FIRST QUARTER 2023 EARNINGS

May 4, 2023



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FIRST QUARTER 2023 EARNINGS CALL

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This presentation contains certain statements that are "forward-looking statements" as that term is defined under the Private Securities Litigation Reform Act of 1995 (the "Act") and releases issued by the Securities and Exchange Commission (the "SEC"). Such forward-looking statements relating to Hayward Holdings, Inc. ("Hayward") are based on the beliefs of Hayward's management as well as assumptions made by, and information currently available to it. These forward-looking statements include, but are not limited to, statements about Hayward's strategies, plans, objectives, expectations, intentions, expenditures and assumptions and other statements contained in or incorporated by reference in this earnings release that are not historical facts. When used in this document, words such as "guidance," "may," "will," "should," "could," "intend," "potential," "continue," "anticipate," "believe," "estimate," "expect," "plan," "target," "predict," "project," "seek" and similar expressions as they relate to Hayward are intended to identify forward-looking statements. Hayward believes that it is important to communicate its future expectations to its stockholders, and it therefore makes forward-looking statements in reliance upon the safe harbor provisions of the Act. However, there may be events in the future that Hayward is not able to accurately predict or control, and actual results may differ materially from the expectations it describes in its forward-looking statements.

Examples of forward-looking statements include, among others, statements Hayward makes regarding: Hayward's 2023 guidance; business plans and objectives; anticipated SG&A cost savings; general economic and industry trends; business prospects; future product development and acquisition strategies; and growth and expansion opportunities. The forward-looking statements in this earnings release are only predictions. Hayward may not achieve the plans, intentions or expectations disclosed in Hayward's forward-looking statements, and you should not place significant reliance on its forward-looking statements. Hayward has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that it believes may affect its business, financial condition and results of operations. Moreover, neither Hayward nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements, including such statements taken from third-party industry and market reports.

Important factors that could affect Hayward's future results and could cause those results or other outcomes to differ materially from those indicated in its forward-looking statements include the following: its relationships with and the performance of distributors, builders, buying groups, retailers and servicers who sell Hayward's products to pool owners; impacts on Hayward's business from the sensitivity of its business to seasonality and unfavorable economic business conditions; competition from national and global companies, as well as lower cost manufacturers; Hayward's ability to develop, manufacture and effectively and profitably market and sell its new planned and future products; its ability to execute on its growth strategies and expansion opportunities; impacts on Hayward's business from political, regulatory, economic, trade, and other risks associated with operating foreign businesses, including risks associated with geopolitical conflict; its ability to maintain favorable relationships with suppliers and manage disruptions to its global supply chain and the availability of raw materials; Hayward's ability to identify emerging technological and other trends in its target end markets; failure of markets to accept new product introductions and enhancements; the ability to successfully identify, finance, complete and integrate acquisitions; its reliance on information technology systems and susceptibility to threats to those systems, including cybersecurity threats, and risks arising from its collection and use of personal information data; regulatory changes and developments affecting Hayward's current and future products; volatility in currency exchange rates and interest rates; Hayward's ability to service its existing indebtedness and obtain additional capital to finance operations and its growth opportunities; Hayward's ability to establish and maintain intellectual property protection for its products, as well as its ability to operate its business without infringing, misappropriating or otherwise violating the intellectual property rights of others; the impact of material cost and other inflation; Hayward's ability to attract and retain senior management and other qualified personnel; the impact of changes in laws, regulations and administrative policy, including those that limit U.S. tax benefits, impact trade agreements and tariffs, or address the impacts of climate change; the outcome of litigation and governmental proceedings; the impact of product manufacturing disruptions, including as a result of catastrophic and other events beyond its control, including risks associated with geopolitical conflict; uncertainties of the pace of distribution channel destocking and its impact on sales volumes; Hayward's ability to realize cost savings from restructuring activities; Hayward's and its customers' ability to manage product inventory in an effective and efficient manner; and other factors set forth in "Risk Factors" in Hayward's most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q.

Many of these factors are macroeconomic in nature and are, therefore, beyond Hayward's control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, Hayward's actual results, performance or achievements may vary materially from those described in this earnings release as anticipated, believed, estimated, expected, intended, planned or projected. The forward-looking statements included in this earnings release are made only as of the date of this earnings release. Unless required by United States federal securities laws, Hayward neither intends nor assumes any obligation to update these forward-looking statements for any reason after the date of this earnings release to conform these statements to actual results or to changes in Hayward's expectations.

NON-GAAP FINANCIAL MEASURES

This earnings release includes certain financial measures not presented in accordance with the generally accepted accounting principles in the United States ("GAAP") including adjusted net income, adjusted basic EPS, adjusted diluted EPS, EBITDA, adjusted EBITDA, adjusted EBITDA margin, consolidated segment income, adjusted consolidated segment income, adjusted consolidated segment income margin, adjusted segment income, adjusted segment income margin, and free cash flow. These financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income (loss), segment income or other measures of profitability, performance or financial condition under GAAP. You should be aware that the Company's presentation of these measures may not be comparable to similarly titled measures used by other companies, which may be defined and calculated differently. See the appendix for a reconciliation of historical non-GAAP measures to the most directly comparable GAAP measures.

Reconciliation for the forward-looking full year fiscal 2023 adjusted EBITDA and free cash flow guidance is not being provided, as Hayward does not currently have sufficient data to accurately estimate the variables and individual adjustments for such reconciliation. Adjusted EBITDA and free cash flow estimated for full fiscal year 2023 are calculated in a manner consistent with historical adjusted EBITDA and free cash flow, respectively, included in this presentation.

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Key Messages

- Delivered Q1 2023 results in line with expectations
- Executed well in a challenging operating environment, including unfavorable weather
- Expanded gross profit margins, maintaining structural margin profile at reduced volume levels
- Reaffirmed full year 2023 guidance

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Financial Overview

Q1 2023

- Net sales of $210M
- Gross profit margin of 46.6%
- Adj. EBITDA[1] of $45M
- Adj. EBITDA margin[1] of 21.4%
- Adj. diluted EPS[1] of $0.07



RESULTS REFLECT:

- Positive price realization
- Reduced distribution inventory levels
- Difficult macroeconomic conditions
- Unfavorable weather
- Rightsized production levels
- Proactive cost/margin management
  - Gross margin expansion
  - Disciplined SG&A cost control

1. Non-GAAP financial measure. See the appendix for a reconciliation to the most directly comparable GAAP measure.

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Business Update

Market Share	✓ Structural share gain, notably in the strategically important U.S. sunbelt markets ✓ Technology leadership driving continued growth in “Totally Hayward” loyalty program
End Consumer Demand	✓ Further moderation in new construction in North America, impacted by unfavorable weather ✓ Northern Europe negatively impacted by geopolitical events, Rest of World exceeding expectations
Channel Inventory	✓ Reduced channel inventory in Q1 ✓ Softer global economic outlook driving reductions in desired channel inventory days on hand
Price - Cost	✓ Achieved price-cost neutrality ✓ Strengthened gross margin through manufacturing productivity improvements
Cost Structure	✓ Expanded gross profit margin 430 bps sequentially, delivering strong structural margins at lower volume levels ✓ Optimized the SG&A cost structure, achieving the planned savings
ESG	✓ Continued progress on ESG journey ✓ Recognized by Sustainalytics as a 2023 “ESG Regional Top Rated” company for ESG performance



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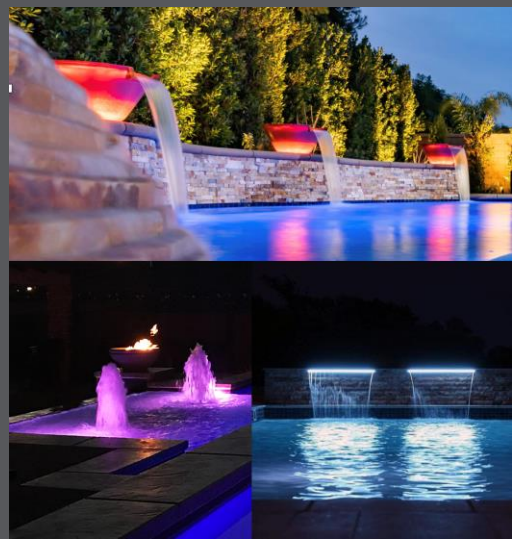
New Product Launches

SmartPower:

- ✓ **Patented, low voltage 4-zone LED light transformer**
- ✓ **Simple, affordable solution to incentivize installation of multiple lights**
- ✓ **Dramatic backyard lighting effects**





TracVac Suction Cleaner:

- ✓ **Superior coverage, floor to wall**
- ✓ **Large tracks to navigate the toughest surfaces**
- ✓ **Fast, compact design for the best clean**



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Attractive Long-Term Growth Dynamics

Secular Tailwinds

- ✓ Healthy outdoor living
- ✓ Sunbelt migration
- ✓ “Smart home” IoT adoption
- ✓ Environmentally sustainable products

Industry Drivers

- ✓ Growing, aging installed base
- ✓ Predictable, non-discretionary aftermarket spending
- ✓ Demonstrated pricing power
- ✓ Conversion to connected product technologies

Competitive Advantages

- ✓ Strong brand and installed base
- ✓ Technology leadership
- ✓ Operational excellence
- ✓ Multi-channel strength

HAYWARD IS WELL POSITIONED TO DRIVE COMPELLING LONG-TERM GROWTH

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First Quarter 2023 Financials

NET SALES OF $210M

NET SALES (49%) YoY

- Price +5%, acquisitions +1%
- Volume -54% (channel inventory movements, reduced sell through), F/X -1%

GROSS PROFIT OF $98M

GROSS PROFIT MARGIN OF 46.6%

- Gross margin increased 20 bps YoY, 430 bps sequentially despite lower volumes
- Price-cost neutrality, disciplined cost control, rightsized production levels

ADJ. EBITDA[1] OF $45M

ADJ. EBITDA[1] MARGIN OF 21.4%

- SG&A cost actions supporting margins

ADJ. DILUTED EPS[1] OF $0.07

DILUTED EPS OF $0.04; ADJ. DILUTED EPS[1] OF $0.07

- Diluted share count reduced by ~23M shares (9%) YoY

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Source: Company financial data.
1. Non-GAAP financial measure. See Appendix for a reconciliation to the most directly comparable GAAP measure.

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First Quarter 2023 Segment Overview

North America	
Net Sales	$162.7M
YoY Change	*(53.0%)*
Gross Profit	$79.0M
Gross Profit Margin	*48.6%*
Adj. Segment Income[1]	$39.3M
Adj. Segment Income Margin[1]	*24.1%*

- Pricing +5%, acquisitions +1%, volume -59%
- Volume reductions primarily due to reduced channel inventory levels; discretionary end demand moderating
- Gross margin increased 150 bps YoY and 560 bps sequentially

Europe and Rest of World	
Net Sales	$47.4M
YoY Change	*(26.1%)*
Gross Profit	$18.9M
Gross Profit Margin	*39.8%*
Adj. Segment Income[1]	$10.1M
Adj. Segment Income Margin[1]	*21.2%*

- Pricing +5%, volume -28%, F/X -2%
- Volume reductions due to geopolitical events, reduced channel inventory levels and end demand

1. Non-GAAP financial measure. See Appendix for a reconciliation to the most directly comparable GAAP measure.

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Balance Sheet and Cash Flow Highlights

BALANCE SHEET ($M)

	4/1/2023
Cash and cash equivalents	$41
Total debt principal	$1,204
Term debt (2028 maturity)[1]	$1,107
ABL revolver (2026 maturity)	$87
LTM adj. EBITDA[2]	$286
Net leverage[3]	4.1x

$600M fixed rate, remainder variable

ABL borrowings fully repaid post Q1

Expect closer to 3x by year-end 2023

CASH FLOW ($M)

	Q1 2023
Cash flow from operating activities	($91)
Less capex	($6)
Free cash flow[4]	($97)

$263M TOTAL LIQUIDITY

NO NEAR-TERM DEBT MATURITIES

DO NOT ANTICIPATE MAKING EXCESS FCF PAYMENTS IN 2023

EXPECT 2023 FCF >$150M;
CONVERSION >100% OF NET INCOME[5]

Q1 IS A SEASONALLY SOFT PERIOD FOR CASH FLOW;
Q2 IS SEASONALLY STRONG

1. $600M of the term debt is swapped with swap maturities in 2025 ($350M) and 2027 ($250M).
2. Non-GAAP financial measure. See Appendix for a reconciliation to the most directly comparable GAAP measure.
3. Net leverage is a non-GAAP measure and calculated as (A) total debt less cash and cash equivalents divided by (B) the sum of trailing twelve months adjusted EBITDA.
4. Free cash flow is calculated as net cash provided by operating activities less capital expenditures.
5. Free cash flow divided by net income.

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Balanced Capital Allocation Priorities

Growth Investments	✓ Innovative new product development, IoT digital leadership ✓ Commercial programs, dealer conversions ✓ Operational excellence, productivity, growth capex
Strategic M&A	✓ Pipeline of tuck-in opportunities to complement our product offering, geographic footprint, commercial relationships ✓ Four acquisitions in Controls, Water Features and Lighting in last two years for $85M[1]
Return to Shareholders	✓ Share repurchases of $343M in 2022 ✓ $400M remaining on existing $450M 3-year authorization

Funding **strategic growth investments and shareholder returns** while maintaining **prudent financial leverage**

1. Combined purchase price, net of cash acquired

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Unchanged FY 2023 Financial Outlook

Net sales down 18% to 22%

Reversion to more normal seasonality

Adjusted EBITDA[1] of $265M to $285M

Free cash flow[1] exceeding $150M (>100% of net income)

FY 2023 modeling assumptions:

- Interest expense ~$78M
- Effective tax rate ~25% for the remainder of the year
- Capex ~$25M to $30M



OUTLOOK REFLECTS:

- Challenging global macro conditions
  - NAM aftermarket resilient, new construction down ~25-30%, remodel / upgrade down ~20-25%
  - ERW down ~25%
- Channel inventory reduction
- Positive price realization of ~4-5%
- Full SG&A savings of $25M to $30M (~$9M of this achieved in 2022)
- Strong FCF improvement due to inventory and working capital reductions

1. Reconciliation for the full-year fiscal 2023 Adjusted EBITDA and free cash flow guidance is not being provided, as Hayward does not currently have sufficient data to accurately estimate variables and individual adjustments for such reconciliation, Adjusted EBITDA and free cash flow estimated for full-year fiscal 2023 are calculated in a manner consistent with historical adjusted EBITDA and free cash flow, respectively, included in this presentation

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Key Messages

- **Delivered Q1 2023 results in line with expectations**
- **Executed well in a challenging operating environment, including unfavorable weather**
- **Expanded gross profit margins, maintaining structural margin profile at reduced volume levels**
- **Reaffirmed full year 2023 guidance**

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APPENDIX

Non-GAAP Reconciliations

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Adjusted EBITDA & Adjusted EBITDA Margin Reconciliation

APPENDIX

(Dollars in thousands)	Three Months Ended	
	April 1, 2023	April 2, 2022
Net income	$ 8,410	$ 74,032
Depreciation	4,362	4,840
Amortization	9,254	9,097
Interest expense	19,361	9,562
Income taxes	835	23,340
EBITDA	42,222	120,871
Stock-based compensation [(a)]	357	937
Currency exchange items [(b)]	(74)	(729)
Acquisition and restructuring related expense, net [(c)]	1,563	2,271
Other [(d)]	861	2,899
Total Adjustments	2,707	5,378
Adjusted EBITDA	$ 44,929	$ 126,249
Adjusted EBITDA margin	21.4 %	30.8 %

(a) Represents non-cash stock-based compensation expense related to equity awards issued to management, employees, and directors. Beginning in the three months ended July 2, 2022, the adjustment includes only expense related to awards issued under the 2017 Equity Incentive Plan, which were awards granted prior to the effective date of Hayward's initial public offering (the "IPO"), whereas in prior periods, the adjustment included stock-based compensation expense for all equity awards. Under the historical presentation, the stock-based compensation adjustment for the three months ended April 1, 2023 would have been an expense of $2.0 million.

(b) Represents unrealized non-cash losses (gains) on foreign denominated monetary assets and liabilities and foreign currency contracts.

(c) Adjustments in the three months ended April 1, 2023 are primarily driven by $0.8 million of separation costs associated with the enterprise cost reduction program initiated in 2022, $0.3 million of integration costs from prior acquisitions and $0.3 million of costs associated with the relocation of the corporate headquarters. Adjustments in the three months ended April 2, 2022 primarily includes costs associated with the relocation of the corporate headquarters.

(d) Adjustments in the three months ended April 1, 2023 primarily includes $0.4 million of transitional expenses incurred to enable go-forward public company regulatory compliance and $0.3 million of costs incurred related to the selling stockholder offering of shares in March 2023. Adjustments in the three months ended April 2, 2022 are primarily driven by $1.2 million of bad debt write-offs for certain customers in Russia and Ukraine and other miscellaneous items we believe are not representative of our ongoing business operations.

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Adjusted EBITDA & Adjusted EBITDA Margin Reconciliation

APPENDIX

(Dollars in thousands)	Last Twelve Months[e] April 1, 2023	Fiscal Year December 31, 2022
Net income	$ 113,725	$ 179,347
Depreciation	18,768	19,246
Amortization	38,550	38,393
Interest expense	61,186	51,387
Income taxes	32,385	54,890
EBITDA	264,614	343,263
Stock-based compensation [a]	1,022	1,602
Currency exchange items [b]	1,581	926
Acquisition and restructuring related expense, net [c]	7,454	8,162
Other [d]	11,584	13,622
Total Adjustments	21,641	24,312
Adjusted EBITDA	$ 286,255	$ 367,575
Adjusted EBITDA margin	25.7 %	28.0 %

(a) Represents non-cash stock-based compensation expense related to equity awards issued to management, employees, and directors. Beginning in the three months ended July 2, 2022, the adjustment includes only expense related to awards issued under the 2017 Equity Incentive Plan, which were awards granted prior to the effective date of Hayward's initial public offering (the "IPO"), whereas in prior periods, the adjustment included stock-based compensation expense for all equity awards. Under the historical presentation, the stock-based compensation adjustment for the three months ended April 1, 2023 would have been an expense of $2.0 million.

(b) Represents unrealized non-cash losses (gains) on foreign denominated monetary assets and liabilities and foreign currency contracts.

(c) Adjustments in the last twelve months ended April 1, 2023 include $3.7 million separation costs associated with a reduction-in-force from the enterprise cost reduction program, $3.3 million of costs associated with the relocation of the corporate headquarters, $1.9 million transaction costs associated with the acquisition of the specialty lighting business of Halco Technologies, LLC ("Specialty Lighting Business"), and $0.3 million of integration costs from prior acquisitions, partially offset by a $2.4 million gain resulting from the release of certain reserves associated with the exit of an early-stage product line discontinued in 2021.

Adjustments in the year ended December 31, 2022 primarily include $5.0 million of costs associated with the relocation of the corporate headquarters, $2.9 million separation costs associated with a reduction-in-force, and $1.9 million transaction costs associated with the acquisition of the Specialty Lighting Business, partially offset by a $2.4 million gain resulting from the release of certain reserves associated with the exit of an early-stage product line discontinued in 2021.

(d) Adjustments in the last twelve months ended April 1, 2023 include $5.5 million of expenses associated with the discontinuation of a product joint development agreement, a $3.3 million non-cash increase in cost of goods sold resulting from the fair value inventory step-up adjustment recognized as part of the purchase accounting for the Specialty Lighting Business, $2.3 million of transitional expenses incurred to enable go-forward public company regulatory compliance, $1.4 million of costs incurred related to the selling stockholder offering of shares in May 2022, which are reported in SG&A in our consolidated statements of operations, $0.3 million of expenses related to the corporate headquarters transition, and other immaterial items, partially offset by $1.0 million of subsequent collections against bad debt reserves taken in response to the conflict between Russia and Ukraine and $1.1 million of gains resulting from an insurance policy reimbursement related to the fire incident in our manufacturing and administrative facilities in Yuncos, Spain.

Adjustments in the year ended December 31, 2022 include $5.5 million of expenses associated with the discontinuation of a product joint development agreement, a $3.3 million non-cash increase in cost of goods sold resulting from the fair value inventory step-up adjustment recognized as part of the purchase accounting for the Specialty Lighting Business, $2.3 million of transitional expenses incurred to enable go-forward public company regulatory compliance, $1.4 million of costs incurred related to the selling stockholder offering of shares in May 2022, which are reported in SG&A in our consolidated statements of operations, $0.9 million of expenses related to the corporate headquarters transition, $0.2 million bad debt reserves related to certain customers impacted by the conflict between Russia and Ukraine, and other immaterial items, partially offset by subsequent collections and $1.1 million of gains resulting from an insurance policy reimbursement related to the fire incident in our manufacturing and administrative facilities in Yuncos, Spain.

(e) Items for the last twelve months ended April 1, 2023 are calculated by adding the items for the three months ended April 1, 2023 plus fiscal year ended December 31, 2022 and subtracting the items for the three months ended April 2, 2022.

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Adjusted Net Income and Adjusted EPS Reconciliation

APPENDIX

(Dollars in thousands)	Three Months Ended	
	April 1, 2023	April 2, 2022
Net income	$ 8,410	$ 74,032
Tax adjustments [a]	(1,548)	—
Other adjustments and amortization:		
Stock-based compensation [b]	357	937
Currency exchange items [c]	(74)	(729)
Acquisition and restructuring related expense, net [d]	1,563	2,271
Other [e]	861	2,899
Total other adjustments	2,707	5,378
Amortization	9,254	9,097
Tax effect [f]	(3,084)	(3,470)
Certain transaction-related adjustments [g]:		
Acquisitions	—	1,442
Tax effect [f]	—	(346)
Adjusted net income	$ 15,739	$ 86,133
Weighted average number of common shares outstanding, basic	212,523,221	232,271,684
Weighted average number of common shares outstanding, diluted	220,501,177	243,143,149
Basic EPS	$ 0.04	$ 0.32
Diluted EPS	$ 0.04	$ 0.30
Adjusted basic EPS	$ 0.07	$ 0.37
Adjusted diluted EPS	$ 0.07	$ 0.35

(a) Tax adjustments for the three months ended April 1, 2023 reflect a normalized tax rate of 25.8% compared to our effective tax rate of 9.0%. Our effective tax rate for the three months ended April 1, 2023 includes the tax benefit resulting from the exercise of stock options. Tax adjustments for the three months ended April 2, 2022 reflect a normalized tax rate of 24.0% which matches our effective tax rate of 24.0%. All non-tax adjustments are effected at the normalized rate.

(b) Represents non-cash stock-based compensation expense related to equity awards issued to management, employees, and directors. Beginning in the three months ended July 2, 2022, the adjustment includes only expense related to awards issued under the 2017 Equity Incentive Plan, which were awards granted prior to the effective date of Hayward's initial public offering (the "IPO"), whereas in prior periods, the adjustment included stock-based compensation expense for all equity awards. Under the historical presentation, the stock-based compensation adjustment for the three months ended April 1, 2023 would have been an expense of $2.0 million.

(c) Represents unrealized non-cash losses (gains) on foreign denominated monetary assets and liabilities and foreign currency contracts.

(d) Adjustments in the three months ended April 1, 2023 are primarily driven by $0.8 million of separation costs associated with the enterprise cost reduction program initiated in 2022, $0.3 million of integration costs from prior acquisitions and $0.3 million of costs associated with the relocation of the corporate headquarters. Adjustments in the three months ended April 2, 2022 primarily includes costs associated with the relocation of the corporate headquarters.

(e) Adjustments in the three months ended April 1, 2023 primarily includes $0.4 million of transitional expenses incurred to enable go-forward public company regulatory compliance and $0.3 million of costs incurred related to the selling stockholder offering of shares in March 2023. Adjustments in the three months ended April 2, 2022 are primarily driven by $1.2 million of bad debt write-offs for certain customers in Russia and Ukraine and other miscellaneous items we believe are not representative of our ongoing business operations.

(f) The tax effect represents the immediately preceding adjustments at the normalized tax rates as discussed in footnote (a) above.

(g) The adjustments for the three months ended April 2, 2022 represent adjustments related to the acquisition of the specialty lighting business of Halco Technologies, LLC, as if the acquisition had occurred at the beginning of the period.

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Adjusted Segment Income Reconciliations

APPENDIX

(Dollars in thousands)	Three Months Ended April 1, 2023			Three Months Ended April 2, 2022		
	Total	NAM	E&RW	Total	NAM	E&RW
Net sales	$ 210,136	$ 162,704	$ 47,432	$ 410,460	$ 346,296	$ 64,164
Gross profit	$ 97,891	$ 79,013	$ 18,878	$ 190,394	$ 163,057	$ 27,337
Gross profit margin %	46.6 %	48.6 %	39.8 %	46.4 %	47.1 %	42.6 %
Income from operations before income taxes	$ 9,245			$ 97,372		
Expenses not allocated to segments						
Corporate expense, net	6,099			9,279		
Acquisition and restructuring related expense	1,563			2,271		
Amortization of intangible assets	7,617			7,610		
Interest expense, net	19,361			9,562		
Other (income) expense, net	(759)			(514)		
Segment income	$ 43,126	$ 33,276	$ 9,850	$ 125,580	$ 108,611	$ 16,969
Segment income margin %	20.5 %	20.5 %	20.8 %	30.6 %	31.4 %	26.4 %
Depreciation	$ 4,305	$ 4,088	$ 217	$ 4,503	$ 4,334	$ 169
Amortization	1,637	1,637	—	1,487	1,487	—
Stock-based compensation	173	162	11	(370)	(409)	39
Other [(a)]	98	98	—	1,410	200	1,210
Total adjustments	6,213	5,985	228	7,030	5,612	1,418
Adjusted segment income	$ 49,339	$ 39,261	$ 10,078	$ 132,610	$ 114,223	$ 18,387
Adjusted segment income margin %	23.5 %	24.1 %	21.2 %	32.3 %	33.0 %	28.7 %

(a) The three months ended April 1, 2023 for NAM includes miscellaneous items we believe are not representative of our ongoing business operations. The three months ended April 2, 2022 includes $0.2 million of one-time general and administrative expenses we believe are not representative of our ongoing business operations.

The three months ended April 2, 2022 includes $1.2 million of bad debt write-offs related to certain customers impacted by the conflict between Russia and Ukraine.

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