



FLUIDRA S.A. and Subsidiaries

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

June 30, 2022

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

Fluidra S.A. and Subsidiaries
June 30, 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 2nd Quarter Results.

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BALANCE SHEET

(Thousands of Euros)

<u>Assets</u>	30/6/2022	30/6/2021
Fixed Assets	171.066	130.716
Investment Property	1.715	3.145
Goodwill	1.320.043	1.148.529
Other Intangible Assets	995.966	759.562
Rights of Use	172.964	120.247
Equity-Accounted Investments	834	29
Non-Current Financial Assets	4.348	4.592
Other Receivables	4.157	3.557
Derivative Financial Instruments	22.281	-
Deferred Tax Assets	112.576	95.061
Total non-current assets	2.805.950	2.265.438
Non-current assets held for sale	7.220	4.960
Inventories	681.216	356.314
Trade and other receivables	513.348	405.406
Other current financial assets	6.919	10.679
Derivative financial instruments	1.530	527
Cash and cash equivalents	78.369	99.797
Total current assets	1.288.602	877.683
TOTAL ASSETS	4.094.552	3.143.121
	<u>Equity</u>	
Share Capital	195.629	195.629
Share Premium	1.148.591	1.148.591
Retained earnings and other reserves	432.160	322.223
Interim dividend	-	-
Treasury shares	(158.532)	(142.537)
Other comprehensive income	122.943	(45.241)
Equity attributed to equity holders of the parent	1.740.791	1.478.665
Non-controlling interests	10.933	8.626
Total equity	1.751.724	1.487.291
	<u>Liabilities</u>	
Debt with Financial Institutions	1.143.262	680.288
Lease liabilities	154.491	108.240
Derivative financial instruments	-	12.029
Deferred tax liabilities	243.174	174.097
Provisions	12.456	14.686
Government grants	193	215
Other non-current liabilities	7.283	8.609
Total non-current liabilities	1.560.859	998.164
Liabilities linked to non-current assets held for sale	3.114	2.752
Debt with Financial Institutions	22.065	69.240
Lease liabilities	37.214	26.115
Trade and other payables	661.123	511.838
Provisions	57.452	47.380
Derivative financial instruments	1.001	341
Total current liabilities	781.969	657.666
TOTAL EQUITY AND LIABILITIES	4.094.552	3.143.121

Fluidra S.A. and Subsidiaries
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(Thousands of Euros)	30/6/2022	30/6/2021
Operating Income		
Sales of goods and finished products	1.445.421	1.186.740
Revenues from Services Rendered	20.555	14.825
Work performed by the Group and capitalised as non-current assets	9.036	7.105
Total operating income	1.475.012	1.208.670
Operating expenses		
Changes in Inventories of Finished Goods and Work in Progress and Consumables of Raw Materials	(708.357)	(558.937)
Employee Benefits Expense	(203.211)	(181.508)
Depreciation and amortization expenses and impairment losses	(75.202)	(59.409)
Other operating expenses	(214.069)	(164.321)
Total operating expenses	(1.200.839)	(964.175)
Other profit / (loss)		
Profit / (loss) from sale of fixed assets	156	(309)
Total other profit / (loss)	156	(309)
Operating profit	274.329	244.186
Finance income / (expenses)		
Finance income	1.703	1.934
Finance expenses	(33.834)	(18.888)
Financial Expenses of Lease Liabilities	(3.036)	(2.540)
Exchange gains / (losses)	(9.906)	1.210
Net financial income / (expense)	(45.073)	(18.284)
Share in profit / (loss) for the year from investments accounted for using the equity	72	-
Profit / (loss) before tax from continuing operations	229.328	225.902
Income tax expense	(59.524)	(49.665)
Profit / (loss) after tax from continuing operations	169.804	176.237
Profit / (loss) after tax from discontinued operations	-	-
CONSOLIDATED PROFIT / (LOSS) AFTER TAX	169.804	176.237
Profit attributed to non-controlling interest	3.329	1.997
Profit attributed to equity holders of the parent	166.475	174.240
From continuing operations	166.475	174.240
From discontinued operations	-	-
EBITDA	349.603	303.595

Fluidra S.A. and Subsidiaries
June 30, 2022

(Thousands of Euros)

30/6/2022 30/6/2021

Cash flows from operating activities

Profit of the year before tax	229.328	225.902
<i>Adjustments for:</i>		
Amortization and depreciation	75.184	58.180
Adjustments due to impairment of receivables	(4.409)	229
Provision for / (reversal of) impairment losses on assets	18	1.230
Provision for / (reversal of) impairment losses on financial assets	(200)	127
Provision for / (reversal of) impairment losses on risks and expenses	3.343	9.751
Provision for / (reversal of) impairment losses on inventories	3.238	1.872
Income from financial assets	(1.117)	(226)
Finance cost	36.779	18.565
(Profit) / Loss from the sale of associates	0	0
Exchange (gains) / losses	9.906	(1.210)
Share in profit / (loss) for the year from associates accounted for using equity method	(72)	0
(Profit) / loss from the sale of property, plant and equipment and other intangible assets	(1.153)	309
(Profit)/losses on the sale of subsidiaries	997	0
Government grants recognized in profit and loss	(31)	(53)
Shared-based payment expenses	6.238	18.308
Adjustments to consideration given against gains/losses on business combinations	0	2.736
(Profit) / losses from derivative financial instruments at fair value	(295)	(1.708)
Operating profit before changes in working capital	357.754	334.012
Change in working capital, excluding effects of acquisitions and currency translation differences		
Increase / (decrease) in trade and other receivables	(233.825)	(136.177)
Increase / (decrease) in inventories	(190.582)	(44.982)
Increase / (decrease) in trade and other payables	70.549	95.936
Utilization of provisions	(839)	(579)
Cash Flows from operating activities	3.057	248.210
Interest paid	(23.642)	(16.586)
Interest received	655	219
Corporate income tax paid	(46.736)	(43.586)
Net Cash Flows from operating activities	(66.666)	188.257

Fluidra S.A. and Subsidiaries
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<u>Cash Flows from investing activities</u>	<u>30/6/2022</u>	<u>30/6/2021</u>
From the sale of property, plant and equipment	6.495	1.083
From the sale of other intangible assets	85	450
From the sale of financial assets	6.327	7.545
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	(22.665)	(15.798)
Acquisition of intangible assets	(11.561)	(11.464)
Acquisition of other financial assets	(1.899)	(7.104)
Payments for acquisitions of subsidiaries , net of cash and cash equivalents	0	(164.603)
Payments for acquisitions of subsidiaries in prior years	(5.572)	(14.668)
Net Cash Flows used in investing activities	<u>(28.540)</u>	<u>(204.454)</u>
 <u>Cash Flows from financing activities</u>		
Payments for repurchase of treasury shares	(97.741)	(158.694)
Proceeds from the sale of treasury shares	97.171	72.614
Proceeds from grants	-	27
Proceeds from bank financing	1.113.506	63.645
Payments from bank borrowings	(1.014.943)	(76.540)
Lease liability payments	(17.211)	(11.395)
Dividends paid	0	(131)
Net Cash Flows from financing activities	<u>80.782</u>	<u>(110.474)</u>
Net increase / (decrease) in cash and cash equivalents	(14.424)	(126.671)
Cash and cash equivalents as of January 1, 2022	90.118	225.631
Effect of currency translation differences on cash	5.074	3.473
Cash and cash equivalents as of June 30, 2022	<u>80.768</u>	<u>102.433</u>

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

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Calculation and Reconciliation of EBITDA

(in millions of Euros)	June 22 LTM
Net Profit attributed to equity holders of the parent company	244,6
Income Tax Expense	91,4
Finance Income	(2,4)
Finance Costs	56,3
Exchange gains / (losses)	17,1
Depreciation & Amortisation Expense & Impairment	140,5
Minority Interest	4,9
Reported EBITDA	552,4
Integration related and other Non-Recurring Expenses	12,7
Share based payment expense	14,4
Run Rate synergies	0,0
Profit/Loss from sale of subsidiaries	0,0
EBITDA July 21 -June 22	579,4

Fluidra S.A. and Subsidiaries
June 30, 2022

(in millions of Euros)	At 30 June 2022
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First-lien credit facility	1.166,2
Other debt	11,2
Total debt	1.177,4
Unamortized debt issuance costs	-12,0
Debt, current and non-current	1.165,3
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Current portion of first-lien credit facility	11,7
Current portion of other debt	10,4
Debt, current	22,1
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Debt, non-current	1.143,2
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Lease liabilities	191,7
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Cash and Cash Equivalents	78,4
Non Current Financial Assets	4,3
Current Financial Assets	6,9
Derivative Instruments	22,8
Total Cash & Financial Assets	112,4
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Net Financial Debt from Assets Held for sale	-2,4
Net Financial Debt as per Group Definition	1.050,5
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Net Debt from Assets Held for sale	-0,2
Net Debt as per Group Definition	1.242,5
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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.