

Q2 2024 RESULTS

August 1st 2024

FLUIDRA



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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.

The information contained in this document may contain statements regarding future intentions, expectations or projections. All statements, other than those based on historical facts, are forward-looking statements, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations. Such forward-looking statements are affected, as such, by risks and uncertainties, which could mean that what actually happens does not correspond to them. These risks include, amongst others, seasonal fluctuations that may change demand, industry competition, economic and legal conditions, restrictions on free trade and/or political instability in the markets where the Fluidra group operates or in those countries where the group's products are manufactured or distributed. The Fluidra group makes no commitment to issue updates or revisions concerning the forward-looking statements included in this financial information or concerning the expectations, events, conditions or circumstances on which these forward-looking statements are based.

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Alternative Performance Measures (APMs)

This document and any related conference call or webcast (including a Q&A session) contain, in addition to the financial information prepared in accordance with IFRS, alternative performance measures ('APMs') as defined in the Guidelines issued by the European Securities and Markets Authority ('ESMA') on October 5, 2015.

APMs are used by Fluidra's management to evaluate the group's financial performance, cash flows or financial position in making operational and strategic decisions for the group and therefore are useful information for investors and other stakeholders. Certain key APMs form part of executive directors, management and employees' remuneration targets.

APMs are prepared on a consistent basis for the periods presented in this document. They should be considered in addition to IFRS measurements, may differ to definitions given by regulatory bodies relevant to the group and to similarly titled measures presented by other companies. They have not been audited, reviewed or verified by the external auditor of the Fluidra group. For further details on the definition, explanation on the use, and reconciliation of APMs, please see the appendix as well as the "Alternative performance measures" document from our website here ([link](#)).

On the call today



Eloi Planes
Executive Chairman



Bruce Brooks
Outgoing CEO

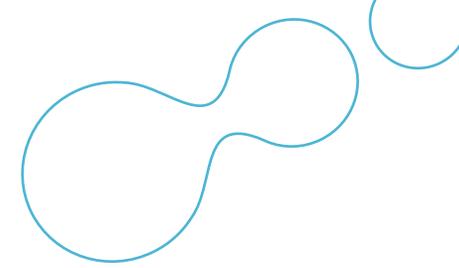


Jaime Ramírez
Incoming CEO



Xavier Tintoré
CFO

Key messages



-● **1. Strong H1 performance, in line with expectations for the year**
 - Sequential Q2 sales improvement across all regions
 - Strong performance in North America
 - Europe affected by unfavorable weather and sluggish macro
 - Consistent gross margin expansion YoY driven by the Simplification Program
 - Excellent cash generation in the quarter. Improved working capital and net debt levels YoY

-● **2. Confident on delivering our guidance: midpoint maintained, range narrowed**

-● **3. New CEO from 1 June - Jaime Ramírez**
 - To lead the group's next phase of development

-● **4. Confident in our future**
 - Fluidra is well-positioned to continue to lead the pool and wellness market, delivering improving returns on capital over the medium term in an industry with attractive structural growth

Performance in line with expectations

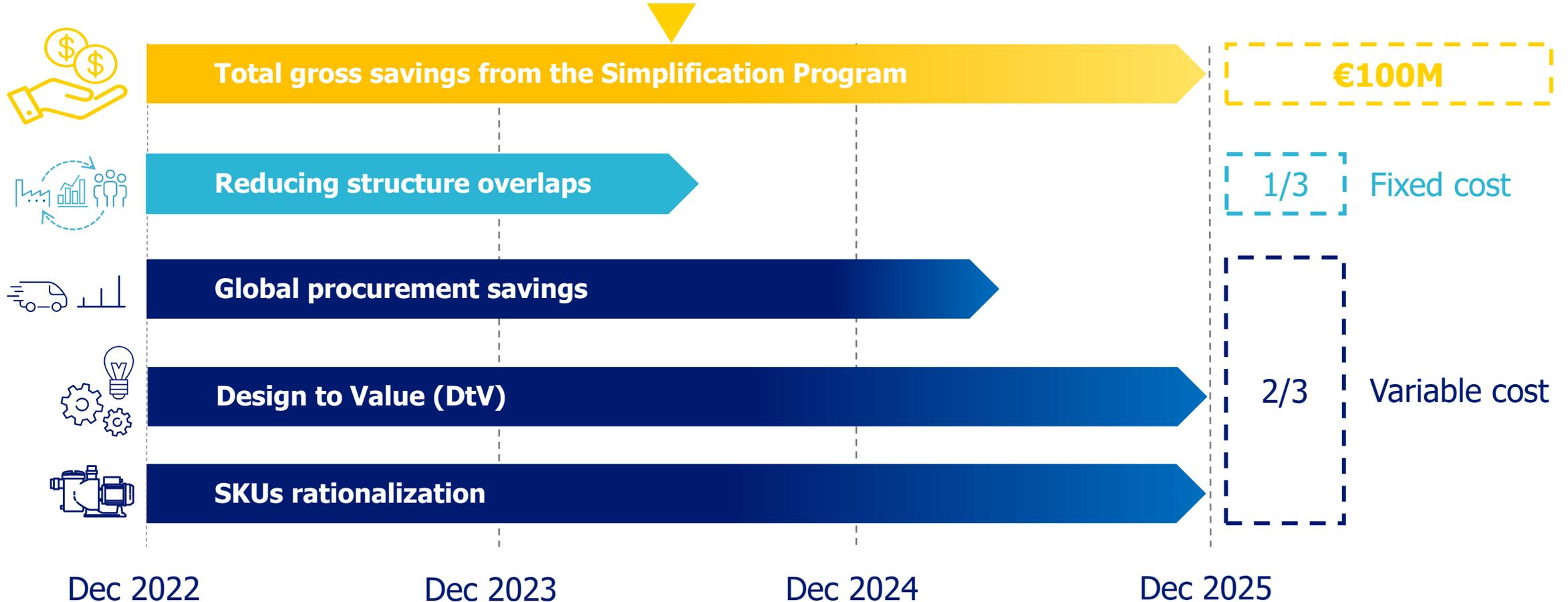
YTD financial highlights €M	2023	2024	Evol. 24/23	Const. FX & Perimeter
Sales	1,186	1,171	(1.2%)	(1.5%)
EBITDA	288	296	2.8%	3.7%
EBITA	244	250	2.6%	3.3%
Cash EPS	0.79	0.82	4.0%	
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Operating net working capital	649	485	(25.2%)	(25.9%)
Net debt	1,300	1,151	(11.5%)	(11.9%)
Net debt / LTM EBITDA	3.0x	2.5x	(0.5x)	

- Sales slightly down in H1, in line with expectations, with sequential YoY quarterly improvement across all regions
- EBITDA higher YoY, driven by higher gross margin despite inflation in Opex
- Cash EPS improved YoY
- Excellent working capital management: as % of LTM sales, operating NWC of c.24% improved more than 660 bps vs prior year
- Strong cash generation, reducing net debt by €150 million YoY
- Leverage ratio improved YoY

Simplification Program on track and delivering

€47M accumulated savings since start
(€31M in FY 2023 + €16M in H1 2024)

>€60M run rate savings
expected by the end of 2024



Global leading partner in Commercial Pool



European Championship Competition Pool (Belgrade, Serbia)

- Existing Olympic pool transformed into a 3 meter depth pool with Skypool technology



Masyaf Lagoon (Egypt)

- Project management and installation of water treatment and other equipment for real estate development



Choctaw Resort (Oklahoma, US)

- Deck equipment and games as well as filters and pumps for resort pool

Complete product portfolio and turnkey project services

Sequential quarterly sales improvement across all regions

YoY growth (%)	Const. FX & Perimeter	
	Q2 2024	YTD 2024
Sales by geography		
Southern Europe	(4.9%)	(8.0%)
Rest of Europe	(1.0%)	(4.2%)
North America	7.4%	4.1%
Rest of the World	0.6%	0.4%
Total	1.1%	(1.5%)



Strong performance in North America

Strong margin expansion with stable sales

YTD results €M	2023	% Sales	2024	% Sales	Evol. 24/23
Sales	1,186	100%	1,171	100%	(1.2%)
Gross margin	623	52.5%	654	55.9%	5.1%
Opex	335	28.2%	358	30.6%	7.0%
EBITDA	288	24.3%	296	25.3%	2.8%
D&A (non-PPA related)	44	3.7%	46	3.9%	3.8%
EBITA	244	20.6%	250	21.4%	2.6%
Amortization (PPA related)	34	2.8%	32	2.7%	(5.6%)
Restructuring, M&A, integration expenses and SBC	28	2.3%	28	2.4%	(0.5%)
Financial result	36	3.0%	35	3.0%	(1.8%)
Income tax expense	41	3.4%	42	3.5%	1.7%
Profit/loss attributable to NCI	2	0.2%	2	0.2%	29.1%
Profit/loss attributable to the parent	104	8.8%	112	9.6%	7.5%
Cash net profit	151	12.7%	157	13.4%	4.0%

- Sales in line with expectations for the year
- Gross margin strongly improved YoY, driven by the Simplification Program, geographic mix and lower raw material costs
- Operating expenses reflect labor, logistics and general costs inflation together with increased provisions and continued investment in IT and R&D
- Higher EBITDA margin YoY with stable sales
- Restructuring, M&A and integration expenses mainly driven by Simplification Program efforts
- Financial result broadly flat YoY, with similar cash interest expense
- Cash net profit improved YoY

Notes: SBC = Stock based compensation; NCI = Non-controlling interests

Strong cash flow generation

Cash flow (abridged) and net debt YTD €M	2023	2024	Evol. 24/23
EBITDA	288	296	8
Net interest expense paid	(35)	(35)	0
Corporate income tax paid	(22)	(32)	(10)
Operating working capital	(105)	(114)	(9)
Other operating cash flow ⁽¹⁾	(59)	(19)	39
CF from operating activities	68	96	29
Capex	(27)	(34)	(7)
Acquisitions / divestments	(10)	(2)	9
Other investment cash flow	1	5	4
CF from investing activities	(36)	(31)	5
Payments for lease liabilities	(20)	(22)	(2)
Treasury stock, net	1	0	(1)
Dividends paid	0	(2)	(2)
Financing cash flow	(19)	(24)	(5)
Free cash flow	13	41	29
Prior period net debt	1,319	1,172	(147)
FX & lease changes	(7)	20	26
Free cash flow	(13)	(41)	(29)
Net debt	1,300	1,151	(149)
Lease liabilities	(193)	(201)	(8)
Net financial debt	1,106	949	(157)

- CF from operating activities higher, reflecting EBITDA growth and prior year's one-off tax payments related to 2018-2022 long-term incentive plan
- CF from investing activities stable YoY
- Financing cash flow stable YoY
- Net debt reduced by c.€150 million YoY

(1) Includes Restructuring, M&A and integration expenses

Summary

- 1. Strong H1 delivery, in line with expectations. Positive trading in July across all regions**
- 2. Simplification Program** on track to bring 2024 and future margin enhancement
- 3. Excellent cash generation** with lower net working capital levels
- 4. Midpoint of FY 2024 guidance maintained, range narrowed**

Narrowed guidance for FY 2024

Sales (€M)	2,025 - 2,125
EBITDA (€M)	450 - 480
Cash EPS (€/share)	1.12 - 1.20

- 5. Confident in our future: focused on growing profitably** and delivering improving returns on capital over the medium term in an industry with attractive structural growth, with our:
 - Customer-centric approach: focus on quality, service and availability
 - Innovative product portfolio and global leading platform
 - Leadership in connected pools and sustainable product offering
 - Simplification Program to become more efficient

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Appendix



Sales by geography

Q2 €M	2023	% Sales	2024	% Sales	Evol. 24/23	Const. FX	Constant perimeter	Const. FX & Perimeter
Southern Europe	221	35%	210	33%	(4.9%)	(4.9%)	(4.9%)	(4.9%)
Rest of Europe	94	15%	98	15%	4.3%	4.2%	(1.0%)	(1.0%)
North America	242	38%	261	41%	8.2%	7.4%	8.2%	7.4%
Rest of the World	75	12%	74	12%	(1.8%)	0.6%	(1.8%)	0.6%
Total	632	100%	644	100%	1.9%	1.8%	1.1%	1.1%

YTD €M	2023	% Sales	2024	% Sales	Evol. 24/23	Const. FX	Constant perimeter	Const. FX & Perimeter
Southern Europe	386	33%	355	30%	(8.1%)	(8.0%)	(8.1%)	(8.0%)
Rest of Europe	158	13%	159	14%	0.8%	0.8%	(4.2%)	(4.2%)
North America	480	40%	500	43%	4.2%	4.1%	4.2%	4.1%
Rest of the World	162	14%	157	13%	(3.1%)	0.4%	(3.1%)	0.4%
Total	1,186	100%	1,171	100%	(1.2%)	(0.8%)	(1.9%)	(1.5%)

Sales by business unit

Q2 €M	2023	% Sales	2024	% Sales	Evol. 24/23	Const. FX & Perimeter
Pool & Wellness	620	98%	633	98%	2.1%	1.3%
Residential	446	71%	460	72%	3.2%	2.0%
Commercial	56	9%	55	9%	(2.8%)	(1.0%)
Residential Pool Water Treatment	90	14%	91	14%	0.9%	(0.1%)
Fluid Handling	27	4%	27	4%	(1.5%)	(1.3%)
Irrigation, Industrial & Others	12	2%	11	2%	(9.3%)	(9.9%)
Total	632	100%	644	100%	1.9%	1.1%

YTD €M	2023	% Sales	2024	% Sales	Evol. 24/23	Const. FX & Perimeter
Pool & Wellness	1,162	98%	1,153	98%	(0.8%)	(1.0%)
Residential	840	71%	834	71%	(0.7%)	(1.3%)
Commercial	97	8%	99	8%	1.6%	3.2%
Residential Pool Water Treatment	172	15%	167	14%	(2.9%)	(2.9%)
Fluid Handling	53	4%	53	5%	0.4%	0.9%
Irrigation, Industrial & Others	24	2%	18	2%	(23.3%)	(23.3%)
Total	1,186	100%	1,171	100%	(1.2%)	(1.5%)

Reconciliation of PBT to EBITDA

YTD €M	2023	2024	Evol. 24/23
Profit/loss before tax	147	156	6.2%
Financial result	36	35	(1.8%)
D&A	78	77	(0.3%)
Restructuring, M&A and integration expenses	22	26	15.8%
Stock based compensation	6	2	(63.4%)
EBITDA	288	296	2.8%

Reconciliation of Profit attributable to the parent to Cash EPS

YTD €M	2023	2024	Evol. 24/23
Profit/loss attributable to the parent	104	112	7.5%
Restructuring, M&A and integration expenses	22	26	15.8%
Stock based compensation	6	2	(63.4%)
Financial result	36	35	(1.8%)
Net interest expense paid	(35)	(35)	0.2%
Amortization (PPA related)	34	32	(5.6%)
Cash adjustments	62	60	(4.4%)
Tax rate	24.9%	24.5%	(0.4%)
Taxed cash adjustments	47	45	(3.9%)
Cash net profit	151	157	4.0%
Share count	192	192	-
Cash EPS	0.79	0.82	4.0%

Net working capital

June €M	2023	% LTM sales	2024	% LTM sales	Evol. 24/23
Inventories	546	25.6%	470	23.1%	(13.9%)
Trade and other receivables	466	21.9%	443	21.7%	(5.1%)
Trade payables	363	17.0%	427	21.0%	17.6%
Operating net working capital	649	30.5%	485	23.8%	(25.2%)
Dividends, earn-outs & others	137	6.4%	107	5.3%	(21.7%)
Total net working capital	512	24.1%	378	18.6%	(26.1%)

Interim financial position (abridged)

Assets	06/2023	06/2024
PPE & rights of use	355	370
Goodwill	1,297	1,319
Other intangible assets	901	877
Non-current financial assets	60	41
Other non-current assets	123	104
Total non-current assets	2,735	2,711
Non-curr. assets held for sale	8	-
Inventories	546	470
Trade and other receivables	466	443
Other current financial assets	7	4
Cash and cash equivalents	89	126
Total current assets	1,116	1,042
Total assets	3,851	3,754

Liabilities	06/2023	06/2024
Share capital	192	192
Share premium	1,149	1,149
Retained earnings and other reserves	198	235
Interim dividends	-	-
Treasury shares	(38)	(47)
Other comprehensive income	79	81
Non-controlling interests	9	9
Total equity	1,588	1,619
Bank borrowings and other marketable securities	1,103	1,103
Other non-current liabilities incl. lease	404	375
Total non-current liabilities	1,507	1,478
Liab. linked to non-curr. assets held for sale	4	-
Bank borrowings & loans	159	17
Trade and other payables	500	534
Other current liabilities incl. lease	93	106
Total current liabilities	756	657
Total equity & liabilities	3,851	3,754

Alternative Performance Measures

Fluidra's financial statements are prepared according to IFRS and other applicable regulation. The financial information presented in this document also includes Alternative Performance Measures ('APMs') prepared according to the group's reporting model. For further details on the definition, explanation on the use, and reconciliation of APMs, please see the document "Alternative Performance Measures" that can be found within the "Shareholders and Investors" section from the Group's website here ([link](#)).

- **'Opex'** (Operational expenditure): refers to the total amount of operating expenses incurred to run the business. It includes 'personnel expenses' plus 'other operating expenses' net of i) 'income from the rendering of services', ii) 'work performed by the group and capitalized as non-current assets', iii) 'profit/loss from sales of fixed assets', iv) 'stock based compensation' and v) the relevant portion of 'Restructuring, M&A and integration expenses related' to 'Opex'
- **'EBITDA'**: means earnings before interests, taxes, depreciation and amortization. It is calculated as 'sales of goods and finished products' less i) 'changes in inventories of finished goods and work in progress and raw material supplies', ii) 'personnel expenses' and iii) 'other operating expenses' net of i) 'income from the rendering of services', ii) 'work performed by the group and capitalized as non-current assets', iii) 'profit/loss from sales of fixed assets' and iv) 'Share in profit/(loss) for the year from investments accounted for using the equity method'. The resulting figure is adjusted for 'Stock based compensation' and 'Restructuring, M&A and integration expenses'
- **'Stock based compensation' and 'Restructuring, M&A and integration expenses'**: these expenses do not arise from ordinary business and, though they may be incurred in more than one period, they do not have continuity over time (unlike operating expenses) and they occur at a point in time or are related to a specific event. 'Stock based compensation' relates to the cost of management's long-term incentive plan. 'Restructuring, M&A and integration expenses' relates primarily to the integration of recently-acquired companies or to restructuring activities, such as the implementation of the Simplification Program that began in the second half of 2022. Most of these costs impact 'Opex', although a relatively minor part affects the 'Gross margin'
- **'Cash net profit' and 'Cash EPS'**: 'Cash net profit' is defined as 'Profit/(loss) attributable to equity holders of the parent' adjusted for i) 'Restructuring, M&A and integration expenses', ii) 'Stock based compensation', iii) 'Amortization (PPA related)' and iv) the non-cash portion of the financial result. 'Cash EPS' is 'Cash net profit' divided by the number of Company shares outstanding at the year-end, excluding the effect of treasury shares
- **'Operating net working capital'**: is defined as the sum of the balance sheet items i) 'inventories' and ii) 'trade and other receivables', less 'trade payables', which excludes the part of 'trade and other payables' that is not entirely related to trading activities (mainly future payments of ordinary dividends and/or future payments of the acquisition price or options agreed with companies acquired, or earn-outs). This adjustment may have a relatively minor impact at the year-end, although it could be particularly relevant to some of the quarterly closings during the year
- **'Net debt', 'Net debt to EBITDA ratio' and 'Net financial debt'**: 'Net debt' is calculated as the sum of i) 'current and non-current bank borrowings and other marketable securities', ii) 'current and non-current lease liabilities' and iii) 'derivative financial liabilities', net of i) 'cash and cash equivalents', ii) 'non-current financial assets', iii) 'other current financial assets' and iv) 'derivative financial instruments'. 'Net financial debt' is simply 'Net debt' excluding lease liabilities. The 'net debt/EBITDA ratio' is calculated as 'Net debt' divided by 'EBITDA' generated in the past 12 months

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Thanks for your attention

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