

PRESS RELEASE

Fluidra closes an excellent 2020 with record sales and profit

- **Sales stood at 1,488 million euros, up 8.8%, and EBITDA increased by 19.3% to 321 million euros, with a 21.6% margin.**
- **Excellent cash generation has reduced Net Debt/EBITDA leverage to 1.8x.**
- **The company is confident that 2021 will be very positive and expects to increase sales by 6% to 9%.**

26 February 2021 – Fluidra, a global leader in pool and wellness equipment, closed 2020 with its best results ever. The company ended the year with sales of 1,488 million euros, up 8.8% and 11.0% on constant FX and perimeter compared to 2019, driven by the high demand in Residential Pool. Net profits stood at 96 million euros, more than 11 times higher than in 2019, when they were affected by merger related non-recurring expenses.

EBITDA was up 19.3% to 321 million euros, well ahead of the 12% annualized guidance of our Strategic Plan. This positive operational performance is mainly due to our constant margin improvement initiatives of LEAN and VI, as well as cost synergies that came to 37 million euros, very well positioned to achieve the 2021 target of 40 million euros.

Meanwhile, Cash Net Profit, a key proxy for Fluidra that excludes non-cash items and non-recurring expenses, was up by 56.1% to 166 million euros. This result has benefited from excellent operational leverage, the lower leverage and cost of debt.

North America and Europe led the growth

In terms of geographical areas, sales showed great progress in 2020, led by the Northern Hemisphere. North America registered an annual increase in sales of 17.2% on constant perimeter and FX compared with 2019, Southern Europe was up 3.8% and the Rest of Europe 25.0%, while the Rest of the World witnessed a

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mild 0.7% growth affected by weaker performance of Commercial Pool. In Q4, Southern Europe performed exceptionally well with a constant perimeter and FX increase in turnover of 23.2%, the Rest of Europe maintained its strong performance and grew by 23.7%, while North America grew by 19.7% and the Rest of the World by 7.4%.

In terms of business units, Residential Pool experienced growth of 15.1% in the last quarter of the year, favored by the “stay-at-home” effect that benefited both the aftermarket and new construction. This performance more than offset the 10% fall in the Commercial Pool category. The Water Treatment business was up by 17.2% and Fluid Handling by 25%, favored by North America’s strong performance.

Debt reduction

The company’s strong cash generation—with Free Cash Flow rising by 52.2% to 152.3 million euros—led to a substantial reduction in net debt of 23%. This lower debt alongside the higher EBITDA brought the Net Debt/EBITDA leverage ratio to 1.8x, compared with 2.8x at the end of 2019, outperforming the long-term target set in the Strategic Plan.

Positive outlook for 2021

The company has also announced its outlook for 2021. Fluidra expects to increase its sales on a constant FX by 6% to 9%, with the EBITDA margin as a percentage of Sales growing from 21.6% in 2020 to a range of 22.5% to 23%. The company is also forecasting an increase in Cash Net Profit of between 12% and 20%.

“2020 results have been excellent, and the first months of 2021 suggest that this is going to be a very good year. Our industry is very resilient and the fundamentals of the business remain strong, so we are ready to continue with our growth, margin expansion and cash generation profile despite the volatile environment,” says Eloi Planes, Executive Chairman of Fluidra.



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About Fluidra

Spanish-listed multinational group Fluidra is a global leader in the pool and wellness equipment business and offers innovative products and services and IoT solutions. The company operates in more than 45 countries and its portfolio includes some of the industry's best known brands, including Jandy®, AstralPool®, Polaris®, Cepex®, Zodiac®, CTX Professional®, and Gre®. For further information about Fluidra, please visit www.fluidra.com

Press contact:

Sarah Estébanez, sestebanez@tinkle.es, +34 636 62 80 41

Xana Pena, xpena@tinkle.es, +34 674 73 47 82

Laura Gil, lgil@tinkle.es, +34 673 631 814

Carlos Jaramillo, cjaramillo@tinkle.es, +34 664 11 18 0

