Q3 2026 Earnings Call

November 3, 2026



latham Group

SWIM | Nasdaq Listed

Disclaimer

Forward-looking Statements

Certain statements in this presentation constitute forward-looking statements under federal securities laws. These forward-looking statements reflect our views with respect to future events and financial performance as of the date of this presentation or otherwise specified herein. Actual events and results may differ materially from those contemplated by such forward-looking statements due to risks and other factors that are set forth in our Annual Report on Form 10-K and subsequent reports filed or furnished with the SEC, as well as our earnings release issued as of the date of this presentation. Our forward-looking statements further do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may undertake. We expressly disclaim any obligation to update any forward-looking statements, except as required by applicable law.

Non-GAAP Financial Measures

This presentation includes Adjusted EBITDA (including on a last twelve months' basis), Adjusted EBITDA Margin, Net Debt, and Net Debt Leverage Ratio, including in some instances on a historical basis, which are non-GAAP financial measures. These non-GAAP financial measures supplement our GAAP disclosures and should not be considered an alternative to GAAP financial measures, and they should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Reconciliations of directly comparable GAAP financial measures to these historic non-GAAP financial measures can be found in the Appendix to this presentation.

For the definitions of certain non-GAAP financial measures, how such non-GAAP financial measures provide useful information to investors, how management utilizes them and the limitations on their use, see our earnings release issued as of the date of this presentation.



Latham: A Compelling Long-term Growth Story

- **Largest designer, manufacturer, and marketer of in-ground residential swimming pools in North America, Australia, and New Zealand**
- **Broadest portfolio of branded pool products known for quality, durability, and aesthetics**
- **Significant expansion opportunities in the Sand States, which account for two-thirds of new U.S. pool starts annually**
- **Multiple levers to continue to drive efficiencies**
- **Track record of accretive acquisitions**

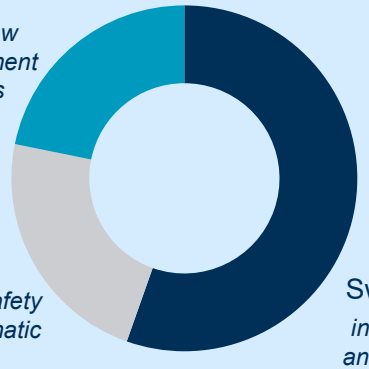
Balanced Portfolio Serving an Attractive Market

Net Sales by Product[1]

23%
Liners
includes new and replacement vinyl liners

29%
Covers
includes winter safety covers and automatic safety covers

48%
In-Ground Swimming Pools
includes fiberglass and packaged pools



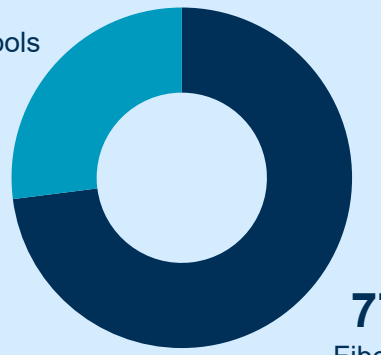
#1
Share in every subcategory in which we compete

85%
Sales in the U.S. versus international[1]

~50%
Share of the fiberglass category[3]

Fiberglass as a % of In-Ground Pool Sales[1][2]

23%
Packaged Pools



77%
Fiberglass

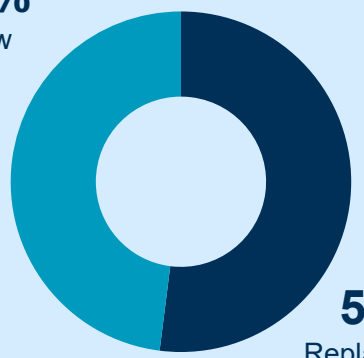
17%
Of Latham's Fiberglass pool sales were in the Sand States

Fiberglass
Continues to show relative strength due to increasing penetration

24%
Of U.S. pool installs are fiberglass, up 600 bps since 2019

Replacement Sales as a % of Liners & Covers[1][2]

46%
New



54%
Replacement

~100-120K
All-season covers replaced every year in the U.S.

~180-200K
Vinyl liners replaced every year in the U.S.

Source: Management's analysis based on information from studies by a third-party research consulting firm commissioned by the Company, management's knowledge as market participants, and PK Data.
(1) Reflects FY'25 reported figures.
(2) Based on management's internal estimates.
(3) Reflects share in North America.

Accelerating Growth – Four Pillars for Success

1 **Growing the Core Business**

- Continue to grow our core business in established markets, including the Northeast, Midwest, Canada, Australia, and New Zealand

2 **Accelerating Material Conversion to Fiberglass from Concrete**

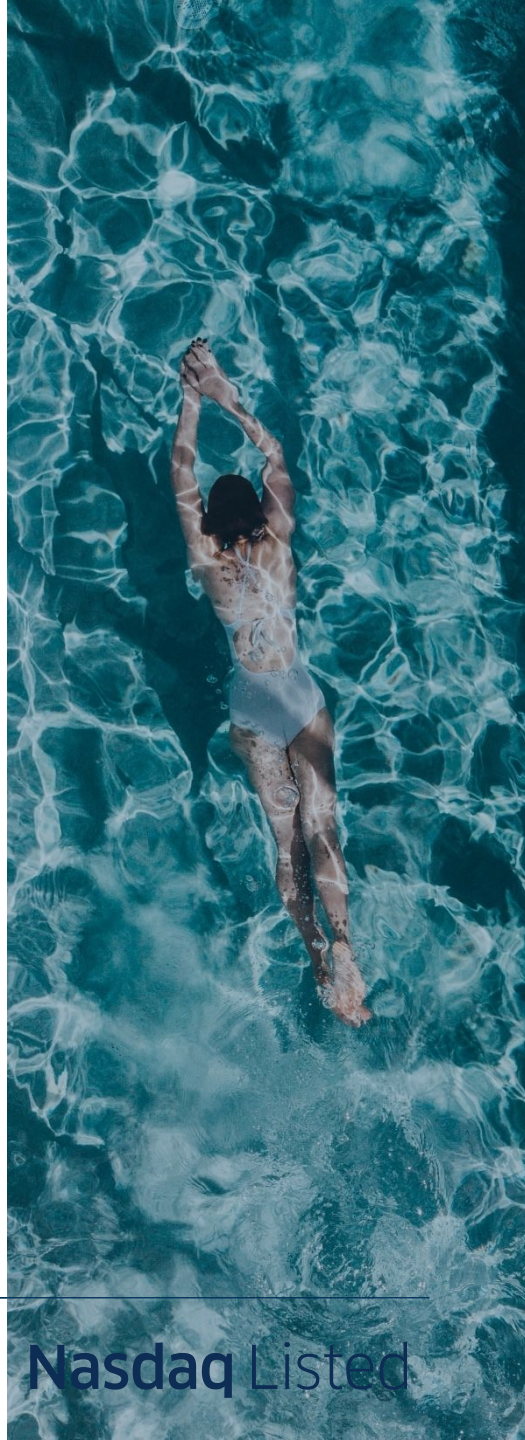
- Increasing builder and consumer awareness and adoption of fiberglass, particularly in the Sand States markets (Florida, Texas, Arizona, and California)

3 **Advancing the Autocover Business**

- Latham's autocovers are compatible with all in-ground pool types, offer unparalleled safety, and provide cost benefits to pool owners

4 **Pursuing Accretive Acquisitions**

- Strategically pursuing M&A opportunities that provide revenue synergies and/or expand geographic reach and that will be accretive to earnings



Key Q3 and YTD Accomplishments

Net Sales Growth

- Q3 net sales increased 12.5% (8.4% organic); YTD increased 11.4% (7.9% organic)
- Q3 growth was led by a 22.6% increase in in-ground pool sales (13.9% organic); YTD increased 17.4% (9.9% organic)
- *In-ground pool sales growth was driven almost entirely by **fiberglass pools***

Pool Cover Sales Growth

- Q3 cover sales increased 8.7%; YTD increased 8.4%
- Growth was driven by autocovers and continued revenue synergies from prior Coverstar acquisitions

Sand State Sales Growth

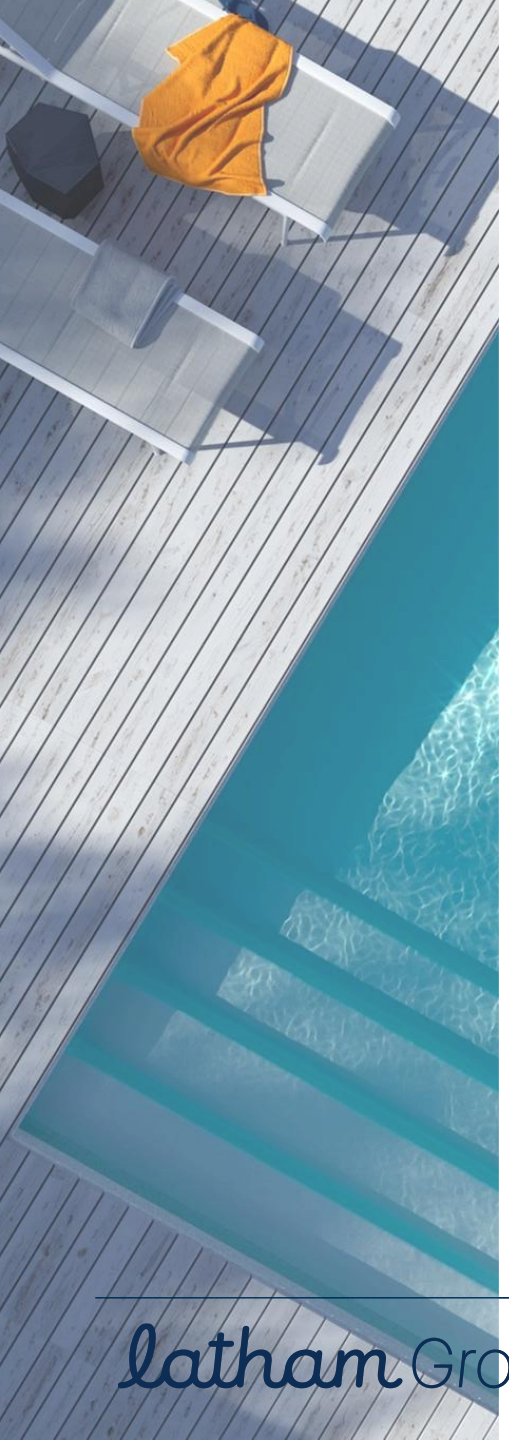
- Q3 sales increased 21.1%; YTD sales increased 16.6%
- Growth was led by strong performance in Florida and Texas

Gross Margin Expansion

- Expanded 130 bps to 36.7% in Q3, and 40 bps to 35.0% YTD
- Driven by improved plant absorption on higher volumes and continued benefits from lean manufacturing and value engineering

Adjusted EBITDA Margin Expansion

- Expanded 110 bps to 24.8% in Q3, and 50 bps to 20.5% YTD
- Higher gross margin more than offset increased sales and marketing expenses to support Latham's growth strategy



Expanding Share in the Sand States – Progress on Key Priorities

Commercial Organization Build-Out Progressing as Planned

- Key Pillars for a World-Class Organization: Sales Execution, Sales Strategy, and Sales Operations
- Appointed a new Chief Commercial Officer; added key leaders across Sales Strategy, Sales Operations

1

Updated Market Development Framework

- Targeting specific Sand State neighborhoods with the greatest growth opportunity
- Hosted three community events in FL in Q3 – 15 pools sold – with additional events planned in FL and TX
- Partnering with a national homebuilder to offer Latham fiberglass pools in FL – one pool already installed in a model home

2

Added Field-Level Sales Resources

- Added field resources in FL, with further expansion planned in TX and AZ
- Staying close to consumers throughout the buying process; helping dealers convert more leads into sales

3

Increased Investment in Branding & Marketing

- Accelerating builder and consumer awareness with targeted marketing activities
- YTD consumer leads were up 25% YoY, web traffic was up 11% YoY, and Latham remained the #1 brand searched for among fiberglass competitors

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Full Year 2026 Outlook(1) - Narrowing Net Sales & Adjusted EBITDA Guide

2026 Outlook						
$ in millions	Updated			Prior		
Metric	Low	High	YoY Growth @ Midpoint	Low	High	YoY Growth @ Midpoint
Net Sales	**$605**	**$615**	**11.7%**	$600	$620	11.7%
Adjusted EBITDA(2)	**$112**	**$118**	**15.2%**	$110	$120	15.2%
Capital Expenditures	**$40**	**$45**		$40	$45	

Reflects

- Narrowing **net sales** guidance by $5M at the high and low end, reflecting 11.7% growth at the midpoint.
- Narrowing **adj. EBITDA** guidance by $2M at the high and low end, reflecting 15.2% growth at the midpoint.
- Maintaining **CapEx** guidance which includes the purchase of four production sites and the acquisition of Freedom Pools.
- Forecasting **new U.S. pool starts** in 2026 approximately flat with 2025 levels.

(1) Represents guidance given by the Company as of November 3, 2026. These are forward-looking statements. See "Forward-Looking Statements" on page 2 of this presentation.
(2) A reconciliation of Latham's projected Adjusted EBITDA to net income (loss) for 2026 is not available without unreasonable effort due to uncertainty related to our future income tax expense (benefit).

Appendix

Non-GAAP Reconciliations
Adjusted EBITDA and Adjusted EBITDA Margin

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
(in thousands)	September 26, 2026	September 27, 2025	September 26, 2026	September 27, 2025
Net income	$ 12,056	$ 8,117	$ 16,276	$ 18,135
Depreciation and amortization	13,455	12,881	40,194	37,978
Interest expense, net	5,423	6,067	16,109	19,587
Income tax expense	2,966	7,466	6,273	8,517
(Gain) loss on sale and disposal of property and equipment	—	(26)	—	20
Restructuring charges[(a)]	1,489	—	1,489	160
Stock-based compensation expense[(b)]	998	1,980	3,711	5,332
Unrealized (gains) losses on foreign currency transactions[(c)]	(72)	1,181	2,155	(2,878)
Strategic initiative costs[(d)]	686	684	1,645	2,246
Acquisition and integration related costs[(e)]	3,231	7	9,155	289
Loss on extinguishment and modification of debt[(f)]	5,022	—	5,022	—
Other[(g)]	—	(29)	—	(32)
Adjusted EBITDA	$ 45,254	$ 38,328	$ 102,029	$ 89,354
Net sales	$ 182,175	$ 161,903	$ 496,964	$ 445,962
Net income margin	6.6 %	5.0 %	3.3%	4.1 %
Adjusted EBITDA margin	24.8 %	23.7 %	20.5%	20.0 %

(a) Represents costs that include severance and other expenses for our program to optimize certain operational and administrative functions.

(b) Represents non-cash stock-based compensation expense.

(c) Represents unrealized foreign currency transaction (gains) losses associated with our international subsidiaries.

(d) Represents fees paid to external consultants and other expenses for our strategic initiatives.

(e) Represents acquisition and integration costs, including the earn-out related to the Coverstar Central acquisition, as well as other costs related to potential transactions.

(f) Represents the loss on extinguishment and modification of debt in connection with our Refinancing.

(g) Other costs consist of other discrete items as determined by management, primarily including: (i) fees paid to external advisors for various matters and (ii) other items.

Non-GAAP Reconciliations
Net Debt and Net Debt Leverage Ratio

(in thousands)		**September 26, 2026**
Total debt	$	292,462
Less:		
Cash		(94,810)
Net Debt		197,652
LTM Adjusted EBITDA(1)		112,506
Net Debt Leverage Ratio		1.8x

(1) LTM Adjusted EBITDA is defined as Adjusted EBITDA for the most recent 12-month period. See Slide 10 for the reconciliation of Adjusted EBITDA to net income.

Non-GAAP Reconciliations
Adjusted EBITDA and Adjusted EBITDA Margin

	Year Ended December 31,			
	2025	2024	2019	2015 (unaudited)
(in thousands)				
Net income (loss)	$ 11,124	$ (17,860)	$ 7,457	$ (9,992)
Depreciation and amortization	51,354	44,446	21,659	14,466
Interest expense, net	25,805	24,840	22,639	8,228
Income tax expense (benefit)	2,364	9,120	(4,671)	3,384
(Gain) loss on sale and disposal of property and equipment	(21)	408	680	—
Restructuring charges[(a)]	523	512	980	—
Management fees[(b)]	—	—	500	539
Stock-based compensation expense[(c)]	9,247	7,392	808	—
Unrealized (gains) losses on foreign currency transactions[(d)]	(4,131)	6,223	(300)	505
Strategic initiative costs[(e)]	2,806	3,329	964	587
Acquisition and integration related costs[(f)]	785	2,348	3,612	11,696
Other[(g)]	(25)	(539)	6,722	6,703
Adjusted EBITDA	$ 99,831	$ 80,219	$ 61,050	$ 36,116
Net sales	$ 545,912	$ 508,520	$ 317,975	$ 223,103
Net income (loss) margin	2.0 %	(3.5) %	2.3 %	(4.5) %
Adjusted EBITDA margin	18.3 %	15.8 %	19.2 %	16.2 %

(a) Represents costs related to a cost reduction plan that includes severance and other costs for our executive management changes and additional costs related to our cost reduction plans, which include further actions to reduce our manufacturing overhead by reducing headcount in addition to facility shutdowns.

(b) Represents management fees paid to our Principal Stockholders in accordance with our arrangement.

(c) Represents non-cash stock-based compensation expense.

(d) Represents unrealized foreign currency transaction gains or losses associated with our international subsidiaries.

(e) Represents fees paid to external consultants and other expenses for our strategic initiatives.

(f) Represents acquisition and integration costs as well as other costs related to potential transactions.

(g) Other costs consist of other discrete items as determined by management, primarily including: (i) fees paid to external advisors for various matters, (ii) non-cash adjustments to record the step-up in the fair value of inventory related to the acquisition by Pamplona and the acquisition of Narellan, which are amortized through cost of sales in the annual consolidated statements of operations, and (iii) other items.