

SECOND QUARTER 2025 EARNINGS

July 30, 2025

 **HAYWARD** | 100
SINCE 1925



SECOND QUARTER 2025 EARNINGS CALL

KEVIN HOLLERAN

President and Chief Executive Officer

EIFION JONES

Senior Vice President and Chief Financial Officer

KEVIN MACZKA

Vice President of Investor Relations and FP&A

NYSE: HAYW



Forward-Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

This presentation includes certain statements that are “forward-looking statements” as that term is defined under the Private Securities Litigation Reform Act of 1995 that 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 presentation that are not historical facts. When used in this presentation, 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. Examples of forward-looking statements include, among others, statements Hayward makes regarding: Hayward’s 2025 guidance; business plans and objectives; general economic and industry trends; business prospects; future product development and acquisition strategies; future channel stocking levels; growth and expansion opportunities; operating results; and working capital and liquidity. 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. 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; the impact of changes in laws, regulations and administrative policy, including those that limit U.S. tax benefits, impact trade agreements, or address the impacts of climate change; impacts on Hayward’s business from the sensitivity of its business to seasonality and unfavorable economic business conditions; Hayward’s ability to develop, manufacture and effectively and profitably market and sell its new planned and future products; the impact of product manufacturing disruptions, including as a result of catastrophic and other events beyond Hayward’s control; competition from national and global companies, as well as lower-cost manufacturers; the imposition, or threat of imposition, of tariffs and other trade restrictions could adversely affect Hayward’s business, including as a result of an adverse impact on general economic conditions; its ability to execute on its growth strategies and expansion opportunities; Hayward’s exposure to credit risk on its accounts receivable, 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; its use of artificial intelligence technologies may not be successful and may present business, intellectual property, compliance and reputational risks; misuse of its technology-enabled products could lead to reduced sales, liability claims or harm to its reputation; 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, maintain and effectively enforce 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, including as a result of new or increased tariffs; Hayward’s ability to attract and retain senior management and other qualified personnel; the outcome of litigation and governmental proceedings; uncertainties related to distribution channel inventory practices and its impact on Hayward’s net sales volumes; Hayward’s ability to realize cost savings from restructuring activities; and other factors set forth 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 our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results, performance or achievements may vary materially from those described in this presentation. The forward-looking statements included in this presentation are made only as of the date of this presentation. Unless required by United States federal securities laws, Hayward neither intends nor assumes any obligation to update these forward-looking statements for any reason to conform these statements to actual results or to changes in Hayward’s expectations.

Non-GAAP Financial Measures

This presentation includes certain financial measures not presented in accordance with the generally accepted accounting principles in the United States (“GAAP”) These measures should not be considered in isolation or as an alternative to their comparable measures under GAAP. See the appendix for a reconciliation of historical non-GAAP measures to the most directly comparable GAAP measures.

Key Messages

- 1 Reported Q2 2025 results ahead of expectations; net sales up 5% YoY
- 2 Delivered record gross profit margin¹ of 52.7%; adjusted EBITDA margin² of 29.5%
- 3 Reduced net leverage³ to 2.1x; lowest level since Q1 2022
- 4 Continued executing tariff mitigation action plans
- 5 Refined full year 2025 guidance; raising lower end of the net sales range

1. Record gross margin since Hayward's IPO.

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 & cash equivalents and short-term investments divided by (B) the sum of last twelve months adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure. See the appendix for a reconciliation to the most directly comparable GAAP measure.

Financial Overview

	Q2 2025	YoY
Net Sales	\$299.6M	+5%
Gross Profit Margin ¹	52.7%	+170 bps
Adj. EBITDA ²	\$88.2M	+7%
Adj. EBITDA Margin ²	29.5%	+50 bps
Adj. Diluted EPS ²	\$0.24	+14%

RESULTS REFLECT:

- Continued solid execution
- Positive net price realization
- Solid gross profit margin and adjusted EBITDA margin expansion
- Targeted strategic growth investments

Tariff Impact and Mitigation Action Plans



Estimated Tariff Impact¹

- ✓ ~\$30M annualized cost increase
- ✓ ~\$18M cost increase for FY'25
 - ✓ Mostly related to China sourcing
 - ✓ Limited by partial year impact, mitigation actions, inventory on hand
- ✓ Assume existing tariffs remain in place and current exemptions under USMCA continue
- ✓ Executing plans to significantly reduce the exposure



Tariff Mitigation Action Plans

- ✓ Mitigation
 - ✓ Accelerated cost reduction, productivity initiatives
 - ✓ Actioned structural supply chain alternatives
 - ✓ Implemented a 3% price increase in NAM effective in April

China direct sourcing into the US going from ~10% to ~3% of COGS by year end 2025

Aggressively executing tariff mitigation action plans to support profitability

Second Quarter 2025 Financials

NET SALES OF \$299.6M

NET SALES +5.3% YoY

- Net price +5%
- Volume -2%
- Acquisition +2% (ChlorKing)

GROSS PROFIT OF \$157.8M

GROSS PROFIT MARGIN OF 52.7%

- Increased 170 bps YoY
- NAM up 220 bps YoY
- ERW down 190 bps YoY, progressing as expected sequentially, up 390 bps from Q1'25

ADJ. EBITDA¹ OF \$88.2M

ADJ. EBITDA MARGIN¹ OF 29.5%

- Increased 50 bps YoY
- Disciplined cost control, targeted strategic investments in sales & marketing, customer service, advanced engineering

ADJ. DILUTED EPS¹ OF \$0.24

DILUTED EPS OF \$0.20; ADJ. DILUTED EPS¹ OF \$0.24

- Diluted EPS +18% YoY; adjusted diluted EPS +14% YoY

Second Quarter 2025 Segment Overview

NORTH AMERICA

NET SALES	GROSS PROFIT	ADJ. SEGMENT INCOME ¹
\$255.2M	\$140.6M	\$89.1M
YoY Change: +5.8%	Gross Profit Margin: 55.1%	Adj. Segment Income Margin ¹ : 34.9%

- Net price +6%, volume -3%, M&A +3%
- US +6%, Canada -1%
- Gross margin increased 220 bps YoY

EUROPE & REST OF WORLD

NET SALES	GROSS PROFIT	ADJ. SEGMENT INCOME ¹
\$44.4M	\$17.3M	\$8.0M
YoY Change: +2.7%	Gross Profit Margin: 38.9%	Adj. Segment Income Margin ¹ : 18.1%

- Net price +1%, volume -1%, F/X +3%
- Europe -4%, Rest of World +16%
- Gross margin reduced 190 bps YoY, increased 390 bps sequentially from 35.0% in Q1'25

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

Balance Sheet and Cash Flow Highlights

BALANCE SHEET (\$M)

	6/28/2025
Cash and cash equivalents	\$365
Total debt principal	\$971
Term debt (2028 maturity) ¹	\$963
ABL revolver (2028 maturity)	\$0
LTM adjusted EBITDA ²	\$287
Net leverage ³	2.1x

\$600M fixed rate,
remainder variable

Blended interest
rate of 6.0%⁵

>> Net leverage reduced to 2.1x from 2.8x in Q1 2025 and Q2 2024

>> No near-term debt maturities; \$528M total liquidity⁴

CASH FLOW (\$M)

	YTD 2025	YTD 2024
Cash flows from operating activities	\$188	\$210
Less capex ⁶	(\$13)	(\$11)
Free cash flow ⁷	\$175	\$199

>> Lower YTD cash flow largely due to inventory management ahead of tariff cost increases

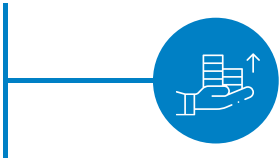
>> Full year free cash flow outlook unchanged

Capital Allocation **Priorities**

1

GROWTH INVESTMENTS

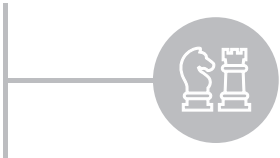
- Innovative new product development, IoT digital leadership
- Commercial programs, dealer conversions
- Operational excellence, productivity, automation, footprint optimization



2

STRATEGIC M&A

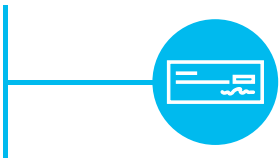
- Pipeline of opportunities to complement our product offering, geographic footprint, commercial relationships



3

DE-LEVERING

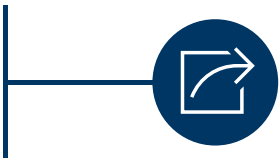
- Debt repayment



4

RETURN TO SHAREHOLDERS

- \$450M share repurchase authorization



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

FY 2025 Financial Outlook

Net sales of \$1.070B to \$1.100B

Adjusted EBITDA¹ of \$280M to \$290M

Free cash flow¹ of ~\$150M, >100% of net income

Modeling assumptions:

- Net interest expense ~\$50M
- Effective tax rate ~25% for the remainder of the year
- Capex ~\$35M

OUTLOOK REFLECTS:

- Resilient non-discretionary aftermarket maintenance
- Discretionary new construction, remodel, upgrade impacted by economic and interest rate environment
- Net price realization of ~4%
- Robust margins
- Solid cash flow generation

Key Messages

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1. Record gross margin since Hayward's IPO.

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 & cash equivalents and short-term investments divided by (B) the sum of last twelve months adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure. See the appendix for a reconciliation to the most directly comparable GAAP measure.

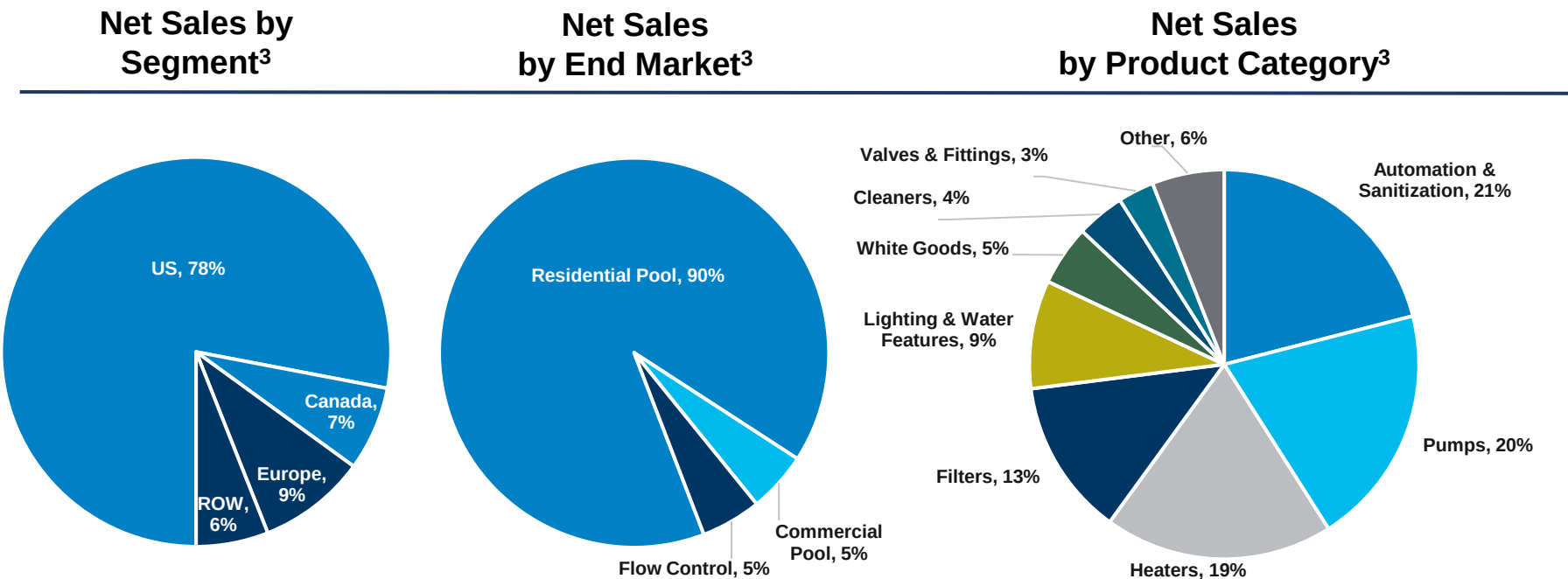


COMPANY OVERVIEW

Hayward at a Glance

\$1.05B 2024 Net Sales	7.5% Net Sales 5-year CAGR (2019-2024)
50.5% 2024 Gross Profit Margin	~85% of sales from aftermarket ²
26.4% 2024 Adj. EBITDA ¹ Margin	10% Adjusted EBITDA 5-year CAGR (2019-2024) ¹
~90% of products associated with sustainability themes	>550 current / pending patents globally

- ✓ Global leader in pool and outdoor living technology with the industry’s most recognized and trusted brand
- ✓ Strong, recurring aftermarket sales driven by one of the largest installed bases in the world
- ✓ Energy-efficient, environmentally sustainable products catering to increased focus on outdoor living
- ✓ Industry-leading smart home technology (Omni) for increased pool owner connectivity and automation



1. See Appendix for a reconciliation of non-GAAP measures to the most directly comparable GAAP measures. 2. Aftermarket equipment sales are driven primarily by the ongoing repair, replacement, remodeling and upgrading of equipment for existing pools. Aftermarket sales based upon feedback from certain representative customers and management’s interpretation of available industry and government data, and not upon our GAAP net sales results. 3. Source: Company financial data for year ending December 31, 2024.

Corporate Strategy



Organic Growth

- Execute global product and technology leadership roadmaps
- Advance regional sales & marketing strategies
- Expand customer experience initiatives
- Accelerate growth plans in Commercial Pool and Flow Control markets



Margin Expansion

- Proven culture of operational excellence with agile manufacturing footprint
- Higher-margin technology product mix
- Leverage top-line growth, increase capacity utilization
- Price-cost management



Disciplined Capital Allocation

- Growth investments (products/technologies, customer programs, productivity)
- Strategic M&A and partnerships
- Balance sheet de-levering
- Return to shareholders

Why Invest in Hayward?



Leader In Attractive Industry



Attractive Industry

- Secular tailwinds (sunbelt migration, healthy outdoor living)
- Large installed base that grows every year
- Disciplined industry, demonstrated pricing power



Recurring Aftermarket Model

- Aftermarket¹ sales mix ~85%
- Majority non-discretionary purchases to maintain existing pools
- Technology adoption of IoT-enabled smart products (OmniX)



Competitive Advantages

- Technology leadership. Innovative, best-in-class products in high-growth categories
- Operational excellence. Agile manufacturing and supply chain management
- Go-to-market. New customer acquisition / loyalty programs with significant traction



Strong Financial Profile

- Long-term organic sales CAGR of mid-to-high single digits
- Gross margin ~50%, mid-to-high 20s adjusted EBITDA margins on an annual basis
- Robust FCF generation, capital allocation optionality



Commitment to Sustainability

- Energy-efficient, environmentally sustainable products
- Established strategy and reporting framework – Products, Planet, People, Principles
- Morningstar Sustainability 2024 industry top quartile rating

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
- ✓ Non-discretionary aftermarket spending
- ✓ Demonstrated pricing power
- ✓ Conversion to connected product technologies

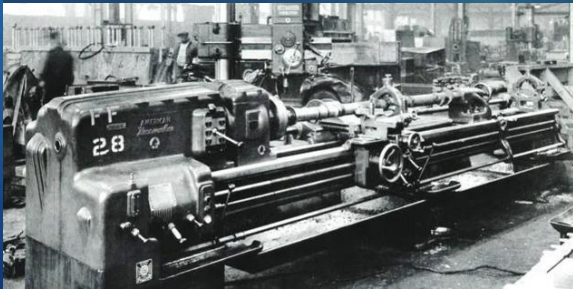
Competitive Advantages

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

HAYWARD IS WELL POSITIONED TO DRIVE COMPELLING LONG-TERM GROWTH

Celebrating 100 Years of Hayward

FROM HUMBLE BEGINNINGS TO GLOBAL PUBLIC COMPANY



Irving Hayward
Establishes Hayward

1925



Oscar Davis
Acquires Hayward &
Enters Pool Market

1960s



Hayward IPO
NYSE: HAYW

2021



Hayward Celebrating
100 Years

Today



APPENDIX

Non-GAAP Reconciliations

Adjusted EBITDA & Adjusted EBITDA Margin Reconciliation

APPENDIX

(Dollars in thousands)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net income	\$ 44,799	\$ 37,581	\$ 59,132	\$ 47,421
Depreciation	5,254	4,757	11,517	9,067
Amortization	8,631	8,503	17,166	17,046
Interest expense, net	13,650	16,799	27,301	35,391
Income taxes	14,640	9,365	18,988	12,430
Loss on debt extinguishment	—	4,926	—	4,926
EBITDA	86,974	81,931	134,104	126,281
Stock-based compensation ^(a)	11	230	57	420
Currency exchange items ^(b)	778	(180)	772	(126)
Acquisition and restructuring related expense, net ^(c)	1,565	839	3,491	1,343
Other ^(d)	(1,092)	(206)	(1,086)	(263)
Total Adjustments	1,262	683	3,234	1,374
Adjusted EBITDA	\$ 88,236	\$ 82,614	\$ 137,338	\$ 127,655
Net income margin	15.0 %	13.2 %	11.2 %	9.5 %
Adjusted EBITDA margin	29.5 %	29.0 %	26.0 %	25.7 %

(a) Represents non-cash stock-based compensation expense related to equity awards issued to management, employees, and directors. 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").

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

(c) Adjustments in the three months ended June 28, 2025 are primarily driven by \$1.5 million of transaction and integration costs associated with the acquisition of ChlorKing and \$0.2 million of termination benefits related to a reduction-in-force within E&RW, partially offset by a reduction in expense of \$0.2 million to finalize the relocation of the Company's corporate office functions to Charlotte, North Carolina from Berkeley Heights, New Jersey. Adjustments in the three months ended June 29, 2024 are primarily driven by \$0.6 million of transaction costs associated with the acquisition of the ChlorKing business and \$0.3 million of separation and other costs associated with the centralization of operations in Europe.

Adjustments in the six months ended June 28, 2025 are primarily driven by \$3.3 million of transaction and integration costs associated with the acquisition of the ChlorKing business, \$0.2 million of separation costs for the consolidation of operations in North America and \$0.2 million of termination benefits related to a reduction-in-force within E&RW, partially offset by a reduction in expense of \$0.2 million to finalize the relocation of the Company's corporate office functions to Charlotte, North Carolina from Berkeley Heights, New Jersey. Adjustments in the six months ended June 29, 2024 are primarily driven by \$0.7 million of separation and other costs associated with the centralization of operations in Europe and \$0.6 million of transaction costs associated with the acquisition of ChlorKing.

(d) Adjustments in the three months ended June 28, 2025 primarily include \$1.1 million of income from insurance proceeds related to flood damage associated with a hurricane at a contract manufacturing facility. Adjustments in the three months ended June 29, 2024 are primarily driven by \$0.5 million of gains on the sale of assets, partially offset by \$0.2 million of costs incurred related to litigation.

Adjustments in the six months ended June 28, 2025 primarily include \$1.1 million of income from insurance proceeds related to flood damage associated with a hurricane at a contract manufacturing facility. Adjustments in the six months ended June 29, 2024 are primarily driven by \$0.5 million of gains on the sale of assets, partially offset by \$0.3 million of costs incurred related to litigation.

Adjusted EBITDA & Adjusted EBITDA Margin Last Twelve Months Reconciliation

APPENDIX

(Dollars in thousands)

	Last Twelve Months ^(e)	Fiscal Year
	June 28, 2025	December 31, 2024
Net income	\$ 130,366	\$ 118,655
Depreciation	22,528	20,078
Amortization	35,903	35,783
Interest expense, net	54,073	62,163
Income taxes	32,085	25,527
Loss on debt extinguishment	—	4,926
EBITDA	274,955	267,132
Stock-based compensation ^(a)	245	608
Currency exchange items ^(b)	62	(836)
Acquisition and restructuring related expense, net ^(c)	8,612	6,464
Other ^(d)	3,256	4,079
Total Adjustments	12,175	10,315
Adjusted EBITDA	\$ 287,130	\$ 277,447
Net income margin	12.0 %	11.3 %
Adjusted EBITDA margin	26.5 %	26.4 %

- (a) Represents non-cash stock-based compensation expense related to equity awards issued to management, employees, and directors. 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 the IPO.
- (b) Represents unrealized non-cash (gains) losses on foreign denominated monetary assets and liabilities and foreign currency contracts.
- (c) Adjustments in the last twelve months ended June 28, 2025 primarily include \$6.3 million of compensation expenses for the retention of key employees acquired in the ChlorKing acquisition. Pursuant to the ChlorKing acquisition agreement, this \$6.3 million was an employee retention payment that was deposited into an escrow account on the date of acquisition. The full amount held in escrow was to be released to the specified key employees if such employees are employed by Hayward on the one-year anniversary of the acquisition. These payments were contingent on continued employment and are not dependent on the achievement of any metric or performance measure. The retention costs will be recognized over the twelve-month period from the date of acquisition. Further, other adjustments include \$1.0 million of termination benefits related to a reduction-in-force within E&RW, \$0.7 million of transaction and integration costs associated with the acquisition of the ChlorKing business, \$0.4 million of costs to finalize restructuring actions initiated in prior years and \$0.2 million of separation costs associated with the consolidation of operations in North America.

Adjustments in the year ended December 31, 2024 are primarily driven by \$3.2 million of compensation expenses for the retention of key employees acquired in the ChlorKing acquisition. Pursuant to the ChlorKing acquisition agreement, this \$3.2 million was part of a total \$6.3 million employee retention payment that was deposited into an escrow account on the date of acquisition. The full amount held in escrow will be released to the specified key employees if such employees are employed by Hayward on the one-year anniversary of the acquisition. These payments are contingent on continued employment and are not dependent on the achievement of any metric or performance measure. The retention costs will be recognized over the twelve-month period from the date of acquisition. Further, other adjustments for the year ended December 31, 2024 include \$1.1 million of transaction and integration costs associated with the acquisition of the ChlorKing business, \$0.9 million of termination benefits related to a reduction-in-force within E&RW, \$0.8 million of separation and other costs associated with the centralization and consolidation of operations in Europe and \$0.4 million of costs to finalize restructuring actions initiated in prior years.

- (d) Adjustments in the last twelve months ended June 28, 2025 are primarily driven by a \$3.3 million increase in cost of goods sold resulting from the fair value inventory step-up adjustment recognized as part of the purchase accounting for the acquisition of the ChlorKing business, \$0.7 million in costs incurred as a result of flood damage from a hurricane at a contract manufacturing facility, and \$0.3 million of costs incurred related to litigation, partially offset by \$1.1 million of insurance proceeds related to flood damage associated with a hurricane at a contract manufacturing facility.

Adjustments in the year ended December 31, 2024 are primarily driven by a \$3.3 million increase in cost of goods sold resulting from the fair value inventory step-up adjustment recognized as part of the purchase accounting for the acquisition of the ChlorKing business, \$0.7 million of costs sustained from flood damage associated with a hurricane at a contract manufacturing facility and \$0.5 million of costs incurred related to litigation, partially offset by \$0.5 million of gains on the sale of assets.

- (e) Items for the last twelve months ended June 28, 2025 are calculated by adding the items for the six months ended June 28, 2025 plus fiscal year ended December 31, 2024 and subtracting the items for the six months ended June 29, 2024.

Adjusted Net Income & Adjusted EPS Reconciliation

APPENDIX

(Dollars in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net income	\$ 44,799	\$ 37,581	\$ 59,132	\$ 47,421
Tax adjustments ^(a)	(9)	(1,624)	(192)	(1,771)
Other adjustments and amortization:				
Stock-based compensation ^(b)	11	230	57	420
Currency exchange items ^(c)	778	(180)	772	(126)
Acquisition and restructuring related expense, net ^(d)	1,565	839	3,491	1,343
Other ^(e)	(1,092)	(206)	(1,086)	(263)
Total other adjustments	1,262	683	3,234	1,374
Loss on debt extinguishment	—	4,926	—	4,926
Amortization	8,631	8,503	17,166	17,046
Tax effect ^(f)	(2,438)	(3,304)	(5,008)	(5,539)
Adjusted net income	\$ 52,245	\$ 46,765	\$ 74,332	\$ 63,457
Weighted average number of common shares outstanding, basic	216,382,177	214,915,338	216,175,618	214,637,930
Weighted average number of common shares outstanding, diluted	221,834,188	221,259,232	221,856,056	221,159,419
Basic EPS	\$ 0.21	\$ 0.17	\$ 0.27	\$ 0.22
Diluted EPS	\$ 0.20	\$ 0.17	\$ 0.27	\$ 0.21
Adjusted basic EPS	\$ 0.24	\$ 0.22	\$ 0.34	\$ 0.30
Adjusted diluted EPS	\$ 0.24	\$ 0.21	\$ 0.34	\$ 0.29

(a) Tax adjustments for the three and six months ended June 28, 2025 reflect a normalized tax rate of 24.6% and 24.6%, respectively, compared to the Company's effective tax rate of 24.6% and 24.3%, respectively. The Company's effective tax rate for the three and six months ended June 28, 2025 primarily includes the tax benefits resulting from stock compensation. Tax adjustments for the three and six months ended June 29, 2024 reflect a normalized tax rate of 23.4% and 23.7%, respectively, compared to the Company's effective tax rate of 19.9% and 20.8%, respectively. The Company's effective tax rate for the three months ended June 29, 2024 includes the tax benefits resulting from stock compensation and the six months ended June 29, 2024 additionally include a tax benefit resulting from a return-to-provision adjustment.

(b) Represents non-cash stock-based compensation expense related to equity awards issued to management, employees, and directors. 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 the IPO.

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

(d) Adjustments in the three months ended June 28, 2025 are primarily driven by \$1.5 million of transaction and integration costs associated with the acquisition of ChlorKing and \$0.2 million of termination benefits related to a reduction-in-force within E&RW, partially offset by a reduction in expense of \$0.2 million to finalize the relocation of the Company's corporate office functions to Charlotte, North Carolina from Berkeley Heights, New Jersey. Adjustments in the three months ended June 29, 2024 are primarily driven by \$0.6 million of transaction costs associated with the acquisition of the ChlorKing business and \$0.3 million of separation and other costs associated with the centralization of operations in Europe.

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(e) Adjustments in the three months ended June 28, 2025 primarily include \$1.1 million of income from insurance proceeds related to flood damage associated with a hurricane at a contract manufacturing facility. Adjustments in the three months ended June 29, 2024 are primarily driven by \$0.5 million of gains on the sale of assets, partially offset by \$0.2 million of costs incurred related to litigation.

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

Adjusted Segment Income Reconciliation

APPENDIX

(Dollars in thousands)

	Three Months Ended		Three Months Ended	
	June 28, 2025		June 29, 2024	
	NAM	E&RW	NAM	E&RW
Segment income	\$ 83,374	\$ 7,589	\$ 75,335	\$ 8,289
Depreciation	4,448	439	4,328	263
Amortization	1,761	—	1,554	—
Stock-based compensation	—	—	57	—
Other ^(a)	(513)	—	—	—
Total adjustments	5,696	439	5,939	263
Adjusted segment income	\$ 89,070	\$ 8,028	\$ 81,274	\$ 8,552
Segment income margin %	32.7 %	17.1 %	31.2 %	19.2 %
Adjusted segment income margin %	34.9 %	18.1 %	33.7 %	19.8 %

(a) The three months ended June 28, 2025 primarily includes \$0.7 million of income from insurance proceeds related to flood damage associated with a hurricane at a contract manufacturing facility.

(Dollars in thousands)

	Six Months Ended		Six Months Ended	
	June 28, 2025		June 29, 2024	
	NAM	E&RW	NAM	E&RW
Segment income	\$ 126,828	\$ 14,127	\$ 115,077	\$ 14,325
Depreciation	9,948	853	8,215	520
Amortization	3,461	—	3,197	—
Stock-based compensation	—	—	69	10
Other ^(a)	(510)	—	19	—
Total adjustments	12,899	853	11,500	530
Adjusted segment income	\$ 139,727	\$ 14,980	\$ 126,577	\$ 14,855
Segment income margin %	28.7 %	16.4 %	27.8 %	17.4 %
Adjusted segment income margin %	31.6 %	17.4 %	30.5 %	18.0 %

(a) The six months ended June 28, 2025 primarily includes \$0.7 million of income from insurance proceeds related to flood damage associated with a hurricane at a contract manufacturing facility. The six months ended June 29, 2024 represents losses on the sale of assets.

Adjusted EBITDA Historical Reconciliation

APPENDIX

(Dollars in thousands)	Fiscal Year Ended December 31,					
	2024	2023	2022	2021	2020	2019
Net income	\$ 118,655	\$ 80,687	\$ 179,347	\$ 203,725	\$ 43,302	\$ 8,500
Depreciation	20,078	15,983	19,246	18,826	18,783	17,200
Amortization	35,783	37,079	38,393	38,990	44,039	46,800
Interest expense, net	62,163	73,584	51,387	50,854	73,615	84,500
Income taxes	25,527	20,400	54,890	56,416	14,483	3,600
Loss on debt extinguishment	4,926	—	—	9,418	—	—
EBITDA	267,132	227,733	343,263	378,229	194,222	160,600
Stock-based compensation ^(a)	608	1,270	1,602	19,019	1,946	1,600
Sponsor management fees ^(b)	—	—	—	90	796	800
Currency exchange items ^(c)	(836)	786	926	4,485	(4,721)	4,200
Acquisition and restructuring related expense, net ^(d)	6,464	13,213	8,162	15,030	19,311	1,400
Other ^(e)	4,079	4,271	13,622	4,884	19,997	3,800
Total Adjustments	10,315	19,540	24,312	43,508	37,329	11,800
Adjusted EBITDA	\$ 277,447	\$ 247,273	\$ 367,575	\$ 421,737	\$ 231,551	\$ 172,400

- (a) Represents non-cash stock-based compensation expense related to equity awards issued to management, employees, and directors. 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 IPO.
- (b) Represents fees paid to certain of the Company's controlling stockholders for services rendered pursuant to a 2017 management services agreement. This agreement and the corresponding payment obligation ceased on March 16, 2021, the effective date of the IPO.
- (c) Represents unrealized non-cash (gains) losses on foreign denominated monetary assets and liabilities and foreign currency contracts.
- (d) Represents costs related to the purchase and integration of acquisitions, restructuring costs, and impairments related to discontinued product lines recorded to Acquisition and restructuring related expense within the consolidated statements of operations.
- (e) Other includes expenses related to inventory step-up adjustments recognized as part of purchase accounting for various acquisitions, costs related to property damages from natural disasters or involuntary conversions and the associated insurance settlement proceeds, costs associated with selling stockholder offerings of shares and other miscellaneous items we believe are not representative of our ongoing business operations.

