

**Pro Forma Consolidated Financial Information of
Fluidra, S.A. and subsidiaries
and Piscine Luxembourg Holdings 2 S.à.r.l. and
subsidiaries as of and
for the 6 month period ended June 30, 2017**

Translation of a report originally issued in Spanish. In the event of discrepancy,
the Spanish-language version prevails

SPECIAL REPORT BY THE INDEPENDENT AUDITOR ON THE COMPILATION OF PRO-FORMA
CONSOLIDATED FINANCIAL INFORMATION INCLUDED IN AN EQUIVALENT DOCUMENT

To the Board of Directors of
Fluidra, S.A.

We have performed our work on the accompanying pro-forma consolidated financial information of Fluidra, S.A. and subsidiaries and Piscine Luxembourg Holdings 2 S.à.r.l. and subsidiaries prepared by the Directors of Fluidra, S.A., which comprise the pro-forma consolidated statement of financial position, the pro-forma consolidated income statement and the explanatory notes on the financial information for the six-month period ended June 30, 2017. The applicable criteria used by the Directors of Fluidra, S.A. in the compilation of the pro-forma consolidated financial information, included in Notes 1 to 4 to such pro-forma consolidated financial information, are the ones set forth in the EU Regulation included in Regulation (EC) no. 809/2004, and the content of the ESMA update of the CESR recommendations on the consistent implementation of said Regulation (ESMA/2013/319) and the clarifications included in the document ESMA/2016/1674.

The pro-forma consolidated financial information has been compiled by the Directors of Fluidra, S.A. in order to reflect the impact that the transaction described in Note 1 of the accompanying pro-forma consolidated financial information would have had on the consolidated statement of financial position and the consolidated income statement of Fluidra, S.A. and subsidiaries at June 30, 2017 and for the six-month period then ended, as if said transaction had taken place on June 30, 2017 and January 1, 2017, respectively. Piscine Luxembourg Holdings 2 S.à.r.l. does not present consolidated financial information.

However, since the only activity of this company is the holding of shares in Zodiac Pool Solutions, S.à.r.l. and subsidiaries, the consolidated information of Zodiac Pool Solutions, S.à.r.l. and subsidiaries represents substantially all the information that would correspond to the consolidated financial information of Piscine Luxembourg Holdings 2 S.à.r.l. Therefore, the historical consolidated financial information used in the preparation of the current pro-forma consolidated financial information corresponds to Zodiac Pool Solutions, S.à.r.l. and subsidiaries. Consequently, as indicated in Note 4 to the accompanying pro-forma consolidated financial information, the information used for the compilation of the pro-forma consolidated financial information has been extracted by the Directors of Fluidra, S.A. from the interim condensed consolidated financial statements of Fluidra, S.A. and subsidiaries for the six-month period ended June 30, 2017 and Zodiac Pool Solutions, S.à.r.l. and subsidiaries for the period comprised between November 22, 2016 and June 30, 2017, on which a report on limited review was issued on July 28, 2017 and January 17, 2018, respectively.

Directors' Responsibility for the pro-forma financial information

The Directors of Fluidra, S.A. are responsible for the preparation and content of the proforma consolidated financial information in accordance with the requirements set out in Regulation (EC) no. 809/2004, the content of the ESMA update of the CESR recommendations on the consistent implementation of said Regulation (ESMA/2013/319) and the clarifications included in the document ESMA/2016/1674. The Directors of Fluidra, S.A. are likewise responsible for the assumptions detailed in the pro-forma consolidated financial information, on which the pro-forma adjustments are based.

Our responsibility

Our responsibility is to issue the report required in point 7 of Appendix II of Regulation (EC) no. 809/2004, which in no case should be considered an audit report, on whether the pro-forma consolidated financial information has been reliably compiled, in all material respects, by the Directors of Fluidra, S.A. in accordance with the requirements set out in Regulation (EC) no. 809/2004, the content of the ESMA update of the CESR recommendations on the consistent implementation of said Regulation (ESMA/2013/319), and the clarifications included in the document ESMA/2016/1674, and the assumptions and hypotheses defined by the Directors of Fluidra, S.A.

Our work has been performed in accordance with the content of the International Standard on Assurance Engagements (ISAE) 3420, "Assurance Engagements to Report on the Compilation of Pro-Forma Financial Information Included in a Prospectus", issued by the International Auditing and Assurance Standard Board, which stipulates that the ethical requirements applicable must be fulfilled and work must be planned and performed in order to obtain reasonable assurance on whether the Directors have compiled the pro-forma consolidated financial information, in all material respects, in accordance with the requirements set out in Regulation (EC) no. 809/2004, the content of the ESMA update of the CESR recommendations on the consistent implementation of said Regulation (ESMA/2013/319), and the clarifications included in the document ESMA/2016/1674, and the assumptions and hypotheses defined by the Directors of Fluidra, S.A.

For the purposes of this report, we are not responsible for updating or reissuing any report or opinion on the historical financial information used in the compilation of the pro-forma consolidated financial information, nor for expressing any other opinion on the pro-forma consolidated financial information, on the assumptions or hypotheses used in its preparation or on specific accounts or items, nor have we performed any audit or limited review of the financial information used in the compilation of the pro-forma consolidated financial information.

The purpose of the pro-forma consolidated financial information included in the prospectuses is solely to reflect the impact of a significant matter or transaction on the entity's historical financial information, as if the matter or transaction had taken place on a prior date set for such purposes. Given that this pro-forma consolidated financial information has been prepared to reflect a hypothetical situation, its purpose is not to represent, and it does not represent, the equity, financial situation or the operating results of Fluidra, S.A. and subsidiaries. Consequently, we do not express any opinion on whether the financial information that would have been obtained, had the transaction described taken place on June 30, 2017, for the pro-forma consolidated statement of financial position, and January 1, 2017, for the pro-forma consolidated income statement, would match the accompanying pro-forma consolidated financial information.

The purpose of this type of reports is to provide reasonable assurance on whether the pro-forma consolidated financial information has been compiled, in all material respects, in accordance with the criteria used in its preparation, and requires the performance of the necessary procedures for evaluating whether the criteria used by the Directors in said compilation provide a reasonable basis for presenting the significant effects directly attributable to the matter or transaction and obtain appropriate and sufficient evidence of whether:

- the pro-forma adjustments show the appropriate effect based on the aforementioned criteria;
- the pro-forma consolidated financial information reflects that said adjustments to the historical information have been appropriately applied; and
- the accounting criteria used by the Directors of Fluidra, S.A. in the compilation of the pro-forma consolidated financial information are consistent with the accounting criteria and policies used in the preparation of the interim condensed consolidated financial statements of Fluidra, S.A. and subsidiaries for the six-month period ended June 30, 2017.

The procedures performed by us rely on our professional judgment, considering our understanding of the entity's nature, the matter or transaction over which the pro-forma consolidated financial information has been compiled and other matters and circumstances relevant to the engagement.

Additionally, our work requires that we evaluate the presentation of the pro-forma consolidated financial information taken as a whole.

We consider that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion:

- The accompanying pro-forma financial information has been reliably compiled based on the criteria used and the assumptions and hypotheses defined by the Directors of Fluidra, S.A.
- The accounting criteria used by the Directors of Fluidra, S.A. in the compilation of the accompanying pro-forma consolidated financial information are consistent with the accounting criteria and policies used in the preparation of the interim condensed consolidated financial statements of Fluidra, S.A. and subsidiaries for the six-month period ended June 30, 2017.

This report has been prepared at the request of Fluidra, S.A. in relation to the process for verifying and registering the Equivalent Document to be prepared by the Directors of Fluidra, S.A., relating to the merger between Fluidra, S.A. and Piscine Luxembourg Holdings

2 S.à.r.l., and consequently, it may not be used for any other purpose or market, nor may it be published in any document of a similar nature other than the Equivalent Document relating to the merger between Fluidra, S.A. and Piscine Luxembourg Holdings 2 S.à.r.l., without our prior written consent. We will not assume any liability to parties other than the addressees of this report.

1. BACKGROUND AND BASIS OF PREPARATION

On November 3, 2017, Fluidra, S.A. ("Fluidra" or the "Company"), the syndicated shareholders of the Company, Piscine Luxembourg Holdings 1 S.à r.l. and Piscine Luxembourg Holdings 2 S.à r.l., both these as the ultimate and penultimate holding company, respectively, in Luxembourg of the Luxembourg company Zodiac Pool Solutions S.à.r.l. (hereinafter "Zodiac") signed an investment agreement (the "**Investment Agreement**") according to which they agreed to combine the businesses of Fluidra and Zodiac through a cross-border merger.

In particular, the transaction described consists on the cross-border merger by absorption by Fluidra (absorbing company) of Piscine Luxembourg Holdings 2 S.à.r.l. (absorbed company) under the terms provided for in articles 22 and following of Law 3/2009, of April 3, on structural modifications of commercial companies (*artículos 22 y siguientes de la Ley 3/2009, de 3 de abril, sobre modificaciones estructurales de las sociedades mercantiles*) and articles 257 and following of the Luxembourg Act of August 10, 1915 of the mercantile companies (loi du 10 août 1915 sur les sociétés commerciales), with extinction, through dissolution without liquidation, of the absorbed company and the transfer of all its equity to the acquiring company, which it will acquire, by universal succession, the totality of the equity and the rights and obligations of the absorbed company, in the terms and conditions foreseen in the common merger project.

The exchange rate to which the shares of Piscine Luxembourg Holdings 2 S.à r.l. will be exchanged for shares of Fluidra will be the following: 69.166667 ordinary shares of Fluidra, of € 1 par value each, for each ordinary share of Piscine Luxembourg Holdings 2 S.à.r.l. € 0.01 nominal value, without complementary compensation in cash. This exchange ratio has been subject to verification by an independent expert appointed by the Mercantile Register (Registro Mercantil).

According to the exchange rate indicated, the sole shareholder of the absorbed company, the company Piscine Luxembourg Holdings 1 S.à r.l., controlled by Rhône Capital L.L.C. (which, in turn, is not controlled by any individual or legal entity individually or in concert), will be entitled to receive 83,000,000 new shares of the capital of Fluidra, representing approximately 42.43% of the capital of Fluidra after the effective date of the Merger (as defined below). The rest of the shareholders of Fluidra (including the Company itself with respect to treasury shares) will jointly own 57.57% of said share capital after the Effective Date of the Merger.

It is expected that the General Shareholders' Meeting of Fluidra and the sole shareholder of Zodiac, Piscine Luxembourg Holdings 3 S.à.r.l., will approve the merger during the first two months of 2018.

The date on which the merger will legally be effective is the filing date of the public deed in which the merger agreements will be formalized in the mercantile registry corresponding to Fluidra's registered office (the "**Merger Effective Date**")

The Board of Directors of Fluidra S.A. is responsible for the preparation and the content of the attached Pro Forma Consolidated financial Information and has approved said this Pro Forma Consolidated financial Information on January 17, 2018.

1.1 Fluidra and Zodiac

Fluidra is a Spanish listed public limited liability company (Sociedad Anónima) with registered offices at Francesc Macià Avenue, n° 60, 20th Floor, in Sabadell (Spain), C.I.F. code A-17728593. It is registered in the Mercantile Registry of Barcelona, in volume 36883, page 132, page B-290316.

The participation of Rhône Capital L.L.C. in Zodiac is structured through the following societies:

Piscine Luxembourg Holdings 1 S.à.r.l. is a limited liability Company incorporated on November 2, 2016 in accordance with the laws of the Grand Duchy of Luxembourg, with registered office at 14 rue Edward Steichen, L-2540, Grand Duchy of Luxembourg. It is registered in the Luxembourg Register of Commerce and Companies (Register of Commerce et des Sociétés) under the number B210590. Piscine Luxembourg Holdings 1 S.à r.l. is the sole shareholder of the Piscine Luxembourg Holdings 2 S.à.r.l.

Piscine Luxembourg Holdings 2 S.à.r.l., the company that will be absorbed by Fluidra, is a limited liability Company registered on November 22, 2016 in accordance with the laws of the Grand Duchy of Luxembourg,

with registered office at 14 rue Edward Steichen, L-2540, Grand Duchy of Luxembourg. It is registered in the Luxembourg Register of Commerce and Companies (Register of Commerce et des Sociétés) under the number B210590. Piscine Luxembourg Holdings 2 S.à r.l. is the sole shareholder of Piscine Luxembourg Holdings 3 S.à r.l.

Piscine Luxembourg Holdings 3 S.à.r.l. is a limited liability Company registered on November 22, 2016 in accordance with the laws of the Grand Duchy of Luxembourg, with registered office at 14 rue Edward Steichen, L-2540, Grand Duchy of Luxembourg. It is registered in the Luxembourg Register of Commerce and Companies (Register of Commerce et des Sociétés) under the number B210590. Piscine Luxembourg Holdings 3 S.à r.l. is the sole shareholder of Zodiac Pool Solutions S.à.r.l.

Zodiac Pool Solutions S.à.r.l. is a limited liability Company registered on November 22, 2016 in accordance with the laws of the Grand Duchy of Luxembourg, with registered office at 14 rue Edward Steichen, L-2540, Grand Duchy of Luxembourg. It is registered in the Luxembourg Register of Commerce and Companies (Register of Commerce et des Sociétés) under the number B210786.

The previous companies were set up to structure the investment of Rhône Capital in the business of Zodiac, the acquisition took place on December 20, 2016 (until which time they remained practically inactive), with no other activity by these companies other than the aforementioned holding of their participations.

1.2 The merger

Fluidra will handle the exchange of shares of Piscine Luxembourg Holdings 2 S.à.r.l., in accordance with the exchange rate indicated, through 83,000,000 newly issued common shares (representing approximately 42.43% of the capital stock of Fluidra after the Effective Date of the Merger). For these purposes, Fluidra will have a share capital increase in a nominal amount of € 83,000,000 for the issue and putting into circulation of 83,000,000 new ordinary shares of € 1 par value each, which subscribe will be fully reserved to the sole shareholder of Piscine Luxembourg Holdings 2 S.à.r.l., without existing, in accordance with the provisions of article 304.2 of the Spanish Capital Companies Law (Ley de Sociedades de Capital española), without preferential subscription rights. The difference between the fair value of the equity received by Fluidra as a result of the merger and the nominal value of the new shares is assigned to the share premium.

With respect to accounting purposes, this merger will be treated as a direct acquisition, for which Fluidra will be considered the acquiring company, and the assets and liabilities of Piscine Luxembourg Holdings 2 S.à.r.l. will be revalued at their fair value, such as the acquired entity (in accordance with the provisions of IFRS 3 (revised) "Business Combinations").

1.3 Pro Forma Consolidated financial Information and its purpose

Neither Piscine Luxembourg Holdings 2 S.à.r.l. nor the sole direct shareholder of Zodiac, Piscine Luxembourg Holdings 3 S.à.r.l., present consolidated financial information. However, given that the only activity of both investor vehicles, as indicated in note 1.1. above, is the holding of the Zodiac of shares, the consolidated information of Zodiac substantially represents all the information that would correspond to the consolidated financial information of both entities. For this reason, the historical consolidated financial information of Zodiac has been used as the basis of preparation for this Proforma Consolidated financial Information.

In order to illustrate the significant effects that certain aspects defined at the completion of the merger will have on the Effective Date of Merger, Fluidra has prepared Proforma Consolidated financial Information of the new combined entity, consisting of a Proforma Consolidated Financial Statements as of June 30, 2017 and a Proforma Consolidated Income Statement for the six month period ended June 30, 2017, and corresponding explanatory notes (the "**Proforma Consolidated financial Information**"). The Proforma Consolidated financial Information has been prepared as if the merger had occurred on June 30, 2017 for the purposes of the Proforma consolidated Financial Statements and on January 1, 2017 for the purposes of the Proforma Consolidated Income Statement.

The Proforma Consolidated financial Information has been prepared based on the historical financial information of both companies that are part of the merger (see note 4.1 "Historical Financial Information"), and additionally certain proforma adjustments necessary to reflect the main impacts related to the merger as if it had occurred at an earlier date. Additionally, this consolidated Proforma Consolidated financial Information has been prepared in accordance with the IFRS-EU and Annex II of the European Union Regulation contained in the

Commission Regulation (EC) No 809/2004 of 29 April 2004, and subsequent amendments, and also with the update issued by ESMA (European Securities and Markets Authority) regarding CESR recommendations (Committee of European Securities Regulators) for the consistent implementation of the aforementioned regulation (ESMA / 2013/319) and with the clarifications contained in document ESMA / 2016/1674).

The Proforma Consolidated financial Information is based on the best estimates and assumptions of the Directors of Fluidra. This Proforma Consolidated financial Information describes only a hypothetical situation and does not represent the actual consolidated financial position or the results of operations of the combined entity after the proposed merger, nor does it intend to present the consolidated financial situation of the combined entity after the merger, nor the consolidated results of operations at an earlier date or for a future period. Thus, the aforementioned Proforma Consolidated financial Information is presented solely for illustrative purposes.

Finally, the Proforma Consolidated financial Information does not reflect any potential synergies or cost savings that could arise as a result of the merger.

2. PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2017

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2017

	HISTORICAL FINANCIAL INFORMATION			BUSINESS COMBINATION ADJUSTMENTS (Note 4.2)	PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
	FLUIDRA (Note 4.1)	ZODIAC (Note 4.1)	COMBINED ENTITY (1)		
Thousands of euros					
ASSETS:					
Property, plant and equipment	99.419	19.203	118.622	-	118.622
Investment property	1.691	-	1.691	-	1.691
Goodwill	192.592	559.472	752.064	231.497	983.561
Other intangible assets	36.254	538.562	574.816	-	574.816
Investments accounted for using the equity method	132	-	132	-	132
Non-current financial assets	4.820	783	5.603	-	5.603
Other accounts receivable	3.220	-	3.220	-	3.220
Deferred tax assets	20.759	17.157	37.916	2.083	39.999
Total non-current assets	358.887	1.135.177	1.494.064	233.580	1.727.644
Inventories	184.326	74.988	259.314	-	259.314
Trade and other receivables	259.284	125.760	385.044	-	385.044
Other current financial liabilities	6.114	7	6.121	-	6.121
Derivative financial instruments	426	-	426	-	426
Cash and cash equivalents	48.107	27.696	75.803	(8.333)	67.470
Total current assets	498.257	228.451	726.708	(8.333)	718.375
TOTAL ASSETS	857.144	1.363.628	2.220.772	225.247	2.446.019
EQUITY AND LIABILITIES:					
Equity attributed to equity holders of the parent	341.013	490.603	831.616	225.247	1.056.863
Non-controlling interests	11.473	756	12.229	-	12.229
Total equity	352.486	491.359	843.845	225.247	1.069.092
Bank borrowings	167.742	554.495	722.237	-	722.237
Derivative financial instruments	1.519	-	1.519	-	1.519
Deferred tax liabilities	22.113	178.493	200.606	-	200.606
Provisions	9.677	16.054	25.731	-	25.731
Government grants	744	-	744	-	744
Other non-current liabilities	23.109	-	23.109	-	23.109
Total non-current liabilities	224.904	749.042	973.946	-	973.946
Bank borrowings	81.565	4.555	86.120	-	86.120
Trade and other payables	190.694	117.030	307.724	-	307.724
Provisions	6.793	1.208	8.001	-	8.001
Derivative financial instruments	702	434	1.136	-	1.136
Total current liabilities	279.754	123.227	402.981	-	402.981
TOTAL EQUITY AND LIABILITIES	857.144	1.363.628	2.220.772	225.247	2.446.019

(1) These figures show the aggregate of the Consolidated Statement of Financial Position as of June 30, 2017 of Fluidra and Zodiac. In this aggregation process, no significant intercompany transactions or valuation differences have been identified that would require elimination or harmonization, respectively. For other types of adjustments, related to presentation criteria, adequacy of the reporting period and presentation currency, detailed information is provided in note 4.1.

3. PRO FORMA CONSOLIDATED INCOME STATEMENT FOR THE 6 MONTH PERIOD ENDED JUNE 30, 2017

PRO FORMA CONSOLIDATED INCOME STATEMENT FOR THE 6 MONTH PERIOD ENDED JUNE 30, 2017

	HISTORICAL FINANCIAL INFORMATION			BUSINESS COMBINATION ADJUSTMENTS (Note 4.2)	PRO FORMA CONSOLIDATED INCOME STATEMENT
	FLUIDRA (Note 4.1)	ZODIAC (Note 4.1)	COMBINED ENTITY (1)		
Thousands of euros					
OPERATING INCOME:					
Sales of goods and finished products	452.498	276.183	728.681	-	728.681
Income from the rendering of services	8.076	1.417	9.493	-	9.493
Work performed by the Group and capitalized as non-current assets	2.642	3.370	6.012	-	6.012
Total operating income	463.216	280.970	744.186		744.186
OPERATING EXPENSES:					
Change in inventories of finished products and work in progress and raw materials consumables	(222.993)	(147.335)	(370.328)	-	(370.328)
Employee benefits expense	(85.040)	(47.995)	(133.035)	-	(133.035)
Depreciation and amortization expenses and impairment losses	(19.921)	(16.314)	(36.235)	-	(36.235)
Other operating expenses	(82.293)	(46.186)	(128.479)	(7.755)	(136.234)
Total operating expenses	(410.247)	(257.830)	(668.077)	(7.755)	(675.832)
OTHER RESULTS					
Profit on the sale of assets	1.476	-	1.476	-	1.476
Total other results	1.476	-	1.476	-	1.476
OPERATING PROFIT	54.445	23.140	77.585	(7.755)	69.830
FINANCE INCOME/(COSTS)					
Finance income	1.187	89	1.276	-	1.276
Finance costs	(5.812)	(23.753)	(29.565)	-	(29.565)
Exchange gains/(losses)	(943)	6.235	5.292	-	5.292
Net finance income/(costs)	(5.568)	(17.430)	(22.998)		(22.998)
Share in profit / (loss) for the year from investments accounted for using the equity method	11	-	11	-	11
Profit / (loss) before tax from continuing activities	48.888	5.710	54.598	(7.755)	46.843
Income tax expense	(13.159)	(3.041)	(16.200)	1.939	(14.261)
Profit / (loss) after tax from continuing activities	35.729	2.669	38.398	(5.816)	32.582

(1) These figures show the aggregate of the Consolidated Statement of Financial Position as of June 30, 2017 of Fluidra and Zodiac. In this aggregation process, no significant intercompany transactions or valuation differences have been identified that would require elimination or harmonization, respectively. For other types of adjustments, related to presentation criteria, adequacy of the reporting period and presentation currency, detailed information is provided in note 4.1.

4. EXPLANATORY NOTES

4.1 Historical financial information

The Consolidated Proforma financial Information is based on the following historical financial information:

- The interim consolidated financial statements of Fluidra for the 6 month period ended on June 30, 2017 (the “**Financial statements of Fluidra**”). The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (“IFRS-EU”), Estos estados financieros consolidados se han preparado de acuerdo con las Normas Internacionales de Información Financiera adoptadas por la UE (“NIIF-UE”), were issued by the Board of Directors of Fluidra on July 27, 2017 and have been subject to limited review by Ernst & Young, S.L. who on July 28, 2017 issued a limited review report without qualifications.
- The interim consolidated financial statements of Zodiac for the period between November 22, 2016 (date of Zodiac’s incorporation) and June 30, 2017 (the “**Financial statements of Zodiac**”). The consolidated financial statements were issued on January 16, 2018, and were prepared in accordance with IFRS-EU and have been subject to limited review by Ernst & Young Audit, who on January 17, 2018 issued a limited review report without qualifications.

The Pro Forma Consolidated financial Information and the corresponding Explanatory Notes should be read in conjunction with the above mentioned historical financial information.

The historical financial information of Fluidra has been obtained directly from the financial statements of Fluidra.

The historical financial information of Zodiac has been subject to the following Pro Forma adjustments and reclassifications in order to be adapted to the presentation criteria of Fluidra as the acquiring company:

4.1.1 Presentation structure of the Income Statement and the Statement of Financial Position

Both Income Statement and Statement of Financial Position of Zodiac have been subject to certain Pro Forma reclassifications in order to be adapted to the structure of Fluidra. In particular, the historical Income Statement of Zodiac is presented ‘by function’ and, therefore, certain reclassifications have been necessary to harmonize it with the presentation ‘by nature’ as used by Fluidra.

The underlying information with respect to the Pro Forma reclassifications, as included in the tables below, have been obtained directly from the historical financial information of Zodiac (mainly notes 12, 13 and 14 of the aforementioned financial statements of Zodiac).

4.1.2 Adequacy of the reporting period in the Pro Forma Consolidated Income Statement

The impact relating to the 40 days between November 22, 2016 and December 31, 2016 has been deducted from the historical income statement of Zodiac. These amounts have been extracted directly from the accounting records of Zodiac, and been validated by Fluidra with the support of external consultants by carrying agreed upon procedures on the aforementioned amounts.

4.1.3 Presentation currency

The historical financial information of Zodiac is presented in US dollars and, therefore, Pro Forma adjustments have been necessary to convert them to Euros, which is the presentation currency of Fluidra.

The exchange rates used have been those applied by Fluidra in its own consolidation process as of June 30, 2017:

- The exchange rate for the Pro Forma Consolidated Statement of financial position as of June 30, 2017 is 0.8763 euros per US dollar.

- The average exchange rate for the Pro Forma Consolidated Income Statement for the 6 month period ended June 30, 2017 is 0.9146 euros per US dollar.

In line with the above, the historical statement of financial position and the historic income statement of Zodiac are presented below with related details of the adjustments and reclassifications necessary to harmonize them with the criteria used by Fluidra:

ZODIAC POOL SOLUTIONS S.à.r.l.

PRO FORMA ADJUSTMENTS OF HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2017

HISTORICAL FINANCIAL INFORMATION

	ZODIAC (thousands of US \$) (1)	Presentation adjustments of Statement of Financial Position (4.1.1)	ZODIAC after presentation adjustments of Statement of Financial Position	Presentation currency adjustments (4.1.3)	ZODIAC AFTER PRO FORMA ADJUSTMENTS AND RECLASSIFICATIONS	
ACTIVOS:						ASSETS:
Goodwill	638.448	(638.448)	-	-	-	
Intangible assets	614.586	(614.586)	-	-	-	
Property, plant and equipment	21.914	-	21.914	19.203	19.203	Property, plant and equipment
Other financial assets	894	(894)	-	-	-	
Deferred tax assets	19.579	(19.579)	-	-	-	
		638.448	638.448	559.472	559.472	Investment property
		614.586	614.586	538.562	538.562	Goodwill
		-	-	-	-	Other intangible assets
		894	894	783	783	Investments accounted for using the equity method
		-	-	-	-	Non-current financial assets
		19.579	19.579	17.157	17.157	Other accounts receivable
						Deferred tax assets
Non-current assets	1.295.421	0	1.295.421	1.135.177	1.135.177	Total non-current assets
Inventories	85.574	-	85.574	74.988	74.988	Inventories
Trade receivables	127.515	15.997	143.512	125.760	125.760	Trade and other receivables
Other receivables	13.986	(13.986)	-	-	-	
Current income tax receivables	2.011	(2.011)	-	-	-	
Other financial assets	8	(8)	-	-	-	
Derivative financial instruments	-	-	8	7	7	Other current financial liabilities
Cash and cash equivalents	31.606	-	31.606	27.696	27.696	Derivative financial instruments
						Cash and cash equivalents
Current assets	260.700	0	260.700	228.451	228.451	Total current assets
TOTAL ASSETS	1.556.121	0	1.556.121	1.363.629	1.363.628	TOTAL ASSETS
EQUITY AND LIABILITIES:						EQUITY AND LIABILITIES:
Equity attributed to equity holders of the parent	559.857	-	559.857	490.603	490.603	Equity attributed to equity holders of the parent
Non-controlling interests	863	-	863	756	756	Non-controlling interests
Total equity	560.720	0	560.720	491.359	491.359	Total equity
Debt	632.768	(632.768)	-	-	-	
Employee benefit obligations	1.533	(1.533)	-	-	-	
Deferred tax liabilities	203.689	(203.689)	-	-	-	
Provisions	16.788	(16.788)	-	-	-	
		632.768	632.768	554.495	554.495	Bank borrowings
		-	-	-	-	Derivative financial instruments
		203.689	203.689	178.493	178.493	Deferred tax liabilities
		18.321	18.321	16.055	16.054	Provisions
		-	-	-	-	Government grants
		-	-	-	-	Other non-current liabilities
Non-current liabilities	854.778	0	854.778	749.043	749.042	Total non-current liabilities
Trade and other payables	125.814	(125.814)	-	-	-	
Debt	5.198	(5.198)	-	-	-	
Provisions	1.380	(1.380)	-	-	-	
Current income tax liabilities	7.736	(7.736)	-	-	-	
Derivative financial instruments	495	(495)	-	-	-	
		5.198	5.198	4.555	4.555	Bank borrowings
		133.550	133.550	117.030	117.030	Trade and other payables
		1.380	1.380	1.208	1.208	Provisions
		495	495	434	434	Derivative financial instruments
Current liabilities	140.623	0	140.623	123.227	123.227	Total current liabilities
TOTAL LIABILITIES	995.401	0	995.401	872.270	872.269	TOTAL LIABILITIES
TOTAL EQUITY AND LIABILITIES	1.556.121	0	1.556.121	1.363.629	1.363.628	TOTAL EQUITY AND LIABILITIES

(1) The figures presented here have been obtained from the historical consolidated financial information of Zodiac.

PRO FORMA ADJUSTMENTS OF PRESENTATION AND ACCOUNTING POLICY UNIFICATION OF PRO FORMA CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED JUNE 30, 2017

HISTORICAL FINANCIAL INFORMATION

	ZODIAC November 22, 2016 - June 30, 2017 (hundreds of US\$) (1)	Presentation structure adjustments of the Income Statement (4.1.1)	ZODIAC after presentation structure adjustments of the Income Statement	Adequacy adjustments of the reporting period (4.1.2)	ZODIAC after adequacy adjustments of the reporting period	Presentation currency adjustments (4.1.3)	ZODIAC AFTER PRO FORMA ADJUSTMENTS AND RECLASSIFICATIONS
OPERATING INCOME:							OPERATING INCOME:
Sales of goods and finished products	318.429		318.429	(16.458)	301.971	276.183	276.183 Sales of goods and finished products
Income from the rendering of services	1.569		1.569	(20)	1.549	1.417	1.417 Income from the rendering of services
		3.774	3.774	(89)	3.685	3.370	3.370 Work performed by the Group and capitalized as non-current assets
Net sales	319.998	3.774	323.772	(16.567)	307.205	280.970	280.970 Total operating income
							OPERATING EXPENSES:
Cost of sales	(213.494)	213.494					
Gross profit	106.504						
		(172.805)	(172.805)	11.713	(161.092)	(147.335)	(147.335) Change in inventories of finished products and work in progress and raw materials consumables
		(53.965)	(53.965)	1.488	(52.477)	(47.995)	(47.995) Employee benefits expense
Selling expenses	(29.641)	(19.191)	(19.191)	1.354	(17.837)	(16.314)	(16.314) Depreciation and amortization expenses and impairment losses
General and administrative expenses	(65.732)	(45.379)	(75.020)	24.521	(50.499)	(46.186)	(46.186) Other operating expenses
Research and development costs	(7.025)	65.732	(320.981)	39.076	(281.905)	(257.830)	(257.830) Total operating expenses
Other expenses	(932)	7.025					
Operating profit	3.174	932					OTHER RESULTS
							- Profit on the sale of assets
							- Total other results
		(383)	2.791	22.509	25.300	23.139	23.139 OPERATING PROFIT
							FINANCE INCOME/(COSTS)
Finance expense	(21.201)	98	98	(1)	97	89	89 Finance income
		(6.408)	(27.609)	1.638	(25.971)	(23.753)	(23.753) Finance costs
		6.310	6.310	507	6.817	6.235	6.235 Exchange gains/(losses)
		-	(21.201)	2.144	(19.057)	(17.430)	(17.430) Net finance income/(costs)
							- Share in profit / (loss) for the year from investments accounted for using the equity method
Profit/(loss) before income taxes	(18.027)	(383)	(18.410)	24.653	6.243	5.710	5.710 Profit / (loss) before tax from continuing activities
Income tax (expense)/benefit	4.932	383	5.315	(8.640)	(3.325)	(3.041)	(3.041) Income tax expense
Profit / (loss) after tax from continuing activities	(13.095)	-	(13.095)	16.013	2.918	2.669	2.669 Profit / (loss) after tax from continuing activities

(1) The figures presented here have been obtained from the historical consolidated financial information of Zodiac.

4.2 Business combinations

The following details the Pro Forma adjustments corresponding to the accounting of the Business Combinations, as well as the main explanations thereof, as if the merger had occurred on June 30, 2017 for the preparation of the Pro Forma Consolidated Statement of Financial Position and as of January 1, 2017 for the preparation of the Pro Forma Consolidated Income Statement:

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	BUSINESS COMBINATION ADJUSTMENTS		TOTAL BUSINESS COMBINATION ADJUSTMENTS
	PURCHASE PRICE ALLOCATION (4.2.1)	TRANSACTION COSTS (4.2.2)	
Thousands of euros			
ASSETS:			
Property, plant and equipment	-	-	-
Investment property	-	-	-
Goodwill	231.497	-	231.497
Other intangible assets	-	-	-
Investments accounted for using the equity method	-	-	-
Non-current financial assets	-	-	-
Other accounts receivable	-	-	-
Deferred tax assets	-	2.083	2.083
Total non-current assets	231.497	2.083	233.580
Inventories	-	-	-
Trade and other receivables	-	-	-
Other current financial liabilities	-	-	-
Derivative financial instruments	-	-	-
Cash and cash equivalents	-	(8.333)	(8.333)
Total current assets	-	(8.333)	(8.333)
TOTAL ASSETS	231.497	(6.250)	225.247
EQUITY AND LIABILITIES:			
Equity attributed to equity holders of the parer	231.497	(6.250)	225.247
Non-controlling interests	-	-	-
Total equity	231.497	(6.250)	225.247
Bank borrowings	-	-	-
Derivative financial instruments	-	-	-
Deferred tax liabilities	-	-	-
Provisions	-	-	-
Government grants	-	-	-
Other non-current liabilities	-	-	-
Total non-current liabilities	-	-	-
Bank borrowings	-	-	-
Trade and other payables	-	-	-
Provisions	-	-	-
Derivative financial instruments	-	-	-
Total current liabilities	-	-	-
TOTAL EQUITY AND LIABILITIES	231.497	(6.250)	225.247

PRO FORMA CONSOLIDATED INCOME STATEMENT

	BUSINESS COMBINATION ADJUSTMENTS	
	TRANSACTION COSTS (4.2.2)	TOTAL BUSINESS COMBINATION ADJUSTMENTS
Thousands of euros		
OPERATING INCOME:		
Sales of goods and finished products	-	-
Income from the rendering of services	-	-
Work performed by the Group and capitalized as non-current assets	-	-
Total operating income	-	-
OPERATING EXPENSES:		
Change in inventories of finished products and work in progress and raw materials consumables	-	-
Employee benefits expense	-	-
Depreciation and amortization expenses and imp	-	-
Other operating expenses	(7.755)	(7.755)
Total operating expenses	(7.755)	(7.755)
OTHER RESULTS		
Profit on the sale of assets	-	-
OPERATING PROFIT	(7.755)	(7.755)
FINANCE INCOME/(COSTS)		
Finance income	-	-
Finance costs	-	-
Exchange gains/(losses)	-	-
Net finance income/(costs)	-	-
Share in profit / (loss) for the year from investments accounted for using the equity method	-	-
Profit / (loss) before tax from continuing activities	(7.755)	(7.755)
Income tax expense	1.939	1.939
Profit / (loss) after tax from continuing	(5.816)	(5.816)

4.2.1 Purchase Price Allocation

For the provisional determination of the cost of the business combination, the closing price of the shares of Fluidra on November 2, 2017 has been used, the day prior to the announcement of the Investment Agreement by Fluidra, and included as a reference in the Relevant Fact published by Fluidra on November 3, 2017. The amount resulting from applying the quoted price of 8.7 euros per share on the aforementioned date on the 83 million new shares that will be issued, as detailed in note 1.2. of this Pro Forma Consolidated financial Information, amounts to 722,100 thousand euros. The actual purchase price will be determined on the date of completion of the transaction, according to Fluidra's share price on that date. A 25% variation (increase or decrease) compared to 8.7 euros per share, as taken as a reference for the purposes of preparing this Pro Forma Consolidated financial Information, would result in a purchase price of 902,625 thousand euros or 541,575 thousands of euros, respectively, with the consequent impact on the resulting goodwill (180,525 thousand euros more or less respectively).

The fair value allocation analysis for assets and liabilities of Zodiac has not been performed yet, and as a result, the goodwill shown in the Pro Forma Consolidated financial Information is provisional. The determination of these fair values will reflect, among other things, the valuation of tangible and intangible assets, such as customer relationships or intellectual property and trademarks as of the closing date of the transaction.

As a result of the analysis of the historical financial information of Zodiac, an adjustment to the carrying amount of the financial liabilities with financial institutions held by Zodiac as of June 30, 2017 has been identified, amounting to 25,978 thousand euros (29,645 thousand US dollars according to the exchange rate on June 30, 2017 as used and described in Note 4.1.3 of this document), in order to reflect its fair value, as detailed in note 9 of the historical financial information of Zodiac. This adjustment is mainly derived from the impact of the unamortized costs, as can be seen from the comparison with the values disclosed in note 5 of the aforementioned historical financial information of Zodiac. However, this adjustment has not been included in the present Pro Forma Financial Information in order not to provide a partial view of the group's indebtedness after the merger, given the significant changes in the financing structure of the new combined group as stated in note 4.2. 3.

Although the book values included in the historical financial information of Zodiac have been subject to fair value on December 20, 2016 as a result of the purchase accounting applied to the business combination occurred on that date in connection with the acquisition by the current sole shareholder, the final determination of the fair values of the assets and liabilities of Zodiac will be performed on the date of the transaction. Such fair value will be affected by the performance of the aforementioned businesses and their accounting operations until such time. Therefore, there could be changes in relation to the adjustments and Pro Forma data contained in this document.

The provisional determination of the business combination consideration and goodwill is as follows:

Fluidra's closing share price on November 2, 2017 (euros)	8.7
Number of shares to be issued by Fluidra	83,000,000
Business combination consideration (thousands of euros)	722,100
Less:	
Zodiac's consolidated equity as of June 30, 2017	490,603
Assets and liabilities acquired (thousands of euros)	490,603
Goodwill (thousands of euros)	231,497

As mentioned above, for the purposes of this Pro Forma, the allocation of fair values of the assets and liabilities of Zodiac has not been carried out yet. As such, the aforementioned difference has been fully recorded as goodwill. According to IFRS 3 (revised), the Group has a period of up to 12 months after the merger is effective, when all the information is available and the fair value is known, in order to perform such analysis.

In any case, and according to the information available up to the date of issuance of this Proforma Consolidated financial Information, which includes, among others, the valuations of external advisors, as well as the internal and external reports regarding the synergies that can reasonably be expected, the

Directos of Fluidra consider that there is no indication of impairment of the goodwill resulting from the business combination accounting, which includes the goodwill registered by Zodiac in its Statement of Financial Position. The Group will carry out the related impairment test in accordance with IAS 36 at the close of its fiscal year 2018, in which the combination is expected to be reflected.

4.2.2 *Transaction costs*

The transaction requires the involvement of investment banks, legal and tax advisors, auditors and other external advisors. Transaction costs pending to be incurred as of June 30, 2017, which are estimated at 8,333 thousand euros, have been included in this Pro Forma Consolidated Financial Information, even though they are non-recurring expenses.

Of this amount, 578 thousand euros correspond to expenses directly attributable to the capital increase and, therefore, have been deducted from the capital increase, net of tax of 144 thousand euros. The remaining expenses, amounting to 7,755 thousand euros, have been directly recognized in the Pro Forma Consolidated Income Statement, net of tax of 1,939 thousand euros. For the purposes of the Pro Forma Consolidated Statement of Financial Position, a reduction of cash and cash equivalents has been assumed for a total of 8,333 thousand euros, taking into account that these amounts are expected to be paid in the short term.

4.2.3 *Financing*

As part of the agreements entered into by Fluidra and Zodiac on November 3, 2017, the Parties have agreed to use their best efforts to refinance the Group after the merger in accordance with the terms and conditions agreed with three financial institutions in a letter of intentions (the “Best Efforts Engagement Letter”) and, if this financing is not possible due to changes in financial conditions (to which the agreement is open to be adjusted), take advantage of the alternative financing committed by the same financing institutions (the “Commitment Letter”). The percentage of participation from the aforementioned three financial institutions in the refinancing agreed under the Best Efforts Engagement Letter is subject to variation, including the incorporation of additional financing institutions.

The purpose of these agreements is, in the case of the Best Efforts Engagement Letter, to refinance the current indebtedness of the respective groups of both companies and, in the case of the Commitment Letter, to refinance the current indebtedness of the Fluidra group. In addition, in both cases, transaction costs would be financed as well as working capital and other general corporate requirements.

The main terms and conditions of these agreements are as follows:

a) Best Efforts Engagement Letter:

- Multi-currency senior secured term loan facility for approximately 850 million euros in two tranches: (i) \$670 million U.S. Dollar-denominated tranche, and (ii) 270 million Euro-denominated tranche, for a term of seven years.
- Multi-currency senior secured revolving credit facility for up to 250 million euros, for a term of six years.
- The interest rates are referenced to different indices or rates according to the currencies and other factors.
- Established fees to execute the agreement and for the unused portion of the senior secured revolving credit facility will be incurred.

b) Commitment Letter:

- Senior Secured term loan facility of 270 million euros, with due date 20 of December 2023. The interest rate is referenced to Euribor.
- Multi-currency senior secured revolving credit facility for 130 million euros, for a term of six years.
- Established fees to execute the agreement and for the unused portion of the senior secured revolving credit facility will be incurred.

The Commitment Letter establishes a fee, calculated at 1.75% on the amount of the financing granted, which is understood to be accrued at the time of the merger. There are some discount provisions in the best effort Engagement Letter scenario in relation to this fee.

For the purpose of the Pro Forma Financial Information it is assumed that the Company will execute the Best Efforts Engagement Letter. Therefore, the terms and conditions as ruled under the Commitment Letter will not be applicable. However, while the most likely option, the Best Efforts Engagement Letter is not binding and its terms and conditions are not certain, therefore the impact of none of these two agreements has been reflected in this Pro Forma Financial Information. The alternative financing, the Commitment Letter, which is binding and whose terms and conditions are certain, is not the most likely option in the opinion of the Company's directors at the date of this document. Therefore, the related impacts have not been adjusted in this Pro Forma Financial Information. In both cases, refinancing is expected to qualify as a substantial modification under IAS 39.

Nevertheless, based on the information available, the Company expects that the financing described in this note will reduce the consolidated Group's recurring finance costs, assuming, as the more likely scenario, that this financing will be executed generally based on the terms stated in the Best Efforts Engagement Letter. If this agreement had been in force from January 1, 2017, the recurring finance costs would have been reduced by approximately 3.8 million euros, non-recurring costs would have amounted to 8.6 million euros and in total would have represented a negative net impact of 4.8 million euros in the first six months of 2017. The non-recurring costs are derived from the repayment of the respective group's existing debt, the retirement of the existing interest rate swaps and the fixed fees linked to the Commitment Letter. If this agreement had been in force as of June 30, 2017, the Group's consolidated bank borrowings as of June 30, 2017 would have been increased by approximately 91.2 million euros. This impact includes the fair value adjustment of approximately 26 million euros in connection with the purchase accounting of Zodiac's bank borrowings as of June 30, 2017, as explained in note 4.2.1.

However, the impact of the alternative financing (Commitment Letter), that the Company has entered into to secure the Group's financing in the event the Best Efforts Engagement Letter is not executed, even though it is not the most likely scenario, would have increased the recurring finance costs by approximately 2.8 million euros, non-recurring costs would have amounted to 1.9 million euros and in total would have represented a negative impact of 4.7 million euros in the first six months of 2017. The non-recurring costs are derived from the cancellation of the existing debt and the retirement of the existing interest rate swaps. If this agreement had been in force as of June 30, 2017, the Group's consolidated bank borrowings as of June 30, 2017 would have increased by approximately 95.7 million euros. This includes the fair value adjustment of approximately 26 million euros, as referred to in the previous paragraph.

For the reasons stated above, none of these impacts, which are stated for informational purposes, have been included in the accompanying Pro Forma Consolidated Income Statement or Statement of Financial Position.

4.2.4 Incentive Plan

During the first six months of 2017, certain Zodiac employees have signed an agreement for a plan in shares of Piscine Luxembourg Holdings 1 S.a.r.l. ("**LuxCo**"), which may be paid in cash in certain extraordinary cases including, amongst others, the execution of the merger, as presented in this Pro Forma Financial Information (the "**Original Plan**"), reason why the merger agreements between Fluidra and Zodiac rule that this Original Plan may be replaced by a new plan with the terms agreed between Zodiac and the beneficiary employees (the "**New Plan**").

In accordance with IFRS 2, Zodiac has classified the Original Plan as an "equity-settled share-based payment plan". The shares of this Original Plan are subject to customary conditions for a plan of this nature, including non-transferability, non-voting, drag-along rights, tag-along rights and lever provisions. The underlying valuation methodology has been based on the Monte-Carlo and binominal approaches. The Original Plan's main characteristics and assumptions are stated in note 18 of Zodiac's Historical Financial Information.

The New Plan, which will be signed by Zodiac and the beneficiary employees after the cancellation of the Original Plan, will grant these employees the following interests:

- Shares in LuxCo convertible into Fluidra shares following the merger corresponding to their original investment in ordinary shares of LuxCo ("Common Equity roll-over").
- Shares in LuxCo convertible into Fluidra shares following the merger, corresponding to the value of the Original Plan (MIV Interests), as agreed between LuxCo and Zodiac employees ("MIV Interest roll-over").
- Additional restricted shares of LuxCo, convertible into Fluidra shares after the merger ("Restricted shares").

In general, these instruments are subject to certain conditions, such as to remain employees of the Company, comply with the financial objectives of Zodiac's current shareholders, as well as restricted periods for disposal of the shares (the 'lock-up') and repurchase options in the event the employee will leave the Company. The vesting periods of the rights and/or for restrictions on the disposal of shares depend, according to each type of share, on the total or partial exit of Zodiac's current shareholders from Fluidra, in accordance with the different tranches in the three aforementioned instruments. The vast majority of these instruments will be settled in shares of Fluidra.

In accordance with IFRS 3, the change of the aforementioned plan under the above mentioned circumstances should be analysed to determine whether it represents compensation for services received prior to the merger, after the merger or a combination of both. Services received attributable prior to the merger are accounted for as part of the consideration transferred, whilst services received attributable to the period after the merger will be recognized, subsequently, as share-based payment expense in the Income Statement during the vesting period. With the support of external advisers, the Company has analysed the difference between the fair values of the two plans as of 31 October 2017. The underlying valuation methodology is based on the Monte-Carlo simulation methodology and the above mentioned lock-up restrictions have taken into account. The main underlying assumptions in this valuation are as follows:

- Fluidra's share price: €8.7 per share has been applied in line with the assumptions used to determine the purchase price (see Note 4.2.1 of this Pro Forma Financial Information).
- A comparable share value volatility rate to the historical rate of the last 12 months has been applied.
- Vesting period: fixed time periods stipulated for some tranches (4 and 5 years) have been used and the likelihood of an exit of Zodiac's current shareholders over the next 5 years has been assumed.
- All of the beneficiary employees will remain in the Company.

Based on this valuation and the assumptions stated above, the impact of the difference between the two fair values is less than 2 million euros and any pro rata recognition between the periods prior and after the merger is immaterial. Therefore, no Pro Forma adjustment has been recognized.