



FLUIDRA S.A. and Subsidiaries

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

March 31, 2022

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, 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 1st Quarter Results.

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BALANCE SHEET

(Thousands of Euros)

	<u>Assets</u>	<u>31/3/2022</u>	<u>31/3/2021</u>
Fixed Assets		166.745	130.415
Investment Property		2.118	3.167
Goodwill		1.330.229	1.218.818
Other Intangible Assets		902.886	710.487
Rights of Use		164.799	121.129
Equity-Accounted Investments		794	29
Non-Current Financial Assets		4.335	4.694
Other Receivables		4.104	3.652
Derivative Financial Instruments		9.343	-
Deferred Tax Assets		108.309	92.450
Total non- current assets		2.693.662	2.284.841
Non-current assets held for sale		5.795	-
Inventories		657.779	376.558
Trade and other receivables		471.668	476.741
Other current financial assets		8.945	10.717
Derivative financial instruments		153	816
Cash and cash equivalents		81.603	90.758
Total current assets		1.225.943	955.590
TOTAL ASSETS		3.919.605	3.240.431
	<u>Equity</u>		
Share Capital		195.629	195.629
Share Premium		1.148.591	1.148.591
Retained earnings and other reserves		508.687	303.603
Interim dividend		-	(40.752)
Treasury shares		(166.178)	(70.630)
Other comprehensive income		41.069	(36.783)
Equity attributed to equity holders of the parent		1.727.798	1.499.658
Non-controlling interests		7.410	7.416
Total equity		1.735.208	1.507.074
	<u>Liabilities</u>		
Debt with Financial Institutions		1.100.335	687.188
Lease liabilities		146.721	109.597
Derivative financial instruments		5.084	14.285
Deferred tax liabilities		224.832	171.462
Provisions		12.544	13.683
Government grants		206	201
Other non-current liabilities		7.417	8.210
Total non-current liabilities		1.497.139	1.004.626
Liabilities linked to non-current assets held for sale		2.627	-
Debt with Financial Institutions		58.486	246.987
Lease liabilities		33.582	25.215
Trade and other payables		538.135	412.891
Provisions		54.236	42.819
Derivative financial instruments		192	819
Total current liabilities		687.258	728.731
TOTAL EQUITY AND LIABILITIES		3.919.605	3.240.431

Fluidra S.A. and Subsidiaries
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(Thousands of Euros)	31/3/2022	31/3/2021
Operating Income		
Sales of goods and finished products	666.653	508.358
Revenues from Services Rendered	7.980	5.514
Work performed by the Group and capitalised as non-current assets	3.508	2.935
Total operating income	678.141	516.807
Operating expenses		
Changes in Inventories of Finished Goods and Work in Progress and Consumables of Raw Materials	(314.432)	(235.962)
Employee Benefits Expense	(98.274)	(82.848)
Depreciation and amortization expenses and impairment losses	(35.586)	(27.987)
Other operating expenses	(99.785)	(70.279)
Total operating expenses	(548.077)	(417.076)
Other profit / (loss)		
Profit / (loss) from sale of fixed assets	(6)	40
Total other profit / (loss)	(6)	40
Operating profit	130.058	99.771
Finance income / (expenses)		
Finance income	456	1.805
Finance expenses	(22.333)	(8.296)
Financial Expenses of Lease Liabilities	(1.396)	(1.256)
Exchange gains / (losses)	(2.765)	550
Net financial income / (expense)	(26.038)	(7.197)
Share in profit / (loss) for the year from investments accounted for using the equity		
Profit / (loss) before tax from continuing operations	104.020	92.574
Income tax expense	(28.152)	(24.645)
Profit / (loss) after tax from continuing operations	75.868	67.929
Profit / (loss) after tax from discontinued operations	-	-
CONSOLIDATED PROFIT / (LOSS) AFTER TAX	75.868	67.929
Profit attributed to non-controlling interest	443	605
Profit attributed to equity holders of the parent	75.425	67.323
From continuing operations	75.425	67.323
From discontinued operations	-	-
EBITDA	165.644	127.758

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(Thousands of Euros)

31/3/2022

31/3/2021

Cash flows from operating activities

Profit of the year before tax	104.020	92.574
<i>Adjustments for:</i>		
Amortization and depreciation	35.573	27.987
Adjustments due to impairment of receivables	(1.359)	1.038
Provision for / (reversal of) impairment losses on assets	13	0
Provision for / (reversal of) impairment losses on financial assets	200	0
Provision for / (reversal of) impairment losses on risks and expenses	1.513	3.108
Provision for / (reversal of) impairment losses on inventories	1.122	1.929
Income from financial assets	(256)	(91)
Finance cost	23.416	9.230
(Profit) / Loss from the sale of associates	0	0
Exchange (gains) / losses	2.765	(550)
Share in profit / (loss) for the year from associates accounted for using equity method	0	0
(Profit) / loss from the sale of property, plant and equipment and other intangible assets	(6)	(40)
(Profit)/losses on the sale of subsidiaries	0	0
Government grants recognized in profit and loss	(19)	(40)
Shared-based payment expenses	3.041	3.555
Adjustments to consideration given against gains/losses on business combinations	0	0
(Profit) / losses from derivative financial instruments at fair value	348	(1.518)
Operating profit before changes in working capital	170.371	137.182
Change in working capital, excluding effects of acquisitions and currency translation differences		
Increase / (decrease) in trade and other receivables	(225.093)	(207.649)
Increase / (decrease) in inventories	(164.745)	(60.782)
Increase / (decrease) in trade and other payables	110.352	48.266
Utilization of provisions	(181)	-
Cash Flows from operating activities	(109.296)	(82.983)
Interest paid	(11.254)	(8.353)
Interest received	256	88
Corporate income tax paid	(99)	(3.479)
Net Cash Flows from operating activities	(120.393)	(94.727)

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<u>Cash Flows from investing activities</u>	<u>31/3/2022</u>	<u>31/3/2021</u>
From the sale of property, plant and equipment	971	375
From the sale of other intangible assets	107	450
From the sale of financial assets	3.664	1.127
Proceeds from the sale of subsidiaries, net of cash used	-	-
Proceeds from the sale of subsidiaries in prior years	-	105
Acquisition of property, plant and equipment	(13.569)	(6.756)
Acquisition of intangible assets	(5.095)	(4.907)
Acquisition of other financial assets	(1.527)	(654)
Payments for acquisitions of subsidiaries , net of cash and cash equivalents	0	(164.076)
Payments for acquisitions of subsidiaries in prior years	(5.575)	(8.152)
	<u>(21.024)</u>	<u>(182.488)</u>
Net Cash Flows used in investing activities		
 <u>Cash Flows from financing activities</u>		
Payments for repurchase of treasury shares	(55.938)	(51.283)
Proceeds from the sale of treasury shares	55.333	21.658
Proceeds from grants	-	-
Proceeds from bank financing	1.109.986	226.845
Payments from bank borrowings	(969.615)	(54.186)
Lease liability payments	(7.452)	(5.595)
Dividends paid	0	(17)
	<u>132.314</u>	<u>137.422</u>
Net Cash Flows from financing activities		
Net increase / (decrease) in cash and cash equivalents	(9.103)	(139.793)
Cash and cash equivalents as of January 1, 2022	90.118	225.631
Effect of currency translation differences on cash	2.816	4.920
	<u>83.831</u>	<u>90.758</u>
Cash and cash equivalents as of March 31, 2022		

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)	March 22 LTM
Net Profit attributed to equity holders of the parent company	260,5
Income Tax Expense	85,0
Finance Income	(1,3)
Finance Costs	55,0
Exchange gains / (losses)	9,3
Depreciation & Amortisation Expense & Impairment	132,3
Minority Interest	3,4
Reported EBITDA	544,3
Integration related and other Non-Recurring Expenses	13,0
Share based payment expense	25,9
Run Rate synergies	0,4
Profit/Loss from sale of subsidiaries	0,0
EBITDA April 21 - March 22	583,6

Fluidra S.A. and Subsidiaries
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(in millions of Euros)	At 31 March 2022
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First-lien credit facility	1.122,8
Other debt	48,1
Total debt	1.170,9
Unamortized debt issuance costs	-12,0
Debt, current and non-current	1.158,8
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Current portion of first-lien credit facility	11,3
Current portion of other debt	0,0
Debt, current	11,3
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Debt, non-current	1.147,6
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Lease liabilities	180,3
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Cash and Cash Equivalents	81,6
Non Current Financial Assets	4,3
Current Financial Assets	8,9
Derivative Instruments	4,2
Total Cash & Financial Assets	99,1
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Net Financial Debt from Assets Held for sale	-2,3
Net Financial Debt as per Group Definition	1.057,4
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Net Debt from Assets Held for sale	-1,1
Net Debt as per Group Definition	1.238,9
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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.