

**FLUIDRA**

**TO CREATE THE PERFECT POOL & WELLNESS  
EXPERIENCE, RESPONSIBLY**

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Investor Relations Materials  
May 2021

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# ACCELERATING GROWTH & IMPROVING VALUE CREATION

**1** Global leader – at scale, in a long-term structural growth industry

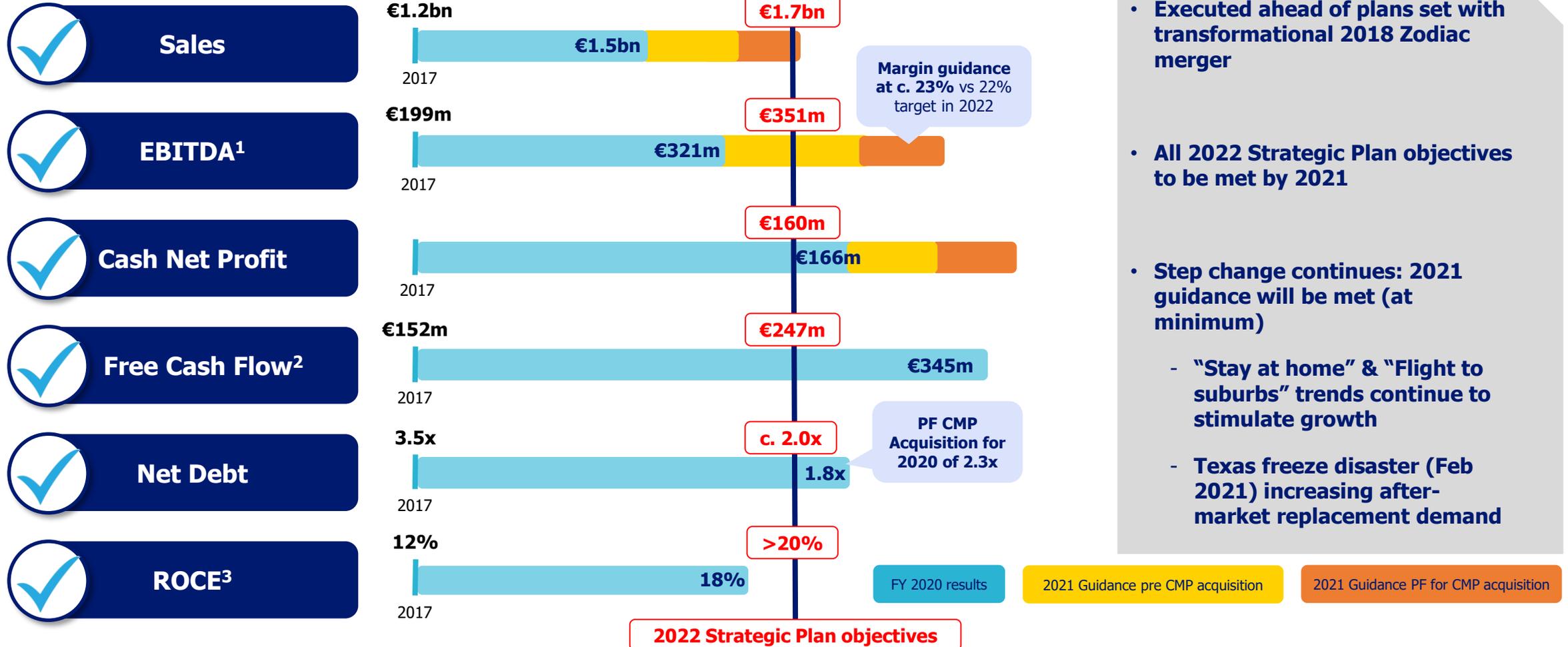
**2** Track record of delivery, expecting to fulfill 2022 Strategic Plan one year ahead of target

**3** Winning regional strategies for growth and profitability  
IoT increasing barriers to entry – Fluidra leading the transformation  
Significant inorganic growth opportunities in a fragmented industry  
ESG at the heart of Fluidra's activity

**4** Clear medium-term objectives based on improving outlook further enhanced by megatrends and current lifestyle shifts

# FLUIDRA CONTINUES TO DELIVER ON FINANCIAL OBJECTIVES – AHEAD OF PLAN

## Targets set – Strategic Plan 2018-2022



- Executed ahead of plans set with transformational 2018 Zodiac merger
- All 2022 Strategic Plan objectives to be met by 2021
- Step change continues: 2021 guidance will be met (at minimum)
  - “Stay at home” & “Flight to suburbs” trends continue to stimulate growth
  - Texas freeze disaster (Feb 2021) increasing after-market replacement demand

1: €351m EBITDA 2022 objective is pre IFRS 16, becoming €375m once adjusted, also to be achieved during 2021

2: FCF calculated as adjusted EBITDA – Capex +/- Changes in Operating Working Capital

3: ROCE is defined as adjusted EBITA / Cash Equity. Cash Equity includes (€527M) adjustment to reflect delta in between 6 months average share price pre-merger announcement (€7.37 p.s.) and share price pre closing (€13.72 p.s.) times 83 million issued shares. 18% ROCE on IFRS accounting, becoming 19% once measured as per US GAAP

# GLOBAL LEADER IN A GROWTH INDUSTRY

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**1**

**Structurally attractive industry – long-term growth, accelerated by recent lifestyle changes**

**2**

**Global leader – based on unique footprint and offering**

**3**

**Growth, improving margin and value creation for shareholders**



# 1 STRUCTURALLY ATTRACTIVE INDUSTRY

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FLUIDRA CAPITAL MARKETS DAY

# LONG-TERM STRUCTURAL GROWTH DRIVERS – CURRENTLY BOOSTED FURTHER

## Market Dynamics & Drivers

### Market



Large installed pool base with accelerating growth



Average selling price continues to grow



Innovation driving consumer demand for an upgraded pool experience



Despite step change, new construction below long-term historic average in USA, Spain & below peak globally

### Step Change Consumer trends



Flight to suburbs globally and in the USA to the sunbelt



Increasing tendency towards outdoor living



Pool as the anchor to the backyard experience



Strong equity in housing and consumer willingness to invest in their largest asset

**Pool unit value has grown > 60% in recent years and Fluidra's participation more than 2x**



Pre 2011 pool

**<€25k**  
*Avg. cost for a pool in the USA*

**<10%**  
*Fluidra's value*



Present day pool

**>€40k**  
*Avg. cost for a pool in the USA*

**>15%**  
*Fluidra's value*

# ATTRACTIVE INDUSTRY GROWTH RATE EXPECTED TO INCREASE FURTHER



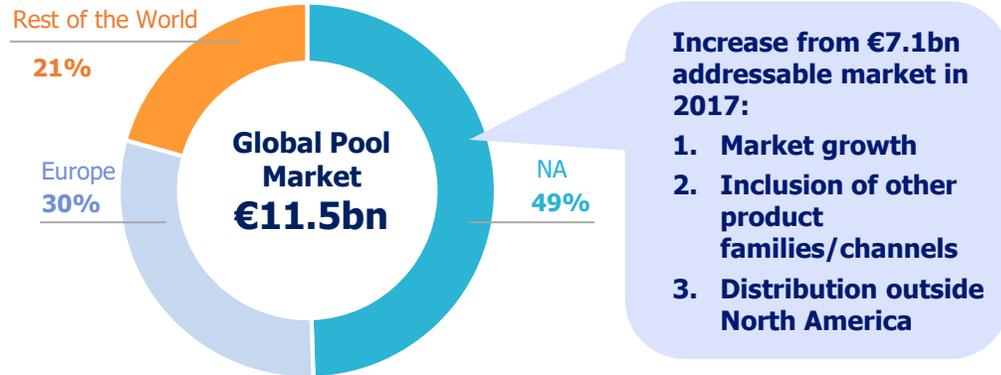
- 1 Underpinned by lifestyle / housing megatrends
- 2 Medium-term installed base growth gaining momentum
- 3 Driven by innovation and upgrades

**MARKET  
GROWTH  
OUTLOOK**

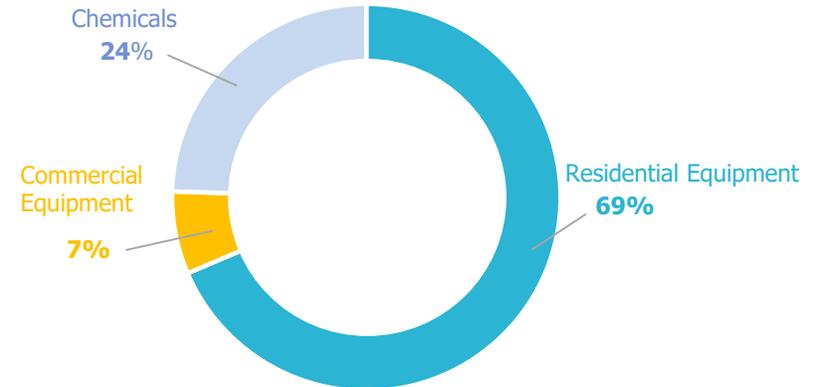
# LARGE GLOBAL MARKET – HIGHLY FRAGMENTED & LED BY FLUIDRA

## NA & Europe make up for the bulk of the large Global market ...

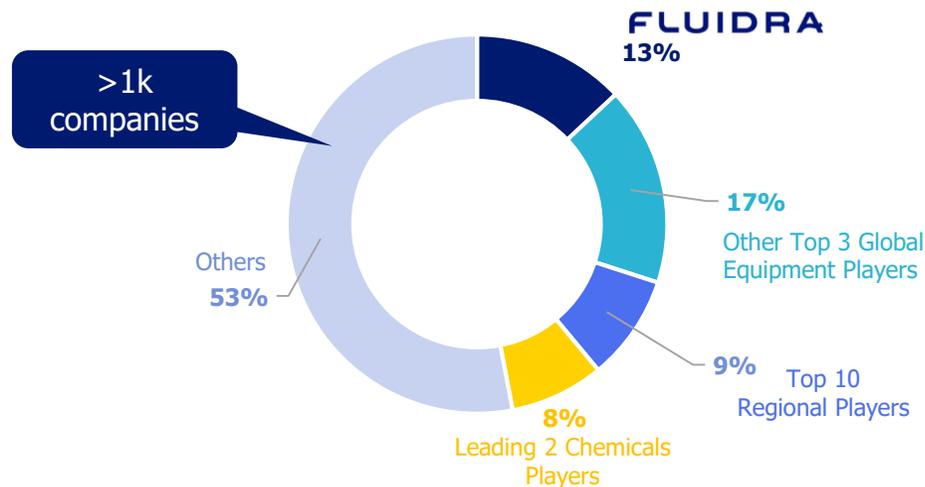
Split by market 2020



## ... as well as the dispersed residential segment



## Fluidra is the global leader in a fragmented industry



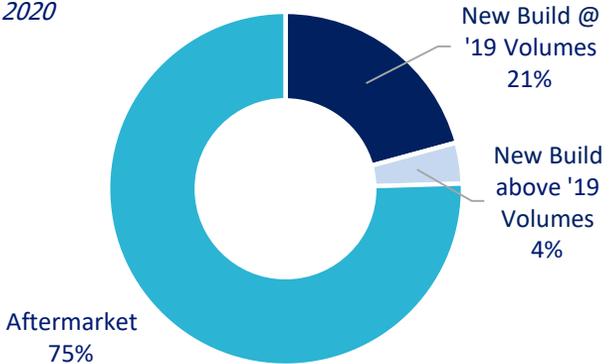
## Market share commentary

- Expanded addressable market provides plentiful growth opportunities
- Addressable market well-diversified by product category
- Robust market growth provides ample room to grow and capture market share
- Strong market shares greater than 20% in core product segments

# GROWING RESIDENTIAL INSTALLED BASE SOLIDIFYING REVENUE RESILIENCE AND VISIBILITY

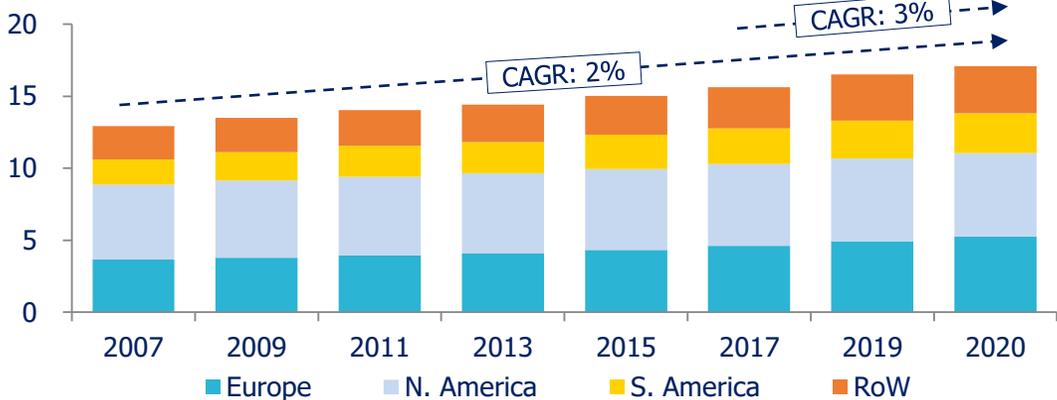
## Resiliency driven by large installed base

Split by market type 2020



## Acceleration in the evolution of the pool base

Residential inground pools in millions



## Life of residential pool & renewal cycle – leading to highly predictable unit economics

### Aftermarket



## Lower average global spend compared to that of N. America provides upside potential

1: Prices for inground pools at manufacturer level

# TOTAL ADDRESSABLE MARKET WELL-DIVERSIFIED BY SEGMENT

## New Build



**€2.9bn**

*c.94% Residential /  
c.6% Commercial*

## Consumables



**€2.8bn**

*c.74% Residential /  
c.26% Commercial*

## Maintenance & Upgrade



**€4.2bn**

*c.89% Residential /  
c.11% Commercial*

## Re-model



**€1.6bn**

*c.91% Residential /  
c.9% Commercial*

**Increasing Fluidra's ability to gain market share in all the pool industry's verticals**

**€11.5bn**

Total Addressable Market

# VERY ATTRACTIVE – AND IMPROVING – INDUSTRY DYNAMICS

- 1** Megatrends driving acceleration in medium-term structural growth
- 2** Unit value expanding materially (and Fluidra's share of it)
- 3** Addressable market well-diversified by category
- 4** Accelerating growth of installed base enhances resilience, visibility and repeatability of revenue
- 5** Fluidra is the global leader in a highly fragmented industry



# 2 GLOBAL INDUSTRY LEADER

FLUIDRA CAPITAL MARKETS DAY

# GLOBAL INDUSTRY LEADER – STRENGTHENED, AND INVESTED, TO WIN

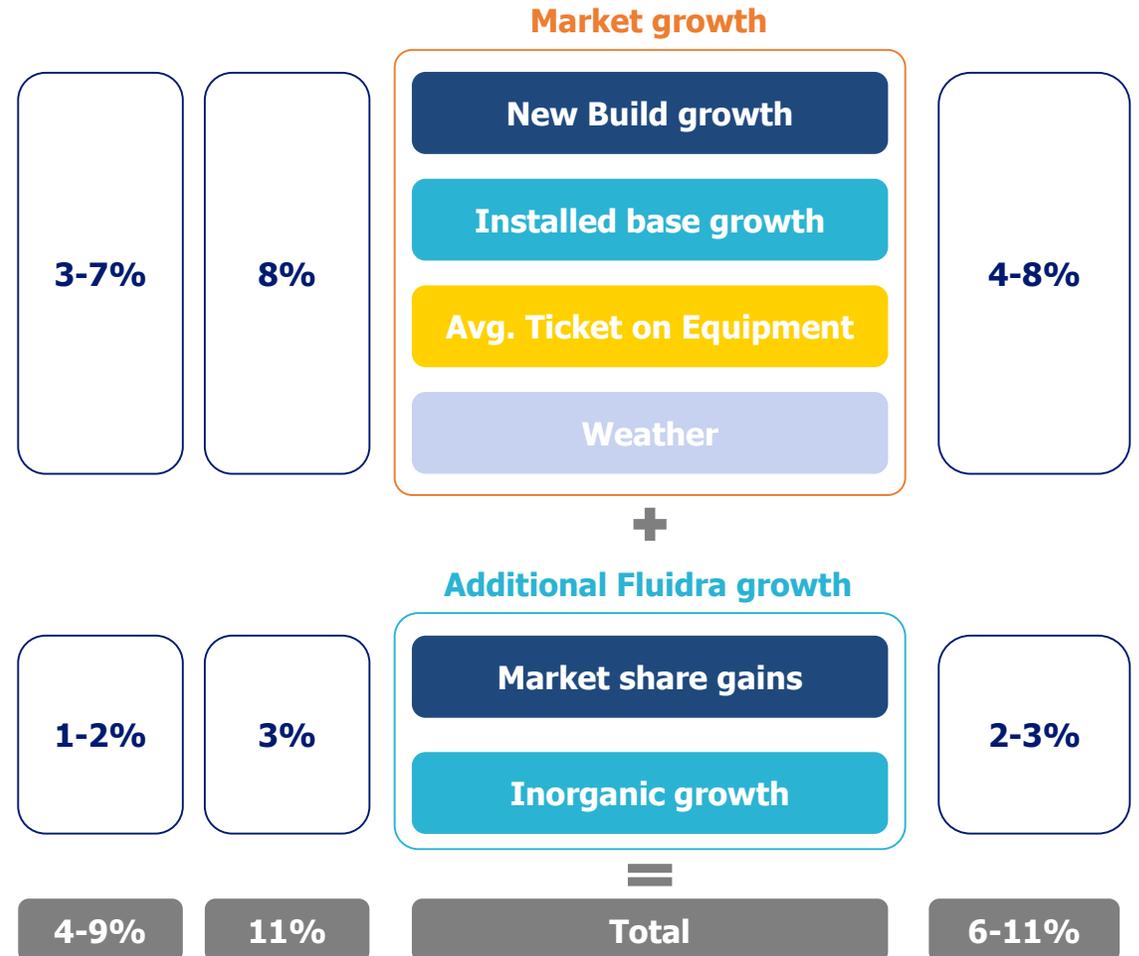
## WHY FLUIDRA WINS

- 1 **Broadest geographic footprint – access to all markets for growth & diversification**
- 2 **Optimal business model and adapted “route to market” - Branded & Pool-Pro centric**
- 3 **Innovation / IoT leader – drives growth and margin**
- 4 **Continuous margin expansion – digitalize, simplify through Lean / Value Initiatives**
- 5 **Excellent M&A track record – consolidating a fragmented industry, creating value**
- 6 **Sharp focus on ESG – conducting our business the right way**
- 7 **Culture of fast and agile decision-making and execution**

2015-19

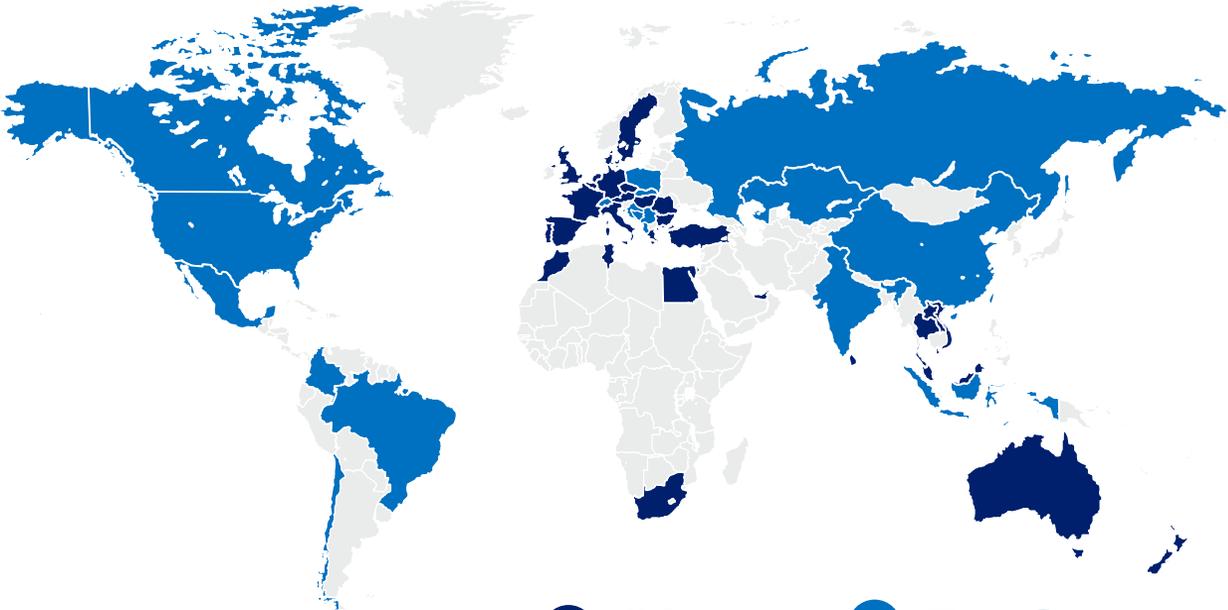
2020

Medium term growth Assumptions



# SIGNIFICANT SCOPE TO GAIN FURTHER MARKET SHARE, DRIVEN BY SCALE AND MARKET FRAGMENTATION

Fluidra is #1 in countries with 40% of global pool base... and top 3 in 93%



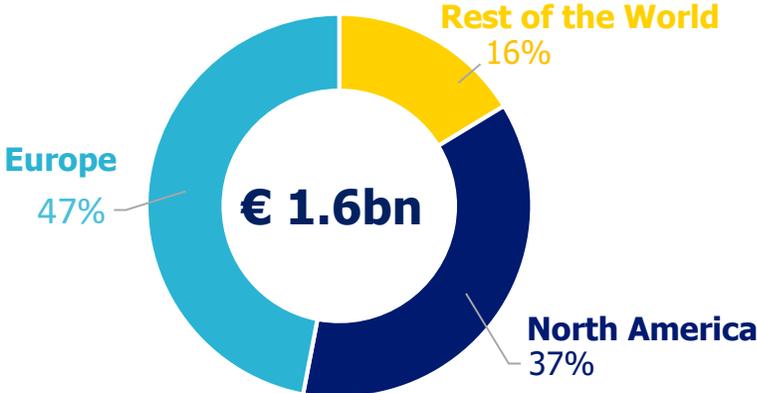
	#1	Top 3
No. of countries	30	16
% of global pool base	40%	53%
93%		

Global diversified platform

1 Fluidra generates 4x more revenue outside North America than next player...

2 ... and now Fluidra has closed the gap to the #2 player in North America

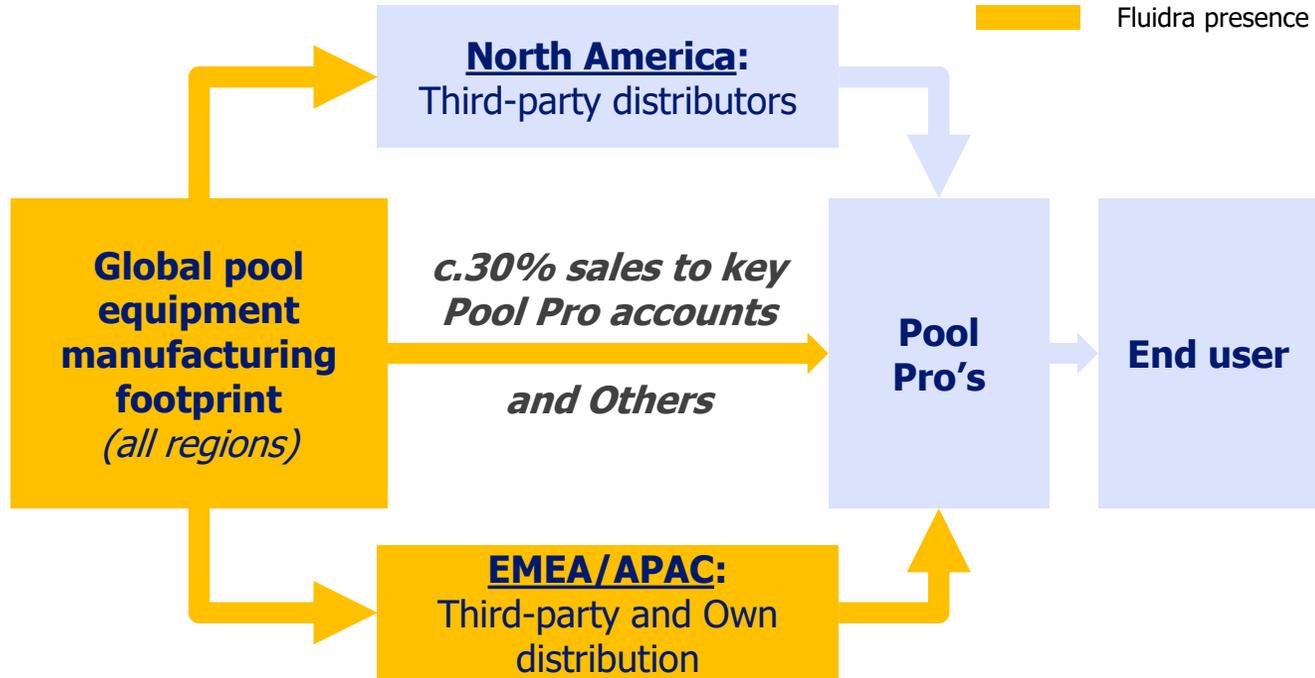
Fluidra's 2020 sales by region<sup>1</sup>



1: Sales are proforma for CMP's acquisition

# BLENDING MODEL ADAPTS & OPTIMIZES ROUTE TO MARKET ACROSS GLOBE

Fluidra operates across the value chain with an adapted regional model



## Significance of Pool Pro

- Critical route to market > 70% of channel share
- Pool Pro is key decision-maker for product selection and service delivery
- Pool Pro can be a builder, maintainer, repairer, retailer or a combination of the above
- Others includes mass market and non-pool e-commerce players

## Why Fluidra "owns" the Pool Pro

- Widest product offering
- Quality branded products
- Product availability
- World class technical and aftersales service
- Leading loyalty and marketing programs

Long-lasting relationships built on trust and reliability

# GLOBAL INDUSTRY LEADER WITH WINNING REGIONAL STRATEGIES

## Accelerate growth in North America



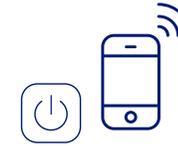
Strong product pipeline and new channels



Continue aftermarket penetration strategy



Expand into new residential categories from CMP acquisition and merger



Leverage connected pools for cross-selling and services



Develop commercial pool by growing in HMAC

## Leverage platform in EMEA



Accelerate growth in cleaners post remedy implementation



Optimize channel management



Continue distribution expansion of Fluidra Pro Centers



Rationalize product offering and footprint for increased profitability



Further develop commercial pool

## Profitable growth in APAC



Leverage product pipeline for profitable growth



Rationalize product offering for increased profitability



Integrate Fabtronics and deliver cost synergies



Leverage SE Asia expertise to develop commercial pool

# GLOBAL R&D LEADER – STRATEGIC INVESTMENTS IN INNOVATION AT OUR CORE

- **R&D capability with >200 engineers and >1,400 patents**
  - 3x more patents than the next industry player
- **Robust product roadmap based on key criteria**
  - Improving quality and user experience
  - Technology focused on increasing energy efficiency and sustainability
  - Global range expansion
  - Industry leader in connected pools (IoT)

**R&D/ Sales<sup>1</sup>**

**1.7%**

**CapEx/Sales<sup>1</sup>**

**~ 3.0%**

**Cleaners**



**Hydraulics**



**Heating**



**Water Care**



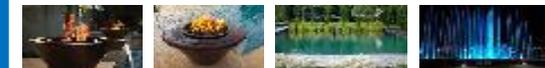
**Lighting**



**White Goods and Valves**



**Outdoor Integration**



**Internet of Things (IoT)**



**Proven history of innovation helps us outgrow the market**

<sup>1</sup>: 2020 figures pre CMP

# IoT STARTING MOMENTOUS TRANSFORMATION OF CUSTOMER DEMANDS & EXPECTATIONS FEWER PLAYERS CAN DELIVER - INCREASING BARRIER TO ENTRY / PARTICIPATION

## Core fundamentals of our IoT strategy

1

**Invest to lead the industry transformation over medium-term – digital ecosystem**

2

**Optimize Pool Pro and End User outcomes – Fluidra grows with customers**

3

**Enhance Revenue, Margin and RoCE performance**

## IoT benefits the entire pool ecosystem

1

### Opportunity for End User

- Ease of use and peace of mind enhances experience
- Product and service optimization & flexibility
- Cost savings and efficiency

2

### Opportunity for Pool Pro's

- Efficiency and time-management / capacity
- Optimize product selection
- Speed of delivery for end-user

3

### Opportunity for Equipment Manufacturers

- Enhanced customer and product information
- Improve customer satisfaction and customer stickiness
- Potential for significant margin enhancement

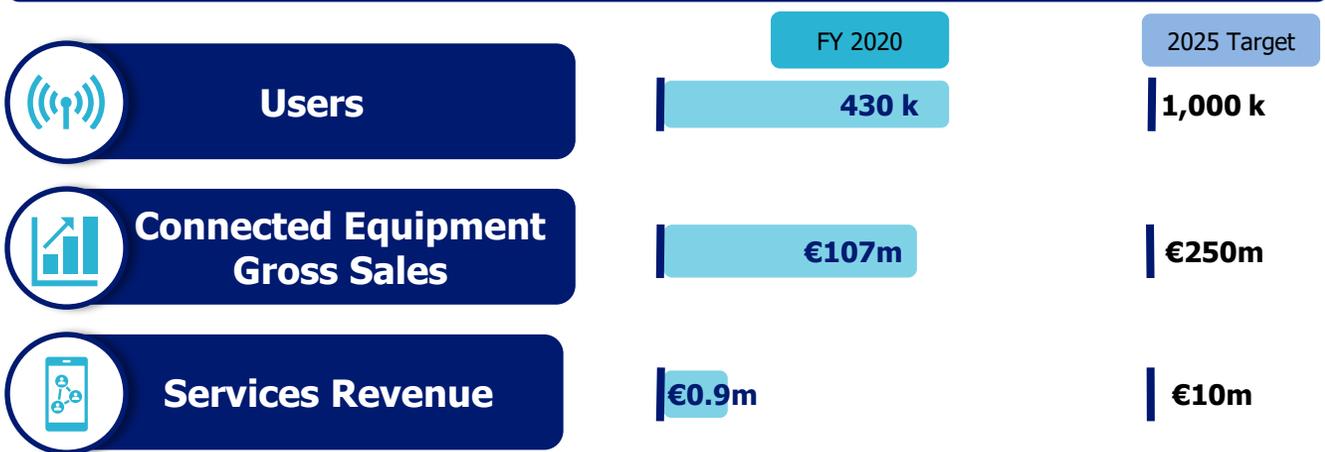
# IoT SET TO DELIVER MEANINGFUL VALUE FOR CUSTOMERS AND INVESTORS FLUIDRA THE CLEAR LEADER IN CONNECTED EQUIPMENT

**Connected bundle drives ASP of Pool Pad >20% plus additional product sales**

Non-connected

Connected

## IoT 2025 Ambition vs. Current



## Leadership in a growing market

- Strong penetration with c.65% of US new builds including connectivity
- Accelerating demand with >35% CAGR 18-20 in # connected users
- Clear leader in connected equipment >40% over next competitor

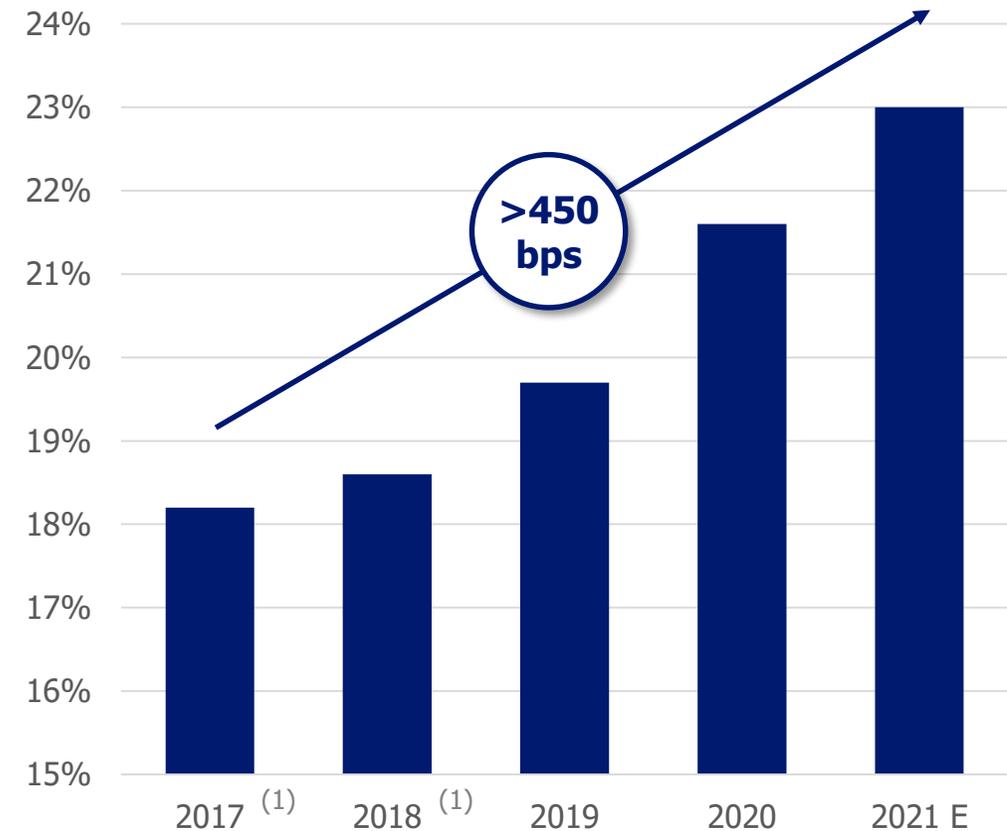
# PROVEN TRACK RECORD ON MARGIN EXPANSION - SET TO CONTINUE

## Clear competencies to drive margin

- Lean and Value Initiatives as a constant process taking cost out of products mainly through:
  - Product or component redesign
  - Supplier change or cost renegotiation
  - Lean process
- M&A cost synergies are a recurring feature within margin expansion
  - >€6.3m cost synergies through CMP and €2.8m remaining from the Zodiac merger
- Good operating leverage driven by fixed nature of approx. 60% of Opex base
- Digitization of internal operations
- Simplification as a future opportunity for further margin expansion

## Proven Margin Expansion

(Adjusted EBITDA % Sales)



1: 2017 and 2018 adjusted for IFRS16 implementation considering 2019 lease volume

# M&A TRACK RECORD: REGULAR, SYSTEMATIC PROCESS - CREATING VALUE

## Clear acquisition parameters



Opportunity for product range & customer expansion



Culturally aligned



Immediately identifiable synergies



Overweight North America



ROCE threshold as guiding metric



Balance exposure to commercial pool

## Disciplined M&A strategy in a largely fragmented market

- Objective to generate additional annual sales growth of c. 1-2% per annum
- Large opportunity list, generally <€25m sales and <7x EV/EBITDA
- Leverage proven competencies and group capabilities
- Centralized deal team ensures discipline and increases capacity for local teams, who prospect and own the opportunities
- Established market reputation for bolt-on acquisitions

## Proven inorganic track record – plentiful future opportunities

												
												
2014	2015	2016	2016	2017	2017	2017	2020	2020	2020	2021	2021	2021

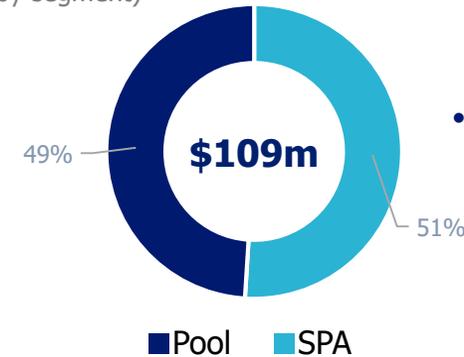
# CMP ACQUISITION CASE STUDY (Q1 2021) – MEETS ALL OUR CRITERIA

## Our Criteria & CMP Opportunity

- 1 **Expands Group North America Footprint:** US manufacturer of solutions for recreational water industry
- 2 **Product range expansion:** Range of new and complementary products
- 3 **Strong entrance into SPA OEM market:** attractive adjacent SPA components segment >\$500m
- 4 **Immediately identifiable synergies:** \$10m revenue (sanitizers / white goods / lighting) + \$7.5m cost (procurement/logistics) by 2024
- 5 **RoCE Threshold:** Guiding metric for our valuation approach
- 6 **Culturally aligned:** Strong leadership team committed to manage through integration

## Fast-growing business - attractive adjacent segment

(sales by segment)



- 2016-20 Sales CAGR of 10%, excl. M&A

## Highly complementary offering

*Sanitization & White Goods*

*Lighting, Fire & Water Features*

*SPA/Pool OEM Products*

DEL: + POWERCLEAN

NATURAL WONDERS

SpaMASTER

ASO

Brilliant Wonders LED PRODUCTS

AIR: X

SGS

bobé

SQR

CMP

# STRONG CULTURE REINFORCED BY ESG – MISSION, VISION AND VALUES

## MISSION

TO CREATE  
THE PERFECT  
**POOL & WELLNESS**  
EXPERIENCE  
**RESPONSIBLY**

## VISION

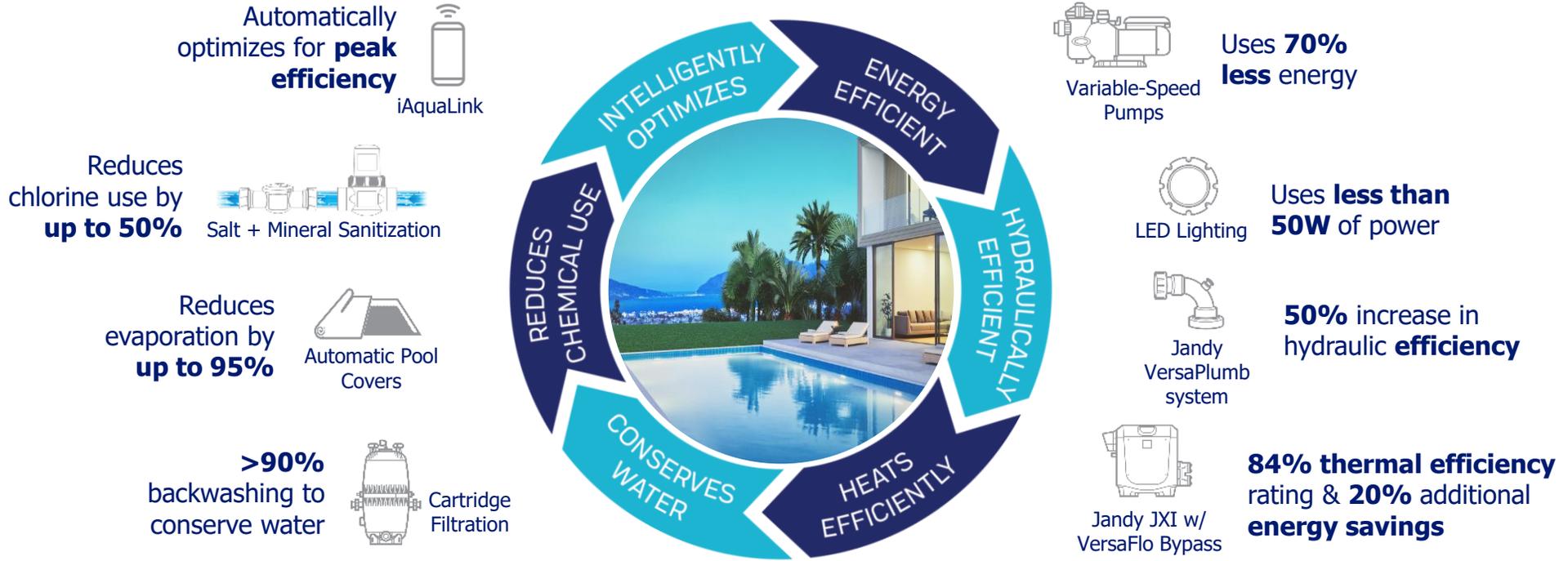


To enhance lives through innovative and sustainable solutions that **transform the way people enjoy water** for recreation and health

## VALUES



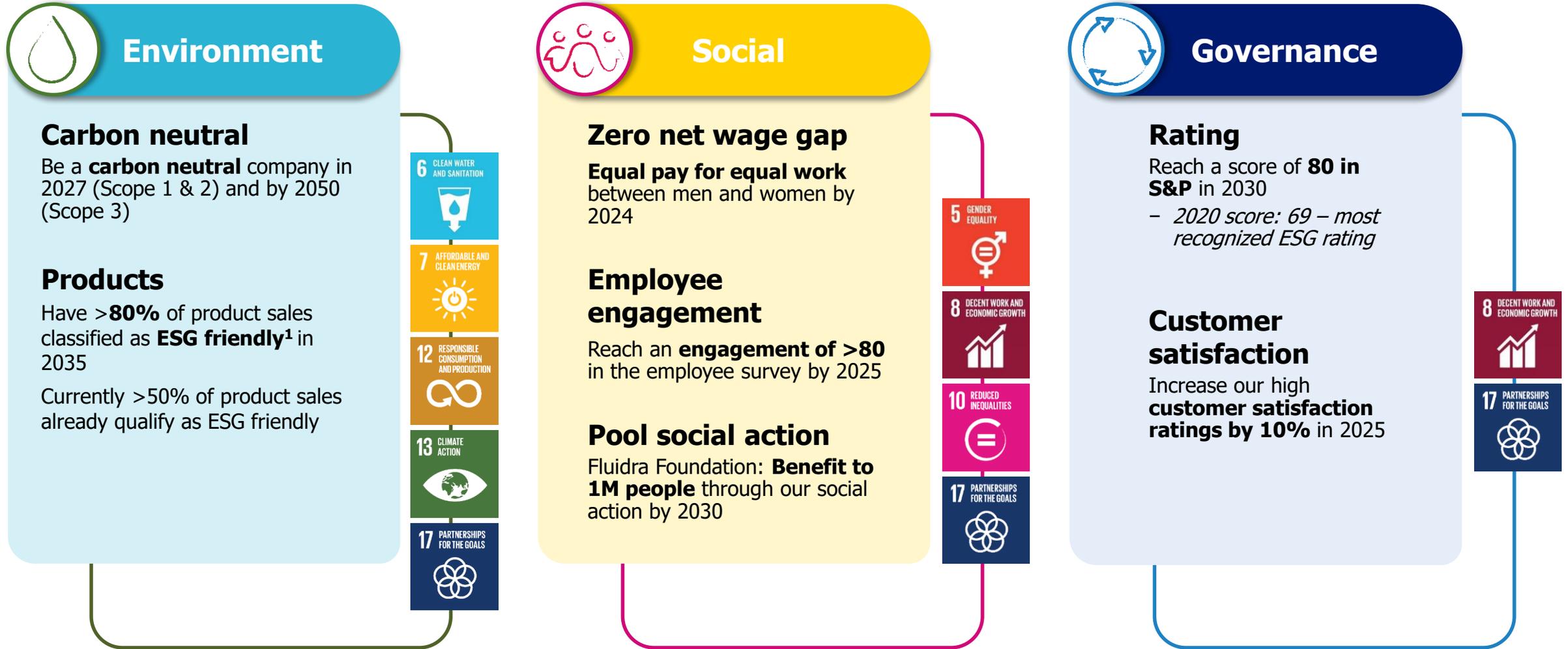
# ESG CASE STUDY – THE MOST EFFICIENT POOL SYSTEM ON THE PLANET



## Old vs New: Efficiency Comparison

Old	Totals Comparison	% savings	New
 <ul style="list-style-type: none"> <li>2 Single-speed pumps 5000W</li> <li>1 Incandescent light 300W</li> <li>Plumbing head loss 150W</li> <li>Traditional chlorine</li> <li>No cover</li> </ul>	<ul style="list-style-type: none"> <li><b>5.45KW</b> avg <b>Power</b> <b>1.6KW</b> avg</li> <li><b>3 PPM</b> avg <b>Chlorine</b> <b>1.5 PPM</b> avg</li> <li><b>&gt;680</b> liter loss per week <b>Water</b> <b>38</b> liter loss per week</li> </ul>	<ul style="list-style-type: none"> <li><b>71%</b></li> <li><b>50%</b></li> <li><b>94%</b></li> </ul>	<ul style="list-style-type: none"> <li>2 VS pumps 1400W</li> <li>3 LED lights 144W</li> <li>VersaPlumb head loss 40W</li> <li>Salt + Mineral sanitizers</li> <li>Automatic cover</li> </ul> 

# RESPONSIBILITY BLUEPRINT: CLEAR COMMITMENTS IN EACH ESG VERTICAL



1: ESG friendly includes low carbon, avoiding-emissions, carbon neutral, water savings, chemical savings and circular products

# FLUIDRA IS THE ONLY GLOBAL PLAYER WITH AN INTEGRATED MODEL

- 1** **Broadest geographic footprint – access all markets for growth & diversification**
- 2** **Optimal business model and adapted “route to market” - Branded & Pool-Pro centric**
- 3** **Innovation / IoT leader – drives growth and margin**
- 4** **Continuous margin expansion – digitalize and simplify through Lean / Value Initiatives and footprint optimization**
- 5** **Excellent M&A track record – consolidating a fragmented industry, creating value**
- 6** **Sharp focus on ESG – conducting our business the right way**
- 7** **Culture of fast and agile decision-making and execution**



# **3 GROWTH, QUALITY & VALUE CREATION**

FLUIDRA CAPITAL MARKETS DAY

# FLUIDRA'S PROPOSITION OF GROWTH & QUALITY OF RETURNS IS A RARE COMBINATION - WARRANTS A WIDER PEER SET

Very few companies offer similar investment attractions

## Global Equity Universe

Consistent structural revenue/ Profit growth

Strong and improving margins

Deleveraging enhances cash EPS growth

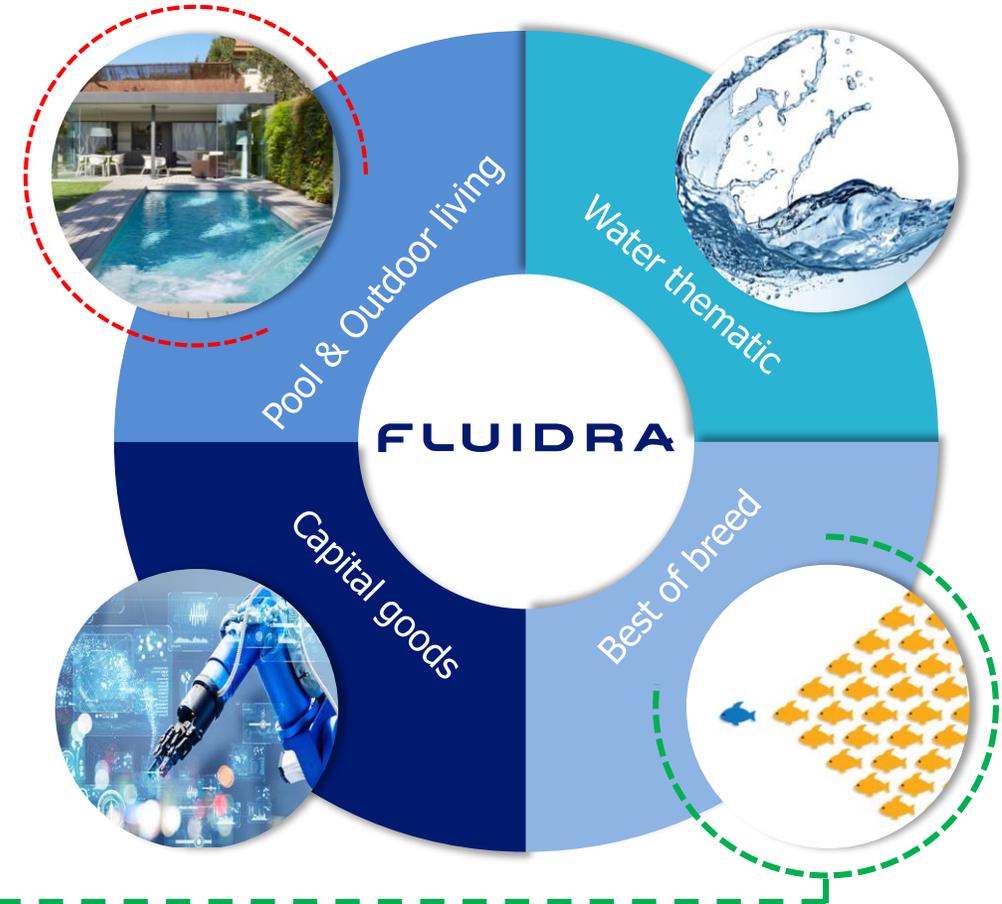
High cash conversion

Strong and rising ROCE

Growing liquidity

**FLUIDRA**  
*... fits in a selected peer set*

Wider relevant peer set for consideration



Default sector peer group

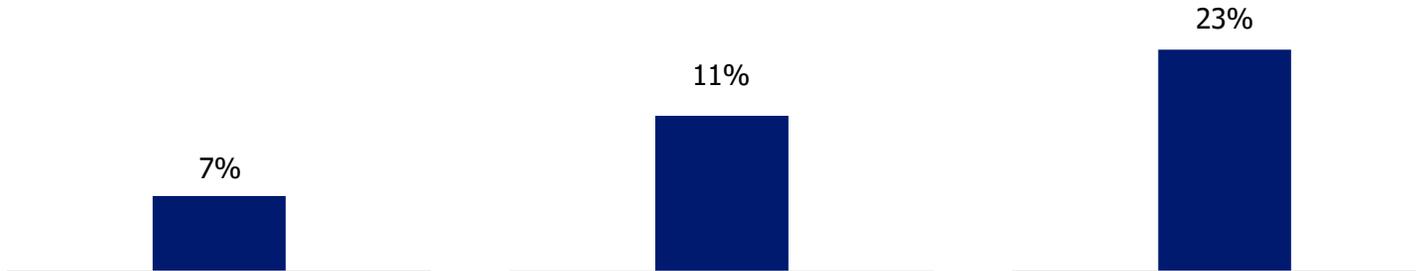
# STRONG TRACK RECORD - GROWTH, DIVERSIFICATION & RESILIENCE

## Growth dynamics

Revenues<sup>1</sup> CAGR 17-20

Adj. EBITDA<sup>2</sup> CAGR 17-20

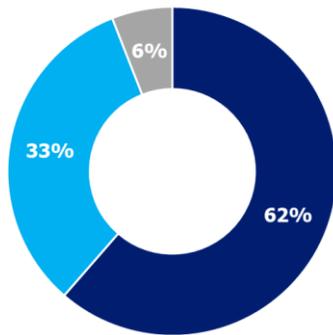
Cash EPS<sup>3</sup> CAGR 17-20



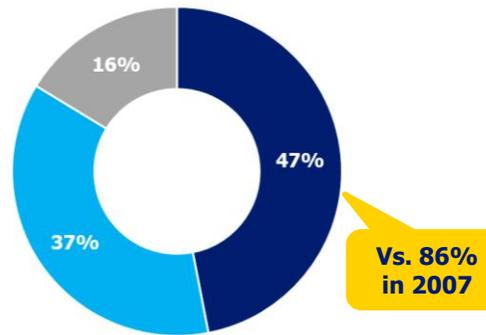
## Increasingly resilient and diversified business model

Sales by market segment (2020)

Sales by geography (2020)<sup>4</sup>



■ Aftermarket ■ New Build @ '19 volumes ■ New Build above '19 volumes



■ Europe ■ North America ■ Rest of the World

- Strong and consistent top-line growth above market
- Resilience founded on megatrends, and growing installed base
- Global footprint diversifies exposure and optimizes growth opportunities
- EBITDA growth stimulated by business improvement initiatives
- High and improving cash conversion, and growth

1: Constant FX and perimeter. Revenues CAGR adjusted for Aquatron remedy implementation

2: 2017 and 2018 adjusted for IFRS16 implementation considering 2019 lease volume

3: Based on '17 and '18 PF figures. Assuming '19 Cash Interest Paid of €47m for '17 and '18, as well as 28% PF tax rate for years '17 and '18

4: PF for CMP acquisition

# HIGH QUALITY CASH RETURNS ON INVESTMENT – SET TO IMPROVE FURTHER

## Very strong operating, cash conversion and returns dynamics ...

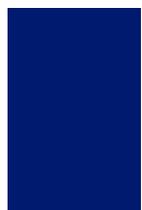
Avg. EBITDA<sup>1</sup> Mgn. 17-20

Avg. FCF conversion<sup>2</sup> 17-20

ROCE<sup>3</sup> 2020

Significant operating leverage

+330 bps



>90%



19% as measured by US GAAP

18%



### • Delivering Growth & Quality of Returns

- Fluidra leads a fast-growing industry
- And generates high-quality, repeatable returns
- Our model is a “Best-of-Breed” long-term value creator / Compounder

## ... generate resources to reinvest in growth and optimise funding structure

3.7x



2017PF

3.3x



2018PF

2.6x



2019A

2022E targeted leverage position already achieved

1.8x



2020A

### • We are Committed to

- Further value-accretive investment
- Compounding value-creation for shareholders (systematic ROCE>WACC)
- Appropriate and attractive cash returns to shareholders

1: 2017 and 2018 adjusted for IFRS16 implementation considering 2019 lease volume

2: FCF calculated as adjusted EBITDA – Capex +/- Changes in Operating Working Capital. FCF conversion calculated as FCF/ Adj. EBITDA

3: ROCE is defined as adjusted EBITA / Cash Equity. Cash Equity includes (€527M) adjustment to reflect delta in between 6 months average share price pre-merger announcement (€7.37 p.s.) and share price pre closing (€13.72 p.s.) times 83 million issued shares

# WE TAKE A DISCIPLINED APPROACH TO CAPITAL ALLOCATION, TO OPTIMIZE RETURNS

INVESTMENT PRIORITY	CONSIDERATIONS
<b>Reinvest in the business to drive organic revenue growth and margin improvement</b>	<ul style="list-style-type: none"><li>• Optimize market entry and expansion</li><li>• R&amp;D investment at 1.5-2% sales p.a.</li><li>• Optimize efficiency via digitalization and invest in simplification</li></ul>
<b>Invest in acquisitions to supplement Fluidra's existing strategy and capabilities</b>	<ul style="list-style-type: none"><li>• Maintain disciplined M&amp;A approach and focus on transactions with high strategic value</li><li>• Conservative approach to anticipated synergies, and vigorous focus on execution and realization</li><li>• 2021 acquisition of CMP for total consideration of c.€205m</li></ul>
<b>Return cash to shareholders via dividends</b>	<ul style="list-style-type: none"><li>• Target dividend payout ratio of c. 50% Cash Net Profit</li><li>• Dividend per share grown at 16% p.a. since 2017<sup>1</sup></li></ul>

1: 2017 dividend paid in 2017 as a distribution of 2016 results

# MEDIUM-TERM STRATEGIC & FINANCIAL OBJECTIVES SUMMARY

## Growth

- > Industry, leveraging global footprint
- Focus on North America expansion
- Drive by innovation, IoT, Commercial Pool

## Margin Expansion

- Continued execution – Simplify / Lean / Digitalize
- Scale central functions of global platform
- Optimize brand & sales channel management

## Cash Generation & Leverage

- Tight focus on WC and Capex control
- Ensure cash conversion remains high
- Leverage +/- 2x may vary temporarily with inorganic growth

## Returns on Investment

- Value accretive M&A pipeline
- Growth investment = / > Target returns
- Manage funding to optimize WACC

## Operating and financial performance

	Past	Step change		Future
	2017-19	2020 <sup>2</sup>	2021E	Medium Term
Sales Growth	5.1% <sup>1</sup> p.a.	11.2%	15%	>6% p.a.
EBITDA Margin expansion	~75 bps p.a.	190 bps	~140 bps	>50 bps p.a.
Cash EPS growth	8.9% p.a.	57.4%	25%	>15% p.a.
Dividends % of Cash Net Profit	n.a.	~40%	~50%	~50%

1: As reported growth of 3.1% increases to 5.1% on constant currency and perimeter, including Aquatron's remedy implementation

2: At constant FX

# ACCELERATING GROWTH & IMPROVING VALUE CREATION

**1** Global leader – at scale, in a long-term structural growth industry

**2** Track record of delivery, expecting to fulfill 2022 Strategic Plan one year ahead of target

**3** Winning regional strategies for growth and profitability  
IoT increasing barriers to entry – Fluidra leading the transformation  
Significant inorganic growth opportunities in a fragmented industry  
ESG at the heart of Fluidra's activity

**4** Clear medium-term objectives based on improving outlook further enhanced by megatrends and current lifestyle shifts

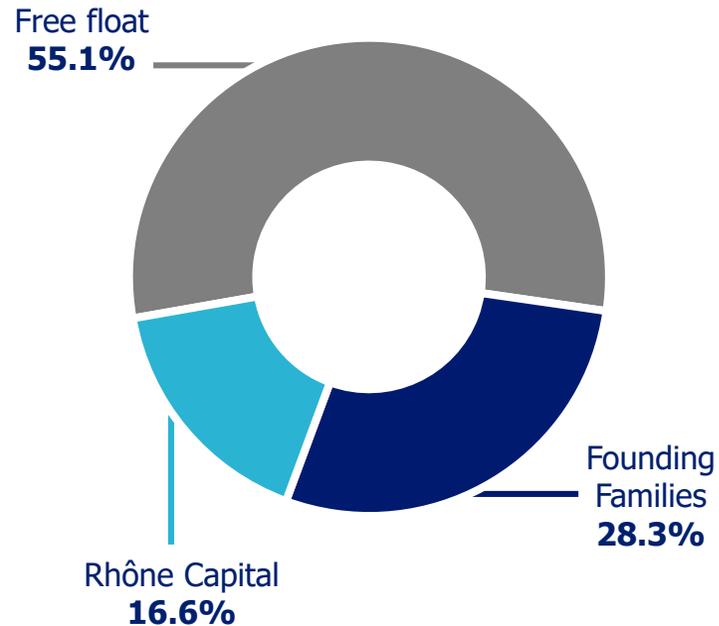
A modern villa with a swimming pool and outdoor seating area. The villa features a white facade, a dark tiled roof, and a large glass window. The pool is surrounded by a concrete deck with wicker furniture. The sky is overcast.

# APPENDIX

FLUIDRA CAPITAL MARKETS DAY

# OWNERSHIP STRUCTURE AND SHAREHOLDERS' AGREEMENT

## Ownership structure



## Shareholders' agreement<sup>(1)</sup>

### Rhône Capital:

- Prohibition to sell to a single acquirer (i) more than 20% or (ii) any number of shares if this would legally oblige the acquirer to launch a tender offer
  - Once funds managed by Rhône  $\leq 20\%$  but  $> 7\%$ :
    - Free transfers: (i) transfers made through an accelerated bookbuild offering, block trade or other similar transactions ("ABB") in which no single acquirer is entitled to acquire 3% or more (ii) transfers, whether in single or several transactions, representing a maximum aggregate of 3% within any 6 month period
    - Founding families have a right to participate on same terms on (i) above and right of first offer on any other transfers of shares
  - Once funds managed by Rhône  $\leq 7\%$ : Free transfers provided that in transfers made through ABB no single acquirer is entitled to acquire 3% or more and founding families have a right to participate on same terms

### Founding Families:

- Lock-up period until July 2021 except for (i) sales up to a maximum of 5% in aggregate or (ii) among families

1: Full detail of the Shareholders' agreement can be found on our website: <https://www.fluidra.com/shareholders/shareholder-agreements>

# US GAAP TO IFRS - KEY FINANCIAL DIFFERENCES FOR FLUIDRA

€M	2020	
<b>Adjusted EBITDA</b>	<b>320.8</b>	
Lease expense	(24.7)	Lease expenses not included in P&L under IFRS 16
R&D expense	(12.5)	Capitalized R&D expenses
<b>Adjusted EBITDA (US GAAP comparable)</b>	<b>283.6</b>	
Depreciation	(20.4)	
<b>Adjusted EBITA (US GAAP comparable)</b>	<b>263.1</b>	

**FLUIDRA**

# Q1 RESULTS 2021

May 6<sup>th</sup> 2021



1. Record Q1 results, driven by exceptionally strong demand in Residential Pool.
2. Strong accretive M&A activity & greater dividend payment announced.
3. Sharp focus on ESG. During our 5<sup>th</sup> Capital Markets Day we presented our new comprehensive ESG “Responsibility Blueprint” plan for 2020-2026, featuring the most efficient pool system in the planet.
4. Fundamentals of the business remain robust, very strong 2021 Residential Pool season expected in the Northern Hemisphere and promising long-term perspectives.
5. Continued strong execution, we will fulfill the 2022 Strategic Plan targets one year ahead of schedule.
6. Quarterly comparisons are unusual due to COVID-19 impacts.
7. We are raising our 2021 guidance.

# YTD Financial Highlights

FLUIDRA

## Extraordinary Growth and Operating Leverage Compared to a Positive Q1 2020

€M	2020	2021	Evol. 21/20	Const. FX & Perimeter
Sales	315.8	508.4	61.0%	59.8%
EBITDA	51.4	134.8	162.0%	172.7%
EBITA	35.9	119.5	232.7%	255.9%
Cash EPS	0.09	0.42	359.9%	412.3%
Operating Net Working Capital	448.2	448.9	0.2%	(6.5%)
Net Debt	924.6	977.1	5.7%	7.1%

- Superb Sales growth in Q1 on the back of strong continued demand in Residential Pool and some pull forward in preparation for the season.
- EBITDA and EBITA showed outstanding operating leverage.
- Cash EPS increased very substantially as did Net Profit.
- Great evolution of Operating Net Working Capital, improving ratio to Sales by 600 bps.
- Leverage ratio reduced to 2.4x despite Net Debt increase due to strong M&A activity.
- Already surpassed our €40M target in Cost Synergies for the year.

*Note: EBITDA and EBITA are adjusted to include Run Rate Synergies and exclude Non-Recurring Expense. For more details please refer to page 17.*

*For more details on Cash EPS please refer to page 18.*

## Business Evolution

- Step change continues aided by the flight-to-the-suburbs with the pool as the anchor of backyard experience. This confirms the strong fundamentals of the business and resilience of the industry. Fluidra is very well-positioned to achieve medium term-targets shared at CMD.
- Quarterly comparisons are unusual due to COVID-19 impacts. Strong sell-through, Texas freeze disaster and anticipation of a strong season.
- Inflationary pressure on shipping, raw materials and components partly moderating gross margin expansion impact.
- Marginal supply chain impacts for the quarter as we continue to catch-up to the strong demand in our inventory levels.

## Accretive Capital Allocation: Ongoing M&A Activity & Greater Dividend Payment

- Proposal to increase dividend by 90% with a payout of €0.4 per share as part of our c.50% Cash Net Profit distribution policy.
- The company acquired CMP on 10<sup>th</sup> March 2021, a US manufacturer of pool and spa components, that will further strengthen our leadership position in the pool and wellness industry. The acquisition values CMP at €205M and is expected to be Cash EPS accretive from day one.
- Acquisition agreement for the “Splash” and “Zen” businesses (Belgium), incorporating a range of pool and spa maintenance products in the fast-growing mass market channel. Transaction is expected to close in the second half of 2021.

## IBEX 35 Inclusion

- Technical Advisory Committee announced that Fluidra was selected to become part of the main index of the Spanish Stock Exchange as of March 29<sup>th</sup> 2021.

## First Sustainable Financing Agreement

- Conversion of our syndicated credit line of €130M into green financing, also called ESG-linked loans.

# Sales by Geography

FLUIDRA

Record Growth in All Geographies Boosted by Continued Momentum despite Positive Q1 2020 Comparable

YTD €M	2020	% Sales	2021	% Sales	Evol. 21/20	Const. FX & Perimeter
Southern Europe	94	30%	153	30%	63.2%	63.2%
Rest of Europe	56	18%	95	19%	67.4%	66.0%
North America	104	33%	191	38%	84.7%	86.2%
Rest of the World	62	20%	69	14%	12.0%	9.4%
<b>Total</b>	<b>316</b>	<b>100%</b>	<b>508</b>	<b>100%</b>	<b>61.0%</b>	<b>59.8%</b>

- **Southern Europe**, excellent performance in the quarter driven by France, Italy and Spain.
- **Rest of Europe**, continued its very strong evolution in the quarter, led by Germany.
- **North America**, superb evolution in the quarter. Both "flight to the sunbelt" trend and Texas freeze disaster boosted Aftermarket demand. CMP represents c.€10M.
- **Rest of the World**, double digit growth in Residential markets in the quarter, which more than offset the weaker performance in Commercial Pool driven markets.

# Sales by Business Unit

## Residential Aftermarket and New-Build Activities Drive Growth

YTD €M	2020	% Sales	2021	% Sales	Evol. 21/20
<b>Pool &amp; Wellness</b>	<b>306</b>	<b>97%</b>	<b>496</b>	<b>98%</b>	<b>62.3%</b>
Residential	219	69%	389	76%	77.8%
Commercial	26	8%	22	4%	(13.2%)
Pool Water Treatment	42	13%	59	12%	40.1%
Fluid Handling	19	6%	27	5%	36.6%
Irrigation, Industrial & Others	10	3%	12	2%	19.1%
<b>Total</b>	<b>316</b>	<b>100%</b>	<b>508</b>	<b>100%</b>	<b>61.0%</b>

- **Residential Pool** had an outstanding growth supported by outdoor living and flight to the suburbs.
- **Commercial Pool** new projects execution and leads remained soft.
- **Pool Water Treatment** saw strong growth. Very strong performance of Water Care Equipment and positive evolution of Chemicals.
- **Fluid Handling** experienced an excellent evolution, aided by North America's strong performance and the greater contribution of refurbishments and New-Builds.

# Q1 2021 Results

FLUIDRA

## Very Strong Growth and Profitability

€M	2020	% Sales	2021	% Sales	Evol. 21/20
<b>Sales</b>	<b>315.8</b>	<b>100%</b>	<b>508.4</b>	<b>100%</b>	<b>61.0%</b>
Gross Margin	169.9	53.8%	274.3	53.9%	61.5%
Opex before Dep. & Amort.	116.6	36.9%	138.5	27.2%	18.8%
Provisions for Bad Debt	2.2	0.7%	1.0	0.2%	(53.3%)
<b>EBITDA</b>	<b>51.4</b>	<b>16.3%</b>	<b>134.8</b>	<b>26.5%</b>	<b>162.0%</b>
Depreciation	15.5	4.9%	15.3	3.0%	(1.4%)
<b>EBITA</b>	<b>35.9</b>	<b>11.4%</b>	<b>119.5</b>	<b>23.5%</b>	<b>232.7%</b>
Amortization (PPA related)	14.6	4.6%	12.7	2.5%	(13.0%)
Non-Recurring Expense and Run Rate Synergies	3.6	1.2%	7.0	1.4%	92.3%
Net Financial Result	14.8	4.7%	7.2	1.4%	(51.5%)
Tax Expense	0.8	0.3%	24.6	4.8%	2,834%
Minority Interest	0.4	0.1%	0.6	0.1%	39.1%
<b>Net Profit</b>	<b>1.6</b>	<b>0.5%</b>	<b>67.3</b>	<b>13.2%</b>	<b>4,156%</b>
<b>Cash Net Profit</b>	<b>17.7</b>	<b>5.6%</b>	<b>81.5</b>	<b>16.0%</b>	<b>359.9%</b>

- **Exceptional Sales evolution in Q1 led by Residential Pool.**
- **Gross Margin expansion, driven by price and value improvement initiatives, absorbing inflationary and mix pressures.**
- **Good Operating Expense leverage drove very strong EBITDA and EBITA performance.**
- **M&A related amortization line continued to decline.**
- **Cash Net Profit evolution showcasing outstanding operating leverage as well as lower cost of debt.**

*Note: EBITDA and EBITA are adjusted to include Run Rate Synergies and exclude Non-Recurring Expense. For more details please refer to page 17.*

*For more details on Cash EPS please refer to page 18.*

# Net Working Capital

Outstanding Management of NWC, Improving Ratio to Sales by 600 Bps in Q1

March €M	2020	2021	Evol. 21/20
Inventory	309.6	376.6	21.6%
Accounts Receivable	427.7	476.7	11.5%
Accounts Payable	289.1	404.4	39.9%
<b>Operating Net Working Capital</b>	<b>448.2</b>	<b>448.9</b>	<b>0.2%</b>
<b><i>Operating NWC / LTM Sales</i></b>	<b><i>32.7%</i></b>	<b><i>26.7%</i></b>	<b><i>(6.0%)</i></b>
Earn-Outs & Other Items	6.8	8.5	24.9%
Total Net Working Capital	441.4	440.4	(0.2%)

- Operating Net Working Capital performed very well, improving ratio to LTM Sales by 600 bps.
- Inventory increased due to the preparation of the season in the Northern Hemisphere and the addition of c.€33M for CMP.
- Accounts Receivable grew slightly despite strong sales growth, helped by continued fast collections.
- Accounts Payable's great evolution driven by increased activity.

# Cash Flow and Net Debt YTD

FLUIDRA

## Further Deleverage Despite Strong M&A Activity

€M	2020	2021	€ Evol. 21/20
<b>Reported EBITDA</b>	<b>47.8</b>	<b>127.8</b>	<b>80.0</b>
Net Interest Expense Paid	(10.7)	(8.3)	2.5
Corporate Income Tax Paid	(0.8)	(3.5)	(2.7)
Operating Working Capital	(170.7)	(220.2)	(49.5)
Other Operating Cash Flow	4.3	9.4	5.1
<b>Operating Cash Flow</b>	<b>(130.1)</b>	<b>(94.7)</b>	<b>35.4</b>
Capex	(9.4)	(9.9)	(0.5)
Acquisitions / Divestments	(15.5)	(224.9) <sup>1</sup>	(209.5)
Other Investment Cash Flow	0.8	(0.4)	(1.3)
<b>Net Investment Cash Flow</b>	<b>(24.1)</b>	<b>(235.3)</b>	<b>(211.2)</b>
Lease Liability Payments	(5.7)	(5.6)	0.1
Treasury Stock	(0.2)	(29.6)	(29.4)
Dividends and Others	(0.1)	0.0	0.1
<b>Financing Cash Flow</b>	<b>(6.0)</b>	<b>(35.2)</b>	<b>(29.2)</b>
<b>Free Cash Flow</b>	<b>(160.2)</b>	<b>(365.2)</b>	<b>(205.0)</b>
Prior Period Net Debt	756.8	581.9	(174.9)
FX Impacts	7.6	30.0	22.4
Free Cash Flow	160.2	365.2	205.0
<b>Net Debt</b>	<b>924.6</b>	<b>977.1</b>	<b>52.5</b>
Net Leases	(120.7)	(134.8)	(14.2)
<b>Net Financial Debt</b>	<b>804.0</b>	<b>842.3</b>	<b>38.3</b>

(1) Includes €52.8M of cash used to cancel CMP's pre-takeover debt.

- **Excellent Operating Cash Flow performance in Q1, mainly driven by results improvement.**
- **Investment Cash Flow is €211M higher than last year due to the acquisitions of CMP and Built Right.**
- **Purchase of Treasury Stock to fund our Long Term Incentive Plan.**
- **Moderate increase in Net Debt despite strong inorganic investment activity. Leverage ratio lowers by more than a turn, from 3.4x in Q1 2020 to 2.4x in Q1 2021.**

1. April followed the strong Sales growth trend on an easier comparable.
2. COVID-19 drove unusual quarterly performance in 2020, with lower than usual H1 and a stronger reversal H2.
3. Investments in Opex and Capex to fund long term growth initiatives. Capex to remain in the 3-3.5% of Sales range including capacity expansion to support the step change of demand.
4. Management is upgrading guidance for 2021, as follows:

€M	2021 Previous Guidance	2021 Q1 Guidance	Key Assumptions
<b>Sales growth</b>	15%	25% - 30%	Growth rates at constant FX including already executed M&A, which contributes 6%+ growth Not assuming any COVID-19 resurgence shut-downs Tax rate of c. 28% Assumed current FX rates
<b>EBITDA margin</b>	23.0%	23.7% - 24.7%	
<b>Cash EPS growth</b>	25%	50% - 60%	

1. Outstanding Q1 results. Very strong 2021 Residential Pool season expected in the Northern Hemisphere.
2. Step change continues aided by the flight-to-the-suburbs with the pool as the anchor of backyard experience confirming the strong fundamentals of the business and the resilience of the industry, positioning us well to achieve our targets.
3. Our strategy and investment thesis remains unchanged:
  - We are Global leader in a resilient market, exhibiting strong structural growth
  - Driving growth through our customer-focused platform, investing in IoT
  - Delivering margin expansion and strong cash conversion
  - Growth, margin & accretive capital allocation delivering attractive and improving ROCE



# Appendix

Q1 RESULTS 2021

**FLUIDRA**

# (I) Sales by Geography

YTD	Evol. 21/20	Const. FX	Constant Perimeter	Const. FX & Perimeter
Southern Europe	63.2%	63.2%	63.2%	63.2%
Rest of Europe	67.4%	68.7%	64.7%	66.0%
North America	84.7%	101.4%	70.8%	86.2%
Rest of the World	12.0%	10.3%	11.1%	9.4%
<b>Total</b>	<b>61.0%</b>	<b>65.2%</b>	<b>55.7%</b>	<b>59.8%</b>

# (II) Reported Profit & Loss Account YTD

FLUIDRA

€M	2020	% Sales	2021	% Sales	Evol. 21/20
<b>Sales</b>	<b>315.8</b>	<b>100%</b>	<b>508.4</b>	<b>100%</b>	<b>61.0%</b>
Gross Margin	169.8	53.8%	272.4	53.6%	60.4%
Opex before Dep. & Amort.	119.8	37.9%	143.6	28.2%	19.9%
Provisions for Bad Debt	2.2	0.7%	1.0	0.2%	(53.3%)
<b>Reported EBITDA</b>	<b>47.8</b>	<b>15.1%</b>	<b>127.8</b>	<b>25.1%</b>	<b>167.4%</b>
D&A	30.1	9.5%	28.0	5.5%	(7.0%)
Net Financial Result	14.8	4.7%	7.2	1.4%	(51.5%)
<b>PBT</b>	<b>2.9</b>	<b>0.9%</b>	<b>92.6</b>	<b>18.2%</b>	<b>3,140%</b>
Tax Expense	0.8	0.3%	24.6	4.8%	2,834%
Minority Interest	0.4	0.1%	0.6	0.1%	39.1%
<b>NP from Cont. Oper.</b>	<b>1.6</b>	<b>0.5%</b>	<b>67.3</b>	<b>13.2%</b>	<b>4,156%</b>
NP from Disc. Oper.	0.0	0.0%	0.0	0.0%	na
<b>Total Net Profit</b>	<b>1.6</b>	<b>0.5%</b>	<b>67.3</b>	<b>13.2%</b>	<b>4,156%</b>

# (III) Reconciliation to Reported EBITDA YTD

€M	2020	2021	Evol. 21/20
<b>EBITDA</b>	<b>51.4</b>	<b>134.8</b>	<b>162.0%</b>
Integration Related Non-Recurring Expense	(0.9)	(3.5)	295.4%
Other & FX impact on Non-Recurring Expense	(0.1)	0.1	(170.1%)
Stock Based Compensation	(2.3)	(3.6)	54.8%
Run Rate Synergies	(0.4)	(0.1)	(84.6%)
<b>Reported EBITDA</b>	<b>47.8</b>	<b>127.8</b>	<b>167.4%</b>

# (IV) Reconciliation of Reported to Cash Net Profit and Cash EPS YTD **FLUIDRA**

€M	2020	2021	Evol. 21/20
<b>Reported Net Profit from Continued Operations</b>	<b>1.6</b>	<b>67.3</b>	<b>4,156%</b>
Integration Related & Other Non-Recurring Expense	1.0	3.4	245.5%
Stock Based Compensation	2.3	3.6	54.8%
Run Rate Synergies	0.4	0.1	(84.6%)
P&L Financial Result	14.8	7.2	(51.5%)
Cash Interest Paid	(10.7)	(8.3)	(22.9%)
Amortization (PPA related)	14.6	12.7	(13.0%)
<b>Cash Adjustments</b>	<b>22.3</b>	<b>18.6</b>	<b>(16.6%)</b>
Tax Rate	27.8%	24.1%	(3.7%)
<b>Taxed Cash Adjustments</b>	<b>16.1</b>	<b>14.1</b>	<b>(12.3%)</b>
<b>Cash Net Profit</b>	<b>17.7</b>	<b>81.5</b>	<b>359.9%</b>
Share Count	195.6	195.6	-
<b>Cash EPS</b>	<b>0.09</b>	<b>0.42</b>	<b>359.9%</b>

# (V) Reported Balance Sheet

FLUIDRA

<b>Assets</b>	<b>03/2020</b>	<b>03/2021</b>	<b>Liabilities</b>	<b>03/2020</b>	<b>03/2021</b>
PPE & Rights of Use	234.2	254.7	Share Capital	195.6	195.6
Goodwill	1,124.5	1,218.8	Share Premium	1,148.6	1,148.6
Other Intangible Assets	742.0	710.5	Retained Earnings	117.7	303.6
Other Non-Current Assets	106.0	100.8	Interim Dividends	-	(40.8)
<b>Total Non-Current Assets</b>	<b>2,206.6</b>	<b>2,284.8</b>	Treasury Shares	(14.3)	(70.6)
			Other Comprehensive Income	5.1	(36.8)
			Minorities	6.1	7.4
			<b>Total Equity</b>	<b>1,458.8</b>	<b>1,507.1</b>
			Bank Borrowings + Loans	708.6	687.2
			Other Non-Current Liabilities Incl. Lease	348.9	317.4
			<b>Total Non-Current Liabilities</b>	<b>1,057.5</b>	<b>1,004.6</b>
Inventory	309.6	376.6	Bank borrowings + Loans	211.1	247.0
Accounts Receivable	427.7	476.7	Accounts Payable	295.9	412.9
Other Current Assets	11.2	11.5	Other Current Liabilities Incl. Lease	52.1	68.9
Cash	120.2	90.8	<b>Total Current Liabilities</b>	<b>559.0</b>	<b>728.7</b>
<b>Total Current Assets</b>	<b>868.8</b>	<b>955.6</b>	<b>Total Equity &amp; Liabilities</b>	<b>3,075.3</b>	<b>3,240.4</b>
<b>Total Assets</b>	<b>3,075.3</b>	<b>3,240.4</b>			

# THANK YOU FOR YOUR ATTENTION!

**Luis Boada**

**IR, Corporate Communications & Business Development Director**

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