



FLUIDRA
2022 PLAN

Your perfect pool experience

**Baird's 2019 Global Industrial
Conference**

Bruce Brooks, CEO
November 7, 2019

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- 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.
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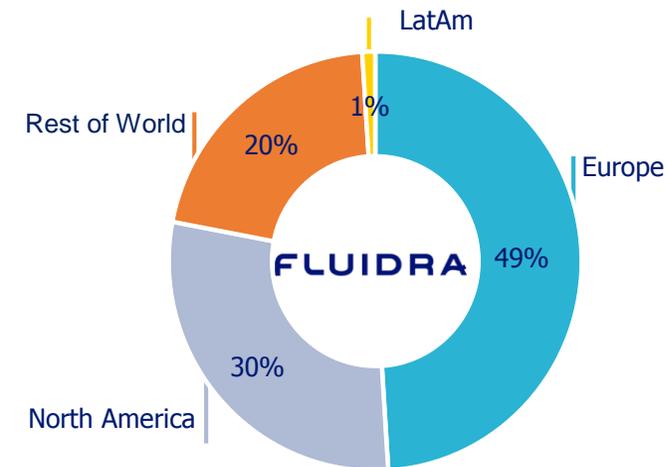
Fluidra at a glance

Overview

- Global manufacturing leader in pool equipment and wellness solutions
- Innovative, user-focused provider of highly engineered products and solutions
- Listed on the Spanish stock exchange, with a market capitalization of >€2.0B
- Global headquarters in Barcelona, (Spain) and North American headquarters in San Diego (California)
- Present in over 45 countries with over 5,000 employees
- Owner of some of the industry's most recognized and trusted brands, including Jandy®, AstralPool®, Polaris®, Cepex®, Zodiac®, CTX Professional® and Gre®
- c. €1.3bn sales and €224m EBITDA

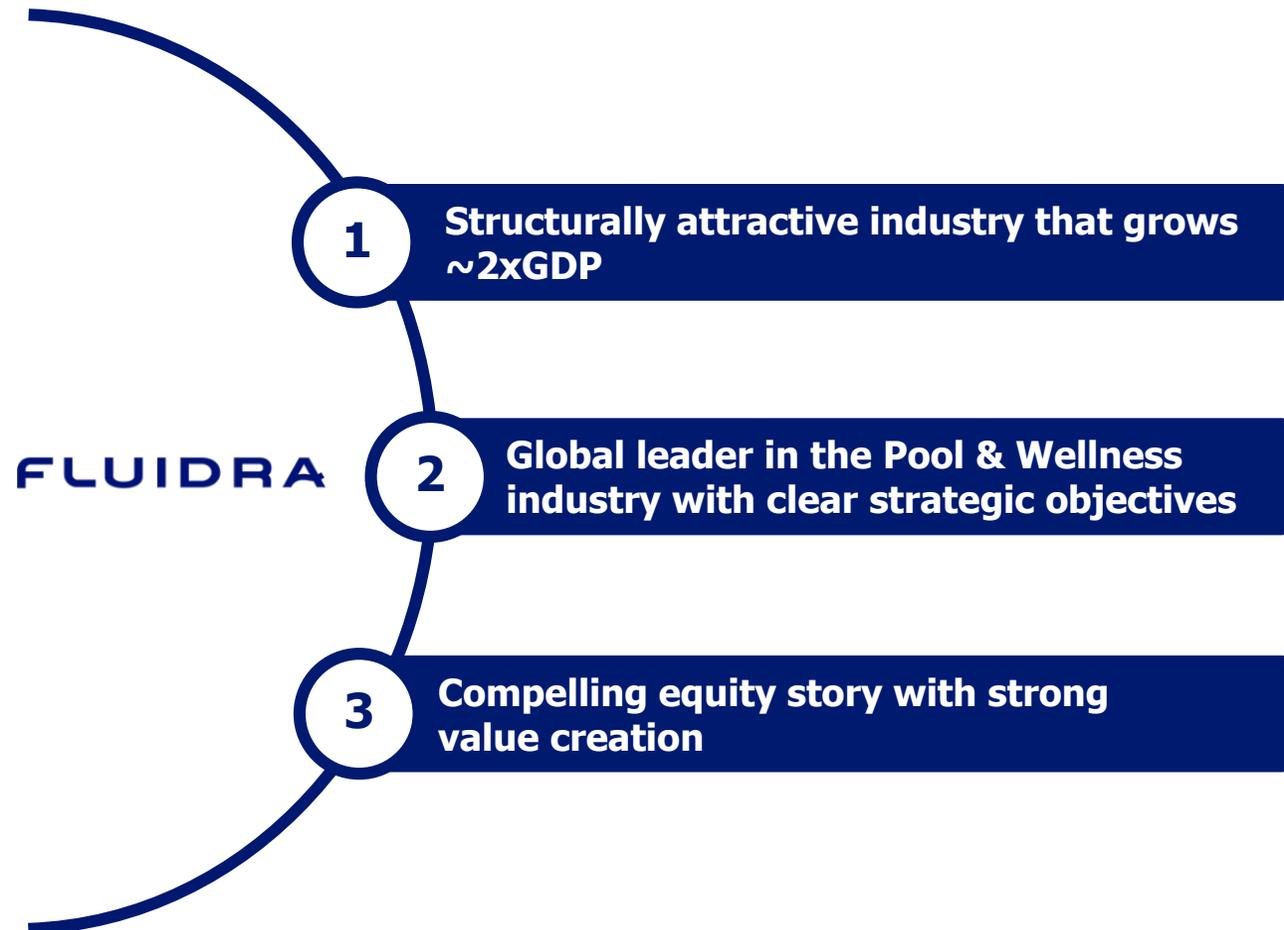
Global & balanced presence

(Sales by business unit PF FY2017A)



The new Fluidra: merger of two successful companies

Highlights, Mission and Values

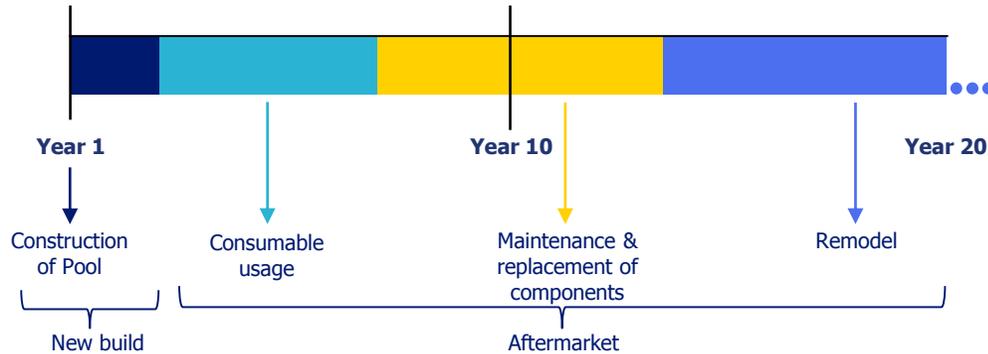


WE CREATE THE PERFECT **POOL & WELLNESS** EXPERIENCE

1 Highly attractive market with two growth drivers

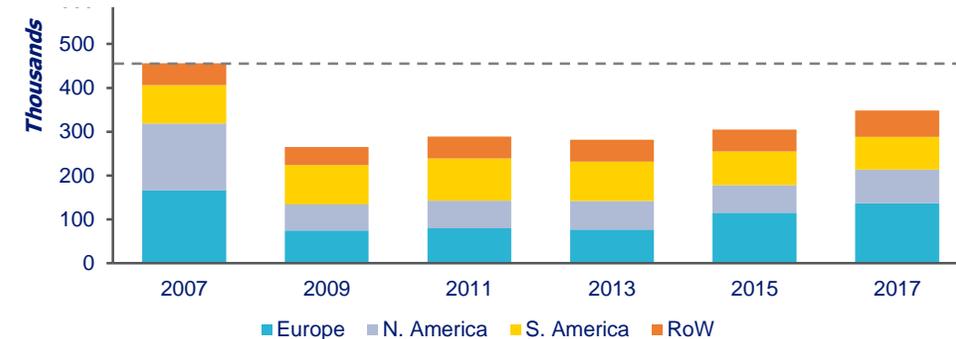
Life of pool & renewal cycle

(Varies depending on use and construction type)



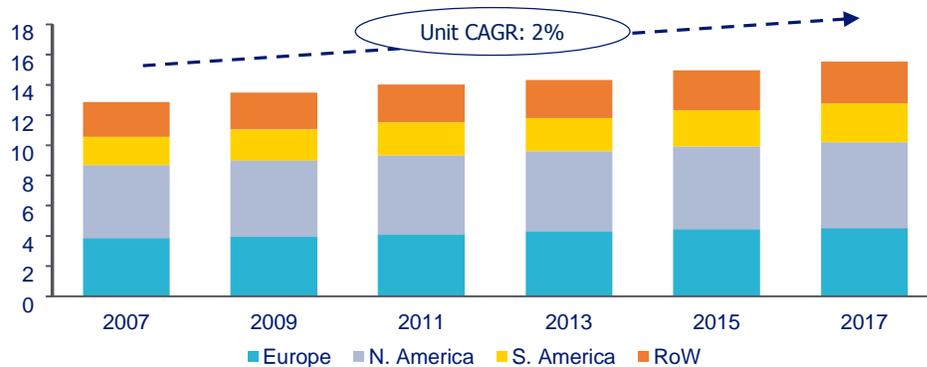
New build growing but still well below pre-crisis levels

New Pools



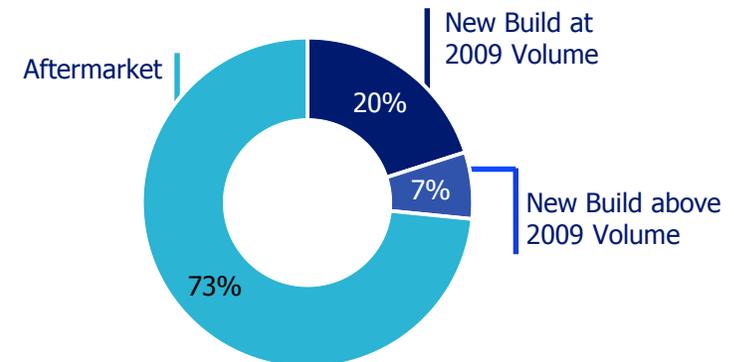
Resilient evolution of pool base

Existing pool base



Resilient market driven by large installed base

Split by market type



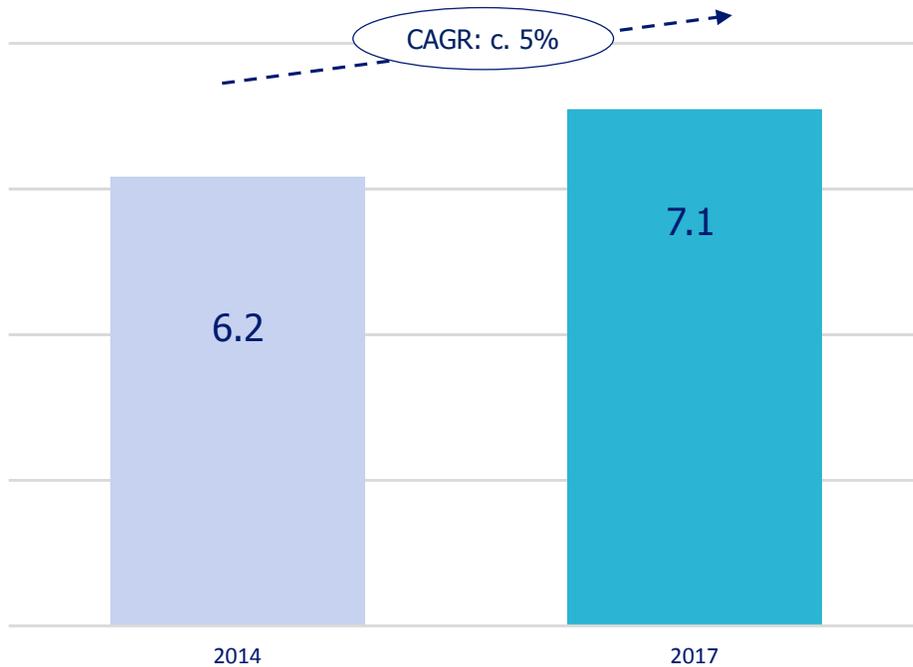
New build feeds pool base every year even in a downturn

Sources: Internal estimates based on external sources (news, company annual reports & presentations, and reports & publications from trade groups)

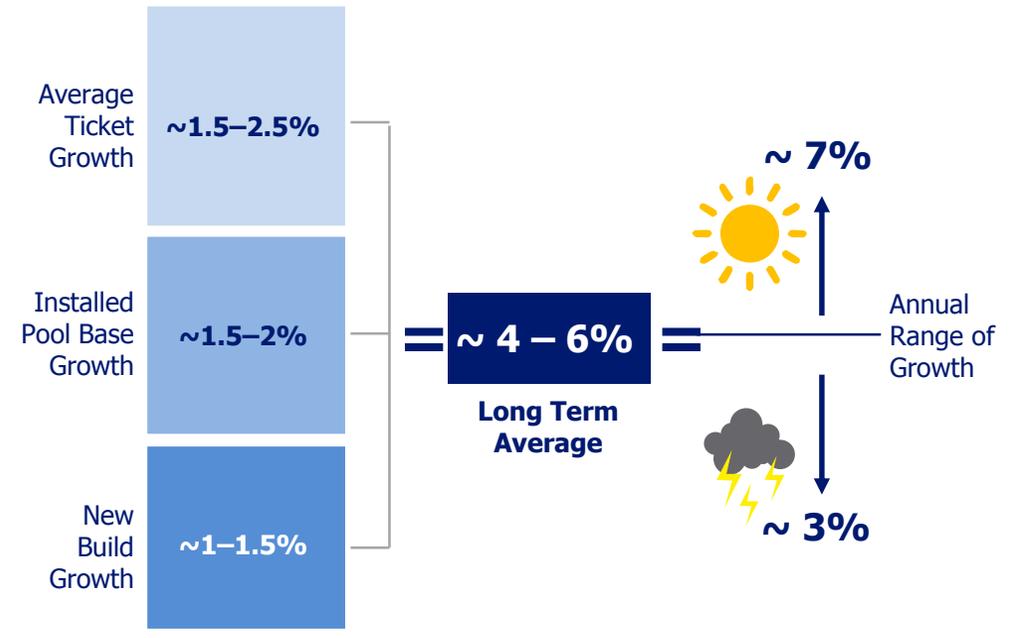
1 Growing & resilient market with strong fundamentals

Growing market

Market size (€, bn)



Estimated market growth range



2 Global leadership leveraging a unique and powerful platform



Broadest geographic footprint with business model adapted to each market



Expansive product offering drives growth and expands addressable market



Globally recognized brands allow for market segmentation and channel optimization



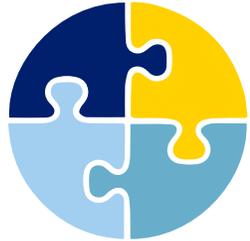
Core competency in innovation defends market position and drives future growth



Proven track record of best practices that deliver sales and operational excellence

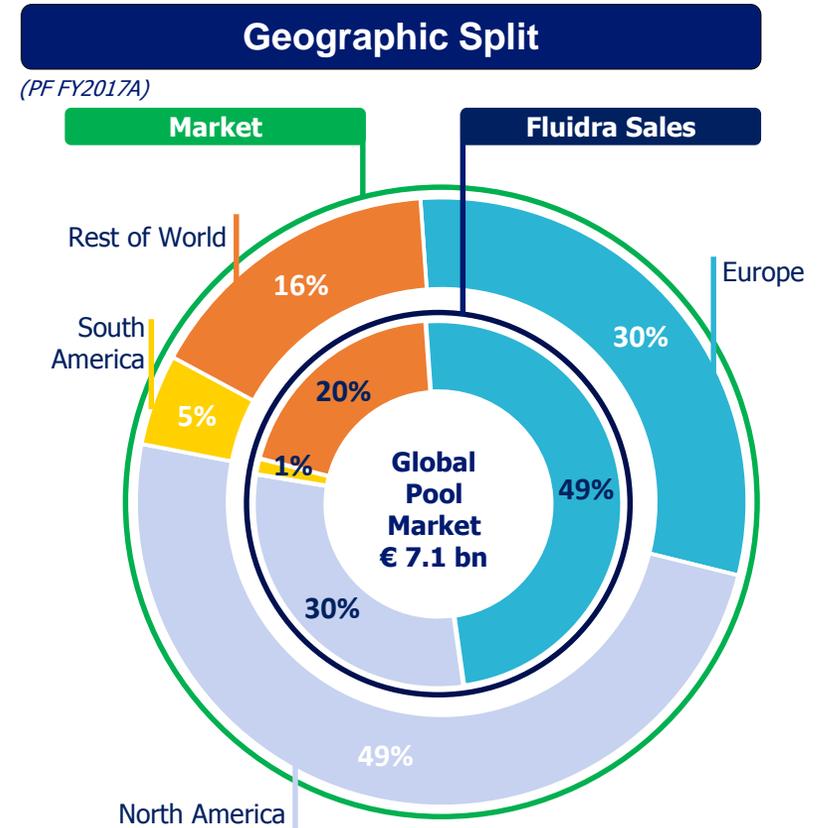
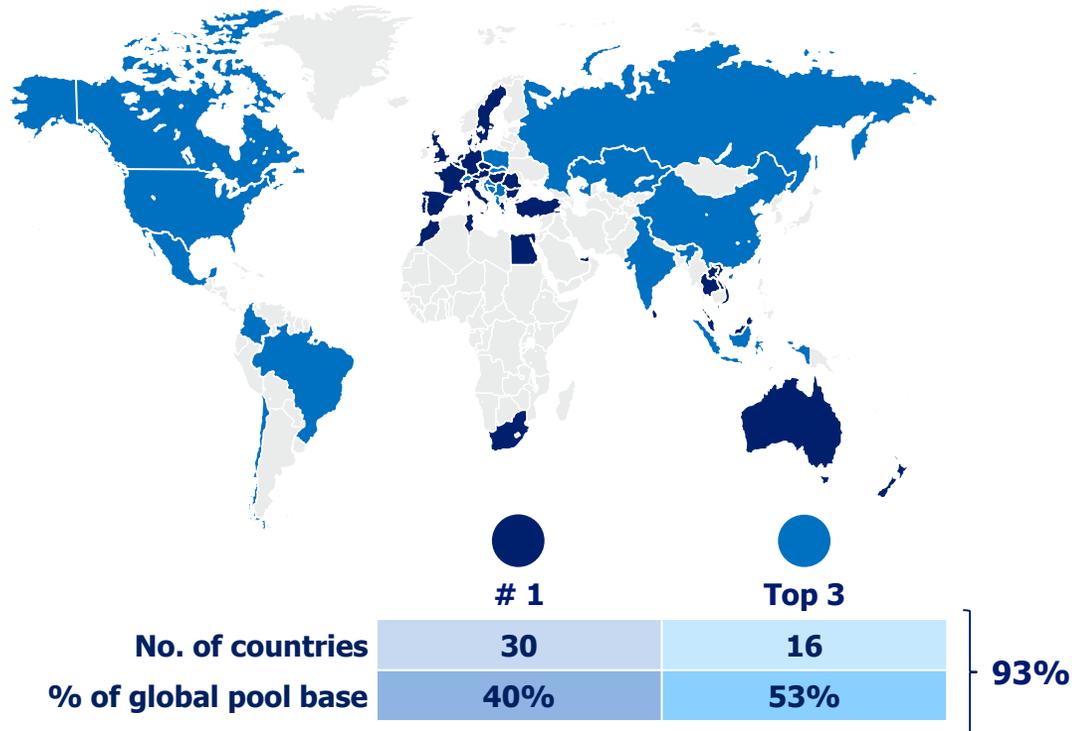


Strong culture and team committed to sustainable industry leadership



Broadest geographic footprint adapted to local market

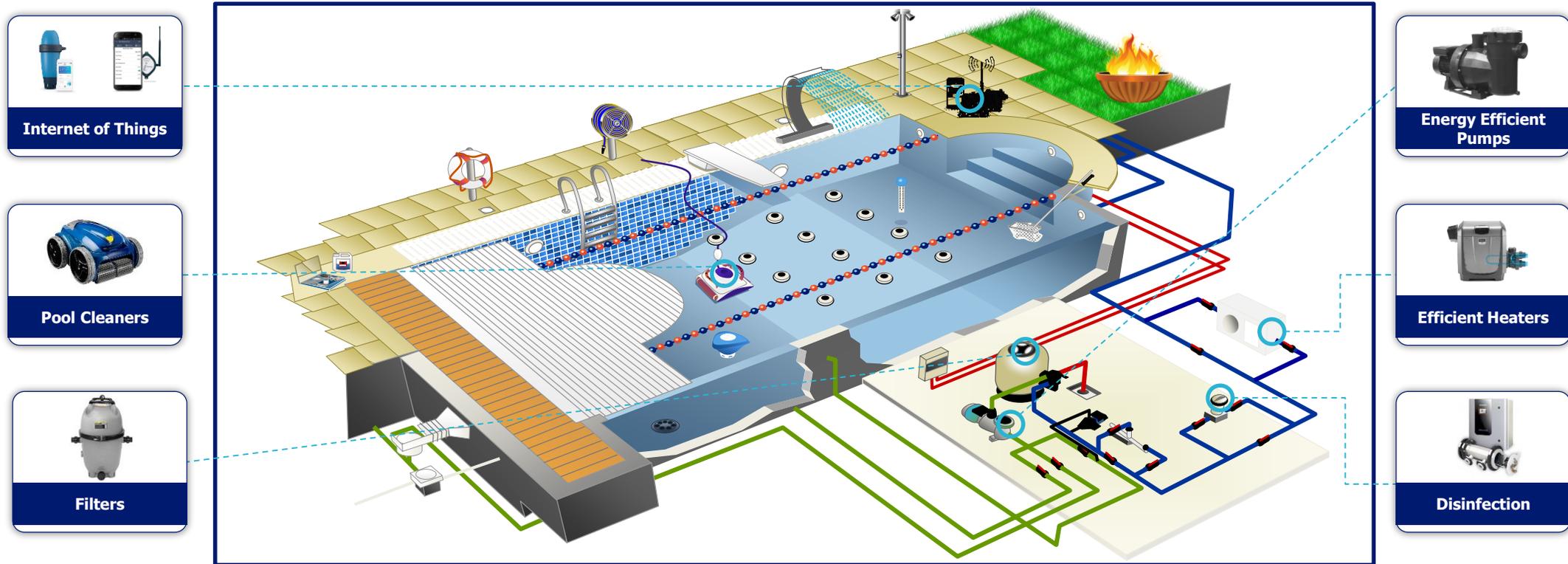
- Global market leader with access to all major pool markets
- Customer & commercial approach by market
- Large growth opportunity in the US, the world's largest market



Geographical diversification reduces risk and provides opportunity for growth

Expansive product offering drives growth

- Expansive product offering and portfolio of brands allows for €59m in revenue synergies ambition to be reached by 2022 (€42m net of dis-synergies)
 - North America: expand residential pool offering and launching of new commercial pool business unit
 - Europe and Southern Hemisphere: leverage distribution platform



75k+ items from entry level manual cleaners to large commercial filters; from above ground pools to commercial pools

Revenue synergies provide upside opportunity / hedge for change in macro environment

Core competency in product development drives future growth

Excellence in innovation

- R&D capability with >200 engineers and >1,100 patents
- Robust product road map
 - Improving quality and user experience
 - Technology focused on increasing energy efficiency and sustainability
 - Global range expansion
 - Industry leader in connected pools (IoT)



Proven history of innovation helps us outgrow the market

2 Four strategic objectives that deliver value through 2022

Accelerate growth in North America

- Product category expansion
- After market penetration
- New product pipeline and connected pools

Leverage platform in Europe and Southern Hemisphere

- Fluidra Pro Center expansion
- Sales and customer management
- Brand and channel management
- Integration

Increase penetration of commercial pools in emerging markets

- Complete product portfolio
- From prescription to project management

Improve margin via operational excellence and integration synergy

- Value improvement & lean
- Synergies
- Quality
- Service level

Great operating and financial performance

Sales Growth

5 – 8%

EBITDA Margin

~21%

Net Income CAGR

~30%

Strong cash flow generation and improving returns

Free Cash Flow

>€250m

Net Leverage

<2x

ROCE

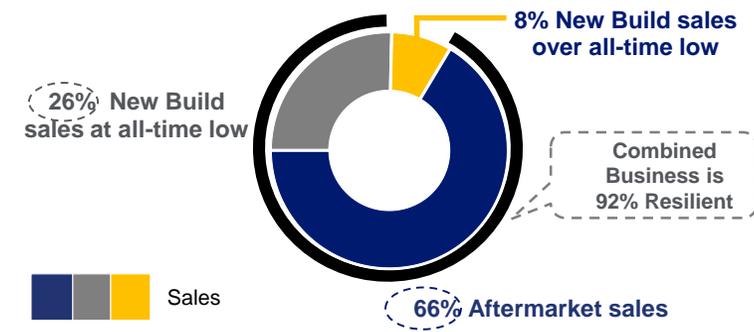
>20%

3 Strong sales growth and a resilient business model

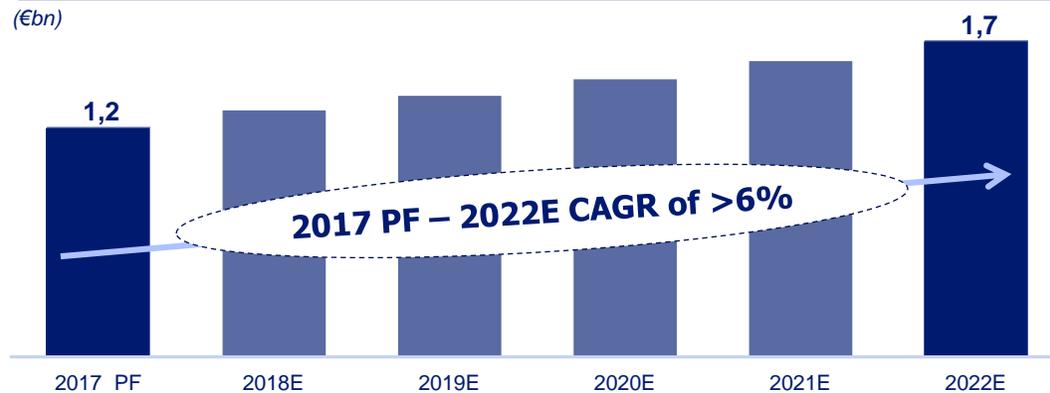
Strong growth outlook (excludes revenue synergies)...



...that is highly resilient...



... Resulting in Total Sales of €1.7bn in 2022



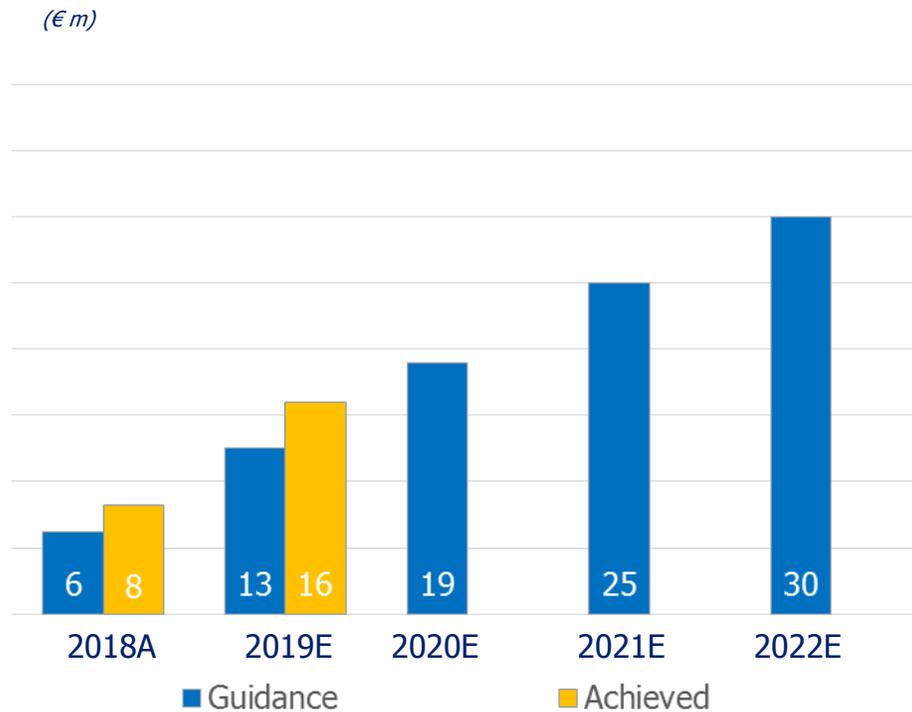
Growth drivers

- Maintaining and upgrading an aging installed base is main market driver
- New build well below long-term historical averages adds room for further growth
- Sales excellence, product expansion and service improvement will drive market share gains
- Diversified geographical footprint reduces risk profile

Revenue synergies and bolt-on acquisitions are additional growth drivers to current plan

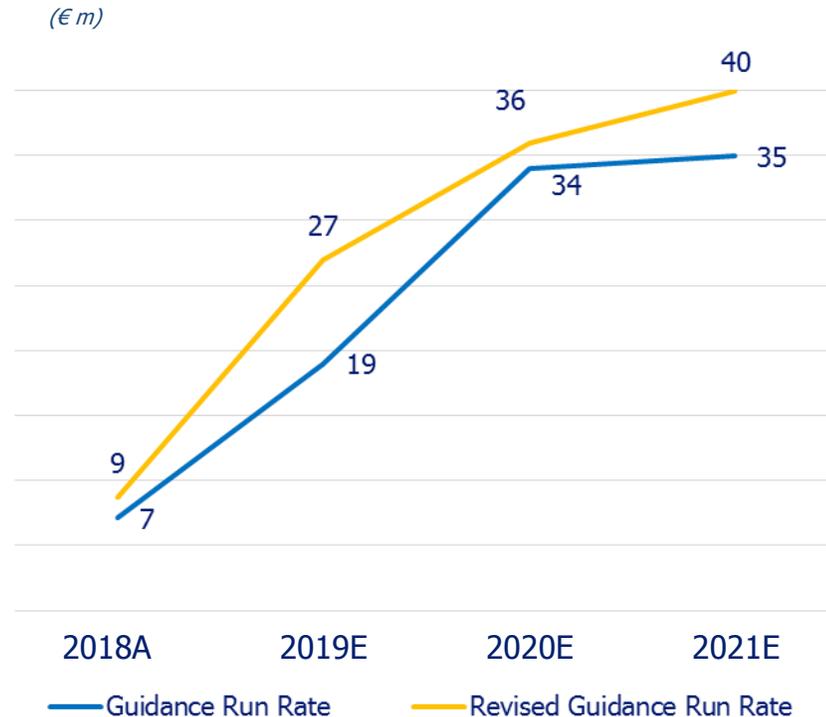
3 Key margin improvement initiatives

Value initiatives and lean update



- Value initiatives and lean target revised upwards by €5m to €30m
- US tariff is an offset to visualizing 2019 incremental value initiatives and lean impact on P&L (approximately €7m)
- Redesigning supply chain to have tariff become a temporary impact

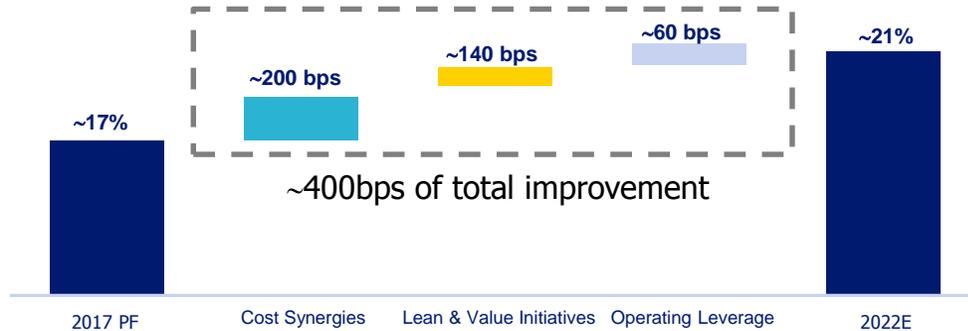
Cost synergies update



- Commercial integration cost synergies provide upside to €17m
- Operations cost synergies on track to €23m target
- Costs to achieve increase from €35m to €47m

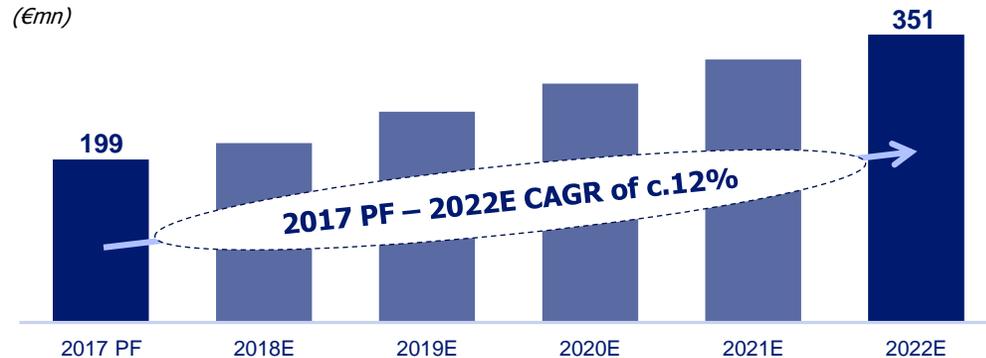
3 Significant margin improvement and cash generation

EBITDA margin evolution



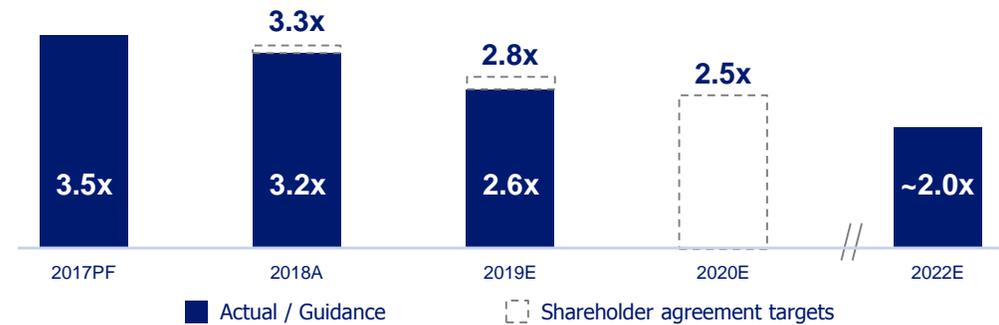
- Cost Synergies guidance increased to €40m (i.e. 240bps)
- Lean & Value Initiatives guidance increased to €30m (i.e. 180bps)

EBITDA evolution



Delivers strong deleveraging for cash allocation

NFD / Adjusted EBITDA



- Financial policy is to operate company at $\approx 2x$ NFD / EBITDA leverage
- Cash allocation priorities once below agreed maximum targets in shareholders' agreement:
 - Dividends: €30m - €50m per year
 - Bolt-on acquisitions: €10m - €25m per year
- Net working capital as % sales target improves by ~ 200 bps

EBITDA margin improvements driven by synergies, lean & value initiatives and operating leverage

Summary



The logo graphic consists of a large white circle containing the text 'FLUIDRA' and '2022 PLAN'. To the right of this circle is a smaller white circle, and below it is another smaller white circle. A large, thin white arc curves across the top and right side of the slide, partially overlapping the logo graphic.

FLUIDRA
2022 PLAN

**THANK YOU FOR
YOUR ATTENTION!**

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