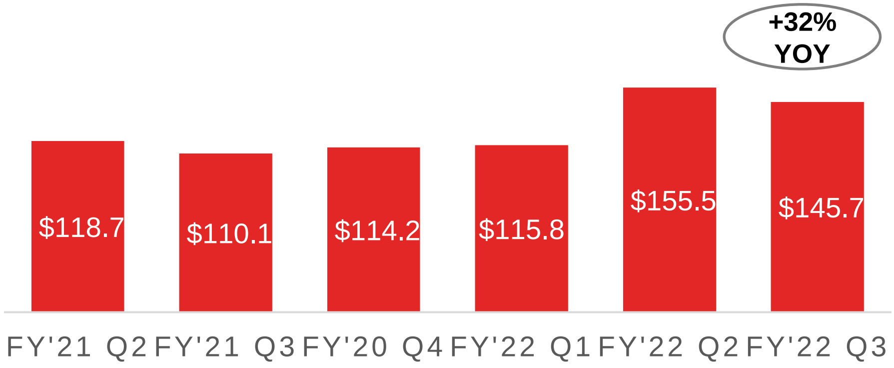
Trailing 12 Months



- Orders +27% driven by North America spending
- Positive book-to-bill excluding one-time contract
- TTM orders of $335MM excluding one-time contract … supports continued growth in FY23

Backlog

Last Five Quarters



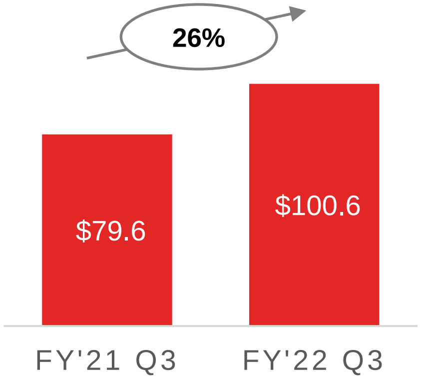
- Executing large projects in North America
- +1% sequential improvement excluding one-time contract

Revenue and Gross Margin

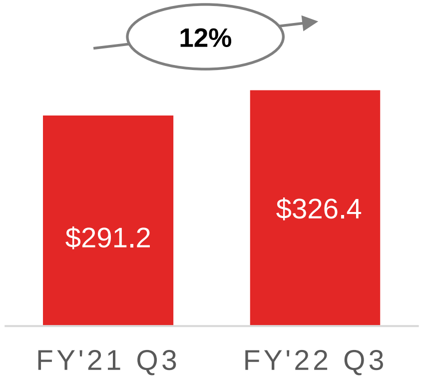
$USD in millions

Revenue

Current Quarter



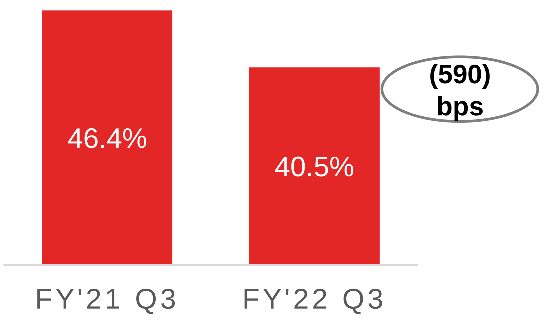
Trailing 12 Months



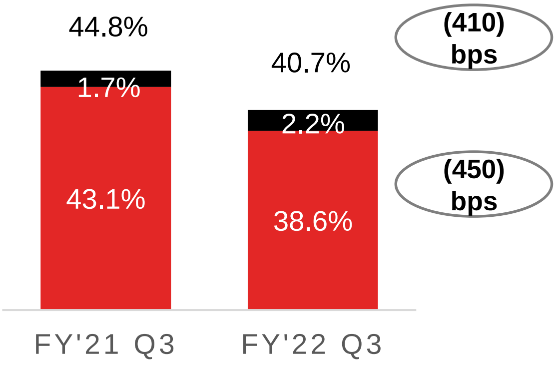
- Revenue +26% vs FY21 Q3, excluding FX +25%
- Continued strength in USLAM +68% and Canada +24%
- Price realization +200bps, predominantly in N. America

Adjusted Gross Margin %

Current Quarter



Trailing 12 Months[a)]



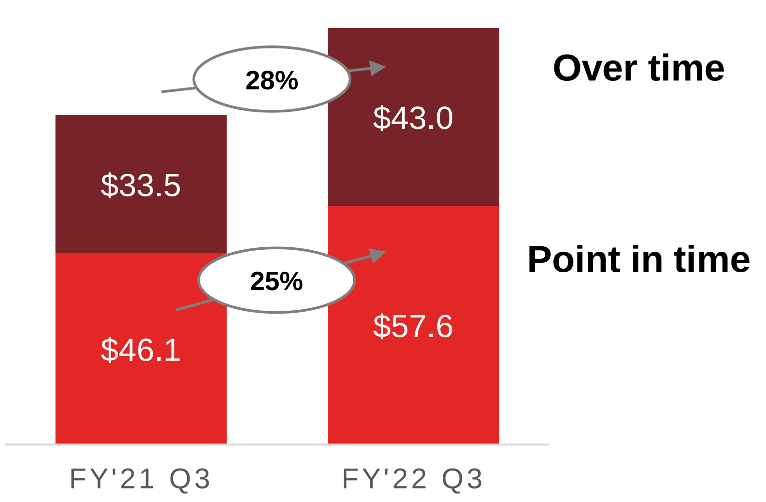
- Dilutive one-time contract … (250)bps
- Global supply chain cumulative impact … (350)bps
- Mix, Canadian Emergency Wage Subsidy … (190)bps

(a-TTM'21 includes unusual items of $3.9 million and TTM'22 $8.0 million

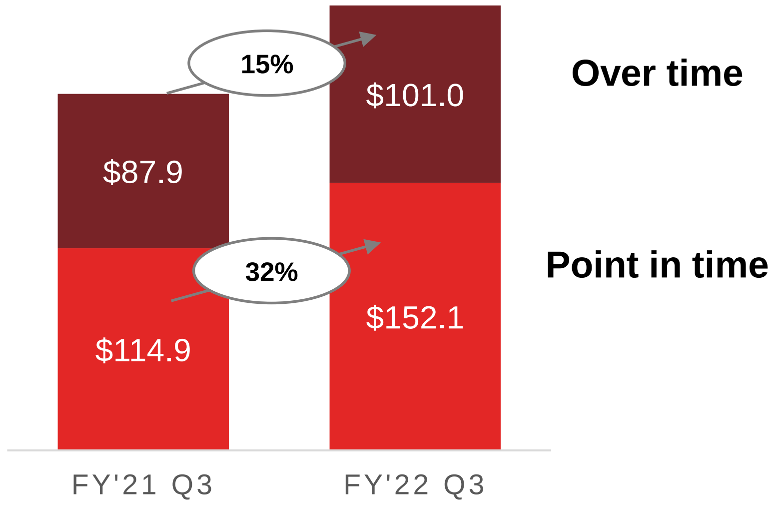
Over Time vs Point in Time Revenue

$USD in millions

Current Quarter



Year to Date



- Improved metric to evaluate revenue trends and underlying business performance
- Accounts for 100% of THR revenues, not only legacy heat tracing business
- Point in time growth supportive of the acceleration of customer spending and value of THR's large, global installed base

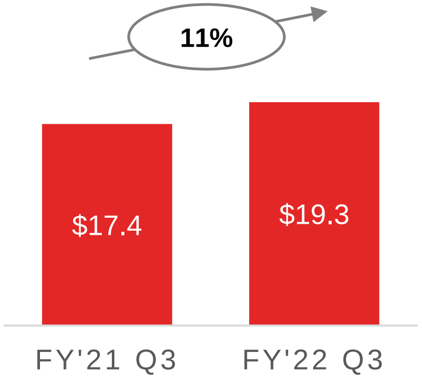
Revenue recognized at a point-in-time based on when control goes over to the customer is generally related to our product sales. Point-in-time revenue does not typically require engineering or installation services. Revenue recognized over time occurs on our projects where engineering or installation services, or a combination of the two, are required. See Note 10 of our latest 10-Q for additional information.

SG&A and Adjusted EBITDA

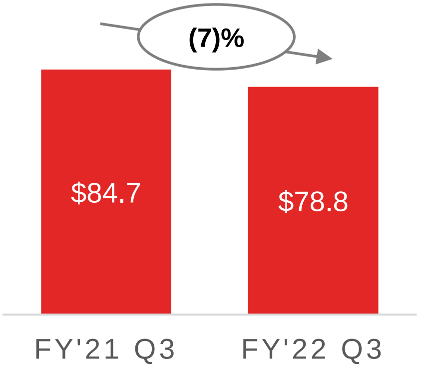
$USD in millions

SG&A

Current Quarter



Trailing 12 Months

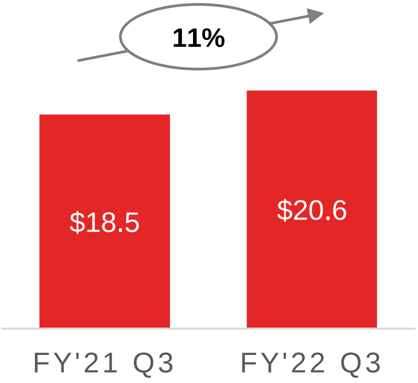


SG&A Reconciliation	FY'21 TTM	FY'22 TTM
Selling, general and administrative expenses[a)]	$95.7	$90.4
(-) Depreciation	11.1	11.7
SG&A	**$84.7**	**$78.8**

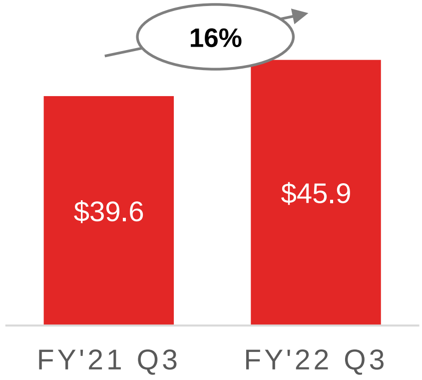
- Run-rate spending on target for FY22 goal of ~$80MM

Adjusted EBITDA

Current Quarter



Trailing 12 Months



	Current Quarter FY'21 Q3	Current Quarter FY'22 Q3	TTM FY'21 Q3	TTM FY'22 Q3
Adj. EBITDA Margin %	**23.3%**	**20.5%**	**13.6%**	**14.1%**

- Strong volume growth with price realization helping to offset inflationary cost environment
- Investing for the future & managing run-rate spending
- Significant operating leverage & incremental growth

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

Balance Sheet and Cash Flow

$USD in millions

Selected Balance Sheet Accounts

	Q3'22	Q3'21	YOY%
Cash	$32.6	$49.6	(34.3%)
Total Debt	$132.8	$169.1	(21.5%)
Net Debt / Adjusted EBITDA	2.2x	3.0x	(0.8x)
Working Capital –a)	$124.3	$127.6	(2.6%)
WC % of TTM Revenue	38.1%	43.8%	

- $7MM optional debt repayments in Q3'22
- Cash conversion cycle 130 days … ↓62 days vs. PY

Selected Cash Flow

	Q3'22	Q3'21	YOY%
Net Income (GAAP)	$11.3	$6.2	82.3%
CFOA	$3.3	$2.9	13.8%
CAPEX	$0.7	$0.5	40.0%
Free Cash Flow	$2.6	$2.3	13.0%
FCF % of NI (GAAP)	23.0%	37.1%	

- 14^{th} consecutive quarter of positive free cash flow
- Q2'22 Depreciation $2.8MM and Amortization $2.2MM
- Investing in working capital as business grows

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

Strategic Initiatives

Developing Markets

- ✓ Bottom's up market analysis by product line ... each country has unique features to be addressed
- → Evaluating localization strategy

Delayed rebound in Eastern Hemisphere from pandemic

Diversification

- ✓ Two new products launched
  - Commercial D-profile heat tracer
  - Rail Switch-heater Blizzard Duty
- ✓ Successful Food & Beverage training and marketing campaign

Well positioned to enable energy transition with over $16M in hydrogen opportunities

Technology Enabled Maintenance

- ✓ Genesis Network momentum building … positive feedback from completed & in-process trials
- ✓ Robust opportunity pipeline and quoting activity

3

Genesis Network Purchase Orders

Fiscal 2022 Guidance

- FY’21 revenues of $276.2 million
- Raising FY’22 guidance due to strength and pace of customer spending
- FY’22 estimated revenue range of $342 - $350 million, or 24-27% growth
- Includes impact of ~$20MM revenue from large one-time contract in FY22

Other Modeling Assumptions

- Continuous improvement & pricing to help offset inflationary pressures
- Effective tax rate of ~26%
- Capex ~1.5 - 2.0% of revenue
- Net Debt to Adjusted EBITDA of ~1.5x by 3/31/2022, excl. inorganic

THERMON

a degree above

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