

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): **January 16, 2023**

LATHAM GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-40358 (Commission File Number)	83-2797583 (I.R.S. Employer Identification No.)
787 Watervliet Shaker Road Latham, NY 12110 (Address of principal executive offices) (Zip Code)		
(800) 833-3800 (Registrant's Telephone Number, Including Area Code)		

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, par value \$0.0001 per share	SWIM	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On January 19, 2023, Latham Group, Inc. (the “Company”) issued a press release reaffirming its guidance for fiscal 2022 and announcing the information set forth in Item 5.02 below. A copy of the Company’s press release is attached hereto as Exhibit 99 and is incorporated herein by reference.

The information furnished with this Item 2.02 (including Exhibit 99 referenced under Item 9.01 below) of this Current Report on Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 16, 2023, Robert L. Masson II, Chief Financial Officer of Latham Group, Inc. (the “Company”), notified the Company that he will resign his position with the Company effective as of March 17, 2023 (the “Effective Date”) for family reasons. In connection with Mr. Masson’s announced resignation, he did not express any disagreement on any matter relating to the Company’s operations, policies or practices. The Company expects that Mr. Masson will remain the Company’s Chief Financial Officer until the Effective Date. The Company has initiated an external search process for a new Chief Financial Officer.

On January 19, 2023, the Company approved the appointment of J. Mark Borseth as Strategic Advisor to the Company, effective February 13, 2023. Following the Effective Date, Mr. Borseth will become the Company’s Interim Chief Financial Officer. Mr. Borseth, age 64, served as Strategic Advisor of the Company from July 2022 until December 2022. Previously, he served as the Company’s Chief Financial Officer from February 2020 to July 2022. Prior to joining us, Mr. Borseth served in the roles of president and chief executive officer from October 2017 to August 2019, interim chief executive officer and chief financial officer from July 2017 to September 2017 and senior vice president and chief financial officer from 2015 to June 2017 of Ranpak, a manufacturer of paper packaging converter machines and paper products. From 2009 to 2014, Mr. Borseth served as executive vice president and chief financial officer at Constar International, a producer of polyethylene terephthalate plastic containers, leading its turn-around out of bankruptcy in January 2011 and December 2013. Prior to that, Mr. Borseth served as senior vice president and chief financial officer at Eclipse Aviation, a jet manufacturer, from 2007 to 2009. From 1984 to 2007, Mr. Borseth served in various financial and operational roles of increasing responsibility at 3M, a multinational manufacturer, including president and general manager of 3M Canada and treasurer of 3M. Mr. Borseth holds a Bachelor of Science degree in business administration and management, and a Master of Business Administration degree from Minnesota State University, Mankato.

The Company intends to enter into a new employment agreement with Mr. Borseth, and will file an amendment to this Current Report on Form 8-K within four business days after the execution of such agreement. In connection with his prior transition from Chief Financial Officer to Strategic Officer, the Company previously entered into a retirement agreement with Mr. Borseth, dated June 12, 2022 (the “Retirement Agreement”), the terms of which are summarized in the Company’s [Current Report on Form 8-K filed on June 14, 2022](#). The summary of the material terms of the Retirement Agreement is subject to the full and complete terms of the Retirement Agreement, a copy of which is incorporated by reference as Exhibit 10 to this Current Report on Form 8-K.

There are no arrangements or understandings between Mr. Borseth and any other persons pursuant to which he was selected as Interim Chief Financial Officer of the Company. Mr. Borseth has no familial relationships with any executive officer or director of the Company. There have been no transactions in which the Company has participated and in which Mr. Borseth had a direct or indirect material interest that would be required to be disclosed under Item 404(a) of Regulation S-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
<u>10*</u>	<u>Retirement Agreement by and between J. Mark Borseth and Latham Pool Products, Inc., dated June 12, 2022 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 11, 2022 (File No. 001-40358)).</u>
<u>99</u>	<u>Press release of Latham Group, Inc., dated January 19, 2023, announcing the departure of Mr. Masson and reaffirming fiscal 2022 guidance</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Indicates management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 19, 2023

LATHAM GROUP, INC.

By: /s/ Scott M. Rajeski

Name: Scott M. Rajeski

Title: Chief Executive Officer and President

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Latham Group, Inc. Announces Chief Financial Officer Transition; Reaffirms Fiscal 2022 Net Sales and Adjusted EBITDA Guidance*Mark Borseth appointed as Interim Chief Financial Officer*

LATHAM, N.Y., January 19, 2023 (GLOBE NEWSWIRE) – Latham Group, Inc. (“Latham” or “the Company”) (Nasdaq: SWIM), the largest, manufacturer and marketer of in-ground residential swimming pools in North America, Australia and New Zealand, today announced that Robert Masson will step down as the Company’s Chief Financial Officer for family reasons, effective March 17, 2023. Latham has initiated an external search process for a new Chief Financial Officer.

“I would like to thank Rob for his partnership as we continued to execute on our growth priorities and ongoing lean and value engineering initiatives, and wish him the best,” said Scott Rajeski, Latham’s President and Chief Executive Officer. “We have a highly experienced and talented finance organization, providing us with a robust foundation to continue to drive our business forward.”

“I am appreciative for the opportunity to have worked alongside Scott, the rest of Latham’s executive leadership and the many talented individuals on the finance team,” said Mr. Masson. “I believe that Latham has a compelling growth opportunity with the material conversion to fiberglass, positioning the Company well for the long term.”

Mark Borseth, who previously served as Latham’s Chief Financial Officer from February 2020 to July 2022, will rejoin Latham as a strategic advisor effective February 13, 2023. On March 18, 2023, Mr. Borseth will become the Interim Chief Financial Officer, reporting to Scott Rajeski, Latham’s President and Chief Executive Officer, until a successor has been named. Mr. Borseth is an accomplished finance executive with nearly 40 years of experience in the industrial manufacturing space.

Fiscal 2022 Outlook

Latham today reaffirmed its previously issued full year fiscal 2022 guidance for net sales of \$685 million to \$700 million and adjusted EBITDA¹ of \$140 million to \$145 million.

The Company expects full year fiscal 2022 capital expenditures to be approximately \$40 million.

The Company plans to report financial results for the fourth quarter and full year fiscal 2022 in the first half of March.

¹Due to the inherent difficulty of forecasting the timing and amount of future income tax expense that would impact net income, we are unable to reasonably estimate the related impact of such item to net income, the GAAP financial measure most directly comparable to Adjusted EBITDA at this time. Accordingly, we are unable to provide a reconciliation of Adjusted EBITDA to net income with respect to the updated guidance provided herein. For the same reasons, we are unable to address the probable significance of the unavailable information, which could have a significant impact on our full-fiscal year GAAP financial results.

About Latham Group, Inc.

Latham Group, Inc., headquartered in Latham, NY, is the largest designer, manufacturer and marketer of in-ground residential swimming pools in North America, Australia and New Zealand. Latham has a coast-to-coast operations platform consisting of over 2,000 employees across over 30 facilities.

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Forward-looking Statements

Certain statements contained in this press release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In addition, our management may from time to time make oral forward-looking statements. All statements, other than statements of historical facts, are forward-looking statements. These forward-looking statements are generally identified by the use of words such as "anticipate," "believe," "could," "estimate," "expect," "guidance," "intend," "may," "outlook," "plan," "potential," "predict," "project," "should," "target," "will," "would" and, in each case, their negative or other various or comparable terminology. These forward-looking statements reflect our views with respect to future events as of the date of this release and are based on our management's current expectations, estimates, forecasts, projections, assumptions, beliefs and information. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. All such forward-looking statements are subject to risks and uncertainties, many of which are outside of our control, and could cause future events or results to be materially different from those stated or implied in this document. It is not possible to predict or identify all such risks. These risks include, but are not limited to: secular shifts in consumer demand for swimming pools and spending on outdoor living spaces; slow pace of material conversion from concrete pools to fiberglass pools in the pool industry; general economic conditions and uncertainties affecting markets in which we operate and economic volatility that could adversely impact the Company's business, including the COVID-19 pandemic and inflation; the impact of the war between the Russian Federation and Ukraine, including the impact of sanctions imposed by Western governments; changes in access to consumer credit or increases in interest rates impacting consumers' ability to finance their purchases of pools; the impact of weather on the Company's business; the Company's ability to attract new customers and retain existing customers, including the ability to generate additional potential sales leads for our dealers and the ability to convert leads generated into ultimate sales of products to consumers; the Company's ability to sustain further growth and to manage it effectively; the ability of the Company's suppliers to continue to deliver the quantity or quality of materials sufficient to meet the Company's needs to manufacture the Company's products; the availability and cost of third-party transportation services for the Company's products and raw materials; product quality issues; the Company's ability to successfully defend litigation brought against the Company; the Company's ability to adequately obtain, maintain, protect and enforce the Company's intellectual property and proprietary rights and claims of intellectual property and proprietary right infringement, misappropriation or other violation by competitors and third parties; failure to hire and retain qualified employees and personnel; exposure to risks associated with international sales and operations, including foreign currency exchange rates, corruption and instability; security breaches, cyber-attacks and other interruptions to the Company's and the Company's third-party service providers' technological and physical infrastructures; catastrophic events, including war, terrorism and other international conflicts, public health issues or natural catastrophes and accidents; risk of increased regulation of the Company's operations, particularly related to environmental laws; fluctuations in our operating results; inability to compete successfully against current and future competitors; inability to achieve projected savings from our cost reduction initiatives; and other risks, uncertainties and factors described under the section titled "Risk Factors" in our latest Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings made with the U.S. Securities and Exchange Commission (the "SEC") by the Company, as well as other filings that the Company will make, or has made, with the SEC. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this press release and in other filings. We expressly disclaim any obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

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