



FLUIDRA S.A. and Subsidiaries

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

September 30, 2022

Delivered pursuant to Section 5.4 of the credit agreements of Fluidra S.A. signed January 27, 2022

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 Alcalde Barnils, nº 69, in Sant Cugat del Vallés (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 2021 (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, 2021 and 2020 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 - Shareholders and Investors - Regulatory Filings – 2022 3rd Quarter Results.

Fluidra S.A. and Subsidiaries
September 30, 2022

BALANCE SHEET

(Thousands of Euros)

<u>Assets</u>	30/9/2022	30/9/2021 (*)
Fixed Assets	180.381	142.794
Investment Property	1.921	3.123
Goodwill	1.384.198	1.280.564
Other Intangible Assets	1.037.037	834.031
Rights of Use	178.452	146.149
Equity-Accounted Investments	836	583
Non-Current Financial Assets	4.622	4.576
Other Receivables	3.063	3.966
Derivative Financial Instruments	57.943	-
Deferred Tax Assets	130.649	98.918
Total non- current assets	2.979.102	2.514.704
Non-current assets held for sale	7.483	-
Inventories	701.348	421.229
Trade and other receivables	305.698	297.881
Other current financial assets	7.308	10.586
Derivative financial instruments	1.072	588
Cash and cash equivalents	63.682	118.091
Total current assets	1.086.591	848.375
TOTAL ASSETS	4.065.693	3.363.079
<u>Equity</u>		
Share Capital	195.629	195.629
Share Premium	1.148.591	1.148.591
Retained earnings and other reserves	441.344	388.764
Interim dividend	-	-
Treasury shares	(209.691)	(157.482)
Other comprehensive income	223.571	(22.019)
Equity attributed to equity holders of the parent	1.799.444	1.553.483
Non-controlling interests	10.811	8.712
Total equity	1.810.255	1.562.195
<u>Liabilities</u>		
Debt with Financial Institutions	1.186.895	687.821
Lease liabilities	160.451	133.678
Derivative financial instruments	-	10.013
Deferred tax liabilities	272.631	197.718
Provisions	12.474	14.610
Government grants	189	221
Other non-current liabilities	7.024	11.300
Total non-current liabilities	1.639.664	1.055.361
Liabilities linked to non-current assets held for sale	2.752	-
Debt with Financial Institutions	72.925	207.243
Lease liabilities	39.028	28.166
Trade and other payables	443.184	457.084
Provisions	57.453	52.883
Derivative financial instruments	432	147
Total current liabilities	615.774	745.523
TOTAL EQUITY AND LIABILITIES	4.065.693	3.363.079

(*) Restated according to IFRS3

Fluidra S.A. and Subsidiaries
September 30, 2022

(Thousands of Euros)	30/9/2022	30/9/2021
Operating Income		
Sales of goods and finished products	1.966.831	1.703.755
Revenues from Services Rendered	33.241	22.556
Work performed by the Group and capitalised as non-current assets	15.007	10.998
Total operating income	2.015.079	1.737.309
Operating expenses		
Changes in Inventories of Finished Goods and Work in Progress and Consumables of Raw Materials	(961.853)	(807.419)
Employee Benefits Expense	(303.698)	(267.417)
Depreciation and amortization expenses and impairment losses	(115.252)	(91.592)
Other operating expenses	(312.471)	(247.846)
Total operating expenses	(1.693.274)	(1.414.274)
Other profit / (loss)		
Profit / (loss) from sale of fixed assets	138	80
Total other profit / (loss)	138	80
Operating profit	321.943	323.115
Finance income / (expenses)		
Finance income	3.155	2.530
Finance expenses	(48.738)	(26.951)
Financial Expenses of Lease Liabilities	(4.807)	(3.931)
Exchange gains / (losses)	(20.787)	(1.808)
Net financial income / (expense)	(71.177)	(30.160)
Share in profit / (loss) for the year from investments accounted for using the equity	64	-
Profit / (loss) before tax from continuing operations	250.830	292.955
Income tax expense	(67.209)	(68.391)
Profit / (loss) after tax from continuing operations	183.621	224.564
Profit / (loss) after tax from discontinued operations	-	-
CONSOLIDATED PROFIT / (LOSS) AFTER TAX	183.621	224.564
Profit attributed to non-controlling interest	4.185	3.165
Profit attributed to equity holders of the parent	179.436	221.399
From continuing operations	179.436	221.399
From discontinued operations	-	-
EBITDA	437.259	414.707

Fluidra S.A. and Subsidiaries
September 30, 2022

(Thousands of Euros)

30/9/2022 30/9/2021

Cash flows from operating activities

Profit of the year before tax	250.830	292.955
<i>Adjustments for:</i>		
Amortization and depreciation	115.233	89.569
Adjustments due to impairment of receivables	(3.997)	233
Provision for / (reversal of) impairment losses on assets	19	2.023
Provision for / (reversal of) impairment losses on financial assets	(200)	227
Provision for / (reversal of) impairment losses on risks and expenses	1.095	12.583
Provision for / (reversal of) impairment losses on inventories	5.999	1.573
Income from financial assets	(1.335)	(446)
Finance cost	52.291	27.804
(Profit) / Loss from the sale of associates	0	0
Exchange (gains) / losses	20.787	1.808
Share in profit / (loss) for the year from associates accounted for using equity method	(64)	0
(Profit) / loss from the sale of property, plant and equipment and other intangible assets	(1.135)	(79)
(Profit)/losses on the sale of subsidiaries	997	0
Government grants recognized in profit and loss	(35)	(54)
Shared-based payment expenses	10.538	21.772
Adjustments to consideration given against gains/losses on business combinations	0	2.728
(Profit) / losses from derivative financial instruments at fair value	(367)	(1.962)
Operating profit before changes in working capital	450.656	450.734
 Change in working capital, excluding effects of acquisitions and currency translation differences		
Increase / (decrease) in trade and other receivables	(27.665)	(1.488)
Increase / (decrease) in inventories	(183.920)	(92.349)
Increase / (decrease) in trade and other payables	(63.262)	50.961
Utilization of provisions	(1.001)	(582)
Cash Flows from operating activities	174.808	407.276
 Interest paid	(38.575)	(24.856)
Interest received	873	436
Corporate income tax paid	(74.264)	(66.231)
 Net Cash Flows from operating activities	62.842	316.625

Fluidra S.A. and Subsidiaries
September 30, 2022

<u>Cash Flows from investing activities</u>	<u>30/9/2022</u>	<u>30/9/2021</u>
From the sale of property, plant and equipment	3.750	1.440
From the sale of other intangible assets	183	445
From the sale of financial assets	8.321	7.776
Proceeds from the sale of subsidiaries, net of cash used	250	-
Proceeds from the sale of subsidiaries in prior years	-	105
Acquisition of property, plant and equipment	(33.746)	(23.716)
Acquisition of intangible assets	(20.870)	(16.796)
Acquisition of other financial assets	(3.116)	(7.265)
Payments for acquisitions of subsidiaries , net of cash and cash equivalents	(20.965)	(352.273)
Payments for acquisitions of subsidiaries in prior years	(5.831)	(15.518)
	<hr/>	<hr/>
Net Cash Flows used in investing activities	(72.024)	(405.802)
	<hr/>	<hr/>
<u>Cash Flows from financing activities</u>		
Payments for repurchase of treasury shares	(175.865)	(212.667)
Proceeds from the sale of treasury shares	116.008	126.485
Proceeds from grants	-	28
Proceeds from bank financing	1.113.506	201.176
Payments from bank borrowings	(968.982)	(84.163)
Lease liability payments	(23.483)	(17.949)
Dividends paid	(82.684)	(36.406)
	<hr/>	<hr/>
Net Cash Flows from financing activities	(21.500)	(23.496)
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	(30.682)	(112.672)
Cash and cash equivalents as of January 1, 2022	90.118	225.631
Effect of currency translation differences on cash	7.126	5.132
	<hr/>	<hr/>
Cash and cash equivalents as of September 30, 2022	66.562	118.091
	<hr/>	<hr/>

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

Fluidra S.A. and Subsidiaries
September 30, 2022

Calculation and Reconciliation of EBITDA

(in millions of Euros)	September 22 LTM
Net Profit attributed to equity holders of the parent company	210,4
Income Tax Expense	80,3
Finance Income	(3,2)
Finance Costs	63,5
Exchange gains / (losses)	24,9
Depreciation & Amortisation Expense & Impairment	148,4
Minority Interest	4,6
Reported EBITDA	528,9
Integration related and other Non-Recurring Expenses	9,7
Share based payment expense	15,2
Run Rate synergies	0,0
Profit/Loss from sale of subsidiaries	0,2
EBITDA October 21 -September 22	554,1

Fluidra S.A. and Subsidiaries
September 30, 2022

(in millions of Euros)	At 30 September 2022
First-lien credit facility	1.210,2
Other debt	61,6
Total debt	1.271,8
Unamortized debt issuance costs	-12,0
Debt, current and non-current	1.259,8
Current portion of first-lien credit facility	12,2
Current portion of other debt	24,1
Debt, current	36,3
Debt, non-current	1.223,6
Lease liabilities	199,5
Cash and Cash Equivalents	63,7
Non Current Financial Assets	4,6
Current Financial Assets	7,3
Derivative Instruments	58,6
Total Cash & Financial Assets	134,2
Net Financial Debt from Assets Held for sale	-2,3
Net Financial Debt as per Group Definition	1.123,3
Net Debt from Assets Held for sale	-2,3
Net Debt as per Group Definition	1.322,8

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.