

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

- ☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2025
or
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to



POOL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-26640
(Commission File Number)

36-3943363
(I.R.S. Employer
Identification No.)

**109 Northpark Boulevard,
Covington, Louisiana**
(Address of principal executive
offices)

70433-5001
(Zip Code)

(985) 892-5521
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	POOL	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulations S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 24, 2025, there were 37,249,484 shares of the registrant's common stock outstanding.

POOL CORPORATION
Form 10-Q
For the Quarter Ended September 30, 2025

TABLE OF CONTENTS

	Page
<u>PART I. FINANCIAL INFORMATION</u>	
<u>Item 1. Financial Statements (Unaudited)</u>	
<u>Consolidated Statements of Income</u>	1
<u>Consolidated Statements of Comprehensive Income</u>	2
<u>Consolidated Balance Sheets</u>	3
<u>Condensed Consolidated Statements of Cash Flows</u>	4
<u>Consolidated Statements of Changes in Stockholders' Equity</u>	5
<u>Notes to Consolidated Financial Statements</u>	7
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	15
<u>Item 3. Quantitative and Qualitative Disclosures about Market Risk</u>	28
<u>Item 4. Controls and Procedures</u>	28
<u>PART II. OTHER INFORMATION</u>	29
<u>Item 1. Legal Proceedings</u>	29
<u>Item 1A. Risk Factors</u>	29
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	29
<u>Item 5. Other Information</u>	30
<u>Item 6. Exhibits</u>	31
<u>SIGNATURE</u>	33

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

POOL CORPORATION
Consolidated Statements of Income
(Unaudited)
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net sales	\$ 1,451,131	\$ 1,432,879	\$ 4,307,187	\$ 4,323,474
Cost of sales	1,021,948	1,016,476	3,030,474	3,038,370
Gross profit	429,183	416,403	1,276,713	1,285,104
Selling and administrative expenses	251,196	240,050	748,518	728,550
Operating income	177,987	176,353	528,195	556,554
Interest and other non-operating expenses, net	12,004	12,355	35,387	39,818
Income before income taxes and equity in earnings	165,983	163,998	492,808	516,736
Provision for income taxes	38,985	38,361	118,048	119,891
Equity in earnings of unconsolidated investments, net	15	64	56	180
Net income	\$ 127,013	\$ 125,701	\$ 374,816	\$ 397,025
Earnings per share attributable to common stockholders:				
Basic	\$ 3.41	\$ 3.29	\$ 10.01	\$ 10.37
Diluted	\$ 3.40	\$ 3.27	\$ 9.97	\$ 10.30
Weighted average common shares outstanding:				
Basic	37,090	37,983	37,272	38,104
Diluted	37,223	38,187	37,420	38,330
Cash dividends declared per common share	\$ 1.25	\$ 1.20	\$ 3.70	\$ 3.50

The accompanying Notes are an integral part of the Consolidated Financial Statements.

POOL CORPORATION
Consolidated Statements of Comprehensive Income
(Unaudited)
(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 127,013	\$ 125,701	\$ 374,816	\$ 397,025
Other comprehensive (loss) income:				
Foreign currency translation (loss) gain	(1,632)	5,066	15,653	(3,286)
Unrealized loss on interest rate swaps, net of the change in taxes of \$584, \$2,192, \$2,289 and \$1,909	(1,753)	(6,577)	(6,868)	(5,727)
Total other comprehensive (loss) income	(3,385)	(1,511)	8,785	(9,013)
Comprehensive income	<u>\$ 123,628</u>	<u>\$ 124,190</u>	<u>\$ 383,601</u>	<u>\$ 388,012</u>

The accompanying Notes are an integral part of the Consolidated Financial Statements.

POOL CORPORATION
Consolidated Balance Sheets
(In thousands, except share data)

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2024 (Audited)
Assets			
Current assets:			
Cash and cash equivalents	\$ 128,483	\$ 91,347	\$ 77,862
Receivables, net	138,072	119,538	115,835
Receivables pledged under receivables facility	305,537	306,155	199,026
Product inventories, net	1,223,809	1,180,491	1,289,300
Prepaid expenses and other current assets	53,138	43,168	47,091
Total current assets	1,849,039	1,740,699	1,729,114
Property and equipment, net	267,408	243,308	251,324
Goodwill	705,266	700,147	698,910
Other intangible assets, net	285,409	292,722	290,732
Equity interest investments	1,514	1,434	1,439
Operating lease assets	319,898	309,648	314,853
Other assets	72,137	79,431	81,812
Total assets	\$ 3,500,671	\$ 3,367,389	\$ 3,368,184
Liabilities and stockholders' equity			
Current liabilities:			
Accounts payable	\$ 457,319	\$ 401,702	\$ 525,235
Accrued expenses and other current liabilities	147,122	185,118	171,194
Short-term borrowings and current portion of long-term debt	12,881	44,683	49,473
Current operating lease liabilities	102,189	95,412	98,284
Total current liabilities	719,511	726,915	844,186
Deferred income taxes	79,101	65,106	81,408
Long-term debt, net	1,049,121	879,146	900,883
Other long-term liabilities	47,342	43,612	44,959
Non-current operating lease liabilities	225,706	220,101	223,283
Total liabilities	2,120,781	1,934,880	2,094,719
Stockholders' equity:			
Common stock, 0.001 par value; 100,000,000 shares authorized; 37,315,849, 38,083,401 and 37,691,942 shares issued and outstanding at September 30, 2025, September 30, 2024 and December 31, 2024, respectively	37	38	38
Additional paid-in capital	665,203	632,523	638,615
Retained earnings	719,529	802,379	648,476
Accumulated other comprehensive loss	(4,879)	(2,431)	(13,664)
Total stockholders' equity	1,379,890	1,432,509	1,273,465
Total liabilities and stockholders' equity	\$ 3,500,671	\$ 3,367,389	\$ 3,368,184

The accompanying Notes are an integral part of the Consolidated Financial Statements.

POOL CORPORATION
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2025	2024
Operating activities		
Net income	\$ 374,816	\$ 397,025
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	30,438	26,848
Amortization	6,598	6,514
Share-based compensation	17,385	14,391
Equity in earnings of unconsolidated investments, net	(56)	(180)
Other	459	3,123
Changes in operating assets and liabilities, net of effects of acquisitions:		
Receivables	(123,914)	(80,362)
Product inventories	77,407	181,326
Prepaid expenses and other assets	73,226	57,151
Accounts payable	(69,794)	(109,021)
Accrued expenses and other liabilities	(100,822)	(8,196)
Net cash provided by operating activities	285,743	488,619
Investing activities		
Acquisition of businesses, net of cash acquired	(7,116)	(4,435)
Purchases of property and equipment, net of sale proceeds	(48,123)	(45,951)
Other investments, net	(508)	944
Net cash used in investing activities	(55,747)	(49,442)
Financing activities		
Proceeds from revolving line of credit	1,417,100	1,146,900
Payments on revolving line of credit	(1,390,400)	(1,274,400)
Proceeds from term loan under credit facility	125,000	—
Payments on term loan under credit facility	(87,500)	(18,750)
Proceeds from asset-backed financing	437,600	623,900
Payments on asset-backed financing	(370,400)	(606,300)
Payments on term facility	(19,938)	—
Proceeds from short-term borrowings and current portion of long-term debt	17,431	8,873
Payments on short-term borrowings and current portion of long-term debt	(16,523)	(8,643)
Payments of deferred financing costs	(1,397)	(1,731)
Proceeds from stock issued under share-based compensation plans	9,203	11,955
Payments of cash dividends	(138,664)	(134,181)
Repurchases of common stock	(163,884)	(159,408)
Net cash used in financing activities	(182,372)	(411,785)
Effect of exchange rate changes on cash and cash equivalents	2,997	(2,585)
Change in cash and cash equivalents	50,621	24,807
Cash and cash equivalents at beginning of period	77,862	66,540
Cash and cash equivalents at end of period	\$ 128,483	\$ 91,347

The accompanying Notes are an integral part of the Consolidated Financial Statements.

POOL CORPORATION
Consolidated Statements of Changes in Stockholders' Equity
(Unaudited)
(In thousands)

	Common Stock		Additional		Retained		Accumulated				
	Shares	Amount		Paid-In		Earnings	Other				
				Capital			Comprehensive	Total			
							Loss				
Balance at December 31, 2024	37,692	\$	38	\$	638,615	\$	648,476	\$	(13,664)	\$	1,273,465
Net income	—		—		—		53,545		—		53,545
Foreign currency translation	—		—		—		—		3,927		3,927
Interest rate swaps, net of the change in taxes \$970	—		—		—		—		(2,911)		(2,911)
Repurchases of common stock, net of retirements	(169)		—		—		(56,530)		—		(56,530)
Share-based compensation	—		—		6,055		—		—		6,055
Issuance of stock under share-based compensation plans	137		—		6,383		—		—		6,383
Declaration of cash dividends	—		—		—		(45,243)		—		(45,243)
Balance at March 31, 2025	37,660	\$	38	\$	651,053	\$	600,248	\$	(12,648)	\$	1,238,691
Net income	—		—		—		194,258		—		194,258
Foreign currency translation	—		—		—		—		13,358		13,358
Interest rate swaps, net of the change in taxes of \$735	—		—		—		—		(2,204)		(2,204)
Repurchases of common stock, net of retirements	(351)		(1)		—		(105,322)		—		(105,323)
Share-based compensation	—		—		6,895		—		—		6,895
Issuance of stock under share-based compensation plans	5		—		397		—		—		397
Declaration of cash dividends	—		—		—		(46,954)		—		(46,954)
Balance at June 30, 2025	37,314	\$	37	\$	658,345	\$	642,230	\$	(1,494)	\$	1,299,118
Net income	—		—		—		127,013		—		127,013
Foreign currency translation	—		—		—		—		(1,632)		(1,632)
Interest rate swaps, net of the change in taxes of \$584	—		—		—		—		(1,753)		(1,753)
Repurchases of common stock, net of retirements	(11)		—		—		(3,208)		—		(3,208)
Share-based compensation	—		—		4,435		—		—		4,435
Issuance of stock under share-based compensation plans	13		—		2,423		—		—		2,423
Declaration of cash dividends	—		—		—		(46,506)		—		(46,506)
Balance at September 30, 2025	37,316	\$	37	\$	665,203	\$	719,529	\$	(4,879)	\$	1,379,890

	Common Stock		Additional Paid-In Capital		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount					
Balance at December 31, 2023	38,355	\$ 38	\$	606,177	\$ 699,990	\$ 6,582	\$ 1,312,787
Net income	—	—		—	78,885	—	78,885
Foreign currency translation	—	—		—	—	(3,668)	(3,668)
Interest rate swaps, net of the change in taxes of \$(742)	—	—		—	—	2,226	2,226
Repurchases of common stock, net of retirements	(41)	—		—	(16,304)	—	(16,304)
Share-based compensation	—	—		5,328	—	—	5,328
Issuance of stock under share-based compensation plans	148	—		8,773	—	—	8,773
Declaration of cash dividends	—	—		—	(42,343)	—	(42,343)
Balance at March 31, 2024	38,462	\$ 38	\$	620,278	\$ 720,228	\$ 5,140	\$ 1,345,684
Net income	—	—		—	192,439	—	192,439
Foreign currency translation	—	—		—	—	(4,684)	(4,684)
Interest rate swaps, net of the change in taxes of \$459	—	—		—	—	(1,376)	(1,376)
Repurchases of common stock, net of retirements	(181)	—		—	(68,519)	—	(68,519)
Share-based compensation	—	—		5,016	—	—	5,016
Issuance of stock under share-based compensation plans	8	—		1,053	—	—	1,053
Declaration of cash dividends	—	—		—	(45,944)	—	(45,944)
Balance at June 30, 2024	38,289	\$ 38	\$	626,347	\$ 798,204	\$ (920)	\$ 1,423,669
Net income	—	—		—	125,701	—	125,701
Foreign currency translation	—	—		—	—	5,066	5,066
Interest rate swaps, net of the change in taxes of \$2,192	—	—		—	—	(6,577)	(6,577)
Repurchases of common stock, net of retirements	(219)	—		—	(75,632)	—	(75,632)
Share-based compensation	—	—		4,047	—	—	4,047
Issuance of stock under share-based compensation plans	13	—		2,129	—	—	2,129
Declaration of cash dividends	—	—		—	(45,894)	—	(45,894)
Balance at September 30, 2024	38,083	\$ 38	\$	632,523	\$ 802,379	\$ (2,431)	\$ 1,432,509

The accompanying Notes are an integral part of the Consolidated Financial Statements.

POOL CORPORATION
Notes to Consolidated Financial Statements
(Unaudited)

Note 1 – Summary of Significant Accounting Policies

Pool Corporation (the *Company*, which may also be referred to as *we*, *us* or *our*) prepared the unaudited interim Consolidated Financial Statements following U.S. generally accepted accounting principles (GAAP) and the requirements of the Securities and Exchange Commission (SEC) for interim financial information. As permitted under those rules, we have condensed or omitted certain footnotes and other financial information required for complete financial statements.

The interim Consolidated Financial Statements include all normal and recurring adjustments that are necessary for a fair presentation of our financial position and operating results. All significant intercompany accounts and intercompany transactions have been eliminated.

A description of our significant accounting policies is included in our 2024 Annual Report on Form 10-K. You should read the interim Consolidated Financial Statements in conjunction with the Consolidated Financial Statements and accompanying notes in our 2024 Annual Report on Form 10-K. The results for our three and nine months ended September 30, 2025 are not necessarily indicative of the expected results for our fiscal year ending December 31, 2025.

Income Taxes

We reduce federal and state income taxes payable by the tax benefits associated with the exercise of nonqualified stock options and the lapse of restrictions on restricted stock awards. To the extent realized tax deductions exceed the amount of previously recognized deferred tax benefits related to share-based compensation, we record an excess tax benefit. We record all excess tax benefits as a component of income tax benefit or expense on the Consolidated Statements of Income in the period in which stock options are exercised or restrictions on restricted stock awards lapse. In the third quarter of 2025, we recorded an excess tax benefit of \$0.3 million compared to \$0.5 million in the third quarter of 2024. For the nine months ended September 30, 2025, we recorded an excess tax benefit of \$4.2 million compared to \$8.3 million in the nine months ended September 30, 2024.

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was signed into law in the U.S., including a broad range of tax reform provisions. We currently do not expect the changes resulting from the OBBBA to have a material impact on our results of operations.

Retained Earnings

We account for the retirement of repurchased shares as a reduction of Retained earnings. As of September 30, 2025, the Retained earnings on our Consolidated Balance Sheets reflects (i) cumulative net income, (ii) the cumulative impact of adjustments for changes in accounting pronouncements, (iii) share retirements since the inception of our share repurchase programs of \$2.9 billion and (iv) cumulative dividends of \$1.4 billion.

Accumulated Other Comprehensive Loss

The table below presents the components of our Accumulated other comprehensive loss balance (in thousands):

		September 30,		December 31,
	2025	2024	2024	2024
Foreign currency translation adjustments	\$	(13,435)	\$	(15,985)
Unrealized gains on interest rate swaps, net of tax		8,556		13,554
Accumulated other comprehensive loss	\$	(4,879)	\$	(2,431)
				\$
				(13,664)

Recent Accounting Pronouncements Pending Adoption

The following table summarizes recent accounting pronouncements that we plan to adopt in future periods:

Standard	Description	Effective Date	Effect on Financial Statements and Other Significant Matters
Accounting Standards Update (ASU) 2025-06, <i>Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software</i>	In September 2025, the Financial Accounting Standards Board (FASB) issued ASU 2025-06, <i>Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software</i> , which modernizes the accounting for internal-use software to current development practices, clarifies when to begin capitalizing costs and enhances disclosure requirements.	For annual periods beginning after December 15, 2027, including interim periods within those fiscal years. The ASU may be adopted on a prospective or retrospective basis with early adoption permitted.	We are currently evaluating the impact that the adoption of this standard will have on our consolidated financial statements and related disclosures.
ASU 2025-05, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets</i>	In June 2025, the FASB issued ASU 2025-05, <i>Financial Instruments—Credit Losses (Topic 326): Modifications to Receivable and Contract Assets</i> , which reduces the cost and complexity of applying the current expected credit loss model to current accounts receivable and current contract assets for public business entities through a practical expedient to assume that current conditions as of the balance sheet date will continue for the remaining life of those assets.	For annual periods beginning after December 15, 2025, including interim periods within those fiscal years. The ASU may be adopted on a prospective basis with early adoption permitted.	We do not expect that the adoption of this standard will have a material impact on our consolidated financial statements or related disclosures.
ASU 2024-03, <i>Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses</i> and related amendments	In November 2024, the FASB issued ASU 2024-03, <i>Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses</i> , which adds new disclosure requirements, including more detailed information about certain income statement expense line items and a separate disclosure for selling expenses.	For annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. The ASU may be adopted on a prospective or retrospective basis with early adoption permitted.	We are currently evaluating the impact that the adoption of this standard will have on our disclosures.
ASU 2023-09, <i>Income Taxes (Topic 740): Improvements to Income Tax Disclosures</i>	In December 2023, the FASB issued ASU 2023-09, <i>Income Taxes (Topic 740): Improvements to Income Tax Disclosures</i> , which will require enhancements and further transparency for decision usefulness to various income tax disclosures, most notably the tax rate reconciliation and income taxes paid.	For annual periods beginning after December 15, 2024. This ASU may be adopted on a prospective basis. Retrospective application and early adoption are also permitted.	We expect that the adoption of this standard will expand our disclosures but do not expect the adoption of this standard to have a material impact on our consolidated financial statements.

Standard	Description	Effective Date	Effect on Financial Statements and Other Significant Matters
ASU 2023-06, <i>Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative</i>	In October 2023, the FASB issued ASU 2023-06, <i>Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative</i> , which will impact various disclosure areas, including the statement of cash flows, accounting changes and error corrections, earnings per share, debt, equity, derivatives, and transfers of financial assets.	On the date the related disclosures are removed from Regulation S-X or Regulation S-K by the SEC and will no longer be effective if the SEC has not removed the applicable disclosure requirement by June 30, 2027. Early adoption is prohibited.	We do not expect that the adoption of this standard will have a material impact on our consolidated financial statements or related disclosures.

Note 2 – Earnings Per Share

We calculate basic and diluted earnings per share using the two-class method. Earnings per share under the two-class method is calculated using net income attributable to common stockholders, which is net income reduced by the earnings allocated to participating securities. Our participating securities include share-based payment awards that contain a non-forfeitable right to receive dividends and are considered to participate in undistributed earnings with common shareholders. Participating securities excluded from weighted average common shares outstanding were 184,000 for the three and nine months ended September 30, 2025 and 206,000 for the three and nine months ended September 30, 2024.

The table below presents the computation of earnings per share, including the reconciliation of basic and diluted weighted average shares outstanding (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 127,013	\$ 125,701	\$ 374,816	\$ 397,025
Amounts allocated to participating securities	(626)	(654)	(1,847)	(2,071)
Net income attributable to common stockholders	<u>\$ 126,387</u>	<u>\$ 125,047</u>	<u>\$ 372,969</u>	<u>\$ 394,954</u>
Weighted average common shares outstanding:				
Basic	37,090	37,983	37,272	38,104
Effect of dilutive securities:				
Stock options and employee stock purchase plan	133	204	148	226
Diluted	<u>37,223</u>	<u>38,187</u>	<u>37,420</u>	<u>38,330</u>
Earnings per share attributable to common stockholders:				
Basic	<u>3.41</u>	<u>\$ 3.29</u>	<u>10.01</u>	<u>\$ 10.37</u>
Diluted	<u>3.40</u>	<u>\$ 3.27</u>	<u>9.97</u>	<u>\$ 10.30</u>
Anti-dilutive stock options excluded from diluted earnings per share computations ⁽¹⁾	<u>188</u>	<u>88</u>	<u>190</u>	<u>57</u>

⁽¹⁾Since these options have exercise prices that are higher than the average market prices of our common stock, including them in the calculation would have an anti-dilutive effect on earnings per share.

Note 3 – Acquisitions

In August 2025, we acquired the distribution assets of Great Plains Supply Pool and Spa Products, a wholesale distributor of swimming pool products and supplies, adding one location in Kansas and one location in Texas.

In May 2024, we acquired the distribution assets of Swimline Distributors, Inc., a wholesale distributor of swimming pool products and supplies, adding one location in Georgia.

In January 2024, we acquired the distribution assets of Shoreline Pool Distribution, a wholesale distributor of swimming pool products and supplies, adding one location in Mississippi.

We have completed our accounting for these acquisitions, subject to adjustments for standard holdback provisions per the terms of the purchase agreements, which are not material.

Note 4 – Fair Value Measurements and Interest Rate Swaps

Recurring Fair Value Measurements

Our assets and liabilities that are measured at fair value on a recurring basis include the unrealized gains or losses on our interest rate swap contracts and our deferred compensation plan asset and liability. The three levels of the fair value hierarchy under the accounting guidance are described below:

- Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2

Inputs to the valuation methodology include:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability; or
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The table below presents our assets and liabilities measured and recorded at fair value on a recurring basis (in thousands):

	Input Level	Classification	Fair Value at September 30,	
			2025	2024
Assets				
Unrealized gains on interest rate swaps	Level 2	Prepaid expenses and other current assets	\$ —	\$ 1,905
Unrealized gains on interest rate swaps	Level 2	Other assets	11,453	16,213
Deferred compensation plan asset	Level 1	Other assets	19,535	18,179
Liabilities				
Deferred compensation plan liability	Level 1	Other long-term liabilities	\$ 19,535	\$ 18,179

Interest Rate Swaps

We utilize interest rate swap contracts to reduce our exposure to fluctuations in variable interest rates for future interest payments on a portion of our variable rate borrowings.

We use significant other observable market data or assumptions (Level 2 inputs) in determining the fair value of our interest rate swap contracts that we believe market participants would use in pricing similar assets or liabilities, including assumptions about counterparty risk. Our fair value estimates reflect an income approach based on the terms of the interest rate swap contracts and inputs corroborated by observable market data including interest rate curves.

We recognize any differences between the variable interest rate in effect and the fixed interest rates per our swap contracts as an adjustment to interest expense over the life of the swaps. To the extent our derivatives are effective in offsetting the variability of the hedged cash flows, we record the changes in the estimated fair value of our interest rate swap contracts to Accumulated other comprehensive loss on the Consolidated Balance Sheets.

Our interest rate swaps in effect during the first nine months of 2025 were previously forward-starting and converted the variable interest rate to a fixed interest rate on a portion of our variable rate borrowings. Interest expense related to the notional amounts under our swap contracts was based on the fixed rates plus the applicable margin on our variable rate borrowings. We recorded changes in the estimated fair value of these interest rate swap contracts to Accumulated other comprehensive loss on the Consolidated Balance Sheets.

We currently have two swap contracts in place. The following table provides additional details related to these swap contracts:

Derivative	Inception Date	Effective Date	Termination Date	Notional Amount (in millions)	Fixed Interest Rate
Interest rate swap 1	March 9, 2020	September 29, 2022	February 26, 2027	\$ 150.0	0.6690%
Interest rate swap 2	March 9, 2020	February 28, 2025	February 26, 2027	\$ 150.0	0.7630%

One of our interest rate swap contracts terminated on February 28, 2025. The following table provides additional details related to this former swap contract:

Derivative	Inception Date	Effective Date	Termination Date	Notional Amount (in millions)	Fixed Interest Rate
Former interest rate swap 1	February 5, 2020	February 26, 2021	February 28, 2025	\$ 150.0	1.3260%

For the interest rate swap contracts in effect at September 30, 2025, a portion of the change in the estimated fair value between periods relates to future interest expense. Recognition of the change in fair value between periods attributable to accrued interest is reclassified from Accumulated other comprehensive loss on the Consolidated Balance Sheets to Interest and other non-operating expenses, net on the Consolidated Statements of Income. These amounts were not material in the three and nine-month periods ended September 30, 2025 or September 30, 2024.

Failure of any of our swap counterparties would result in the loss of any potential benefit to us under our swap agreements. In this case, we would still be obligated to pay the variable interest payments underlying our debt agreements. Additionally, failure of our swap counterparties would not eliminate our obligation to continue to make payments under our existing swap agreements if we were in a net pay position.

Our interest rate swap contracts are subject to master netting arrangements. According to our accounting policy, we do not offset the fair values of assets with the fair values of liabilities related to these contracts.

Other

Our deferred compensation plan asset represents investments in securities (primarily mutual funds) traded in an active market (Level 1 inputs) held for the benefit of certain employees as part of our deferred compensation plan. We record an equal and offsetting deferred compensation plan liability, which represents our obligation to participating employees. Changes in the fair value of the plan asset and liability are reflected in Selling and administrative expenses on the Consolidated Statements of Income.

The carrying values of cash and cash equivalents, receivables, accounts payable and accrued liabilities approximate fair value due to the short maturity of those instruments. The carrying value of our long-term debt approximates its fair value. Our determination of the estimated fair value reflects a discounted cash flow model using our estimates, including assumptions related to borrowing rates (Level 3 inputs).

Note 5 – Debt

The table below presents the components of our debt (in thousands):

	September 30,	
	2025	2024
Variable rate debt		
Current portion of long-term debt:		
Australian credit facility	\$ 12,881	\$ 13,433
Current portion of term loans under credit facility	—	31,250
Short-term borrowings and current portion of long-term debt	<u>\$ 12,881</u>	<u>\$ 44,683</u>
Long-term portion:		
Revolving credit facility	\$ 221,300	\$ 125,000
Term loan under credit facility	500,000	437,500
Term facility	90,000	109,938
Receivables securitization facility	241,300	209,300
Less: financing costs, net	3,479	2,592
Long-term debt, net	1,049,121	879,146
Total debt	<u>\$ 1,062,002</u>	<u>\$ 923,829</u>

Credit Facility

Our Credit Facility provides for \$1.3 billion in borrowing capacity consisting of an \$800.0 million revolving credit facility and a \$500.0 million term loan facility. Under our Credit Facility at September 30, 2025, there was \$221.3 million of revolving borrowings outstanding, a \$500.0 million term loan, \$14.4 million of standby letters of credit outstanding and \$564.3 million available for borrowing.

On July 10, 2025, we entered into the Fourth Amended and Restated Credit Agreement (the Amended Agreement), by and among us, as U.S. Borrower, SCP Distributors Canada Inc., as Canadian Borrower, SCP International, Inc., as Euro Borrower, Wells Fargo Bank, National Association, as Administrative Agent, and certain other lenders party thereto. The Amended Agreement amends and restates the terms of our predecessor credit agreement principally by refinancing the predecessor \$500.0 million term loan, extending the term loan maturity date from September 26, 2026 to September 30, 2029 and removing the term secured overnight financing rate (Term SOFR) adjustment of 0.10%. Under the Amended Agreement, the term loan requires quarterly amortization payments commencing on September 30, 2027, with all remaining principal due on September 30, 2029. Revolving and term loan borrowings under the Amended Agreement continue to bear interest at a variable rate based on one-month Term SOFR, plus an applicable margin.

Otherwise, the Amended Agreement retains the core features of the predecessor credit agreement, including:

- \$1.3 billion in borrowing capacity, consisting of:
 - oan \$800.0 million revolving credit facility;
 - oa \$500.0 million term loan facility;
- an accordion feature permitting us to request one or more incremental term loans or revolving credit facility commitment increases up to \$250.0 million;
- an option permitting us to extend the maturity date of the revolving credit facility up to two years, subject to various conditions and restrictions; and
- sublimits for the issuance of swingline loans and standby letters of credit.

Substantially all of the other terms of the term loan and revolving credit facility in the Amended Agreement remain similar to the predecessor credit agreement. The Amended Agreement continues to require us to maintain a maximum average total leverage ratio and a minimum fixed charge coverage ratio consistent with the terms specified in the predecessor credit agreement. All obligations under the Amended Agreement continue to be guaranteed on an unsecured basis by substantially all of our existing and future domestic subsidiaries. The Amended Agreement also continues to contain various customary affirmative and negative covenants and events of default. Failure to comply with any of the financial covenants or the occurrence of any other events of default would permit the lenders to, among other things, require immediate payment of all amounts outstanding under the Amended Agreement.

Term Facility

Under our Term Facility, there was \$90.0 million outstanding at September 30, 2025.

On July 10, 2025, we also entered into the Fourth Amendment to Credit Agreement, by and among us, as Borrower, the guarantors party thereto, and Bank of America, N.A., as lender (the Fourth Amendment), which amends that certain Credit Agreement by and among us, as borrower, the guarantors party thereto and Bank of America, N.A., as lender, dated as of December 30, 2019, as amended by that certain First Amendment to Credit Agreement dated October 12, 2021, that certain Second Amendment to Credit Agreement, dated June 30, 2023, and that certain Third Amendment to Credit Agreement, dated September 30, 2024 (as amended, the Term Agreement). The Fourth Amendment principally extends the maturity of the term loan under the Term Agreement from December 30, 2026 to September 30, 2029 to be concurrent with the maturity of the loans under the Amended Agreement and removes the Term SOFR adjustment of 0.10%. Term loan borrowings under the Term Agreement bear interest at a variable rate based on one-month Term SOFR, plus an applicable margin. Under the Term Agreement, the term loan is repaid in quarterly installments of 1.250% of the term loan on the last business day of each quarter beginning in the third quarter of 2027 with the final principal repayment due September 30, 2029.

Receivables Securitization Facility

Under our Receivables Securitization Facility, there was \$241.3 million outstanding at September 30, 2025.

Our accounts receivable securitization facility (the Receivables Facility) enables us to borrow up to \$210.0 million to \$375.0 million depending on the time of year, by providing for the sale of certain of our receivables to a wholly-owned subsidiary (the Securitization Subsidiary). The Securitization Subsidiary transfers variable undivided percentage interests in the receivables and related rights to certain third-party financial institutions in exchange for cash proceeds, limited to the applicable funding capacities.

We account for the sale of the receivable interests as a secured borrowing on our Consolidated Balance Sheets. The receivables subject to the agreement collateralize the cash proceeds received from the third-party financial institutions. We classify the entire outstanding balance as Long-term debt, net on our Consolidated Balance Sheets as we intend and have the ability to refinance the obligations on a long-term basis. We present the receivables that collateralize the cash proceeds separately as Receivables pledged under receivables facility on our Consolidated Balance Sheets.

Note 6 - Segment Information

Since all of our sales centers have similar operations and share similar economic characteristics, we aggregate our sales centers into a single reportable segment and one reportable revenue stream. These similarities include (i) the nature of our products and services, (ii) the types of customers served and (iii) the distribution methods we use. Our chief operating decision maker (CODM) is our president and chief executive officer. Our CODM evaluates each sales center based on individual performance that includes both financial and operational measures. These measures include operating income, accounts receivable and inventory management criteria. The accounting policies for our segment are the same as those described in Note 1 of our "Notes to Consolidated Financial Statements," included in Part II, Item 8 in our 2024 Annual Report on Form 10-K and in Note 1 above.

The table below presents segment revenue, operating expenses and operating income and reconciles segment operating income to consolidated income before taxes and equity in earnings (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net sales	\$ 1,451,131	\$ 1,432,879	\$ 4,307,187	\$ 4,323,474
Cost of sales	1,021,948	1,016,476	3,030,474	3,038,370
Gross profit	429,183	416,403	1,276,713	1,285,104
Compensation expenses	127,737	119,855	383,921	370,019
Freight out expenses	24,801	27,109	70,573	73,334
Other selling and administrative expenses	98,658	93,086	294,024	285,197
Operating income	177,987	176,353	528,195	556,554
Reconciliation:				
Interest and other non-operating expenses, net	12,004	12,355	35,387	39,818
Income before income taxes and equity in earnings	\$ 165,983	\$ 163,998	\$ 492,808	\$ 516,736

The tables below present supplemental information for our segment (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Depreciation	\$ 10,634	\$ 9,257	\$ 30,438	\$ 26,848
Amortization	2,286	2,313	6,598	6,514

	September 30,	
	2025	2024
Receivables, net	\$ 138,072	\$ 119,538
Receivables pledged under receivables facility	305,537	306,155
Product inventories, net	1,223,809	1,180,491

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion in conjunction with the accompanying interim Consolidated Financial Statements and notes, the Consolidated Financial Statements and accompanying notes in our 2024 Annual Report on Form 10-K and Management's Discussion and Analysis in our 2024 Annual Report on Form 10-K.

Forward-Looking Statements

This report contains forward-looking information that involves risks and uncertainties. Our forward-looking statements express our current expectations or forecasts of possible future results or events, including projections of earnings and other financial performance measures, statements of management's expectations regarding our strategic, operational and capital allocation plans and objectives, management's views on industry, economic, competitive, technological and regulatory conditions and other forecasts of trends and other matters. Forward-looking statements speak only as of the date of this filing, and we undertake no obligation to publicly update or revise such statements to reflect new circumstances or unanticipated events as they occur. You can identify these statements by the fact that they do not relate strictly to historic or current facts and often use words such as "anticipate," "estimate," "expect," "intend," "believe," "will," "outlook," "project," "may," "can," "plan," "target," "potential," "should" and other words and expressions of similar meaning.

No assurance can be given that the expected results in any forward-looking statement will be achieved, and actual results may differ materially due to one or more factors, including the sensitivity of our business to weather conditions; changes in economic conditions, consumer discretionary spending, the housing market, inflation or interest rates; our ability to maintain favorable relationships with suppliers and manufacturers; competition from other leisure product alternatives or mass merchants; our ability to continue to execute our growth strategies; changes in the regulatory environment; new or additional taxes, duties or tariffs; excess tax benefits or deficiencies recognized under ASU 2016-09 and other risks detailed in our 2024 Annual Report on Form 10-K, as updated by our subsequent filings with the U.S. Securities and Exchange Commission. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

OVERVIEW

Financial Results

Third quarter ended September 30, 2025 compared to the third quarter ended September 30, 2024

Net sales increased 1% in the third quarter of 2025. We continued to support sustained customer demand for maintenance products and were pleased to see continuous improvement in sales for our building materials products.

Gross profit grew by \$12.8 million and gross margin increased 50 basis points to 29.6% compared to 29.1% in the same period of 2024. Gross margin benefited from mid-season price increases, continued progress on our pricing optimization initiatives and our continued focus on supply chain management.

Selling and administrative expenses (operating expenses) increased 5% compared to the third quarter of 2024, reflecting higher employee-related and facility costs due to sales center network expansion and inflationary pressures, as well as ongoing investments in our customer-facing technology initiatives.

Operating income increased \$1.6 million compared to the third quarter of 2024. Operating margin was 12.3% in both the third quarter of 2025 and the third quarter of 2024.

Net income increased to \$127.0 million compared to \$125.7 million in the third quarter of 2024.

Earnings per diluted share increased 4% to \$3.40 in the third quarter of 2025 compared to \$3.27 in the same period of 2024. We recorded a \$0.3 million, or \$0.01 per diluted share, tax benefit from Accounting Standards Update (ASU) 2016-09, *Improvements to Employee Share-Based Payment Accounting*, in the third quarter of 2025 compared to a tax benefit of \$0.5 million, or \$0.01 per diluted share, realized in the same period of 2024. Adjusting for the impact from ASU 2016-09 in both periods, earnings per diluted share increased 4% to \$3.39 compared to \$3.26 in the third quarter of 2024. See RESULTS OF OPERATIONS below for definitions of our non-GAAP measures and reconciliations of our non-GAAP measures to GAAP measures.

References to product line and product category data throughout this report generally reflect data related to the North American swimming pool market, as this data is more readily available for analysis and represents the largest component of our operations.

In this Form 10-Q and other of our public disclosures, we estimate the impact that favorable or unfavorable weather had on our operating results. In connection with these estimates, we make several assumptions and rely on various third-party sources. It is possible that others assessing the same data could reach conclusions that differ from ours.

Financial Position and Liquidity

As of September 30, 2025, total net receivables, including pledged receivables, increased 4% compared to September 30, 2024, primarily due to higher sales in September 2025. Our days sales outstanding (DSO), as calculated on a trailing four quarters basis, was 25.9 days at September 30, 2025 and 26.7 days at September 30, 2024. Our allowance for doubtful accounts balance was \$8.3 million at September 30, 2025 and \$10.0 million at September 30, 2024.

Our inventory balance was \$1.2 billion at September 30, 2025, an increase of \$43.3 million, or 4%, from September 30, 2024, reflecting increases from inflation (including mid-season vendor price increases), new and acquired sales centers and strategic inventory purchases. Our inventory reserve was \$29.0 million at September 30, 2025 and \$28.6 million at September 30, 2024. Our inventory turns, as calculated on a trailing four quarters basis, were 2.8 times at both September 30, 2025 and September 30, 2024.

Total debt outstanding increased \$138.2 million to \$1.1 billion at September 30, 2025, primarily to fund open market share repurchases of \$159.1 million in the first nine months of 2025.

For additional information, see "Liquidity and Capital Resources" below.

Current Trends and Outlook

For a detailed discussion of trends impacting us through 2024, see the Current Trends and Outlook section of Management's Discussion and Analysis included in Part II, Item 7 of our 2024 Annual Report on Form 10-K.

We expect sales for the full year of 2025 to be relatively flat compared to 2024. We primarily source our products domestically and expect that U.S. tariffs announced so far in 2025 and their resulting price increases will positively impact net sales by approximately 1%, contributing to an estimated benefit of 2% from price for the full year of 2025.

We expect gross margin for the full year of 2025 to be in line with our 2024 gross margin of 29.7%. Our efforts in pricing optimization and supply chain initiatives are expected to mitigate headwinds from less favorable product and customer mix that are currently pressuring our ability to attain our long-term gross margin target of 30.0%.

We expect to leverage our existing infrastructure and strategically manage discretionary spending while continuing to invest in our sales center network and consumer-facing technology initiatives. We project that our operating expenses for 2025 will increase around 3% compared to 2024.

In 2025, we expect our effective tax rate will be around 25.0% without the impact of ASU 2016-09. Due to ASU 2016-09, we expect our effective tax rate will fluctuate from quarter to quarter, particularly in periods when employees elect to exercise their vested stock options or when restrictions on share-based awards lapse. We recorded a \$4.2 million, or \$0.11 per diluted share, tax benefit from ASU 2016-09 for the nine months ended September 30, 2025. We may recognize additional tax benefits related to stock option exercises during the fourth quarter of 2025. We have not included any expected tax benefits in our full year guidance beyond what we have recognized as of September 30, 2025.

We expect 2025 diluted EPS in the range of \$10.81 to \$11.31, including the impact of year-to-date tax benefits of \$0.11. We expect to continue to use cash for the payment of cash dividends as and when declared by our Board of Directors (Board) and to fund opportunistic share repurchases under our Board-authorized share repurchase program.

The forward-looking statements in the foregoing section and elsewhere in this report are based on current market conditions and our current business plans, speak only as of the filing date of this report, are based on several assumptions and are subject to significant risks and uncertainties, including the risks detailed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024. See "Cautionary Statement for Forward-Looking Statements."

RESULTS OF OPERATIONS

As of September 30, 2025, we conducted operations through 454 sales centers in North America, Europe and Australia. For the nine months ended September 30, 2025, approximately 95% of our net sales were from our operations in North America.

The following table presents information derived from the Consolidated Statements of Income expressed as a percentage of net sales:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	70.4	70.9	70.4	70.3
Gross profit	29.6	29.1	29.6	29.7
Selling and administrative expenses	17.3	16.8	17.4	16.9
Operating income	12.3	12.3	12.3	12.9
Interest and other non-operating expenses, net	0.8	0.9	0.8	0.9
Income before income taxes and equity in earnings	11.4%	11.4%	11.4%	12.0%

Note: Due to rounding, percentages presented in the table above may not add to Operating income or Income before income taxes and equity in earnings.

We have included the results of operations from acquisitions in 2025 and 2024 in our consolidated results since the acquisition dates.

Three Months Ended September 30, 2025 Compared to Three Months Ended September 30, 2024

Base Business

When calculating our base business results, we exclude for a period of 15 months sales centers that are acquired, opened in new markets or closed. We also exclude consolidated sales centers when we do not expect to maintain the majority of the existing business and existing sales centers that we consolidate with acquired sales centers.

We generally allocate corporate overhead expenses to excluded sales centers on the basis of their net sales as a percentage of total net sales. After 15 months, we include acquired, consolidated and new market sales centers in the base business calculation including the comparative prior year period.

We have not provided separate base business income statements within this Form 10-Q as our base business results for the three and nine-month periods ended September 30, 2025 closely approximated consolidated results for the same period. Acquired and new market sales centers excluded from base business contributed less than 1% to the change in our reported net sales.

The table below summarizes the changes in our sales center count during the first nine months of 2025:

December 31, 2024	448
Acquired locations	2
New locations	6
Closed/Consolidated locations	(2)
September 30, 2025	454

Net Sales

(in millions)	Three Months Ended September 30,				Change	
	2025	2024				
Net sales	\$ 1,451.1	\$ 1,432.9	\$	18.2	1%	

Net sales of \$1.5 billion in the third quarter of 2025 increased 1% compared to \$1.4 billion in the third quarter of 2024. Recurring maintenance product sales were stable, and we saw growth in sales of building materials products.

The following factors impacted our sales during the quarter and are listed in order of estimated magnitude:

- steady maintenance product sales;
- improved demand for building materials products (see discussion below); and
- a benefit of 2% from inflationary product cost increases, net of price deflation on some items, compared to a 1% benefit in the third quarter of 2024.

In the third quarter of 2025, sales of equipment for maintenance, renovation and new construction activities, including swimming pool heaters, pumps, lights, filters and automation devices, increased 4% versus the same period last year, and collectively represented approximately 29% of net sales for the period. The increase in sales of equipment reflects benefits from price and some increase from volumes sold of maintenance-related products. Sales of building materials, which are primarily used in new pool construction and remodeling, increased 4% compared to the same period in 2024 and represented approximately 11% of net sales in the third quarter of 2025.

Gross Profit

(in millions)	Three Months Ended September 30,				Change	
	2025	2024				
Gross profit	\$ 429.2	\$ 416.4	\$	12.8	3%	
Gross margin	29.6%	29.1%				

Gross margin improved by 50 basis points to 29.6% in the third quarter of 2025 compared to 29.1% in the third quarter of 2024, while gross profit increased 3% over the same period. The expansion of our gross margin was driven by mid-season price increases, ongoing pricing optimization efforts and disciplined supply chain management, amid continued headwinds from customer mix.

Operating Expenses

(in millions)	Three Months Ended September 30,				Change	
	2025	2024				
Selling and administrative expenses	\$ 251.2	\$ 240.1	\$	11.1	5%	
Operating expenses as a % of net sales	17.3%	16.8%				

Selling and administrative expenses in the third quarter of 2025 increased 5% compared to the third quarter of 2024, primarily driven by higher employee-related and facility costs due to sales center network expansion and inflationary pressures, as well as ongoing investments in our customer-facing technology initiatives. These increases were partially offset by reductions in variable costs.

Interest and Other Non-Operating Expenses, Net

Interest and other non-operating expenses, net for the third quarter of 2025 decreased \$0.4 million compared to the third quarter of 2024. Our weighted average effective interest rate decreased to 4.5% in the third quarter of 2025 compared to 5.2% in the third quarter of 2024 on average outstanding debt of \$1.1 billion and \$946.1 million for the respective periods.

Income Taxes

Our effective income tax rate was 23.5% for the three months ended September 30, 2025 compared to 23.4% for the three months ended September 30, 2024. We recorded a \$0.3 million, or \$0.01 per diluted share, tax benefit from ASU 2016-09 in the quarter ended September 30, 2025 compared to a benefit of \$0.5 million, or \$0.01 per diluted share, in the same period last year. Without the benefit from ASU 2016-09 in both periods, our effective tax rate was 23.7% in both the third quarter of 2025 and the third quarter of 2024. Our third quarter effective income tax rate is historically lower compared to other quarters due to the annual expiration of statutes of limitations in the various jurisdictions where we have recorded uncertain tax positions.

Net Income and Earnings Per Share

Net income increased to \$127.0 million in the third quarter of 2025 compared to \$125.7 million in the third quarter of 2024. Earnings per diluted share increased 4% to \$3.40 in the third quarter of 2025 compared to \$3.27 in the same period of 2024. Adjusting for the impact from ASU 2016-09 in both periods, earnings per diluted share increased 4% to \$3.39 compared to \$3.26 in the third quarter of 2024.

See the reconciliation of GAAP to non-GAAP measures below.

Nine Months Ended September 30, 2025 Compared to Nine Months Ended September 30, 2024

Net Sales

(in millions)	Nine Months Ended September 30,				Change	
	2025	2024				
Net sales	\$ 4,307.2	\$ 4,323.5	\$	(16.3)	(0)%	

Net sales for the first nine months of 2025 remained consistent with net sales for the same period last year. Despite ongoing macroeconomic constraints in the first nine months of 2025, non-discretionary spending remained steady, while discretionary activities improved sequentially. In the first quarter of the year, discretionary projects remained pressured from macroeconomic conditions and unfavorable weather. In the second quarter of 2025, we saw sales expansion compared to the second quarter of 2024 and discretionary activities were less of a drag on overall sales. Net sales also increased in the third quarter of 2025 from the third quarter of 2024, supported by price, sustained demand for maintenance products and growth in sales of building materials products from the same period of the prior year.

The following factors impacted our sales in the first nine months of 2025 and are listed in order of estimated magnitude:

- stable maintenance product sales;
- lower sales volume of products used in pool construction and discretionary activities (see discussion below); and
- a benefit of approximately 2% from inflationary product cost increases, net of price deflation on some items, compared to a 1% benefit in the first nine months of 2024.

In the first nine months of 2025, sales of equipment for maintenance, renovation and new construction activities, including swimming pool heaters, pumps, lights, filters and automation devices, increased approximately 1% compared to the same period last year and collectively represented 30% of net sales in the first nine months of 2025. The increase in sales of equipment reflects benefits from price and some increase from volumes sold of maintenance-related products. Sales of building materials, which are primarily used in new pool construction and remodeling, decreased 1% compared to the first nine months of 2024 and represented approximately 12% of net sales in the first nine months of 2025.

Gross Profit

(in millions)	Nine Months Ended September 30,				Change	
	2025	2024				
Gross profit	\$ 1,276.7	\$ 1,285.1	\$	(8.4)	(1)%	
Gross margin	29.6%	29.7%				

Gross margin declined 10 basis points to 29.6% in the nine months ended September 30, 2025 compared to 29.7% in the first nine months of 2024. Gross margin in the first nine months of 2024 benefited 30 basis points from the non-recurring reversal of \$12.6 million for estimated import taxes. In the first nine months of 2025, our gross margin reflected positive impacts from our strategic pricing and supply chain initiatives, partially offset by a less advantageous customer and product mix and the absence of the non-recurring import tax reversal recognized in the prior year.

Operating Expenses

(in millions)	Nine Months Ended September 30,				Change	
	2025	2024				
Selling and administrative expenses	\$ 748.5	\$ 728.6	\$	19.9	3%	
Operating expenses as a % of net sales	17.4%	16.9%				

Operating expenses for the nine months ended September 30, 2025 were up 3% compared to the prior year period. Expense growth was primarily driven by inflationary impacts, particularly on base wages and facility costs, and continued investments in our technology initiatives and sales center network expansion.

Interest and Other Non-Operating Expenses, Net

Interest and other non-operating expenses, net for the first nine months of 2025 decreased \$4.4 million compared to the same period last year. Our weighted average effective interest rate decreased to 4.5% from 5.2% for the respective periods on average outstanding debt of \$1.0 billion for both the nine months ended September 30, 2025 and nine months ended September 30, 2024.

Income Taxes

Our effective income tax rate was 24.0% for the nine months ended September 30, 2025 compared to 23.2% for the nine months ended September 30, 2024. We recorded a \$4.2 million, or \$0.11 per diluted share, tax benefit from ASU 2016-09 in the nine months ended September 30, 2025 compared to an \$8.3 million, or \$0.21 per diluted share, tax benefit in the same period of 2024. Without the benefits from ASU 2016-09, our effective tax rate was 24.8% for both the nine months ended September 30, 2025 and the nine months ended September 30, 2024.

Net Income and Earnings Per Share

Net income decreased 6% to \$374.8 million for the nine months ended September 30, 2025 compared to \$397.0 million for the nine months ended September 30, 2024. Earnings per diluted share decreased 3% to \$9.97 for the nine months ended September 30, 2025 versus \$10.30 per diluted share for the nine months ended September 30, 2024. Adjusting for the impact from ASU 2016-09 in both periods, earnings per diluted share decreased 2% to \$9.86 for the nine months ended September 30, 2025 compared to \$10.09 for the nine months ended September 30, 2024. See the reconciliation of GAAP to non-GAAP measures below.

Reconciliation of Non-GAAP Financial Measures

The non-GAAP measure described below should be considered in the context of all of our other disclosures in this Form 10-Q.

Adjusted Diluted EPS

We have included adjusted diluted EPS, a non-GAAP financial measure, as a supplemental disclosure, because we believe this measure is useful to management, investors and others in assessing our period-to-period operating performance.

Adjusted diluted EPS is a key measure used by management to demonstrate the impact of tax benefits from ASU 2016-09 on our diluted EPS and to provide investors and others with additional information about our potential future operating performance to supplement GAAP measures.

We believe this measure should be considered in addition to, not as a substitute for, diluted EPS presented in accordance with GAAP, and in the context of our other disclosures in this Form 10-Q. Other companies may calculate this non-GAAP financial measure differently than we do, which may limit its usefulness as a comparative measure.

The table below presents a reconciliation of diluted EPS to adjusted diluted EPS.

(Unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Diluted EPS	\$ 3.40	\$ 3.27	\$ 9.97	\$ 10.30
ASU 2016-09 tax benefit	(0.01)	(0.01)	(0.11)	(0.21)
Adjusted diluted EPS	<u>\$ 3.39</u>	<u>\$ 3.26</u>	<u>\$ 9.86</u>	<u>\$ 10.09</u>

Seasonality and Quarterly Fluctuations

Our business is seasonal. In general, sales and operating income are highest during the second and third quarters, which represent the peak months of both swimming pool use and installation and irrigation and landscape installations and maintenance. Sales are lower during the first and fourth quarters. In 2024, we generated approximately 60% of our net sales and 73% of our operating income in the second and third quarters of the year.

We typically experience a build-up of product inventories and accounts payable during the winter months in anticipation of the peak selling season. Excluding borrowings to finance acquisitions and share repurchases, our peak borrowing usually occurs during the second quarter, primarily because extended payment terms offered by our suppliers typically are payable in April, May and June, while our peak accounts receivable collections typically occur in June, July and August.

The following table presents certain unaudited quarterly income statement and balance sheet data for the most recent eight quarters to illustrate seasonal fluctuations in these amounts. We believe this information reflects all normal and recurring adjustments considered necessary for a fair presentation of this data. The results of any one or more quarters are not necessarily a good indication of results for an entire fiscal year or of continuing future trends for a variety of reasons, including the seasonal nature of our business and the impact of new and acquired sales centers.

(Unaudited) (in thousands)	QUARTER							
	2025		2024		2023			
	Third	Second	First	Fourth	Third	Second	First	Fourth
Statement of Income Data								
Net sales	\$ 1,451,131	\$ 1,784,530	\$ 1,071,526	\$ 987,480	\$ 1,432,879	\$ 1,769,784	\$ 1,120,810	\$ 1,003,050
Gross profit	429,183	535,161	312,369	290,244	416,403	530,141	338,560	293,775
Operating income	177,987	272,670	77,538	60,651	176,353	271,481	108,720	79,344
Net income	127,013	194,258	53,545	37,300	125,701	192,439	78,885	51,437
Balance Sheet Data								
Total receivables, net	\$ 443,609	\$ 576,804	\$ 497,076	\$ 314,861	\$ 425,693	\$ 577,529	\$ 527,175	\$ 342,910
Product inventories, net	1,223,809	1,330,221	1,460,680	1,289,300	1,180,491	1,295,600	1,496,947	1,365,466
Accounts payable	457,319	529,316	890,167	525,235	401,702	515,645	907,806	508,672
Total debt	1,062,002	1,229,919	1,025,090	950,356	923,829	1,116,553	979,177	1,053,320

We expect that our quarterly results of operations will continue to fluctuate depending on the timing and amount of revenue contributed by new and acquired sales centers. Based on our peak summer selling season, we generally open new sales centers and close or consolidate sales centers, when warranted, either in the first quarter before the peak selling season begins or in the fourth quarter after the peak selling season ends.

Weather is one of the principal external factors affecting our business. The table below presents some of the possible effects resulting from various weather conditions.

Weather	Possible Effects
Hot and dry	• Increased purchases of chemicals and supplies for existing swimming pools • Increased purchases of above-ground pools and irrigation and lawn care products
Unseasonably cool weather or extraordinary amounts of rain	• Fewer pool and irrigation and landscape installations • Decreased purchases of chemicals and supplies • Decreased purchases of impulse items such as above-ground pools and accessories
Unseasonably early warming trends in spring/late cooling trends in fall (primarily in the northern half of the U.S. and Canada)	• A longer pool and landscape season, thus positively impacting our sales
Unseasonably late warming trends in spring/early cooling trends in fall (primarily in the northern half of the U.S. and Canada)	• A shorter pool and landscape season, thus negatively impacting our sales

Weather Impacts on 2025 and 2024 Results

Temperatures in the third quarter of 2025 were above average in several regions, including the Northwest, Midwest, South and Western regions. Localized flooding occurred early in the quarter, followed by drought conditions across the Central and Western regions. In the third quarter of 2024, temperatures were slightly warmer than the third quarter of 2025, and there were more variable weather conditions in the third quarter of 2024 with several notable weather events. Overall, weather conditions did not significantly impact our sales results for the third quarter of 2025.

Weather conditions in the second quarter of 2025 were generally marked by above-average temperatures and higher-than-normal precipitation. Warm conditions generally supported seasonal trends, though localized disruptions occurred due to severe storms, flash flooding and tornado outbreaks, particularly in April and May. Around mid-June, we observed intense heat across many regions, further supporting demand in key markets. Overall, while weather patterns were variable, we believe that the net impact on our results was broadly neutral. In the second quarter of 2024, weather across the U.S. was mixed, with wetter conditions in the central regions and Texas, drier conditions in the West, and warmer-than-average temperatures, especially in June, supporting maintenance activities and leading to varied impacts across our markets.

Weather conditions in the first quarter of 2025 were mixed across our key markets. Early January snowstorms and overall cooler temperatures through much of February negatively impacted early season sales activity. While March brought warmer and drier weather, these improvements provided only partial relief to our sales trends and were insufficient to offset the slower start to the quarter. During the first quarter of 2024, above-average temperatures in some regions, including California, contributed positively to economic activities. However, the adverse effects of cooler and wetter weather in Florida and the Southeast, and excessive precipitation in Texas and the Northeast, outweighed the positives, resulting in an overall unfavorable impact on net sales.

CRITICAL ACCOUNTING ESTIMATES

We prepare our Consolidated Financial Statements in accordance with U.S. generally accepted accounting principles (GAAP), which require management to make estimates and assumptions that affect reported amounts and related disclosures. Management identifies critical accounting estimates as:

- those that require the use of assumptions about matters that are inherently and highly uncertain at the time the estimates are made; and
- those for which changes in the estimates or assumptions, or the use of different estimates and assumptions, could have a material impact on our consolidated results of operations or financial condition.

Management has discussed the development, selection and disclosure of our critical accounting estimates with the Audit Committee of our Board. For a description of our critical accounting estimates that require us to make the most difficult, subjective or complex judgments, please see our 2024 Annual Report on Form 10-K. We have not changed any of these policies from those previously disclosed in that report.

Recent Accounting Pronouncements

See Note 1 of "Notes to Consolidated Financial Statements," included in Part I, Item 1 of this Form 10-Q for discussion of recent accounting pronouncements.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity is defined as the ability to generate adequate amounts of cash to meet short-term and long-term cash needs. We assess our liquidity in terms of our ability to generate cash to fund our operating activities, taking into consideration the seasonal nature of our business. Significant factors which could affect our liquidity include the following:

- cash flows generated from operating activities;
- the adequacy of available bank lines of credit;
- the quality of our receivables;
- acquisitions;
- dividend payments;
- capital expenditures;
- changes in income tax laws and regulations;
- the timing and extent of share repurchases; and
- the ability to attract long-term capital with satisfactory terms.

Our primary capital needs are seasonal working capital obligations, debt repayment obligations and other general corporate initiatives, including acquisitions, opening new sales centers, customer-facing technology-related investments, dividend payments and discretionary share repurchases. Our primary working capital obligations are for the purchase of inventory, payroll, rent, other facility costs and selling and administrative expenses. Our working capital obligations fluctuate during the year, driven primarily by seasonality and the timing of inventory purchases. Our primary sources of working capital are cash from operations supplemented by bank borrowings, which have historically been sufficient to support our growth and finance acquisitions. We have funded our capital expenditures and share repurchases in substantially the same manner.

We prioritize our use of cash based on investing in our business, maintaining a prudent capital structure, including a modest amount of debt, and returning cash to our shareholders through dividends and share repurchases. Our specific priorities for the use of cash are as follows:

- capital expenditures primarily for maintenance and growth of our sales center network, technology-related investments and vehicle fleet;
- inventory and other operating expenses;
- strategic acquisitions executed opportunistically;
- payment of cash dividends as and when declared by our Board;
- repayment of debt to maintain an average total target leverage ratio (as defined below) between 1.5 and 2.0; and
- discretionary repurchases of our common stock under our Board-authorized share repurchase program.

We focus our capital expenditure plans based on the needs of our existing sales centers and the opening of new sales centers. Our capital spending primarily relates to leasehold improvements, delivery and service vehicles and information technology. In recent years, we have increased our investment in technology and automation enabling us to operate more efficiently and better serve our customers.

Historically, our capital expenditures have averaged roughly 1.0% of net sales. Capital expenditures were 1.1% of net sales in 2024 and 2023. Based on management's current plans, we project capital expenditures for 2025 will be approximately 1.0% to 1.5% of net sales.

Sources and Uses of Cash

The following table summarizes our cash flows (in thousands):

	Nine Months Ended September 30,	
	2025	2024
Provided by operating activities	\$ 285,743	\$ 488,619
Used in investing activities	(55,747)	(49,442)
Used in financing activities	(182,372)	(411,785)

Net cash provided by operations was \$285.7 million in the first nine months of 2025 compared to net cash provided by operations of \$488.6 million in the first nine months of 2024. The difference in cash flow primarily relates to working capital investments, including increases in inventory in the first nine months of 2025, and \$68.5 million in federal tax payments from 2024 that were deferred into 2025 due to relief granted by the IRS.

Net cash used in investing activities for the first nine months of 2025 increased \$6.3 million compared to the first nine months of 2024, primarily due to a \$2.7 million increase in acquisition costs and a \$2.2 million increase in net capital expenditures.

Net cash used in financing activities was \$182.4 million for the first nine months of 2025 compared to \$411.8 million for the first nine months of 2024, primarily reflecting \$112.4 million of net debt proceeds in the first nine months of 2025 versus \$128.4 million of net debt payments in the first nine months of 2024, partially offset by a \$4.5 million increase in both share repurchases and dividend payments in the first nine months of 2025 versus the same period in 2024.

Future Sources and Uses of Cash

To supplement cash from operations as our primary source of working capital, we plan to continue to utilize our three major credit facilities, which are the Fourth Amended and Restated Credit Facility (the Credit Facility), the term facility provided under the below-defined Term Agreement (the Term Facility) and the Receivables Securitization Facility (the Receivables Facility). For additional details regarding these facilities, see the summary descriptions below and more complete descriptions in Note 5 of our "Notes to Consolidated Financial Statements," included in Part II, Item 8 in our 2024 Annual Report on Form 10-K and Note 5 of "Notes to Consolidated Financial Statements" included in Part I, Item 1 of this Form 10-Q.

Credit Facility

Our Credit Facility, as recently amended, provides for \$1.3 billion in borrowing capacity consisting of an \$800.0 million revolving credit facility and a \$500.0 million term loan facility. The Credit Facility also includes an accordion feature permitting us to request one or more incremental term loans or revolving credit facility commitment increases up to \$250.0 million and sublimits for the issuance of swingline loans and standby letters of credit. We pay interest on revolving and term loan borrowings under the Credit Facility at a variable rate based on the one-month Term SOFR, plus an applicable margin. The term loan requires quarterly amortization payments commencing on September 30, 2027, with all remaining principal due on September 30, 2029. We intend to continue to use the Credit Facility for general corporate purposes, for future share repurchases and to fund future growth initiatives.

At September 30, 2025, there was \$221.3 million of revolving borrowings outstanding, a \$500.0 million term loan outstanding, \$14.4 million of standby letters of credit outstanding and \$564.3 million available for borrowing. The weighted average effective interest rate for the Credit Facility as of September 30, 2025 was approximately 3.8%, excluding commitment fees and including the impact of our interest rates swaps.

Term Facility

Our Term Facility, as recently amended, provides for \$90.0 million in borrowing capacity. Proceeds from the Term Facility were used to pay down the Credit Facility in December 2019, adding borrowing capacity for future share repurchases, acquisitions and growth-oriented working capital expansion. We pay interest on borrowings under the Term Facility at a variable rate based on one-month Term SOFR, plus an applicable margin. The Term Facility is repaid in quarterly installments of 1.250% of the Term Facility beginning in the third quarter of 2027, with the final principal repayment due on September 30, 2029. We may prepay amounts outstanding under the Term Facility without penalty other than interest breakage costs.

At September 30, 2025, there was \$90.0 million outstanding under the Term Facility with a weighted average effective interest rate of 5.3%.

Receivables Securitization Facility

Our two-year accounts receivable securitization facility (the Receivables Facility) offers us a low-cost form of financing. Under this facility, we can borrow up to \$375.0 million between April through May and from \$210.0 million to \$350.0 million during the remaining months of the year. We pay interest on borrowings under the Receivables Facility at a variable rate based on one-month Term SOFR, plus an applicable margin. The Receivables Facility matures on October 30, 2026.

The Receivables Facility provides for the sale of certain of our receivables to a wholly-owned subsidiary (the Securitization Subsidiary). The Securitization Subsidiary transfers variable undivided percentage interests in the receivables and related rights to certain third-party financial institutions in exchange for cash proceeds, limited to the applicable funding capacities. Upon payment of the receivables by customers, rather than remitting to the financial institutions the amounts collected, we retain such collections as proceeds for the sale of new receivables until payments become due.

At September 30, 2025, there was \$241.3 million outstanding under the Receivables Facility at a weighted average effective interest rate of 5.1%, excluding commitment fees.

Financial Covenants

Financial covenants of the Credit Facility, Term Facility and Receivables Facility include maintenance of a maximum average total leverage ratio and a minimum fixed charge coverage ratio, which are our most restrictive financial covenants. As of September 30, 2025, the calculations of these two covenants are detailed below:

•**Maximum Average Total Leverage Ratio.** On the last day of each fiscal quarter, our average total leverage ratio must be less than 3.25 to 1.00. Average Total Leverage Ratio is the ratio of the sum of (i) Total Non-Revolving Funded Indebtedness as of such date, (ii) the trailing twelve months (TTM) Average Total Revolving Funded Indebtedness and (iii) the TTM Average Accounts Securitization Proceeds divided by TTM EBITDA (as those terms are defined in the Credit Facility). As of September 30, 2025, our average total leverage ratio equaled 1.58 (compared to 1.47 as of June 30, 2025) and the TTM average total indebtedness amount used in this calculation was \$1.0 billion.

•**Minimum Fixed Charge Coverage Ratio.** On the last day of each fiscal quarter, our fixed charge ratio must be greater than or equal to 2.25 to 1.00. Fixed Charge Ratio is the ratio of the TTM EBITDAR divided by TTM Interest Expense paid or payable in cash plus TTM Rental Expense (as those terms are defined in the Credit Facility). As of September 30, 2025, our fixed charge ratio equaled 4.88 (compared to 4.90 as of June 30, 2025) and TTM Rental Expense was \$110.9 million.

The Credit Facility and Term Facility limit the declaration and payment of dividends on our common stock to a manner consistent with past practice, provided no default or event of default has occurred and is continuing, or would result from the payment of dividends. We may declare and pay quarterly dividends so long as (i) the amount per share of such dividends is not greater than the most recently publicly announced amount of dividends per share and (ii) our Average Total Leverage Ratio is less than 3.25 to 1.00 both immediately before and after giving pro forma effect to such dividends. Under the Credit Facility and Term Facility, we may repurchase shares of our common stock provided no default or event of default has occurred and is continuing, or would result from the repurchase of shares, and our maximum average total leverage ratio (determined on a pro forma basis) is less than 3.25 to 1.00.

Other covenants in each of our credit facilities include restrictions on our ability to grant liens, incur indebtedness, make investments, merge or consolidate, and sell or transfer assets. Failure to comply with any of our financial covenants or any other terms of our credit facilities could result in, among other things, higher interest rates on our borrowings or the acceleration of the maturities of our outstanding debt.

Interest Rate Swaps

We utilize interest rate swap contracts to reduce our exposure to fluctuations in variable interest rates for future interest payments on our variable rate borrowings. Interest expense related to the notional amounts under all swap contracts is based on the fixed rates plus the applicable margin on the respective borrowings.

As of September 30, 2025, we had two interest rate swap contracts in place, each of which has the effect of converting our exposure to variable interest rates on a portion of our variable rate borrowings to fixed interest rates. For more information, see Note 4 of "Notes to Consolidated Financial Statements" included in Part I, Item 1 of this Form 10-Q.

Compliance and Future Availability

As of September 30, 2025, we were in compliance with all material covenants and financial ratio requirements under our Credit Facility, our Term Facility and our Receivables Facility. We believe we will remain in compliance with all material covenants and financial ratio requirements throughout the next twelve months. For additional information regarding our debt arrangements, see Note 5 of "Notes to Consolidated Financial Statements," included in Part II, Item 8 of our 2024 Annual Report on Form 10-K, as updated by Note 5 of "Notes to Consolidated Financial Statements," included in Part I, Item 1 of this Form 10-Q.

We believe we have adequate availability of capital to fund present operations and the current capacity to finance any working capital needs that may arise. We continually evaluate potential acquisitions and hold discussions with acquisition candidates. If suitable acquisition opportunities arise that would require financing, we believe that we would have the ability to finance any such transactions.

As of October 24, 2025, we were authorized to purchase up to \$493.2 million of our common stock under our current Board-approved share repurchase program. We expect to continue to repurchase shares on the open market from time to time subject to market conditions. We plan to fund these repurchases with cash provided by operations and borrowings under the above-described credit facilities.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

There have been no material changes in our exposure to interest rate risk during the nine months ended September 30, 2025 from what we reported in our 2024 Annual Report on Form 10-K. For additional information on our interest rate risk, refer to "Quantitative and Qualitative Disclosures about Market Risk" included in Part II, Item 7A in our 2024 Annual Report on Form 10-K.

Currency Risk

There have been no material changes in our exposure to currency risk during the nine months ended September 30, 2025 from what we reported in our 2024 Annual Report on Form 10-K. For additional information on our currency risk, refer to "Quantitative and Qualitative Disclosures about Market Risk" included in Part II, Item 7A in our 2024 Annual Report on Form 10-K.

Item 4. Controls and Procedures

The term "disclosure controls and procedures" is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (the Act). The rules refer to the controls and other procedures designed to ensure that information required to be disclosed in reports that we file or submit under the Act is (1) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and (2) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. As of September 30, 2025, management, including our CEO and CFO, performed an evaluation of the effectiveness of our disclosure controls and procedures. Based on that evaluation, management, including our CEO and CFO, concluded that as of September 30, 2025, our disclosure controls and procedures were effective.

We maintain a system of internal control over financial reporting that is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Based on the most recent evaluation, we have concluded that no change in our internal control over financial reporting occurred during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

The effectiveness of our system of disclosure controls and procedures or internal control over financial reporting is subject to certain limitations, including the exercise of judgment in designing, implementing and evaluating such systems, the assumptions used in identifying the likelihood of future events and the inability to eliminate misconduct completely. As a result, there can be no assurance that our control systems will detect all errors or fraud. By their nature, our system can provide only reasonable assurance regarding management's control objectives.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are subject to various claims and litigation arising in the ordinary course of business, including product liability, personal injury, commercial, contract and employment matters. While the outcome of any litigation is inherently unpredictable, based on currently available facts and our current insurance coverages, we do not believe that the ultimate resolution of any of these matters will have a material adverse impact on our financial condition, results of operations or cash flows.

Item 1A. Risk Factors

Our operations and financial results are subject to various risks and uncertainties, which could adversely affect our business, financial condition or future results. We urge you to carefully consider (i) the other information set forth in this report and (ii) the risk factors discussed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes to our risk factors from those disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below summarizes the repurchases of our common stock in the third quarter of 2025:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan ⁽²⁾	Maximum Approximate Dollar Value of Shares That May Yet be Purchased Under the Plan ⁽²⁾
July 1-31, 2025	—	\$ —	—	\$ 515,684,868
August 1-31, 2025	—	\$ —	—	\$ 515,684,868
September 1-30, 2025	10,551	\$ 306.69	8,861	\$ 512,986,230
Total	<u>10,551</u>	<u>\$ 306.69</u>	<u>8,861</u>	

⁽¹⁾Includes 1,690 shares of our common stock surrendered to us during the third quarter of 2025 by employees in order to satisfy minimum tax withholding obligations in connection with certain exercises of employee stock options or lapses upon vesting of restrictions on previously restricted share awards, and/or to cover the exercise price of such options granted under our share-based compensation plans.

⁽²⁾In April 2025, our Board authorized an additional \$309.2 million under our share repurchase program for the repurchase of shares of our common stock in the open market at prevailing market prices bringing the total authorization available under the program to \$600.0 million. As of October 24, 2025, \$493.2 million of the authorized amount remained available for use under our current share repurchase program. The share repurchase program does not obligate us to acquire any specific amount of shares and does not have an expiration date.

Our Board may declare future dividends at their discretion, after considering various factors, including our earnings, capital requirements, financial position, contractual restrictions and other relevant business considerations. For a description of restrictions on dividends in our Credit Facility and Term Facility, see the "Liquidity and Capital Resources" section of Management's Discussion and Analysis in Part I, Item 2 of this Form 10-Q. We cannot assure shareholders or potential investors that dividends will be declared or paid any time in the future if our Board determines that there is a better use of our funds.

Item 5. Other Information

Amended and Restated Officer Employment Agreements

Effective on October 27, 2025, the Compensation Committee of the Company's Board of Directors approved the amendment and restatement of the employment agreements (the Prior Agreements) in place with the Company's named executive officers (the Amended Agreements). The principal terms of the Amended Agreements are substantially similar to the Prior Agreements but include an additional benefit providing for potential severance benefits in connection with a termination without Cause or with Good Reason within two years following a Change in Control (as such terms are defined in the Amended Agreements). Specifically, in connection with such a termination, (i) Mr. Arvan, the Company's chief executive officer, will receive his base salary for a period of one hundred four weeks, and each of our other named executive officers will receive his or her base salary for a period of seventy-eight weeks, (ii) the executive will be eligible for certain welfare benefits for a period of eighteen months, and (iii) the executive will receive his or her target bonus for the year of termination. These benefits are conditioned on the executive's continued compliance with the restrictive covenants set forth in the Amended Agreements. In all other material respects, the Amended Agreements are otherwise substantially similar to the Prior Agreements.

The foregoing description of the Amended Agreements does not purport to be complete and is subject to, and qualified in its entirety by, the description of the Prior Agreements contained in the Company's full text of the Amended Agreements, a form of which is attached to this Form 10-Q as Exhibit 10.3 and incorporated by reference herein.

Trading Plans

During the quarter ended September 30, 2025, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408(a) of Regulation S-K).

Item 6. Exhibits

Exhibits filed as part of this report are listed below.

No.	Description	Filed/ Furnished with this Form 10-Q	Incorporated by Reference		
			Form	File No.	Date Filed
3.1	Restated Certificate of Incorporation of the Company.		10-Q	000-26640	8/9/2006
3.2	Amended and Restated Bylaws of the Company.		8-K	000-26640	10/25/2023
4.1	Form of certificate representing shares of common stock of the Company.		8-K	000-26640	5/19/2006
10.1	Fourth Amended and Restated Credit Agreement dated July 10, 2025, by and among Pool Corporation, as U.S. Borrower, SCP Distributors Canada Inc., as Canadian Borrower, SCP International, Inc., as Euro Borrower, Wells Fargo Bank, National Association, as Administrative Agent, and certain other lenders party thereto.		8-K	000-26640	7/14/2025
10.2	Fourth Amendment to Credit Agreement dated July 10, 2025, by and among Pool Corporation, as Borrower, the guarantors party thereto, and Bank of America, N.A., as lender.		8-K	000-26640	7/14/2025
10.3	Form of Employment Agreement for Executive Officers, Including CEO.	X			
31.1	Certification by Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X			
31.2	Certification by Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X			
32.1	Certification by Chief Executive Officer and Chief Financial Officer furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X			
101.INS	+ Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	X			
101.SCH	+ Inline XBRL Taxonomy Extension Schema Document	X			
101.CAL	+ Inline XBRL Taxonomy Extension Calculation Linkbase Document	X			
101.DEF	+ Inline XBRL Taxonomy Extension Definition Linkbase Document	X			
101.LAB	+ Inline XBRL Taxonomy Extension Label Linkbase Document	X			
101.PRE	+ Inline XBRL Taxonomy Extension Presentation Linkbase Document	X			
104	+ Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)	X			

+ Attached as Exhibit 101 to this report are the following items formatted in iXBRL (Inline Extensible Business Reporting Language):

- 1.Consolidated Statements of Income for the three and nine months ended September 30, 2025 and September 30, 2024;
- 2.Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2025 and September 30, 2024;
- 3.Consolidated Balance Sheets at September 30, 2025, December 31, 2024 and September 30, 2024;
- 4.Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2025 and September 30, 2024;
- 5.Consolidated Statements of Changes in Stockholders' Equity for the three and nine months ended September 30, 2025 and September 30, 2024; and
- 6.Notes to Consolidated Financial Statements.

SIGNATURE

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, thereunto duly authorized on October 29, 2025.

POOL CORPORATION

By: /s/ Melanie Housey Hart
Melanie Housey Hart
Senior Vice President and Chief Financial Officer, and duly authorized signatory
on behalf of the registrant

POOL OFFICER FORM OF EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is made and entered into this [DATE], by and between SCP Distributors, LLC, a Delaware corporation ("Employer"), and [Employee Name] ("Employee").

RECITALS

1. Employer operates wholesale distribution facilities throughout the country.
2. Employee is currently employed by Employer, and Employer desires to continue to employ Employee, pursuant to the terms of this Agreement.
3. The parties desire to specify their rights and responsibilities with regards to each other by entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises as specified hereinafter, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. EMPLOYMENT. Employer continues to employ Employee, and Employee continues to accept employment with Employer upon the terms and conditions stated in this Agreement. Employee understands and acknowledges that employment shall remain "at will" at all times notwithstanding the existence of this Agreement.

2. TERM. The Agreement shall become effective upon execution by both parties, and shall remain in full force and effect until terminated pursuant to the provisions of this Agreement.

3. COMPENSATION.

3.1. Salary. Employer shall pay Employee's gross annual salary ("Salary") during such time Employee is employed by Employer. Employee's Salary is presently set at the amount of \$[Annual Salary] payable in equal installments not less than bi-weekly. Employee's Salary may be increased or decreased, from time to time, at the sole discretion of Employer.

3.2. Bonus. Employee may be eligible to receive a gratuitous annual bonus pursuant to a separate Bonus Plan (the "Bonus"). Subject to applicable law, the Bonus shall be paid by Employer to Employee on and shall not be earned by Employee unless Employee is employed on, February 28th of the year following the calendar year in which the Bonus is applicable. If Employee is not employed, for any reason, on the date the bonus is paid, Employee understands and acknowledges that the Bonus has not been earned, and Employee shall not be eligible to receive a Bonus.

3.3 Bonus Acknowledgment. Bonuses are paid at the discretion of management and the Board of Directors. Bonuses are never guaranteed and are strictly gratuitous in nature. Employee acknowledges and agrees that whether a bonus will be paid and the eligibility criteria used to define the Bonus as set forth in Section 3.2 is subject to change, from year to year, and that it is Employer's policy that such bonuses are not earned until they are actually paid to Employee on or before February 28th of each year following the calendar year in which the bonus is applicable. Employee further understands and acknowledges that bonuses

do not accrue and are not subject to pro rata payment. If Employee is not employed on the date the bonus is paid for any reason, including termination or voluntary resignation, employee shall not be eligible for any bonus.

3.4 Withholding Taxes. All compensation paid to Employee pursuant to this section 3 shall be subject to all applicable state, federal and local withholding taxes.

3.5 Automobile Allowance. Employer may provide Employee with a vehicle under Employer's guidelines for like managers.

4.EMPLOYEE BENEFITS. Employee shall be entitled to participate in all benefits Employer provides or makes available to similarly situated employees in the same classification or equivalent level of responsibility, as changed from time to time by Employer.

5.EXTENT OF SERVICES. Employee shall devote his/her entire time, attention and energies to Employer's business and shall not, during the term of this Agreement, be engaged in any other business activity that interferes with Employee's duties for Employer as determined in the sole discretion of Employer, whether or not such business activity is pursued for gain, profit or other pecuniary advantage. However, Employee may invest his/her assets in such form or other manner as will not require his/her services in the operation of the affairs of the companies in which such investments are made.

6.DISCLOSURE OF INFORMATION.

6.1. Employee acknowledges his/her position with Employer has given Employee access to and will continue to give Employee access to certain confidential and proprietary information ("Confidential Information") of Employer and such Confidential Information, including but not limited to Employer's products and services, business plans, business acquisitions, processes, product or service research and development methods or techniques, training methods and other operational methods or techniques, quality assurance procedures or standards, operating procedures, files, plans, specifications, proposals, drawings, charts, graphs, support data, trade secrets, supplier lists, supplier information, purchasing methods or practices, distribution and selling activities, consultants' reports, marketing or other technical studies, maintenance records, employment or personnel data, marketing data, strategies or techniques, financial reports, budgets, projections, cost analyses, price lists, formulae and analyses, employee lists, customer records, customer lists, customer source lists, proprietary computer software, and internal notes and memoranda relating to any of the foregoing, is a valuable, special and unique asset of Employer's business. In consideration of Employee's continued employment with Employer, Employee agrees that he/she will not communicate, disclose, divulge or make available to any person or entity (other than Employer) any Confidential Information that he/she may know or possess or hereafter come to know or possess as a result of his/her employment hereunder, except upon the prior written authorization of Employer or as may be required by law or legal process. In the event of a breach or threatened breach by Employee of the provisions of this section 6, Employer shall be entitled to an injunction restraining Employee from disclosing, in whole or in part, Employer's Confidential Information, or from rendering any services to any person, firm corporation, association, or another entity to whom such Confidential Information, in whole or in part, has been disclosed or is threatened to be disclosed, it being acknowledged by Employee that any such breach or threatened breach will cause irreparable injury to Employer. Nothing in this section 6 shall be construed as prohibiting Employer from pursuing any other remedies available to Employer for such breach or threatened breach, including the recovery from Employee of damages, attorney fees and other costs and expenses incurred by Employer. All memoranda, notes, records or other documents compiled by Employee or made available to Employee during the Term, concerning the business of Employer and its customers, shall be the property of Employer and shall be delivered to Employer upon the termination of Employee's employment as provided herein, or at any other time upon request.

6.2. Notice of Immunity Under the Defend Trade Secrets Act of 2016 ("DTSA"). Notwithstanding any other provision of this Agreement:

6.2.1 Employee will not be held criminally or civilly liable under any federal or state trade secret law for any disclosure of a trade secret that:

6.2.1.1 is made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or

6.2.1.2 is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding.

6.2.2 If Employee files a lawsuit for retaliation by Employer for reporting a suspected violation of law, Employee may disclose Employer's trade secrets to Employee's attorney and use the trade secret information in the court proceeding if Employee:

6.2.2.1 files any document containing the trade secret under seal; and

6.2.2.2 does not disclose the trade secret, except pursuant to court order.

7. TERMINATION.

7.1 In addition to the reasons provided in Sections 7.3, 7.4, 7.5 and 7.6, Employer may terminate Employee's employment under this Agreement for any reason or no reason upon fourteen (14) days written notice to Employee. Employee may terminate Employee's employment under this Agreement upon fourteen (14) days written notice to Employer.

7.2 If Employer terminates Employee's employment for any reason other than as provided in Sections 7.3, 7.4, 7.5 or 7.6, then:

7.2.1 Employer shall pay Employee [fifty-two (52) weeks for CEO; twenty-six (26) weeks for other executives] of Employee's Salary ("Post-Employment Salary Benefit"), bi-weekly, subject to withholding and other applicable taxes, and

7.2.2 should Employee elect to continue any health coverage in place as of the date on which Employee's employment with Employer ends under Employer's group health plan as are then accorded under applicable federal, state, and local laws governing continuation of group health coverage for insured, employer group health plans ("Health Insurance Continuation Coverage"), Employer shall pay each premium due for Health Insurance Continuation Coverage, for a maximum of twelve (12) months (the "Employer-Contribution Period"), by means of reimbursement to Employee or by direct payment to the applicable insurer. Thereafter, Employee will be required to pay the full cost of such Health Insurance Continuation Coverage. If Employee acquires group health coverage from another employer prior to the expiration of the Employer-Contribution Period, Employer's obligation to pay for health insurance premiums towards Health Insurance Continuation Coverage shall cease. Employee must immediately notify Employer should Employee acquire group health coverage prior to the expiration of the Employer-Contribution Period. To be reimbursed for health insurance premium(s) as detailed above, Employee must submit proof of payment to Employer within thirty (30) days of payment for coverage. If Employee fails to timely make the Employee's Health Insurance Continuation Coverage payment(s) to the applicable insurer, Employee's insurance will be subject to cancellation per the terms of the plan. Health Savings Account ("HSA") payments are specifically excluded from this Agreement and not payable.

The Post-Employment Salary Benefit and any amounts payable to Employee during the Employer-Contribution Period (collectively, the "Severance Compensation") under this Section 7.2 shall be subject to Section 10.9 and conditioned upon (i) Employee's execution and non-revocation of a general release of claims, in form and substance reasonably satisfactory to Employer, and (ii) Employee's continued compliance with Employee's post-termination obligations including the covenants set forth in Sections 6 and 8 of the Employment Agreement.

7.3 Except as provided in Section 7.6 below, if Employee terminates his/her employment as provided in Section 7.1 above, Employer shall have the option of immediately terminating Employee without any further liability or obligation to Employee, including the obligation to pay Severance Compensation under Section 7.2.

7.4 Employer may terminate Employee's employment under this Agreement for Cause without any obligation of providing advance notice to Employee and without any obligation to pay Severance Compensation under Section 7.2. For the purposes of this Agreement, "Cause" shall mean:

7.4.1. Employee's material breach of this Agreement;

7.4.2. Employee's misconduct which may reasonably be anticipated to have an adverse effect upon

Employer's business;

7.4.3. Employee's disregard of the lawful instructions of the Board of Directors or Officers of Employer that are consistent with Employee's position;

7.4.4. Employee's abuse of alcohol or drugs;

7.4.5. Employee's commission of a felony or an act involving fraud, theft or dishonesty;

7.4.6. Employee's failure to adequately perform his/her duties as determined in the sole discretion of Employer;

7.4.7. Employee's intentional furnishing of materially false, misleading, or omissive information to the Board of Directors or Officers of Employer, that is detrimental to the Company;

7.4.8. Employee's breach or threatened breach of the provisions of this Section 7 of this Agreement; or

7.4.9. Employee's failure or refusal to comply or Employer's reasonable belief that Employee has failed or refused to comply with Employer's policies, standards, or regulations as set forth in Employer's Employee Handbook and other employment policies, a copy of which Employee hereby acknowledges that he or she has received, read and understands.

7.5 Employer may terminate Employee's employment under this Agreement in the event of Employee's death or "disability." Disability is defined as Employee's physical or mental disability significant enough to preclude performance of his/ her essential job duties for an indefinite or undeterminable period of time based upon then medically available information.

7.6 If Employee's employment is terminated by Employer without Cause or by Employee for Good Reason within two years following a Change of Control, then in lieu of the Severance Compensation that may be due under Section 7.2, (a) Employer shall pay Employee an increased Post-Employment Salary Benefit of [One Hundred four (104) weeks for CEO; seventy-eight (78) weeks for other executives] ("COC Post-Employment Salary Benefit"), bi-weekly, subject to withholding and other applicable taxes; (b) should Employee elect to Health Insurance Continuation Coverage, Employer shall pay the Employer Contribution Period for a maximum of up to eighteen (18) months and as otherwise provided in Section 7.2.2 above ("Extended Employer Contribution Period"); and (c) the Bonus to be paid February 28th of the year following the calendar year in which the Employee's employment is terminated (as set forth in Section 3.2 above) shall be paid in full at target on February 28th ("Change of Control Bonus") (the COC Post-Employment Salary Benefit, Extended Employer Contribution Period, and Change of Control Bonus, collectively, the "Change of Control Severance Compensation"). Additionally, Employee at his/her option may purchase his/her vehicle provided in Section 3.5 above at lesser of market value or book value. For purposes of this Agreement, the following definitions shall apply:

"Good Reason" shall mean any of the following (without Employee's express written consent): (i) a material diminution in Employee's Salary, (ii) a material diminution in Employee's authority, duty or responsibilities, or (iii) Employer's requiring Employee to be based at any office or location more than 50 miles from Employee's principal office or location. Notwithstanding the foregoing, Employee shall not have the right to terminate Employee's employment hereunder for Good Reason unless (1) within 30 days of the initial existence of the condition Employee provides written notice to Employer of the existence of such condition or condition, and (2) Employer fails to remedy such condition or conditions within 30 days following the receipt of such written notice (the "Cure Period"). If any such condition is not remedied within the Cure Period, Employee must terminate Employee's employment with Employer within a reasonable period of time, not to exceed 30 days, following the end of the Cure Period.

"Change of Control" shall mean (1) the acquisition by any person of beneficial ownership of 50% or more of the outstanding shares of the Common Stock or 50% or more of the combined voting power of Pool Corporation's then outstanding securities entitled to vote generally in the election of directors; provided, however, that the following acquisitions shall not constitute a Change of Control: (a) any acquisition (other than a Business Combination (as defined under (3) hereof) of Common Stock directly from Pool Corporation, (b) any acquisition of Common Stock by Pool Corporation, (c) any acquisition of Common Stock by any employee benefit plan (or related trust) sponsored or maintained by Pool Corporation or any corporation controlled by Pool Corporation, or (d) any acquisition of Common Stock by any corporation pursuant to a Business Combination that does not constitute a Change of Control under (3) hereof; or (2) a majority of the directors of Pool Corporation shall be persons other than persons (a) for whose elections proxies shall have been solicited by the Board, or (b) who are then serving as directors appointed by the Board to fill vacancies on the Board caused by death or resignation (but not by removal) or to fill newly-created directorships; (3) approval by the stockholders of Pool Corporation of a complete liquidation or dissolution of Pool Corporation;

or (4) consummation of a reorganization, share exchange, merger or consolidation (including any such transaction involving any direct or indirect subsidiary of Pool Corporation) or sale or other disposition of all or substantially all of the asset of Pool Corporation (a "Business Combination"); provided however that in no such case shall any such transaction constitute a change of Control if immediately following such Business Combination: (a) the individuals and entities who were beneficial owners of the individuals and entities who were the beneficial owners of Pool Corporation's outstanding Common Stock and Pool Corporation's voting securities entitled to vote generally in the election of directors immediately prior to such Business Combination have direct or indirect beneficial ownership, respectively, of more than 50% of the then outstanding shares of common stock, and more than 50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the surviving or successor corporation, or, if applicable, the ultimate parent company thereof (the "Post-Transaction Corporation"), and (b) except to the extent that such ownership existed prior to the Business Combination, no person (excluding the Post-Transaction Corporation and any employee benefit plan or related trust of either Pool Corporation, the Post-Transaction Corporation or any subsidiary of either corporation) beneficially owns, directly or indirectly, 50% or more of the then outstanding shares of common stock of the corporation resulting from such Business Combination or 50% or more of the combined voting power of the then outstanding voting securities of such corporation, and (c) at least a majority of the members of the board of directors of the Post-Transaction Corporation were members of the Board at the time of the execution of the initial agreement, or of the action of the Board of Directors, providing for such Business Combination. For purposes hereof, the term "person" shall mean a natural person or entity, and shall also mean the group or syndicate created when two or more persons act as a syndicate or other group (including, without limitation, a partnership or limited partnership) for the purpose of acquiring, holding, or disposing of a security, except that "person" shall not include an underwriter temporarily holding a security pursuant to an offering of the security.

The Change of Control Severance Compensation under this Section 7.6 shall be subject to Section 10.9 and conditioned upon Employee's continued compliance with Employee's post-termination obligations, including the covenants set forth in Sections 6 and 8 of this Agreement.

7.7 Notwithstanding anything in this Agreement to the contrary, both during the term of this Agreement and [his or her] employment with Employer or any of its affiliates, and thereafter, Employee hereby consents and agrees to be bound by the Pool Corporation Clawback Policy, as adopted by the Board of Directors of Pool Corporation to comply with and interpreted to be consistent with Section 10D of the Securities Exchange Act of 1934, as amended, Rule 10D-1 promulgated under the Exchange Act and Nasdaq Listing Rule 5608, as applicable, and any similar policy adopted by the Board of Directors of Pool Corporation or its committees, as such policies may be amended from time to time.

8. RESTRICTIVE COVENANT.

8.1 Employee hereby acknowledges and recognizes that during the term of his/her employment with Employer, he/she will be privy to trade secrets and Confidential Information critical to Employer's business within certain markets, and that Employer may find it extremely difficult and disruptive to replace Employee.

8.2 Employee hereby further acknowledges that Employer operates swimming pool supply and distribution facilities, landscaping and irrigation system services and distribution facilities, as well as related leisure products through wholesale distribution facilities throughout the country (the "Company Business") and specifically acknowledges that Employer carries on business and provides services in [will vary].

8.3 In consideration of [his/her] employment and continued employment with Employer, training in Employer's techniques, access to Employer's Confidential Information, the consideration to be received by Employee hereunder, and the other promises contained herein, and for the purpose of protecting Employer's customer relationships, goodwill, valuable information, and Confidential Information, Employee hereby agrees that he/she will not, from and after the effective date of this Agreement until the first anniversary of the termination of Employee's employment with Employer:

8.3.1 carry on or engage in any activity in [will vary], directly or indirectly, in whole or in part, as an employee, employer, owner, operator, manager, advisor, affiliate, consultant, contractor, agent, partner, director, stockholder, officer, volunteer, intern, or any other similar capacity (such business or activity being hereinafter called a "Competing Business") on behalf of (or with respect to) an entity engaged in the same or similar business as Employer, including those engaged in any Company Business (except that nothing in this Section 8.3.1 shall prevent Employee from working in a capacity that does not compete with those aspects of the Company Business in which Employee was engaged while employed at Employer;

8.3.2 directly or indirectly solicit any customer of Employer in [will vary];

8.3.3.assist others in carrying on or engaging in any Competing Business or soliciting any customer of Employer in [will vary];

8.3.4.induce Employer's customers as they exist at the time Employee's employment is terminated to change or alter in any manner their business dealings with Employer.

8.3.5.directly or indirectly contact or cause to be contacted any of Employer's customers, as they exist at the time Employee's employment is terminated, in [will vary]; or

8.3.6.induce other employees of Employer to terminate their employment with Employer or engage in any Competing Business.

8.4 Employee acknowledges and agrees that the foregoing restrictions are necessary to protect Employer's legitimate business interests and will limit his/her ability to become employed with a Competing Business, but [he/she] nevertheless understands that [he/ she] has received and will in the future receive sufficient consideration and other benefits as an Employee of Employer and as otherwise provided hereunder to clearly justify such restrictions, which in any event (given his/her education, skills, and ability) Employee does not believe would prevent him/her from earning a living.

8.5 Employee acknowledges and agrees that compliance with this Restrictive Covenant is necessary to protect the business and good will of Employer and that a violation of this Agreement will cause irreparable injury to Employer. Therefore, Employee agrees that in the event of Employee's actual or threatened breach of the provisions of this section 8, Employer shall be entitled to obtain an injunction enjoining Employee from committing such actual or threatened breach without having to prove that it has suffered irreparable injury and without posting any bond or other security. Employer shall also be permitted to pursue any other available remedies available for such breach or threatened breach, including the recovery of damages from Employee, and Employee shall reimburse Employer for all reasonable costs associated with the enforcement of this section 8 including court costs and reasonable attorneys' fees. If a court of competent jurisdiction determines that any provision or restriction in this section 8 is unreasonable or unenforceable, said court shall modify such restriction or provision so that it then becomes an enforceable restriction of the activities of Employee that are competitive with Employer.

9.NOTICES.

9.1.Any notice, request, or other communication required or permitted under this Agreement shall be in writing. Notice shall be deemed given only if sent by registered or certified mail, return receipt requested. Any notice so mailed shall be deemed given on the date received. All such notices shall be given to the respective parties at the addresses designated below, or to such other address as a party may designate in a like manner:

If to Employer: Jennifer Neil

Office of General
Counsel SCP
Distributors, LLC
109 Northpark Blvd., 1st Floor
Covington, LA 70433

Copy to: Peter Arvan

Chief Executive
Officer SCP
Distributors, LLC
109 Northpark Blvd., 1st Floor
Covington, LA 70433

If to Employee: [Name]
[Address 1]
[Address 2]

The refusal by a party to accept a notice does not affect the giving of the notice.

10. MISCELLANEOUS.

10.1. Entire Agreement: Further Assurances. With the exception of a separate Arbitration Agreement to be executed between Employer and Employee (which shall remain in full force and effect), this Agreement constitutes the entire agreement between the parties pertaining to Employee's employment of Employer, and this Agreement supersedes all prior negotiations, and agreements, whether written or oral. Each party hereto agrees to execute and deliver such other documents, agreements or instruments and to take such further action as may be reasonably requested by the other party hereto for the implementation of this Agreement and the consummation of the transaction contemplated hereby.

10.2. Severability. If any provision of this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision or part of a provision of this Agreement; but this Agreement shall be reformed and construed as if such provision had never been contained in it, and any such provision shall be reformed so that it would be valid, legal and enforceable to the maximum extent permitted.

10.3. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which counterparts collectively shall constitute one document representing the agreement among the parties. The parties agree that an electronic copy of this Agreement shall have the same force and effect as the original.

10.4. Amendment. This Agreement may not be amended, discharged, or terminated, or changed orally. Any amendment, discharge, termination, or change to this Agreement shall be in writing and signed by both parties.

10.5. Waiver of Breach. The waiver by any party of a breach of any provision of this Agreement or the failure of any party to insist upon compliance with any condition hereof shall not operate or be construed as a waiver of any subsequent breach; and no waiver shall be valid unless it is in writing and is signed by both parties.

10.6. Applicable Law. This Agreement shall be construed in accordance with the laws of the State of [Louisiana] without reference to principles of conflicts of law.

10.7. Survival. The provisions and restrictions contained in sections 6 and 8 shall survive the termination of this Agreement.

10.8. Attorneys' Fees and Expenses. In the event Employer is required to enforce any of its rights granted under this Agreement, Employer shall be entitled to recover from Employee the reasonable attorneys' fees, costs and expenses incurred by Employer, regardless of whether or not Employer seeks injunctive relief, institutes legal process and/or files a demand for Arbitration.

10.9. Section 409A Compliance. The following provisions shall apply for purposes of complying with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance issued thereunder ("Section 409A"):

10.9.1 This Agreement is intended to comply with the requirements of Section 409A or an applicable exemption. Accordingly, all provisions of this Agreement shall be construed and interpreted to comply with Section 409A. In furtherance of that intent, if payment or provision of any amount or benefit hereunder that is subject to Section 409A at the time specified herein would subject such amount or benefit to any additional tax under Section 409A, the payment or provision of such amount or benefit shall be postponed to the earliest commencement date on which the payment or provision of such amount or benefit could be made without incurring such additional tax.

10.9.2 All reimbursements and in-kind benefits provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during Employee's lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a single calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

10.9.3 No payments or benefits to be made to Employee under this Agreement upon a termination of employment and that are subject to Section 409A shall be made unless such termination of employment constitutes a "separation from service" as defined in Section 409A. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term

deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment.

10.10.Recitals. All recitals set forth at the outset of this Agreement are incorporated by reference and are true.

10.11.Full Disclosure. Employee acknowledges that receipt of restricted stock, stock options and/or any other gratuitous bonuses from Employer is conditioned upon the execution of this Agreement. Employer makes no representation, guarantee or promise that any such restricted stock, stock options and/or any other gratuitous bonuses may be issued now or in the future. Employee represents and acknowledges that Employee has carefully reviewed all of the terms and conditions in this Agreement, and has been advised of Employee's right to seek independent legal counsel prior to execution of this Agreement.

10.12.Successors and Assigns; Benefits. This Agreement is personal in nature, and Employee's rights and obligations hereunder may not be transferred or assigned by Employee other than by will or the laws of descent or distribution. The rights and obligations of Employer hereunder shall be binding upon and run in favor of the successors and assigns of Employer, and this Agreement shall inure to the benefit of Employer's successors and assigns. In the event of any attempted assignment or transfer of rights hereunder by Employee contrary to the provisions hereof, Employer shall have no further liability for payments hereunder.

10.13.Electronic Signature. Employee agrees that Employee's electronic signature is the legally binding equivalent to Employee's handwritten signature. Employee further agrees that whenever Employee executes an electronic signature, it has the same validity and meaning as Employee's handwritten signature. Employee will not, at any time in the future, repudiate the meaning of Employee's electronic signature or claim that Employee's electronic signature is not legally binding.

IN WITNESS WHEREOF, the parties have entered into this Agreement the date first written above.

EMPLOYEE

SCP Distributors LLC

Name
Title:
Date:_____

By:_____
Name: Luther Willems
Title: Vice President, CHRO
Date:_____

**Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Melanie Housey Hart, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pool Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2025

/s/ Melanie Housey Hart
Melanie Housey Hart
Senior Vice President and Chief Financial Officer

**Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Peter D. Arvan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pool Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2025

/s/ Peter D. Arvan
Peter D. Arvan
President and Chief Executive Officer

**Certification of CEO and CFO Pursuant to 18 U.S.C. Section 1350
(Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)**

In connection with the Quarterly Report on Form 10-Q of Pool Corporation (the “Company”) for the period ending September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Peter D. Arvan, as Chief Executive Officer of the Company, and Melanie Housey Hart, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 29, 2025

/s/ Peter D. Arvan
Peter D. Arvan
President and Chief Executive Officer

/s/ Melanie Housey Hart
Melanie Housey Hart
Senior Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.
