

The image features a dark blue background with a bright, circular light flare in the center. The word "FLUIDRA" is written in a bold, dark blue, sans-serif font across the middle of the flare. Below it, the text "Fluidra FY RESULTS 2019" is written in a bold, white, sans-serif font, followed by "February 28th 2020" in a smaller, white, sans-serif font. The background is decorated with white, curved lines that suggest a globe or a stylized orbit.

FLUIDRA

Fluidra FY RESULTS 2019

February 28th 2020

DISCLAIMER

This document is for information purposes only and does not constitute an offer to sell, exchange or buy, or an invitation to make offers to buy, securities issued by any of the companies mentioned. This financial information has been prepared in accordance with International Financial Reporting Standards (IFRS). However, as it has not been audited, the information is not definitive and may be modified in the future.

The assumptions, information and forecasts contained herein do not guarantee future results and are exposed to risks and uncertainties; actual results may differ significantly from those used in the assumptions and forecasts for various reasons.

The information contained in this document may contain statements regarding future intentions, expectations or projections. All statements, other than those based on historical facts, are forward-looking statements, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations. Such forward-looking statements are affected, as such, by risks and uncertainties, which could mean that what actually happens does not correspond to them.

These risks include, amongst others, seasonal fluctuations that may change demand, industry competition, economic and legal conditions, and restrictions on free trade and/or political instability in the markets where the Fluidra Group operates or in those countries where the Group's products are manufactured or distributed. The Fluidra Group makes no commitment to issue updates or revisions concerning the forward-looking statements included in this financial information or concerning the expectations, events, conditions or circumstances on which these forward-looking statements are based.

In any event, the Fluidra Group provides information on these and other factors that may affect the Company's forward-looking statements, business and financial results in documents filed with the Spanish National Securities Market Commission. We invite all interested persons or entities to consult these documents.

In order to give a better understanding of the results, we comment on 12 month pro forma financial statements and provide a reconciliation to reported measures for Sales, EBITDA and Net Income.

In addition, in order to facilitate the business understanding, we have included the performance of Aquatron business in the regular operations. The consolidated financial statements under IFRS-UE have the Aquatron activity excluded from the continuing operations and included as discontinued activity.



FLUIDRA

TODAY'S SPEAKERS



Eloi Planes
Executive Chairman



Bruce Brooks
CEO



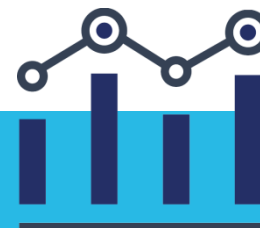
Xavier Tintoré
CFO

HIGHLIGHTS

- 1. Guidance achieved. Strong Q4 performance delivering full year growth in all regions.**
- 2. North America shows full year growth with continued topline acceleration and operating leverage on a normalizing volume.**
- 3. Achieved €29M run rate synergies, surpassing original €19M target synergies and beating revised guidance of €27M; vast majority of the integration is behind us.**
- 4. Fundamentals of the business remain solid, our leading platform is ready for greater growth following successful integration. On track with 2022 Plan.**

SUMMARY

January-December Main figures	PF 2018	PF 2019		IFRS 16 PF 2019
	€M	€M	Evol. 19/18	€M
Sales	1,316.2	1,367.6	3.9%	1,367.6
EBITDA	221.3	244.2	10.3%	268.8
EBITA	181.2	201.0	10.9%	203.1
Cash EPS	0.50	0.57	12.1%	0.56
Net Working Capital	322.6	276.3	(14.4%)	282.7
Net Debt	719.7	635.0	(11.8%)	756.8
<i>Net Debt / EBITDA</i>	<i>3.3x</i>	<i>2.6x</i>	<i>(20.0%)</i>	<i>2.8x</i>
Full year run rate synergies achieved		29.0		29.0



- **Sales** grew by 3.9%, with accelerated performance across the regions led by Europe. Currency and perimeter adjusted growth of 3.7%.
- Excellent **EBITDA** and **EBITA** evolution driven by Gross Margin expansion and cost synergies.
- **Net Working Capital** improved with positive focus on all lines and some one-off contributors.
- **Net Debt** lowers by 13% on currency adjusted basis driven by strong cash generation. Multiple deleverage by 0.7x turns.

EXECUTING THE 2022 STRATEGIC PLAN

INTEGRATION

- Cost synergies revised upwards by €5M to €40M.
- Ambition of €59M revenue synergies to be reached by 2022, €42M net of dis-synergies.
 - North America: (i) expand residential pool offering and (ii) developing new commercial pool business unit leveraging existing manufacturing footprint and knowledge.
 - Europe and Southern Hemisphere: leverage distribution platform.

VALUE INITIATIVES & LEAN UPDATE

- Value initiatives and lean target revised upwards by €5M to €30M.

Upwardly revised value initiatives and cost synergies, as well as revenue synergies provide upside opportunity / hedge for change in macro environment.

AGREEMENT ON AQUATRON

- Agreements with BWT for €10.5M in 2019 (€6.2M cash flow impact), which among other topics, release the minimum volume commitment for years 2020, 2021 and 2022.
- The release of the minimum volume commitment will allow Fluidra to focus on the distribution of Zodiac electric pool cleaners that provide greater integrated margin.

DEBT REPRICING

- Successful repricing process completed in January 2020, combined with €150M repayment provides more than €7M annual savings:

	Euro	USD	RCF
Margin decrease (in bps)	75	25	50

FABTRONICS ACQUISITION – RESUMING M&A IN 2020

- Deal strengthens Fluidra’s R&D capabilities and is EBITDA accretive for our Australian operations.
- The purchase price for 80% of the shares was AUD 15m, agreed takeover also includes a set of earn-outs to take place during the following three calendar years.

SALES BY GEOGRAPHY

January-
DecemberPF
2018

2019

	€M	% sales	€M	% sales	Evol. 19/18	Constant FX
Southern Europe ⁽¹⁾	431.3	32.8%	442.8	32.4%	2.7%	2.7%
Rest of Europe	215.2	16.4%	230.0	16.8%	6.9%	6.6%
North America ⁽²⁾	403.1	30.6%	425.9	31.1%	5.7%	0.3%
Rest of the World	266.6	20.3%	268.8	19.7%	0.8%	1.6%
TOTAL	1,316.2	100.0%	1,367.6	100.0%	3.9%	2.3%

- **Southern Europe**, good evolution in the year, with a solid performance in France. Adjusted for perimeter, growth was 5.3%.
- **Rest of Europe**, outstanding growth in Eastern Europe. Adjusted for FX and perimeter, the increase was 7.3%.
- **North America**, positive performance with core equipment growing at mid single digit offset by Aqua Products dis-synergies. Standalone FX and perimeter adjusted Q4 growth of 8.2%.
- **Rest of the World**, good performance in Asia and Latin America which offsets a weaker evolution in South Africa and merger related challenges in Australia. Standalone FX and perimeter adjusted Q4 growth of 6.4%.

(1) PF 2018 and 2019 sales by geography include some slight reclassification. For further quarterly details please see page 18 in appendix

(2) Includes IFRS 15 impact.

SALES BY BUSINESS UNIT

January-
December

PF
2018

2019

	€M	% sales	€M	% sales	Evol. 19/18
Pool & Wellness	1,270.6	96.5%	1,319.8	96.5%	3.9%
Residential	919.2	69.8%	953.1	69.7%	3.7%
Commercial	95.1	7.2%	99.1	7.2%	4.2%
Pool Water Treatment	179.3	13.6%	191.9	14.0%	7.0%
Fluid Handling	77.0	5.8%	75.8	5.5%	(1.6%)
Irrigation, Industrial & Others	45.6	3.5%	47.8	3.5%	4.7%
TOTAL	1,316.2	100.0%	1,367.6	100.0%	3.9%



- **Residential Pool** grew 3.7% with an excellent recovery of gas heaters and strong performance of above ground pools and pool covers. Adjusted for change in perimeter growth would be 5.7%.
- **Commercial Pool** increased 4.2% and confirmed the positive trend shown in the first nine months.
- **Pool Water Treatment** evolution showed good results for both chemicals and water care equipment.
- **Pool & Wellness Fluid Handling** recorded a weaker evolution in Q4.

PRO FORMA PROFIT & LOSS



January-December	PF 2018		PF 2019		Evol. 19/18	IFRS 16 PF 2019
	€M	% sales	€M	% sales		€M
Sales	1,316.2	100%	1,367.6	100%	3.9%	1,367.6
Gross Margin	681.0	51.7%	708.1	51.8%	4.0%	708.1
Opex before Dep. & Amort.	461.3	35.0%	469.9	34.4%	1.9%	445.2
Provisions for Bad Debt	3.4	0.3%	4.1	0.3%	22.0%	4.1
EBITDA⁽¹⁾	221.3	16.8%	244.2	17.9%	10.3%	268.8
Depreciation	40.1	3.0%	43.2	3.2%	7.9%	65.7
EBITA	181.2	13.8%	201.0	14.7%	10.9%	203.1
Amortization	43.5	3.3%	63.9	4.7%	47.0%	63.9
Net Financial Result	48.1	3.7%	50.5	3.7%	4.9%	55.4
Tax expense	24.8	1.9%	24.5	1.8%	(1.0%)	23.7
Net Profit	64.9	4.9%	62.0	4.5%	(4.3%)	60.0

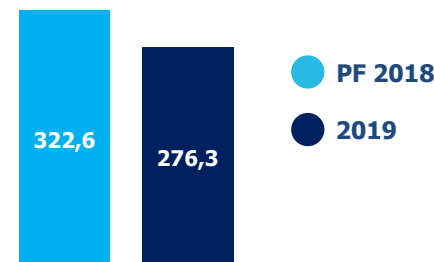
- **Positive Sales** evolution with a strong performance in Germany, France and the UK.
- **Gross Margin** evolved well based on mix and price increases, that help offset commodities cost and US tariffs.
- **Opex** evolution is driven by investments in our key commercial initiatives and merger related inefficiencies, partially covered by cost synergies.
- Outstanding **EBITDA** and **EBITA** performance in Q4 delivered by volume and cost synergies.
- **Amortization** increased due to non-cash merger-related PPA accounting.
- **Net Financial Result** increased due to minority buy-outs.

(1) EBITDA includes €5.0M of run rate synergies in 2018 and €10.1M in 2019

NET WORKING CAPITAL

December	PF 2018	2019		IFRS 16 2019
	€M	€M	Evol. 19/18	€M
Inventory	260.4	259.5	(0.4%)	259.5
Accounts Receivable	313.0	314.7	0.6%	314.7
Accounts Payable	250.9	297.9	18.8%	291.6
Net Working Capital	322.6	276.3	(14.4%)	282.7
<i>NWC / Sales</i>	24.5%	20.2%	(4.3%)	20.7%

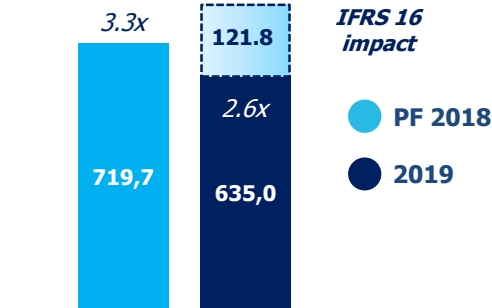
Net Working Capital



- All Net Working Capital lines improved. €25M one-off Accounts Payable items contribute positively. Net Working Capital levels ahead of our 2022 Strategic Plan guidance.
- IFRS 16 Net Working Capital adjustment due to accounting treatment of lease discounts.

NET DEBT AND FREE CASH FLOW

Net Debt



January-December

	PF 2018	2019	Evol. 19/18
	€M	€M	
EBITDA	221.3	244.2	10.3%
Increase (-) / Decrease (+) NWC	(12.6)	46.3	nm
Capex (-)	48.2	47.6	(1.3%)
Free Cash Flow	160.5	242.9	51.3%

- Free Cash Flow grew 51.3% year-on-year driven by both higher EBITDA generation and higher Payable levels.
- Net Financial Debt lowers by 13% on currency adjusted basis driven by strong cash generation, multiple deleverage by 0.7x turns.
- The IFRS 16 implementation adds €121.8M of lease liabilities to Net Debt.

CONCLUSIONS

- 1. Good performance in the first full year of integration led by our global platform: 3.9% sales growth, 10.3% EBITDA expansion and 0.7x Net Financial Debt deleverage.**
- 2. Integration work almost entirely behind us. Surpassed synergies for 2019 (€29M vs upwardly revised €27M run rate target). Our team can now increase focus on customers, driving greater growth.**
- 3. Having incurred the majority of the integration expense, we will start using our significant cash generation on accretive capital allocation priorities.**
- 4. We reconfirm our 2022 Strategic Plan guidance. Management is confident on achieving the following full year 2020 targets:**
 - Sales between €1,435 - €1,465 M**
 - EBITDA between €265 - €285 M (€289 - €309 M post IFRS 16)**
 - With a seasonal business, acquisitions / divestments, some quarters may show unusual comparisons.**

A young girl with blonde hair is swimming underwater. She is wearing pink swimming goggles and a white and blue patterned swimsuit. She is smiling and giving a thumbs up with both hands. The background is a clear blue water surface with ripples. The entire image is framed by a white circular border.

THANK YOU!

FLUIDRA

APPENDIX (I): REPORTED PROFIT AND LOSS ACCOUNT

€M	2018	% of sales	IFRS 16 2019	% of sales	Evol. 19/18
Sales	1,029.6	100%	1,367.6	100.0%	32.8%
Gross Margin	491.4	47.7%	701.5	51.3%	42.8%
OPEX	422.8	41.1%	492.0	36.0%	16.4%
Provision	3.3	0.3%	4.2	0.3%	26.8%
EBITDA	65.3	6.3%	205.3	15.0%	214.1%
D&A	66.7	6.5%	129.8	9.5%	94.5%
Financial Result	27.6	2.7%	55.4	4.1%	100.9%
PBT	(29.0)	(2.8%)	20.1	1.5%	(169.4%)
Taxes	3.9	0.4%	6.0	0.4%	55.1%
Minorities	2.0	0.2%	5.7	0.4%	183.8%
NP from Cont. Oper.	(34.8)	(3.4%)	8.4	0.6%	(124.2%)
NP from Disc. Oper.	0.9	0.1%	(0.1)	0.0%	(112.7%)
Total Net Profit	(33.9)	(3.3%)	8.3	0.6%	(124.5%)

Fluidra's reported P&L for 2018 includes January to June results of legacy Fluidra on a standalone basis and the merged operations of Fluidra and Zodiac from July to December.

For 2019 it includes merged operations with all non-recurring expenses shown in the corresponding P&L lines. In addition, it includes impacts of IFRS 16.

APPENDIX (II): RECONCILIATION OF PRO FORMA TO REPORTED SALES

€M	2018	2019
Pro forma Sales	1,316.2	1,367.6
January to June Zodiac	286.0	-
IFRS 15 on Zodiac Sales	(2.4)	-
Sales of discontinued operations (Aquatron)	5.8	-
Youli Asset Sales	(2.9)	-
Reported Sales	1,029.6	1,367.6

January to June 2018 Zodiac Sales are excluded to reconcile Pro forma to Reported Sales.

In addition, due to Zodiac's fiscal year starting in October 2017, IFRS 15 had not been implemented in 2018.

APPENDIX (III): RECONCILIATION OF PRO FORMA TO REPORTED EBITDA AND NET INCOME

€M	2018	IFRS 16 2019
Adjusted EBITDA	221.3	268.8
January to June Zodiac results	65.8	-
IFRS 15	(2.4)	-
Transaction related non-recurring expense	22.0	-
Integration related non-recurring expense	18.8	23.5
Other & FX impact on non-recurring expense	4.0	4.0
EBITDA discontinued operations (Aquatron)	3.8	(0.1)
Stock based compensation	10.3	12.2
Profit/Loss from sales of subsidiaries	(2.7)	14.0
Inventory step-up	31.5	-
Run rate synergies	5.0	10.1
Reported EBITDA	65.3	205.3
Depreciation	33.2	65.8
Amortization	33.6	63.9
Financial Result	27.6	55.4
Tax expense (income)	3.9	6.0
Minority Interest	2.0	5.7
Reported Net Profit from continued operations	(34.8)	8.4

Key reconciliation items for 2018 are:

- January to June 2018 Zodiac EBITDA.
- In addition, due to Zodiac's fiscal year starting in October 2017, IFRS 15 had not been implemented in 2018.
- Non-recurring integration and transaction related expenses.
- Inventory step-up due to purchase accounting.

Key reconciliation items for 2019 are:

- Non-recurring integration related expenses (i.e. one-offs to capture synergies).
- Stock based compensation.
- Run rate synergies, representing the full year impact of synergies captured during 2019.

Key below Reported EBITDA items are the captions already shown in 2018 FY results.

APPENDIX (IV): REPORTED BALANCE SHEET


ASSETS	IFRS 16		LIABILITIES	IFRS 16	
	12/2018	12/2019		12/2018	12/2019
PPE & rights of use	119.4	235.8	Share capital	195.6	195.6
Goodwill	1,093.7	1,103.9	Share premium	1,148.6	1,148.6
Other intangible assets	787.3	736.2	Retained earnings	107.3	113.2
Other non-current assets	94.1	94.8	Treasury shares	(13.7)	(14.0)
Total non-current assets	2,094.6	2,170.6	Other Comprehensive Income	(5.3)	(3.8)
			Minorities	8.2	5.9
			Total Equity	1,440.7	1,445.5
			Bank borrowings + Loans	856.5	857.0
			Other non-current liabilities incl. lease	252.7	328.7
			Total non-current liabilities	1,109.2	1,185.8
Non-curr. assets held for sale	43.9	-	Liab. linked to non-curr. assets held for sale	5.8	-
Inventory	253.3	259.5	Bank borrowings + Loans	51.6	21.9
Accounts Receivable	312.1	314.7	Accounts payable	247.7	291.6
Other current assets	5.3	10.0	Other current liabilities incl. lease	24.1	52.4
Cash	170.1	242.2	Total current liabilities	329.3	365.8
Total current assets	784.6	826.5	Total Equity & LIABILITIES	2,879.2	2,997.1
TOTAL ASSETS	2,879.2	2,997.1			

APPENDIX (V): SALES BY GEOGRAPHY (QUARTERLY DETAIL)


€M	PF 2018				2019								
	Q1	Q2	Q3	Q4	Q1	% YoY	Q2	% YoY	Q3	% YoY	Q4	% YoY	
YTD													
Southern Europe	105.6	283.9	378.5	431.3	108.8	3.0%	290.6	2.4%	390.7	3.2%	442.8	2.7%	
Rest of Europe	45.4	130.1	181.7	215.2	51.0	12.5%	138.2	6.2%	194.3	6.9%	230.0	6.9%	
North America ⁽¹⁾	102.6	206.1	283.3	403.1	89.1	(13.2%)	209.3	1.6%	294.5	4.0%	425.9	5.7%	
Rest of the World	63.0	115.6	185.4	266.6	64.2	1.9%	115.1	(0.4%)	183.1	(1.2%)	268.8	0.8%	
Total	316.6	735.6	1,028.9	1,316.2	313.1	(1.1%)	753.2	2.4%	1,062.7	3.3%	1,367.6	3.9%	

(1) Includes IFRS 15 impact

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