THERMON GROUP HOLDINGS, INC. EARNINGS PRESENTATION

FIRST QUARTER FISCAL 2023

AUGUST 4, 2022

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 such as the anticipated financial performance of our Powerblanket acquisition, our execution of our strategic initiatives, our ability to achieve our financial performance targets for fiscal 2026 and our Fiscal 2023 full-year guidance. 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 a global pandemic, including the current pandemic (COVID-19 and its variants); (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 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; (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) changes in government administrative policy; (xxx) the current geopolitical instability in Russia and Ukraine and related sanctions by the U.S. and Canadian governments and European Union; (xxxi) environmental and health and safety laws and regulations as well as environmental liabilities; 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 for the fiscal year ended March 31, 2022 as filed with the Securities and Exchange Commission (the “SEC”) on May 26, 2022 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 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 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, loss on debt extinguishment, the benefit from the CEWS, Acquisition related cost 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, Adjusted EBITDA margin 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, Adjusted EBITDA margin, Adjusted Net Income/(Loss) and Free Cash Flow are calculated and reconciliations to the corresponding GAAP measures, see the sections of our latest Press 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'23 Q1 SUMMARY

$USD in millions, except per share data

FY'23 Q1 Summary

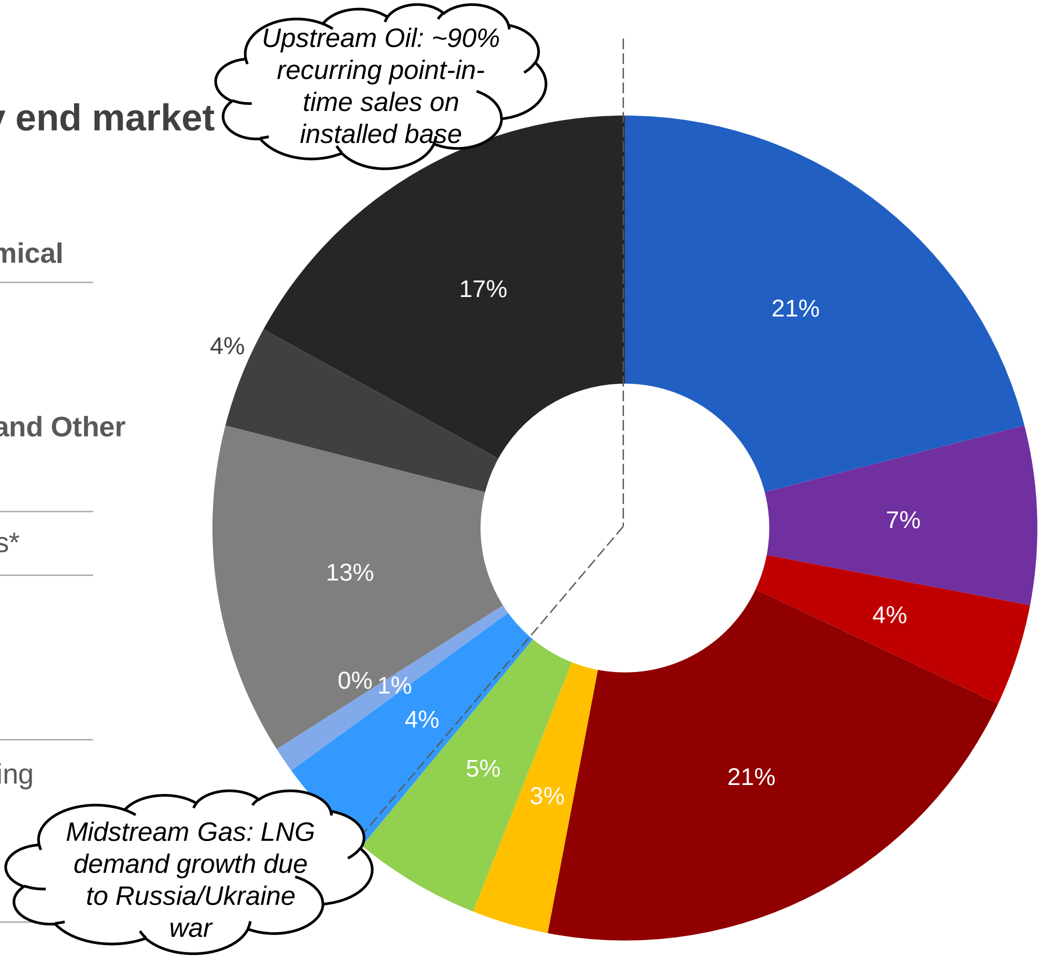
- Adjusted EBITDA doubling on 34% revenue growth
- Record Q1 bookings and revenue
- Backlog near an all-time high
- Growth driven by North America across all markets with a solid recovery in oil and gas
- Some weakness showing in Europe
- Global supply chain challenges persist … price realization offsetting material and transportation costs
- Driving profitable growth … balancing long-term strategic investments to scale and diversify the business with disciplined cost management
- Acquired Powerblanket … 1st acquisition since 2017
- Raising full year guidance for revenue and EPS

	Q1'23	Q1'22	YOY%
Revenue	$95.4	$71.2	34.1%
Net Income	$6.6	($0.3)	FAV
Adjusted EBITDA	$16.6	$8.1	105.7%
Net Debt/Adj. EBITDA	1.7x	2.5x	(0.8x)
Free Cash Flow	$10.3	$1.6	543.8%
GAAP EPS	$0.20	($0.01)	FAV
Adjusted EPS	$0.25	$0.04	525.0%

EXTERNAL ENVIRONMENT

THR Revenue by end market Fiscal 2022

- **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



~60% of revenues from chemical / petrochemical, power and other non-oil & gas end-markets

Selected End Market Trends

Fiscal 2023

Chemical / Petrochemical
Strong maintenance environment with customer focus on utilization rates. Customer demand for end-use plastics continues to drive short-term investment.

Power
Multi-year domestic investment cycle driven by Texas Gulf Coast spending. Longer term opportunities in Eastern Hemisphere.

Rail and Transit:
Growing share in North America; investing in EMEA business development. Infrastructure spending tailwind.

Strategic Adjacencies:
Well-positioned to play leading role in energy transition, industrial electrification, the hydrogen economy, and alternative energy.

Downstream / Midstream Gas
Growing LNG opportunities and backlog as spreads remain attractive and Europe looks for alternatives. CAPEX investment continues.

Downstream Oil / Refining
Elevated demand and commodity pricing driving recovery in customer maintenance spending. Biofuels and green diesel refinery conversions driving CAPEX.

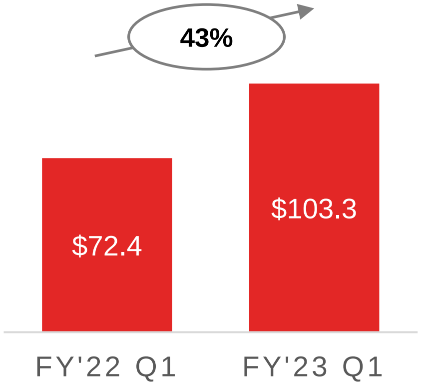
*Strategic Adjacencies includes Mining and Mineral Processing, Maritime/Shipbuilding, Semiconductors Pharmaceutical and BioTechnology, Food and Beverage, Data Centers and Renewables

ORDERS AND BACKLOG

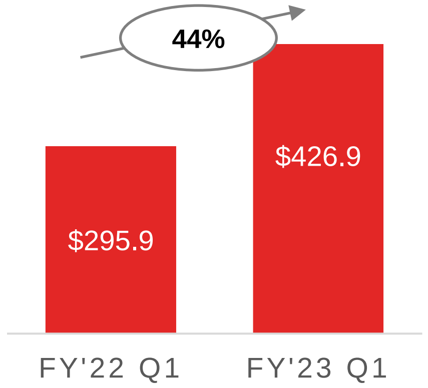
$USD in millions

Orders

Current Quarter



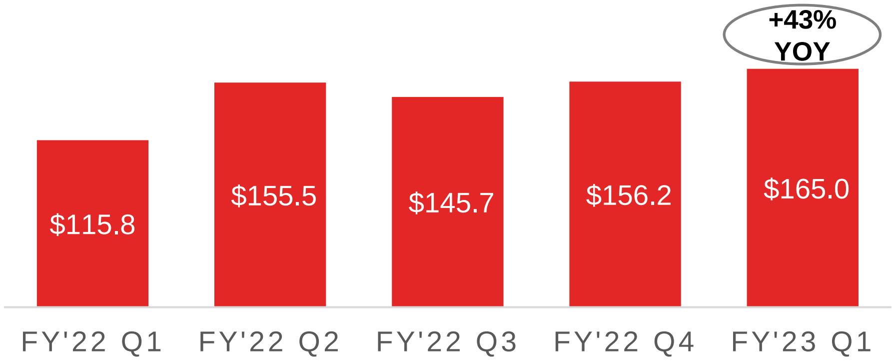
Trailing 12 Months



- North America spending remains strong
- 1.16x book-to-bill excluding one-time labor contract
- TTM orders of $396 million excluding one-time labor contract … supports increased forecast in FY23

Backlog

Last Five Quarters



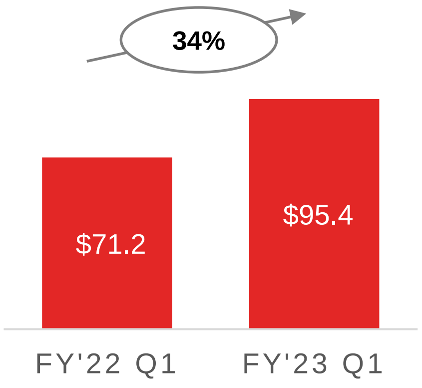
- +39% YoY growth excluding FX
- +6% sequential improvement
- Gross margins in backlog remain strong

REVENUE

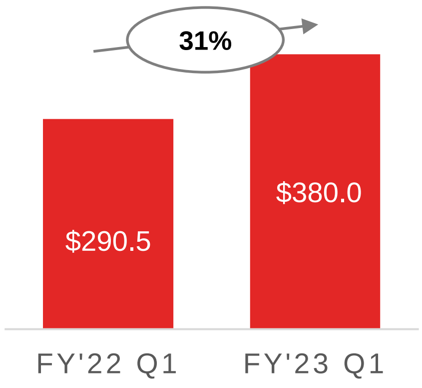
$USD in millions

Revenue

Current Quarter



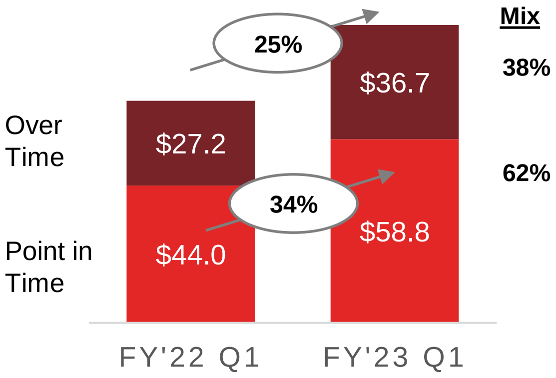
Trailing 12 Months



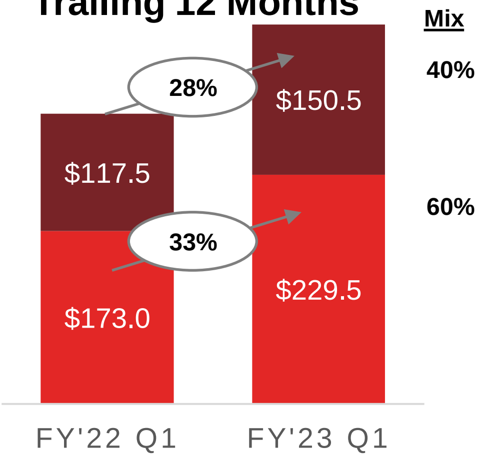
- Revenue +34%, excluding FX +38%, driven by USLAM +101% and Canada +27% in Q1'23
- $7.3 million impact from one time contract in Q1, $30.8 million total contract value completed in Q1'23
- Organic revenue +33% … +1pt from Powerblanket

Point in Time vs Over Time

Current Quarter



Trailing 12 Months



- Point in time representative of product / materials sales
- Over time representative of projects … +35% and +8%, respectively, excluding one-time contract
- Q1'23 Mix: Excluding one-time labor contract 67% and 33% respectively

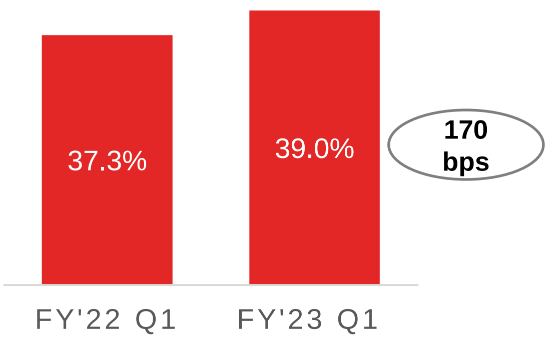
Revenue recognized at a point-in-time based on when control goes over to the customer is generally related to our product sales. Point-in-time revenue does not typically require engineering or installation services. Revenue recognized over time occurs on our projects where engineering or installation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

GROSS MARGIN AND SG&A

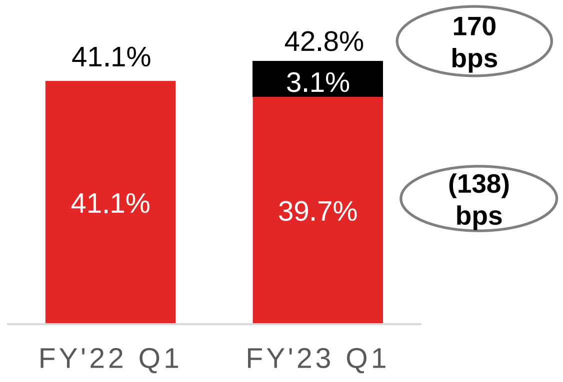
$USD in millions

Adjusted Gross Margin %

Current Quarter



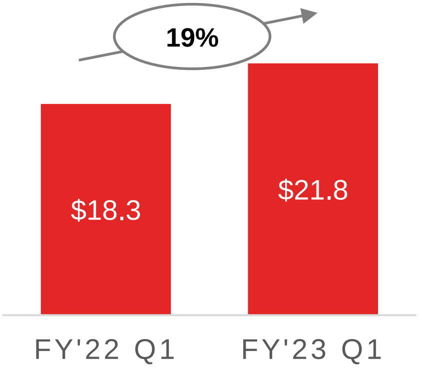
Trailing 12 Months-a)



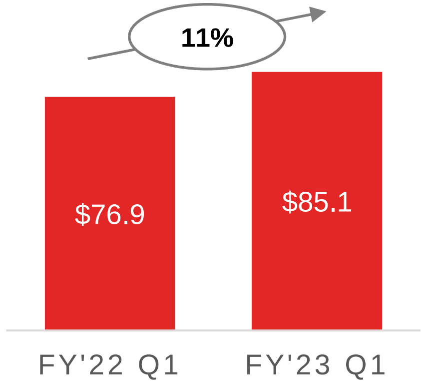
- Current quarter year over year drivers include:
- Large one-time contract (260)bps
- Volume +490bps and pricing +270bps offset by global supply chain (290)bps and other (40)bps

SG&A

Current Quarter



Trailing 12 Months



	Current Quarter FY'22 Q1	Current Quarter FY'23 Q1	Trailing 12 Months FY'22 Q1	Trailing 12 Months FY'23 Q1
SG&A % of revenue	25.7%	22.8%	26.5%	22.4%

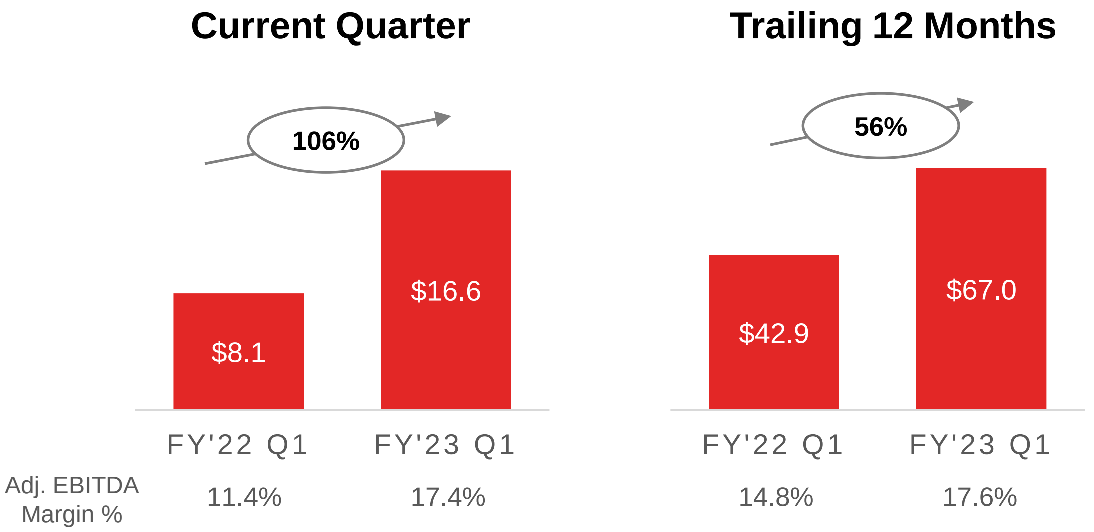
SG&A Reconciliation	FY'22	FY'23
Selling, general and administrative expenses-b)	$88.5	$96.1
(-) Depreciation	11.6	11.0
SG&A	**$76.9**	**$85.1**

(a- TTM FY22 includes unusual items of $1.4 million
(b-previously "Marketing, general and administrative and engineering"
Note: FY22 Gross Profit as corrected in SEC Form 10-Q for the Quarter ended September 30, 2021

ADJUSTED EBITDA AND EARNINGS PER SHARE

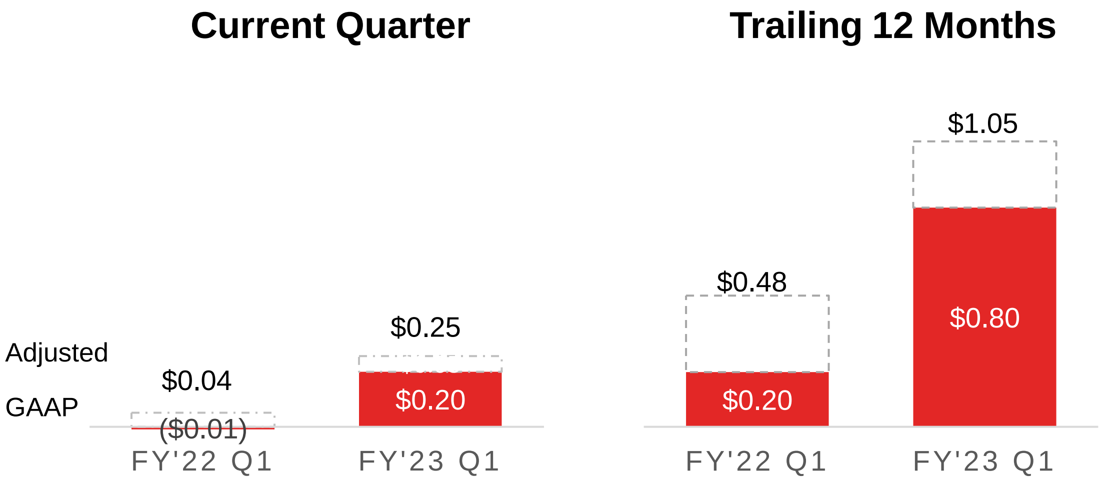
$USD in millions

Adjusted EBITDA



- Q1'23 Adjusted EBITDA margin expansion of 600bps … driving volume growth while managing controllable costs
- Continue to monitor price-cost equation … operational excellence transformation underway

Earnings Per Share



- $0.22 per year impact from Amortization
- TTM Adjusted EPS +120%

BALANCE SHEET AND CASH FLOW

$USD in millions

Selected Balance Sheet Accounts

	Q1'23	Q1'22	YOY%
Cash	$40.0	$41.4	(3.4%)
Total Debt	$150.8	$147.9	(2.0%)
Net Debt / Adjusted EBITDA	1.7x	2.5x	(0.8x)
Working Capital –a)	$142.4	$133.4	6.7%
WC % of TTM Revenue	37.5%	45.9%	

- $22 million total debt increase versus 3/31/2022
- Expect seasonal inventory increase in 1H'23 + strategic investments in raw materials, supply chain constrains and inflationary pressures

Selected Cash Flow

	Q1'23	Q1'22	YOY%
Net Income (GAAP)	$6.5	$(0.3)	Fav
Depreciation & Amortization	*$5.0*	*$5.5*	*(9.1%)*
Change in Working Capital	*($5.0)*	*$3.7*	*(235.1%)*
Other	*$5.4*	*($6.4)*	*Fav*
CFOA	$11.9	$2.5	376.0%
CAPEX	$1.6	$0.9	77.8%
Free Cash Flow	$10.3	$1.6	543.8%
FCF % of NI (GAAP)	158%	Fav	

- 16th consecutive quarter of positive free cash flow
- Q1'23 Depreciation $2.6 and Amortization $2.3

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

POWERBLANKET ACQUISITION

Strategic Rationale

- Aligned with long term strategy
  - ~85% of revenues derived from non-oil and gas markets
  - Patented heat-spreading technology … opportunity to develop high temp solution for hazardous areas
- High quality management team and operational focus
- Attractive financial performance and outlook
  - Accretive EBITDA margins
  - Utilize existing Thermon 3rd party network and cross selling through online presence … expect significant revenue growth opportunity in next five years

Financial Information

- $35 million purchase price
- ~10x pro-forma FY22 EBITDA
- Funded through a combination of available cash and incremental borrowings under existing credit agmt.
- Expect revenue of at least $18 million in Fiscal 2023[a)]
- Expect GAAP EPS accretive in Fiscal 2023



(a- Refers to the revenue from the acquisition date of May 31, 2022 through the end of Thermon's Fiscal 2023, or March 31, 2023

STRATEGIC INITIATIVES – UPDATE

Developing Markets

- ✓ Expanding footprint in India with initial phase of expanded facility in H2
- → Additional business development resources in priority geographies

Initial investments … multi-year effort to complete

Diversification

- ✓ Represented 60% FY22 revenues
- ✓ Starting in near adjacent markets of Commercial, Food & Beverage and Rail & Transit … >$1B addressable
- ✓ Hired Rail & Transit BD Manager for European market

Well positioned to enable energy transition

Technology Enabled Maintenance

- ✓ Software releases add ability to monitor and manage 3rd party controllers
- ✓ First Genesis Network order in the Middle East
- → Driving market adoption with goals of >3x system sales growth in FY23

Building momentum with key customers

Executing against our long-term plan

SUSTAINABLE SOLUTIONS FOR A CLEANER FUTURE

Thermon EnviroDyne

Methane Destruction Unit for fugitive emissions

- ✓ Converts methane gas to CO2 reducing the greenhouse gas effect by 25x
- ✓ 95% Efficiency
- ✓ Cost savings on carbon credits
- ✓ First 20 units ordered

Electrification

Traditional gas fired heaters

Caloritech™ – 3x 100kW caustic gas heaters

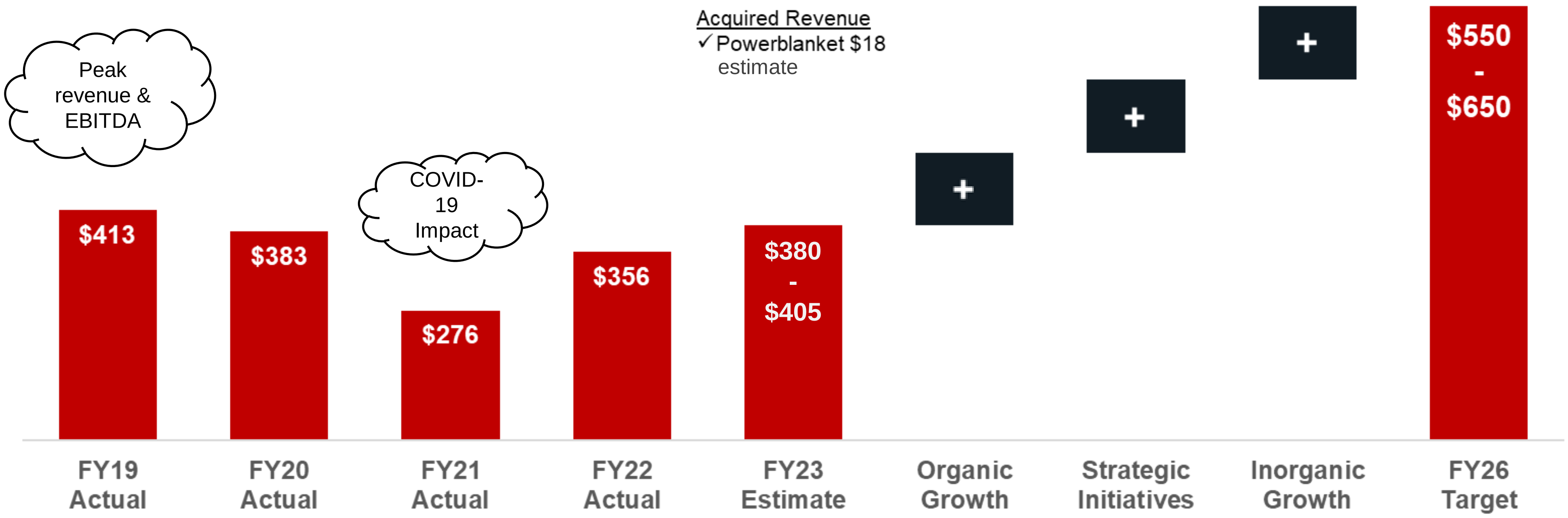
Electrification gaining momentum in traditional applications to replace hydrocarbon-based heaters

- ✓ Higher efficiency
- ✓ Lower emissions
- ✓ Large global installed base

Application: Sulfur Recovery Unit

FISCAL 2026 GOALS - UPDATE

$USD in millions



Targeting non-Oil & Gas revenues of ~65 - 70% by end of FY26

Remain on track for Fiscal 2026 growth goals

Profitable Growth + Diversification = Long Term Value Creation

FISCAL 2023 GUIDANCE - UPDATE

- Updated to include impact of Powerblanket acquisition and Q1'23 performance
- Revenue: estimate $380-405 million, 10% growth versus FY’22[-a)] at midpoint
- GAAP Earnings per Share: estimate $0.85-$0.97, or 52% growth versus FY’22 at midpoint
- Adjusted Earnings per Share (NEW): $1.07-$1.19, or 37% growth versus FY’22 at midpoint

Other Modeling Assumptions … no changes

- Operational Excellence & pricing offset inflationary pressures
- Capex 3.0 – 3.5% of revenue
- Effective tax rate of ~26%
- Long term target of Net Debt to Adjusted EBITDA of 1.5 – 2.0x

(a- FY’22 core includes $24.8 million of revenue from the large, one-time labor contract

THERMON

a degree above

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