



**FLUIDRA S.A. and Subsidiaries**

**Consolidated Balance Sheet; Income Statement; Cash Flow Statement and  
other selected data.**

**March 31, 2020**

Delivered pursuant to Section 5.4 of the credit agreements of Fluidra S.A. signed July 2, 2018

**Fluidra S.A. and Subsidiaries**  
**March 31, 2020**

**Nature and principal activities of the Group.**

Fluidra, S.A. (hereinafter the Company) was incorporated as a limited liability company for an indefinite period in Girona on October 3, 2002 under the name Aquaria de Inv. Corp., S.L., and changed to its current name on September 17, 2007.

The Company's corporate purpose and activity consists in the holding and use of equity shares, securities and other stock, and advising, managing and administering the companies in which the Company holds an ownership interest.

The Company is domiciled at Avenida Francesc Macià, nº 60, planta 20, in Sabadell (Barcelona).

The Group's activities consist in the manufacture and distribution of equipment, accessories and consumables for swimming-pools, irrigation and water treatment.

Fluidra, S.A. is the parent company of the Group comprising the subsidiaries detailed in the accompanying Appendix I of the consolidated financial statements for the year 2019 (hereinafter Fluidra Group or the Group). Additionally, the Group holds ownership interests in other entities, which are also detailed in Appendix I.

Fluidra's share capital consists of 112.629.070 ordinary shares with a par value of Euro 1 each, fully subscribed. On October 31, 2007, the "Company" completed its initial public offering process through the public offering of 44.082.943 ordinary shares with a par value of Euro 1 each.

These shares representing share capital are listed on the Barcelona and Madrid stock exchanges, and also on the continuous market.

On July 2, 2018 Fluidra, S.A. carried out a capital increase for a nominal amount of Euro 83.000.000 by issuing and circulating 83,000,000 new ordinary shares of Euro 1 par value each, which were fully subscribed by the sole shareholder of Piscine Luxembourg Holdings 2 S.à r.l. (penultimate holder of the Luxembourgian company Zodiac Pool Solutions S.à.r.l. holding company of the Zodiac Group) without entitlement, as per article 304.2 of the Spanish Corporations Act, to any preferential subscription rights. The difference between the fair value of the equity received by Fluidra, S.A. by virtue of the merger and the par value of the new shares was allocated to share premium.

**Basis of Preparation**

This Balance Sheet, Income Statement and Cash Flow Statement have been prepared from the accounting records of Fluidra, S.A. and the companies included in the Group, according to the going concern principle. This Balance Sheet, Income Statement and Cash Flow Statement have been prepared in accordance with the International Financial Reporting Standards. These financial statements do not include all disclosures required for annual financial statements, nor for IAS 34 "Interim Financial Reporting" as adopted by the European Union (IFRS-EU) and shall be read together with the consolidated financial statements for the years ended December 31, 2019 and 2018 prepared in accordance to IFRS-EU.

**Selected Definitions**

Consolidated Adjusted EBITDA (“EBITDA”): represents the Group’s operating result before depreciation, amortization, impairment losses, and unusual and non-recurring adjustments, as defined in Fluidra’s credit agreements.

Consolidated Total Debt: as defined in Fluidra’s credit agreements, it means the aggregate principal amount of funded Indebtness of Holdings and its Restricted Subsidiaries outstanding on such date and determined on a consolidation basis.

The Group in the annual financial statements includes a definition for EBITDA (referred to as Reported EBITDA) and Net Financial Debt. These two magnitudes are periodically reported to shareholders and included in the annual financial statements, therefore we have included a reconciliation between them and those required by the credit agreements mentioned above.

**Business Overview**

For the Business Overview please refer to [www.fluidra.com](http://www.fluidra.com) - Shareholders and Investors - Regulatory Filings – 2020 1st Quarter Results.



**Fluidra S.A. and Subsidiaries**  
**March 31, 2020**

(Thousands of Euros)	31/03/2020	31/03/2019
<b>Operating Income</b>		
Sales of goods and finished products	315,815	313,077
Income from the rendering services	4,924	4,740
Work performed by the Group and capitalised as non-current assets	3,163	3,314
Total operating income	323,902	321,131
<b>Operating expenses</b>		
Change in inventories of finished products, work in progress and raw material consumables	( 146,031 )	( 144,945 )
Personnel expenses	( 70,144 )	( 72,344 )
Depreciation and amortization expenses and impairment losses	( 30,102 )	( 30,684 )
Other operating expenses	( 60,064 )	( 63,851 )
Total operating expenses	( 306,341 )	( 311,824 )
<b>Other profit / (loss)</b>		
Profit / (loss) from sale of fixed assets	123	35
Total other profit / (loss)	123	35
Operating profit	17,684	9,342
<b>Finance income / (expenses)</b>		
Finance income	5,638	418
Finance costs	( 10,407 )	( 12,091 )
Financial Expenses of Lease Liabilities	( 1,255 )	( 1,124 )
Exchange gains / (losses)	( 8,803 )	2,214
Net financial income / (loss)	( 14,827 )	( 10,583 )
<b>Share in profit / (loss) for the year from investments accounted for using the equity</b>		
Profit / (loss) before tax from continuing operations	2,857	( 1,241 )
<b>Income tax expense</b>		
Profit / (loss) after tax from continuing operations	2,017	( 2,427 )
Profit / (loss) after tax from discontinued operations	-	( 114 )
<b>CONSOLIDATED PROFIT / (LOSS) AFTER TAX</b>		
Profit attributed to non-controlling interest	435	215
Profit attributed to equity holders of the parent	1,582	( 2,756 )
From continuing operations	1,582	( 2,642 )
From discontinued operations	-	( 114 )
EBITDA	47,786	40,026

**Fluidra S.A. and Subsidiaries**  
**March 31, 2020**

(Thousands of Euros)

31/03/2020 31/03/2019

Cash flows from operating activities

Profit of the year before tax	2,857	(1,355)
<i>Adjustments for:</i>		
Amortization and depreciation	29,848	30,542
Provision for bad debts	2,224	1,240
Provision for / (reversal of) impairment losses on assets	253	141
Provision for / (reversal of) impairment losses on financial assets	0	
Provision for / (reversal of) impairment losses on risks and expenses	554	(465)
Provision for / (reversal of) impairment losses on inventories	(506)	1,528
Income from financial assets	(3,787)	(172)
Financial expenses	11,573	12,494
(Income) / expenses from currency translation differences	8,803	(2,216)
Share in profit / (loss) for the year from associates accounted for using equity method	-	
(Profit) / loss from the sale of property, plant and equipment and other intangible assets	(123)	(98)
(Profit)/losses on the sale of subsidiaries	0	
Government grants recognized in profit and loss	(34)	(63)
Shared-based payment expenses	2,265	2,434
Adjustments to consideration given against gains/losses on business combinations		
(Gains) / losses from derivative financial instruments at fair value	(1,854)	476
Operating profit before changes in working capital	<b>52,074</b>	<b>44,486</b>
Change in working capital, excluding effects of acquisitions and currency translation differences		
Increase / (decrease) in trade and other receivables	(123,059)	(146,040)
Increase / (decrease) in inventories	(48,131)	(77,998)
Increase / (decrease) in trade and other payables	887	62,018
Utilization of provisions	(400)	0
Cash Flows from operating activities	<b>(118,629)</b>	<b>(117,534)</b>
Interest paid	(10,976)	(10,545)
Interest received	255	172
Corporate income tax paid	(785)	7,928
Net Cash Flows from operating activities	<b>(130,134)</b>	<b>(119,978)</b>

**Fluidra S.A. and Subsidiaries**  
**March 31, 2020**

Cash Flows from investing activities

From the sale of property, plant and equipment	590	584
From the sale of other intangible assets	294	20
From the sale of financial assets	1.118	1.506
Proceeds from the sale of subsidiaries, net of cash used	-	19.027
Acquisition of property, plant and equipment	(5.782)	(8.924)
Acquisition of intangible assets	(4.161)	(4.124)
Acquisition of financial assets	(672)	(3.970)
Payments for acquisitions of subsidiaries	(8.104)	-
Payments for acquisitions of subsidiaries in prior years	(7.347)	(1.132)
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Net Cash Flows used in investing activities	<b>(24.063)</b>	<b>2.987</b>

Cash Flows from financing activities

Payments for repurchase of treasury shares	(789)	(1.978)
Proceeds from the sale of treasury shares	565	297
Proceeds from grants	0	0
Proceeds from bank borrowings and other	192.125	101.122
Payments from bank borrowings, finance leases and others	(153.188)	(3.165)
Payments from leases liabilities (IFRS- 16)	(5.710)	(5.659)
Dividends paid	(77)	(357)
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Net Cash Flows from financing activities	<b>32.927</b>	<b>90.261</b>

Net increase / (decrease) in cash and cash equivalents	(121.270)	(26.730)
Cash and cash equivalents as of January 1, 2020	242.240	181.233
Effect of currency translation differences on cash	(730)	1.947
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Cash and cash equivalents as of March 31, 2020	<b>120.240</b>	<b>156.449</b>

Note: This cash flow includes cash flows arising from continuing and discontinued operations.

**Fluidra S.A. and Subsidiaries**  
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**Calculation and Reconciliation of EBITDA**

(in millions of Euros)	<b>Mar 20 LTM</b>
<b>Net Profit attributed to equity holders of the parent company</b>	<b>12,7</b>
Income Tax Expense	5,7
Finance Income	(8,0)
Finance Costs	57,2
Exchange gains / (losses)	10,5
Depreciation & Amortisation Expense & Impairment	129,2
Minority Interest	5,9
<b>Reported EBITDA</b>	<b>213,1</b>
Integration related and other Non-Recurring Expenses	21,4
EBITDA discontinued Operations Aquatron	0,0
Share based payment expense	12,0
Run Rate synergies	9,7
Profit/Loss from sale of subsidiaries	14,0
<b>Adjusted EBITDA (2)</b>	<b>270,2</b>
<b>Adjusted EBITDA April 19 - March 20 (1)</b>	<b>270,2</b>

(1) EBITDA April 2019-March 2020 includes effect IFRS-16 (25,3 M €)



**Fluidra S.A. and Subsidiaries**  
**March 31, 2020**

(in millions of Euros)	<b>At 31 March 2020</b>
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First-lien credit facility	732,1
Asset-based lending facility	82,3
Other debt	123,0
<b>Total debt</b>	<b>937,4</b>
Unamortized debt issuance costs	(17,7)
<b>Debt, current and non-current</b>	<b>919,7</b>
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Current portion of first-lien credit facility	7,3
Asset-based lending facility	82,3
Current portion of other debt	76,6
<b>Debt, current</b>	<b>166,2</b>
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<b>Debt, non-current</b>	<b>753,5</b>
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<b>Lease liabilities</b>	<b>120,6</b>
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Cash and Cash Equivalents	120,2
Non Current Financial Assets	7,0
Current Financial Assets	9,6
Derivative Instruments	(21,2)
<b>Total Cash &amp; Financial Assets</b>	<b>115,7</b>
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<b>Net Financial Debt as per Group Definition</b>	<b>804,0</b>
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<b>Net Debt as per Group Definition</b>	<b>924,6</b>
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**Disclaimer**

Data included in this report is unaudited. This release does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or any other jurisdiction. Various statements contained in this document constitute “forward-looking statements”.

Words like “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “objectives”, “outlook”, “probably”, “project”, “will”, “seek”, “target” and other words of similar meaning identify these forward-looking statements. By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we operate.

The following include some but not all of the factors that could cause actual results or events to differ materially from those anticipated results or events: negative or uncertain worldwide economic conditions; volatility and cyclicalities in the markets in which we operate; volatility in the costs and availability of raw materials; operational risks inherent in pool industry, including disruptions as a result of severe weather conditions, natural disasters; our dependence on major customers; competition in the industries in which we operate; our ability to develop new products and technologies successfully; our ability to implement our business strategies successfully; our ability to realise benefits from investments, joint ventures, acquisitions or alliances; environmental, safety and other regulatory requirements, and the related costs of maintaining compliance and addressing liabilities; litigation or legal proceedings, including product liability claims; enforceability of our intellectual property rights; fluctuations in foreign currency exchange and interest rates; information technology systems failures, network disruptions and breaches of data security; our ability to recruit or retain key management and personnel; relationships with our workforce, including negotiations with labour unions, strikes and work stoppages; political or country risks, or dislocations in credit and capital markets; decreases in the fair value of our business and potential impairments or write-offs of certain assets; the adequacy of our insurance coverage; and changes in our jurisdictional earnings mix or in the tax laws of those jurisdictions.

We caution readers not to place undue reliance on any forward-looking statements contained herein, which speak only as of the date of this document, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based.

In any event, Fluidra S.A. 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 (Comisión Nacional del Mercado de Valores). We invite all interested persons or entities to consult these documents.