

## TO THE SPANISH SECURITIES COMMISSION

Fluidra, S.A. ("**Fluidra**" or the "**Company**"), pursuant to the provisions of section 226 of Royal Legislative Decree 4/2015, of 23 October, which passed the amended text of the Securities Market Act, hereby issues the following:

### INSIDER INFORMATION

Fluidra Holdco North America, Inc., an indirectly wholly-owned subsidiary of Fluidra, today signed an equity purchase agreement by virtue of which it acquired one hundred percent (100%) of the equity interests of the US company Custom Molded Products, LLC ("**CMP**").

CMP is a Georgia-based firm considered one of the leaders on the US business of designing, manufacturing, marketing and selling pool and spa products including white goods, sanitizer systems, water features and lighting. The company operates manufacturing and distribution facilities in multiple locations in the US and China, and owns a broad portfolio of pool and wellness products that complement Fluidra's product offering. CMP's product strengths, coupled with its operational and manufacturing expertise, will help Fluidra accelerate growth by providing its customers with a wider range of pool and spa technologies as well as through increased product delivery capabilities.

The acquisition was valued at \$245 million and was fully settled at closing with Fluidra's existing cash and debt facilities. The transaction includes an additional net working capital adjustment payment to compensate for the seasonality of working capital, which peaks in early spring.

The acquisition is expected to be accretive to Fluidra's Cash EPS from day one. Fluidra is raising its 2021 guidance based on the expected positive contribution from CMP's acquisition as follows:

- Sales growth from 6-9% to 12-15%
- EBITDA margin stays at 22.5% to 23%
- Cash EPS growth increases from 12-20% to 17-25%

A press release and a presentation with additional details on CMP and the transaction are enclosed.

Sabadell, 10 March 2021

## PRESS RELEASE

### Fluidra strengthens industry leadership position with acquisition of Custom Molded Products (CMP)

- **Addition of the US manufacturer of pool and spa components will further strengthen Fluidra’s leadership position in the pool and wellness industry.**
- **CMP’s product offering and manufacturing expertise are highly complementary to Fluidra’s business, creating expanded growth opportunities and value for customers.**
- **The acquisition values CMP at \$245 million and is expected to be Cash EPS accretive to Fluidra in 2021.**

**March 10, 2021** – Fluidra S.A. (BME: FDR), the Spanish listed global leader in pool and wellness equipment and connected solutions, today announced it has acquired Custom Molded Products (“CMP”), a Georgia-based manufacturer of pool and spa components, from Tenex Capital Management.

CMP is a leading supplier of innovative solutions for the recreational water industry with a strong portfolio of reputable brands such as DEL™, Brilliant Wonders®, SpaMASTER™ and Bobé. Headquartered in Newnan, Georgia, CMP operates manufacturing and distribution facilities from multiple locations in the United States and China. CMP’s products are supported by distributors and OEMs in the United States, Canada, Latin America, Europe, Australia and the Middle East.

The acquisition was valued at \$245 million and was fully settled at closing with existing cash and debt facilities. Proforma 2020 leverage is still within the 2x target, while maintaining a strong cash generation profile. The transaction is expected to be accretive to Fluidra’s Cash EPS from day one. Fluidra is raising its 2021 guidance based on the expected positive contribution from the CMP acquisition as follows:

- Sales growth from 6-9% to 12-15%
- EBITDA margin stays at 22.5% to 23%
- Cash EPS growth increases from 12-20% to 17-25%

With this acquisition, Fluidra will rapidly expand its offering in several strategic growth categories, such as fast-growing alternative sanitizers, white goods to support its Jandy equipment range and dedicated spa equipment, a substantial adjacent segment and opportunity for the company. Additionally, CMP’s broad range of LED solutions and water and fire features will complement and extend Fluidra’s existing portfolio. CMP’s product strengths, coupled with its operational and manufacturing expertise, will help Fluidra accelerate growth by providing its customers with a wider range of pool and spa technologies as well as through increased product delivery capabilities.

“CMP is a great fit—commercially, operationally and culturally—and a valuable extension to Fluidra’s existing North American operation,” said Bruce Brooks, Chief Executive Officer

of Fluidra. "This acquisition allows us to expand our product portfolio in strategic areas to better meet customer demand, as well as by entering the new spa OEM market. We intend to draw from our Fluidra-Zodiac integration expertise to successfully achieve the numerous synergies identified."

"We are thrilled to be joining Fluidra and recognize this as a tremendous growth opportunity," said Tom Moore, Chief Executive Officer of CMP. "With their established and trusted reputation in the industry, we are confident that this will position both Fluidra and CMP for continued success in the years ahead."

Following the acquisition, the CMP team and its base of operations will remain in Georgia. McGuireWoods LLP acted as legal adviser to Fluidra. Raymond James & Associates, Inc. acted as lead financial advisor and Troutman Pepper Hamilton Sanders LLP acted as legal advisor to CMP. Nomura Securities International, Inc. and FIDUS Partners also acted as co-advisors to CMP.

#### **About Fluidra**

Fluidra, a Spanish listed firm, is the global leader in the pool and wellness equipment business. It provides innovative products, services and Internet of Things (IoT) solutions. The company operates in over 45 countries and owns a portfolio of some of the industry's most recognized and trusted brands, including Jandy®, AstralPool®, Polaris®, Cepex®, Zodiac®, CTX Professional® and Gre®. To learn more about Fluidra, visit [www.fluidra.com](http://www.fluidra.com)

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**FLUIDRA**

# CMP Acquisition

March 10<sup>th</sup> 2021



- This document is for information purposes only and does not constitute an offer to sell, exchange or buy, or an invitation to make offers to buy, securities issued by any of the companies mentioned. This financial information has been prepared by Fluidra, S.A. ("Fluidra", and with all its subsidiaries, the "Fluidra Group").
- 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, and those that may arise from potential COVID-19-related contingencies. 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.
- In any event, the Fluidra Group provides information on these and other factors that may affect the Company's forward-looking statements, business and financial results in documents filed with the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*). We invite all interested persons or entities to consult these documents.

1

**Fast-growing complementary Pool business accelerates our growth in the US**

2

**Acquisition provides an entry into the adjacent and attractive Spa components segment**

3

**Significant revenue synergies (>\$10 MM) as well as cost synergies (>\$7.5 MM)**

4

**Acquisition at attractive multiple and expected Cash EPS accretive from day one**

5

**Leverage within objective and with strong cash generation profile**

FLUIDRA

**Unique opportunity to create value for our customers and investors through CMP's acquisition**

## Terms

\$ 245 million Enterprise Value  
Low double digit and into single digit EBITDA multiple for '20A and '21E respectively, excluding synergies  
Expected to be accretive to Cash EPS from day one  
Paid with existing cash and debt facilities, 0 debt upon acquisition  
Fluidra leverage within the  $\approx$  2x objective and with strong cash generation profile

## Target

Large and fast-growing business with sales in excess of \$109M, helping accelerate our growth in NA  
c.\$50M Pool business will accelerate our growth through a range of new and complementary products  
Entry into the attractive Spa components segment, providing a substantial growth opportunity  
Strong and dynamic management team which will play a part in the future development of Fluidra NA

## Synergies

Merger related integration expertise to successfully achieve the numerous synergies identified  
>\$10 million revenue synergies by the end of 2023  
>\$7.5 million run rate cost synergies by the end of 2023  
Growth outlook for CMP is similar to Fluidra's, hence synergies become a significant value driver  
One-off investment of up to \$10 MM during next three years in order to achieve identified synergies

## Guidance

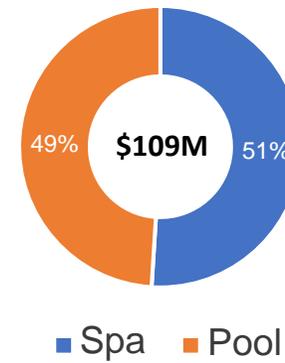
Raising 2021 guidance based on the expected positive contribution from CMP as follows:

- Sales growth from 6-9% to 12-15%
- EBITDA margin stays at 22.5% to 23%
- Cash EPS growth increases from 12-20% to 17-25%

## Company Overview

- Custom Molded Products (CMP) is a leading US based manufacturer of pool and spa components in the recreational water industry
- 2020 revenues of \$109M. 2016-20 Sales CAGR of 10%, excl. M&A
- Highly complementary offering includes alternative sanitizers, white goods, LED solutions and water and fire features
- Acquisition enables instant entry into the adjacent and attractive >\$500M Spa components segment
- Based in Newnan, GA, CMP was founded in 1989
- Manufacturing facility in Shanghai, China and distribution locations in California, Netherlands and Australia.
- Sanitization and Fire & Water categories achieved through recent acquisitions:
  - DEL Ozone (UV sanitization) – Sep 2017
  - Saline Generating Systems (salt chlorinators) – Mar 2018
  - Aqua Sun Ozone (Spa sanitization) – Jul 2018
  - Bobé (fire & water) – Oct 2018
- Strong management team committed to lead through integration period and will enhance our NA Leadership team in future

## Sales by Category & Brand Portfolio



*Lighting, Fire & Water Features*



*Sanitization*



*Spa/Pool OEM Products*



## Complementarity Range – CMP Sales

- Highly complementary Pool product offering will address strategic growth areas, increase overall size of the portfolio and provide large synergy opportunities
- Acquisition provides an entry into the adjacent and attractive Spa components segment
- Complementary products include, among others, I/G & Portable Spa White Goods, Sanitizers, Pool White Goods, Waterfalls & Bubblers

**FLUIDRA**

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Thanks For Your Attention