

**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 28, 2025
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Commission file number 0-7647

HAWKINS, INC.

(Exact name of registrant as specified in its charter)

Minnesota

(State or other jurisdiction of
incorporation or organization)

2381 Rosegate, Roseville, Minnesota

(Address of principal executive offices)

41-0771293

(I.R.S. Employer
Identification No.)

55113

(Zip code)

(612) 331-6910

(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 \$.01 per share	HWKN	The Nasdaq Stock Market LLC

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 Regulation 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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

CLASS	Shares Outstanding at October 24, 2025
Common Stock, par value \$.01 per share	20,890,239

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

HAWKINS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In thousands, except share data)

	September 28, 2025	March 30, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 10,415	\$ 5,103
Trade accounts receivables, net	131,090	131,795
Inventories	92,905	83,512
Income taxes receivable	—	2,864
Prepaid expenses and other current assets	5,148	7,417
Total current assets	239,558	230,691
PROPERTY, PLANT, AND EQUIPMENT:		
Less accumulated depreciation	208,446	195,667
Net property, plant, and equipment	247,443	225,286
OTHER ASSETS:		
Right-of-use assets	17,404	13,449
Goodwill	222,145	135,409
Intangible assets, net of accumulated amortization	241,077	150,121
Deferred compensation plan asset	13,950	11,185
Other	2,587	3,726
Total other assets	497,163	313,890
Total assets	\$ 984,164	\$ 769,867
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable — trade	\$ 55,270	\$ 61,195
Accrued payroll and employee benefits	14,726	19,659
Income tax payable	1,218	—
Current portion of long-term debt	9,812	9,913
Environmental remediation	7,700	7,700
Other current liabilities	9,834	8,668
Total current liabilities	98,560	107,135
LONG-TERM LIABILITIES:		
Long-term debt, less current portion	268,328	138,906
Long-term lease liability	15,114	10,920
Pension withdrawal liability	2,960	3,155
Deferred income taxes	22,155	22,356
Deferred compensation liability	15,233	13,132
Earnout liabilities	54,556	12,604
Other long-term liabilities	290	1,367
Total long-term liabilities	378,636	202,440
Total liabilities	477,196	309,575
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Common stock; authorized: 60,000,000 shares of \$0.01 par value; 20,740,284 and 20,684,621 shares issued and outstanding as of September 28, 2025 and March 30, 2025, respectively	207	207
Additional paid-in capital	27,261	24,094
Retained earnings	478,309	434,259
Accumulated other comprehensive income	1,191	1,732
Total shareholders' equity	506,968	460,292
Total liabilities and shareholders' equity	\$ 984,164	\$ 769,867

See accompanying notes to condensed consolidated financial statements.

HAWKINS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(In thousands, except share and per-share data)

	Three Months Ended		Six Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Sales	\$ 280,434	\$ 247,029	\$ 573,706	\$ 502,908
Cost of sales	(212,791)	(186,807)	(433,701)	(378,031)
Gross profit	67,643	60,222	140,005	124,877
Selling, general and administrative expenses	(33,703)	(26,477)	(64,732)	(51,341)
Operating income	33,940	33,745	75,273	73,536
Interest expense, net	(3,832)	(1,427)	(7,101)	(2,690)
Other income	721	673	1,663	832
Income before income taxes	30,829	32,991	69,835	71,678
Income tax expense	(8,231)	(8,873)	(18,062)	(18,681)
Net income	\$ 22,598	\$ 24,118	\$ 51,773	\$ 52,997
Weighted average number of shares outstanding - basic	20,737,743	20,757,397	20,727,614	20,786,938
Weighted average number of shares outstanding - diluted	20,845,744	20,860,418	20,837,595	20,898,641
Basic earnings per share	\$ 1.09	\$ 1.16	\$ 2.50	\$ 2.55
Diluted earnings per share	\$ 1.08	\$ 1.16	\$ 2.48	\$ 2.54
Cash dividends declared per common share	\$ 0.19	\$ 0.18	\$ 0.37	\$ 0.34

See accompanying notes to condensed consolidated financial statements.

HAWKINS, INC.**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**

(In thousands)

	Three Months Ended		Six Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Net income	\$ 22,598	\$ 24,118	\$ 51,773	\$ 52,997
Other comprehensive income, net of tax:				
Unrealized loss on interest rate swap	(217)	(1,330)	(541)	(1,436)
Total comprehensive income	<u>\$ 22,381</u>	<u>\$ 22,788</u>	<u>\$ 51,232</u>	<u>\$ 51,561</u>

See accompanying notes to condensed consolidated financial statements.

HAWKINS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)

(In thousands, except share data)

	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount				
BALANCE — March 30, 2025	<u>20,684,621</u>	<u>\$ 207</u>	<u>\$ 24,094</u>	<u>\$ 434,259</u>	<u>\$ 1,732</u>	<u>\$ 460,292</u>
Cash dividends declared and paid (\$0.18 per share)	—	—	—	(3,754)	—	(3,754)
Share-based compensation expense	—	—	2,212	—	—	2,212
Vesting of restricted stock	61,819	—	(1)	—	—	(1)
Shares surrendered for payroll taxes	(28,590)	—	(3,028)	—	—	(3,028)
Other comprehensive income, net of tax	—	—	—	—	(324)	(324)
Net income	—	—	—	29,175	—	29,175
BALANCE — June 29, 2025	<u>20,717,850</u>	<u>\$ 207</u>	<u>\$ 23,277</u>	<u>\$ 459,680</u>	<u>\$ 1,408</u>	<u>\$ 484,572</u>
Cash dividends declared and paid (\$0.19 per share)	—	—	—	(3,969)	—	(3,969)
Share-based compensation expense	—	—	2,375	—	—	2,375
Vesting of restricted stock	6,734	—	—	—	—	—
ESPP shares issued	15,700	—	1,609	—	—	1,609
Other comprehensive income, net of tax	—	—	—	—	(217)	(217)
Net income	—	—	—	22,598	—	22,598
BALANCE — September 28, 2025	<u>20,740,284</u>	<u>\$ 207</u>	<u>\$ 27,261</u>	<u>\$ 478,309</u>	<u>\$ 1,191</u>	<u>\$ 506,968</u>
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount				
BALANCE — March 31, 2024	<u>20,790,261</u>	<u>\$ 208</u>	<u>\$ 38,154</u>	<u>\$ 364,549</u>	<u>\$ 3,115</u>	<u>\$ 406,026</u>
Cash dividends declared and paid (\$0.16 per share)	—	—	—	(3,358)	—	(3,358)
Share-based compensation expense	—	—	1,467	—	—	1,467
Vesting of restricted stock	83,658	1	(1)	—	—	—
Shares surrendered for payroll taxes	(34,047)	(1)	(2,540)	—	—	(2,541)
Shares repurchased	(105,541)	(1)	(9,148)	—	—	(9,149)
Other comprehensive income, net of tax	—	—	—	—	(106)	(106)
Net income	—	—	—	28,879	—	28,879
BALANCE — June 30, 2024	<u>20,734,331</u>	<u>\$ 207</u>	<u>\$ 27,932</u>	<u>\$ 390,070</u>	<u>\$ 3,009</u>	<u>\$ 421,218</u>
Cash dividends declared and paid (\$0.18 per share)	—	—	—	(3,763)	—	(3,763)
Share-based compensation expense	—	—	1,832	—	—	1,832
Vesting of restricted stock	10,647	—	—	—	—	—
ESPP shares issued	21,786	1	1,296	—	—	1,297
Other comprehensive income, net of tax	—	—	—	—	(1,330)	(1,330)
Net income	—	—	—	24,118	—	24,118
BALANCE — September 29, 2024	<u>20,766,764</u>	<u>\$ 208</u>	<u>\$ 31,060</u>	<u>\$ 410,425</u>	<u>\$ 1,679</u>	<u>\$ 443,372</u>

See accompanying notes to condensed consolidated financial statements.

HAWKINS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In thousands)

	Six Months Ended	
	September 28, 2025	September 29, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 51,773	\$ 52,997
Reconciliation to cash flows:		
Depreciation and amortization	25,553	19,256
Change in fair value of earnout liabilities	(1,048)	684
Operating leases	1,881	1,607
Gain on deferred compensation assets	(1,664)	(833)
Stock compensation expense	4,587	3,299
Other	8	(32)
Changes in operating accounts providing (using) cash:		
Trade receivables	5,140	616
Inventories	(5,196)	(6,403)
Accounts payable	(11,013)	(4,218)
Accrued liabilities	(4,209)	(7,285)
Lease liabilities	(1,897)	(1,624)
Income taxes	4,082	341
Other	3,034	811
Net cash provided by operating activities	71,031	59,216
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant, and equipment	(24,342)	(21,286)
Acquisitions	(162,508)	(25,400)
Other	1,037	357
Net cash used in investing activities	(185,813)	(46,329)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash dividends declared and paid	(7,723)	(7,121)
New shares issued	1,609	1,297
Payroll taxes paid in exchange for shares withheld	(3,028)	(2,541)
Shares repurchased	—	(9,149)
Payments on revolving loan	(40,000)	(40,000)
Payments for debt issuance costs	(764)	—
Proceeds from revolving loan borrowings	170,000	45,000
Net cash provided by (used in) financing activities	120,094	(12,514)
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,312	373
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	5,103	7,153
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 10,415	\$ 7,526
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid for income taxes	\$ 13,980	\$ 18,340
Cash paid for interest	\$ 7,182	\$ 2,923
Noncash investing activities - capital expenditures in accounts payable	\$ 1,568	\$ 1,094

See accompanying notes to condensed consolidated financial statements.

Note 1 – Summary of Significant Accounting Policies

Basis of Presentation. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions for Form 10-Q and, accordingly, do not include all information and footnotes required by generally accepted accounting principles for complete financial statements. These financial statements should be read in conjunction with the consolidated financial statements and footnotes included in our [Annual Report on Form 10-K for the fiscal year ended March 30, 2025](#), previously filed with the Securities and Exchange Commission ("SEC"). In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to present fairly our financial position and the results of our operations and cash flows for the periods presented. All adjustments made to the interim condensed consolidated financial statements were of a normal recurring nature. All significant intercompany accounts and transactions have been eliminated in consolidation. The results of operations for the six months ended September 28, 2025 are not necessarily indicative of the results that may be expected for the full year.

As used in this Form 10-Q, except where otherwise stated or indicated by the context, "Hawkins," "we," "us," the Company," or "our" means Hawkins, Inc. and its subsidiaries. References to "fiscal 2024" refer to the fiscal year ended March 31, 2024, references to "fiscal 2025" refer to the fiscal year ended March 30, 2025, and references to "fiscal 2026" refer to the fiscal year ending March 29, 2026.

Effective beginning with the first quarter of fiscal 2026, we realigned our reporting segments to reflect organizational changes made and to reflect the way we manage our operations and allocate resources. We believe this realignment better reflects the value our company provides to our customers and our evolution from a bulk commodity distributor into a specialty ingredients company. We now organize and manage our business by the following three segments, each of which meets the definition of reportable segments under ASC 280-10, *Segment Reporting*: Water Treatment, Food & Health Sciences, and Industrial Solutions. These segments are defined primarily by product and type of customer. Information presented in this quarterly report has been recast to align with the new segments. Additional information regarding these new segments is set forth in Note 13 - Segment Information.

Use of Estimates. The preparation of condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, particularly receivables, inventories, property, plant and equipment, right-of-use assets, goodwill, intangibles, accrued expenses, short-term and long-term lease liability, income taxes and related accounts and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounting Policies. The accounting policies we follow are set forth in Note 1 – Nature of Business and Significant Accounting Policies to our consolidated financial statements in our [Annual Report on Form 10-K for fiscal 2025](#), previously filed with the SEC. There have been no significant change in our accounting policies since the end of fiscal 2025.

Recently Issued Accounting Pronouncements*Income Taxes (Topic 740): Improvements to Income Tax Disclosures (ASU No.2023-09)*

In December 2023, the Financial Accounting Standards Board ("FASB") issued accounting standards update No. 2023-09 to enhance the transparency and decision-usefulness of income tax disclosures and to provide information to better assess how an entity's operations and related tax risks and tax planning and operational opportunities affect its tax rate and prospects for future cash flows. For public business entities, the amendments in this update are effective for annual periods beginning after December 15, 2024. The adoption of ASU No. 2023-09 is not expected to have a material impact on our consolidated financial statements but will require a lower level of disclosure in our Form 10-K for the year ending March 29, 2026 and in periodic reports thereafter.

Disaggregation of Income Statement Expenses (ASU No.2024-03)

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses, which requires public entities to disclose, within the footnotes to the financial statements, disaggregated information about certain income statement expense captions, including disclosure of amounts for purchases of inventory, employee compensation, depreciation and intangible asset amortization, included in each relevant expense caption. ASU 2024-03 is effective for annual periods beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, on a prospective basis, with early adoption and retrospective application permitted. We are currently evaluating the impact of the adoption of this standard on our consolidated financial statement disclosures.

"One Big Beautiful Bill Act"

On July 4, 2025, the "One Big Beautiful Bill Act" (the "Act") was enacted into law. The Act included changes to U.S. tax law that were effective for us beginning with our quarter ending September 28, 2026. These changes included provisions allowing retroactive accelerated tax deductions for qualified property that resulted in an insignificant tax benefit for fiscal 2025 and are expected to have a similar impact in fiscal 2026.

Note 2 — Acquisitions

General

We generally pursue business combinations to strengthen our position in existing markets, increase our market share and product offerings and expand into new markets. Acquisitions are accounted for under the acquisition method of accounting. For each acquisition, the excess of the purchase consideration over the fair value of the net assets acquired and liabilities assumed is recorded as goodwill, which generally represents the combined value of our existing resources with the organizational talent of the acquired companies' respective management teams to maximize efficiencies, market share growth and overall financial performance. For each acquisition, we complete our allocation of purchase price to the fair values of acquired assets and liabilities within a one-year measurement period.

For each acquisition completed in fiscal 2025 and fiscal 2026, the results of operations since the acquisition date and the assets are included in our Water Treatment segment, with the exception of one immaterial acquisition in the second quarter of fiscal 2026 that was in our Food & Health Sciences segment. Costs associated with each acquisition were not material and were expensed as incurred.

Fiscal 2026 Acquisitions

Acquisition of WaterSurplus, Inc.: On April 25, 2025, we acquired substantially all of the assets and assumed certain liabilities of Surplus Management, Inc. d/b/a WaterSurplus ("WaterSurplus") for an initial purchase price of approximately \$149.9 million under the terms of an asset purchase agreement by and among WaterSurplus and related entities and their shareholders, Panther Acquisition Corporation, and Hawkins, Inc., as well as a related real estate purchase agreement. In addition, we may be obligated to pay an additional earnout amount based on a target of accumulated gross profit for the first five years after the acquisition. The maximum earnout liability of \$53.7 million was discounted and recorded at the estimated present value of \$43.0 million. WaterSurplus is based in Rockford, IL and delivers sustainable water treatment solutions to customers throughout the United States.

The total purchase price, including the estimated \$43.0 million earnout liability, was preliminarily allocated as follows: \$75.0 million to customer relationships, to be amortized over 15 years; \$6.2 million to trade names, to be amortized over 15 years; \$13.0 million to technology, to be amortized over 8 years; \$82.6 million to goodwill; \$13.2 million to property, plant and equipment; and the remaining amount of \$2.9 million to net working capital. During the three months ended September 28, 2025, a measurement period adjustment was finalized related to the acquisition of WaterSurplus. The initial accounting was provisional, and the final fair value of identified contract assets was higher than initially estimated. The total adjustment increased the carrying amount of contract assets by \$1.4 million and decreased the carrying amount of goodwill by \$1.4 million. The measurement period adjustment had no impact on the condensed consolidated statements of income for the three months ended September 28, 2025. The goodwill recognized as a result of this acquisition is expected to be deductible for tax purposes. The purchase price allocation is not yet complete due to the timing of the acquisition. The results of operations since the acquisition date and the assets are included in our Water Treatment segment. Costs associated with this transaction were not material and were expensed as incurred.

The following pro forma information has been prepared as if the WaterSurplus acquisition and the borrowing that financed the acquisition had occurred as of the beginning of the earliest fiscal period presented. The unaudited pro forma information is not necessarily indicative of what our consolidated results of operations actually would have been had the acquisition occurred at the beginning of each fiscal year, nor is it indicative of our future operational results.

(in thousands, except per share data)	Three Months Ended		Six Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Pro forma sales	\$ 280,434	\$ 254,948	\$ 575,861	\$ 518,621
Pro forma net income	\$ 22,598	\$ 21,593	\$ 51,764	\$ 48,161
Pro forma basic earnings per share	\$ 1.09	\$ 1.04	\$ 2.50	\$ 2.32
Pro forma diluted earnings per share	\$ 1.08	\$ 1.04	\$ 2.48	\$ 2.31

The unaudited pro forma financial information above is adjusted to reflect the following: (a) interest expense, including amortization of debt issuance costs, related to the approximately \$150 million of debt used to fund the acquisition and related purchase of real estate; (b) amortization expense related to the preliminary \$94 million of identifiable intangible assets recognized in conjunction with the acquisition; (c) depreciation expense as adjusted for adjusted fixed asset values; (d) remeasurement of the earnout payable at fair value; (e) adjustment to cost of goods sold for the inventory step-up adjustment; (f) adjustment for acquisition costs incurred; (g) elimination of net interest previously reflected on WaterSurplus' financial statements; and (h) recording income taxes at our effective tax rate for each period.

Sales of WaterSurplus of \$5.7 million for the three months ended September 28, 2025 and \$17.9 million for the six months ended September 28, 2025 were included in our condensed consolidated statements of income. Operating loss of WaterSurplus of \$2.3 million for the three months ended September 28, 2025 and \$0.2 million for the six months ended September 28, 2025 was also included in our condensed consolidated statements of income.

Inclusive of four additional immaterial acquisitions not discussed above, total cash consideration for the acquisitions completed in the six months ended September 28, 2025 was \$162.5 million.

Fiscal 2025 Acquisitions

We completed four acquisitions in fiscal 2025, including the previously announced acquisitions shown below.

Amerochem Corporation was acquired on January 31, 2025 for \$44.0 million. Located in North Carolina, Amerochem distributed water treatment chemicals and equipment to its customers located primarily in North Carolina.

Waterguard, Inc. was acquired on October 31, 2024 for \$18.0 million. Located in North Carolina, Waterguard distributed water treatment chemicals and equipment to its customers located primarily in North Carolina.

Intercoastal Trading, Inc. was acquired on June 3, 2024 for \$22.0 million. Located in Maryland, Intercoastal Trading distributed water treatment chemicals and equipment to its customers in Maryland, Delaware, and Virginia.

Inclusive of one immaterial acquisition not discussed above, total cash consideration for the 2025 acquisitions completed in the six months ended September 29, 2024 was \$25.4 million.

Note 3 - Revenue

Our revenue arrangements generally consist of a single performance obligation to transfer promised goods or services. We disaggregate revenues from contracts with customers by operating segments as well as types of products sold. Reporting by operating segment is pertinent to understanding our revenues, as it aligns to how we review the financial performance of our operations. The following tables disaggregate external customer net sales by major revenue stream as reviewed internally for the three and six months ended September 28, 2025 and September 29, 2024:

Three months ended September 28, 2025

(In thousands)	Water Treatment	Food & Health Sciences	Industrial Solutions	Total
Manufactured, blended, repackaged products or equipment ⁽¹⁾	\$ 137,516	\$ —	\$ 43,467	\$ 180,983
Bulk products ⁽²⁾	12,283	—	11,745	24,028
Nutrition	—	33,412	—	33,412
Food	—	24,548	—	24,548
Pharmaceutical	—	6,670	—	6,670
Agricultural	—	7,662	—	7,662
Other	1,109	622	1,400	3,131
Total external customer sales	<u>\$ 150,908</u>	<u>\$ 72,914</u>	<u>\$ 56,612</u>	<u>\$ 280,434</u>

Three months ended September 29, 2024

(In thousands)	Water Treatment	Food & Health Sciences	Industrial Solutions	Total
Manufactured, blended, repackaged products or equipment ⁽¹⁾	\$ 113,529	\$ —	\$ 38,766	\$ 152,295
Bulk products ⁽²⁾	9,753	—	11,100	20,853
Nutrition	—	32,447	—	32,447
Food	—	25,902	—	25,902
Pharmaceutical	—	6,095	—	6,095
Agricultural	—	6,306	—	6,306
Other	1,246	652	1,233	3,131
Total external customer sales	<u>\$ 124,528</u>	<u>\$ 71,402</u>	<u>\$ 51,099</u>	<u>\$ 247,029</u>

Six months ended September 28, 2025

(In thousands)	Water Treatment	Food & Health Sciences	Industrial Solutions	Total
Manufactured, blended or repackaged products ⁽¹⁾	\$ 273,863	\$ —	\$ 84,785	\$ 358,648
Bulk products ⁽²⁾	24,251	—	23,589	47,840
Nutrition	—	68,748	—	68,748
Food	—	50,625	—	50,625
Pharmaceutical	—	12,227	—	12,227
Agricultural	—	29,132	—	29,132
Other	2,360	1,359	2,767	6,486
Total external customer sales	<u>\$ 300,474</u>	<u>\$ 162,091</u>	<u>\$ 111,141</u>	<u>\$ 573,706</u>

Six months ended September 29, 2024

(In thousands)	Water Treatment	Food & Health Sciences	Industrial Solutions	Total
Manufactured, blended or repackaged products ⁽¹⁾	\$ 218,535	\$ —	\$ 79,114	\$ 297,649
Bulk products ⁽²⁾	20,672	—	22,774	43,446
Nutrition	—	67,772	—	67,772
Food	—	52,418	—	52,418
Pharmaceutical	—	11,768	—	11,768
Agricultural	—	23,299	—	23,299
Other	2,497	1,238	2,821	6,556
Total external customer sales	<u>\$ 241,704</u>	<u>\$ 156,495</u>	<u>\$ 104,709</u>	<u>\$ 502,908</u>

(1) This line includes our non-bulk specialty products in our Water Treatment and Industrial Solutions segments that we either manufacture, blend, repackage, resell in their original form, or direct ship to our customers in smaller quantities, and equipment and services we provide for our customers.

(2) This line includes bulk products in our Water Treatment and Industrial Solutions segments that we do not modify in any way, but receive, store, and ship from our facilities, or direct ship to our customers in large quantities.

Note 4 – Earnings per Share

Basic earnings per share (“EPS”) is computed by dividing net earnings by the weighted-average number of common shares outstanding. Diluted EPS includes the dilutive impact of incremental shares assumed to be issued as performance units and restricted stock.

Basic and diluted EPS were calculated using the following:

	Three Months Ended		Six Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Weighted-average common shares outstanding—basic	20,737,743	20,757,397	20,727,614	20,786,938
Dilutive impact of performance units and restricted stock	108,001	103,021	109,981	111,703
Weighted-average common shares outstanding—diluted	20,845,744	20,860,418	20,837,595	20,898,641

For each of the periods presented, there were no shares excluded from the calculation of weighted-average common shares for diluted EPS.

Note 5 – Fair Value Measurements

Our financial assets and liabilities are measured at fair value at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The carrying value of cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value because of the short-term nature of these instruments. Because of the variable-rate nature of our debt under our credit facility, our debt also approximates fair value.

Assets and Liabilities Measured at Fair Value on a Recurring Basis. The fair value hierarchy requires the use of observable market data when available. In instances where inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset or liability.

Our financial assets that are measured at fair value on a recurring basis are an interest rate swap and assets held in a deferred compensation retirement plan. Both of these assets are classified as long-term assets on our balance sheet, with the portion of the deferred compensation retirement plan assets expected to be paid within twelve months classified as current assets. The fair value of the interest rate swap is determined by the respective counterparties based on interest rate changes. Interest rate swaps are valued based on observable interest rate yield curves for similar instruments. The deferred compensation plan assets relate to contributions made to a non-qualified compensation plan on behalf of certain employees who are classified as “highly compensated employees” as determined by IRS guidelines. The assets are part of a rabbi trust and the funds are held in mutual funds. The fair value of the deferred compensation is based on the quoted market prices for the mutual funds at the end of the period.

The earnout liabilities recorded in conjunction with the acquisitions of Water Solutions Unlimited, Inc. (“Water Solutions”) (acquired during fiscal 2024) and WaterSurplus are based upon achieving certain targets. The Water Solutions earnout is based on a target of adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) in year three of the acquisition. The earnout liability was valued based upon a risk-neutral pricing analysis within a Monte Carlo simulation framework, which is a Level 3 input. The WaterSurplus earnout liability is based on a target of accumulated gross profit for the first five years of the acquisition. The earnout liability was discounted and recorded at the present value of the anticipated, maximum payout amount, which is a Level 3 input. The earnout liabilities are adjusted to fair value at each reporting date until settled. Changes in fair value are included in selling, general and administrative expenses in our Condensed Consolidated Statements of Income.

The following tables summarize the balances of assets and liabilities measured at fair value on a recurring basis as of September 28, 2025 and March 30, 2025.

(In thousands)		September 28, 2025	March 30, 2025
Assets			
Deferred compensation plan assets	Level 1	\$ 14,504	\$ 11,723
Interest rate swap	Level 2	\$ 1,631	\$ 2,373
Liabilities			
WaterSurplus earnout liability	Level 3	\$ 43,892	\$ —
Water Solutions earnout liability	Level 3	\$ 10,664	\$ 12,604

The changes in the earnout liability measured at fair value using Level 3 inputs were as follows:

(In thousands)

Earnout liability at March 30, 2025		\$	12,604
Addition for acquisition of WaterSurplus	Level 3	\$	43,000
Fair value adjustments to WaterSurplus earnout liability	Level 3	\$	892
Fair value adjustments to Water Solutions earnout liability	Level 3	\$	(1,940)
Earnout liability at September 28, 2025		\$	54,556

Note 6 – Inventories

Inventories at September 28, 2025 and March 30, 2025 consisted of the following:

(In thousands)	September 28, 2025	March 30, 2025
Inventory (FIFO basis)	\$ 116,683	\$ 106,357
LIFO reserve	(23,778)	(22,845)
Net inventory	\$ 92,905	\$ 83,512

We use the last in, first out (“LIFO”) method of valuing the majority of our inventory, which causes the most recent product costs to be recognized in our condensed consolidated statements of income.

Note 7 – Goodwill and Intangible Assets

The carrying amounts of goodwill for each of our three reportable segments were as follows:

(In thousands)	Water Treatment	Food & Health Sciences	Industrial Solutions	Total
Balance as of March 30, 2025	\$ 83,968	\$ 46,149	\$ 5,292	\$ 135,409
Addition due to acquisitions	86,014	722	—	86,736
Balance as of September 28, 2025	\$ 169,982	\$ 46,871	\$ 5,292	\$ 222,145

The following is a summary of our identifiable intangible assets as of September 28, 2025 and March 30, 2025:

(In thousands)	September 28, 2025			March 30, 2025		
	Gross Amount	Accumulated Amortization	Net	Gross Amount	Accumulated Amortization	Net
Finite-life intangible assets						
Customer relationships	\$ 279,954	\$ (65,944)	\$ 214,010	\$ 198,364	\$ (57,311)	\$ 141,053
Trademarks and trade names	\$ 21,622	\$ (8,454)	\$ 13,168	\$ 14,970	\$ (7,368)	\$ 7,602
Other finite-life intangible assets	17,472	(4,800)	12,672	4,410	(4,171)	239
Total finite-life intangible assets	319,048	(79,198)	239,850	217,744	(68,850)	148,894
Indefinite-life intangible assets	1,227	—	1,227	1,227	—	1,227
Total intangible assets	\$ 320,275	\$ (79,198)	\$ 241,077	\$ 218,971	\$ (68,850)	\$ 150,121

Note 8 – Debt

On April 25, 2025, we entered into a second amendment that further amended the Existing Credit Agreement (as amended, the “Credit Agreement”). The second amendment increased the revolving commitment under the Existing Credit Agreement to provide us with senior secured revolving credit facilities (the “Revolving Loan Facility”) totaling \$400.0 million. The Revolving Loan Facility includes a \$10.0 million letter of credit subfacility and \$25.0 million swingline subfacility. U.S. Bank, JP Morgan Chase Bank, N.A., Wells Fargo Bank, N.A., and Associated Bank, N.A. were lenders under the Credit Agreement as of the date of the second amendment.

We drew approximately \$150 million of the proceeds from the Revolving Loan Facility to acquire substantially all of the assets of WaterSurplus. We may use other proceeds from the Revolving Loan Facility for working capital, capital expenditures, restricted payments and other acquisitions permitted under the Credit Agreement, and other general corporate purposes.

We paid fees of approximately \$1.0 million associated with this refinancing. The Revolving Loan Facility is scheduled to mature on April 25, 2030.

Borrowings under the Revolving Loan Facility bear interest at a variable rate based on term SOFR plus a margin. We have an interest rate swap in place to manage the risk associated with a portion of our variable-rate debt. The notional amount of the swap agreement is \$60 million. At September 28, 2025, the effective interest rate on our borrowings was 5.1%.

Debt at September 28, 2025 and March 30, 2025 consisted of the following:

	September 28, 2025	March 30, 2025
(In thousands)		
Senior secured revolving loan	\$ 279,000	\$ 149,000
Less: unamortized debt issuance costs	(860)	(181)
Total debt, net of debt issuance costs	278,140	148,819
Less: current portion of long-term debt	(9,812)	(9,913)
Total long-term debt	<u>\$ 268,328</u>	<u>\$ 138,906</u>

Note 9 – Income Taxes

We are subject to U.S. federal income tax as well as income tax of multiple state jurisdictions. The tax years prior to our fiscal year ended April 3, 2022 are closed to examination by the Internal Revenue Service, and with few exceptions, state and local income tax jurisdictions. Our effective income tax rate was approximately 27% for both the three months ended September 28, 2025 and September 29, 2024, and approximately 26% for both the six months ended September 28, 2025 and September 29, 2024. The effective tax rate is impacted by projected levels of annual taxable income, permanent items, and state taxes.

Note 10 – Share-Based Compensation

Performance-Based Restricted Stock Units. Our Board of Directors (the “Board”) approved a performance-based equity compensation arrangement for our executive officers during the first quarters of each of fiscal 2026 and fiscal 2025. These performance-based arrangements provide for the grant of performance-based restricted stock units under our 2019 Equity Incentive Plan (the “2019 Plan”) that represent a possible future issuance of restricted shares of our common stock based on a pre-tax income target for the applicable fiscal year. The actual number of restricted shares to be issued to each executive officer is determined when our final financial information becomes available after the applicable fiscal year and will be between zero shares and 58,353 shares in the aggregate for fiscal 2026. The restricted shares issued, if any, will fully vest approximately two years after the last day of the fiscal year on which the performance is based. We are recording the compensation expense for the outstanding performance share units and the converted restricted stock over the life of the awards.

The following table represents the restricted stock activity for the six months ended September 28, 2025:

	Shares	Weighted- Average Grant Date Fair Value
Unvested at beginning of period	137,247	\$ 61.49
Granted	61,418	119.67
Vested	(61,819)	43.06
Unvested at end of period	<u>136,846</u>	<u>\$ 95.93</u>

We recorded compensation expense related to performance share units and restricted stock of \$1.9 million for the three months ended September 28, 2025 and \$1.5 million for the three months ended September 29, 2024. We recorded compensation expense related to performance share units and restricted stock of \$3.6 million for the six months ended September 28, 2025 and \$2.6 million for the six months ended September 29, 2024. Substantially all of the compensation expense was recorded in selling, general and administrative expenses in the condensed consolidated statements of income.

Restricted Stock Awards. As part of their retainer, our directors, other than the Chief Executive Officer, receive restricted stock for their Board services. The restricted stock awards are under our 2019 Plan and are generally expensed over a one-year vesting period, based on the market value on the date of grant. As of September 28, 2025, there were 4,396 shares of restricted stock with an average grant date fair value of \$159.16 outstanding under this program. Compensation expense related to restricted stock awards to the Board was \$0.2 million for both the three months ended September 28, 2025 and September 29, 2024. Compensation expense related to restricted stock awards to the Board was \$0.3 million for both the six months ended September 28, 2025 and September 29, 2024.

During the three months ended September 28, 2025, certain employees from the WaterSurplus acquisition received restricted stock awards under the 2019 Plan, primarily to incentivize their continued service. The restricted stock awards will be expensed over a three-year vesting period, based on the market value on the date of grant. As of September 28, 2025, there were 8,713 shares of restricted stock with an average grant date fair value of \$142.10 outstanding under this program. Compensation expense related to restricted stock awards to certain WaterSurplus employees was \$0.1 million for the three and six months ended September 28, 2025 and none for the three and six months ended September 29, 2024.

Note 11 – Share Repurchase Program

Our Board has authorized the repurchase of up to 2.6 million shares of our outstanding common shares. The shares may be repurchased on the open market or in privately negotiated transactions subject to applicable securities laws and regulations. Upon purchase of the shares, we reduce our common stock for the par value of the shares with the excess applied against additional paid-in capital. During the three and six months ended September 28, 2025, no shares were repurchased. During the three months ended September 29, 2024, no shares were repurchased, and during the six months ended September 29, 2024, we repurchased 105,541 shares at an aggregate purchase price of \$9.1 million. As of September 28, 2025, 731,544 shares remained available to be repurchased under the share repurchase program.

Note 12 – Commitments and Contingencies

Environmental Remediation. In the fourth quarter of fiscal 2024, we recorded a liability of \$7.7 million related to estimated remediation expenses associated with perchlorinated biphenyls ("PCBs") discovered in the soil at our Rosemount, MN facility during our expansion project. We acquired the property, which had prior heavy industrial use, in fiscal 2012. While the source of the PCBs is unknown, we have never brought PCBs onto the property or used PCBs on the site. The liability is not discounted as management expects to incur these expenses within the next twelve months. Given the many uncertainties involved in assessing environmental claims, our reserves may prove to be insufficient. While it is possible that additional expense related to the remediation will be incurred in future periods if currently unknown issues arise, we are unable to estimate the extent of financial impact related to any such unknown issues. No expenses were charged against this liability during both the three and six months ended September 28, 2025 and September 29, 2024.

Note 13 – Segment Information

Effective beginning with the first fiscal quarter of fiscal 2026, we realigned our reporting segments to reflect organizational changes made and to reflect the way we manage our operations and allocate resources. We believe this realignment better reflects the value our company provides to our customers and our evolution from a bulk commodity distributor into a specialty ingredients company. In fiscal 2026, we organize and manage our business by the following three segments, each of which meets the definition of reportable segments under ASC 280-10, *Segment Reporting*: Water Treatment, Food & Health Sciences, and Industrial Solutions. These segments are defined primarily by product and type of customer.

Our chief operating decision-maker (CODM), who is our President and Chief Executive Officer, regularly reviews the consolidated financial statements in their entirety and financial information at the reportable segment level. The CODM uses operating income and considers budget-to-actual variances on a quarterly basis when making decisions about the allocation of operating and capital resources to each segment. The CODM also uses segment operating income for evaluating pricing strategy, to assess the performance of each segment by comparing the results of each segment with one another, and in determining the compensation of certain employees. The CODM has ultimate responsibility for enterprise decisions and making resource allocation decisions for the Company and the segments.

- Our Water Treatment segment specializes in providing chemicals, products, equipment, services and solutions for potable water, municipal and industrial wastewater, industrial process water, non-residential swimming pool water and agricultural water. This segment has the resources and flexibility to treat systems ranging in size from a single small well to a multi-million-gallon-per-day facility.
- Our Food & Health Sciences segment specializes in processing and formulation solutions as well as ingredient distribution to manufacturers in the nutrition, food, pharmaceutical, and agricultural markets. This segment offers a diverse product portfolio including base chemistry, acid based reactions, minerals, vitamins and amino acids, excipients, botanicals and herbs, sweeteners and enzymes, fertilizers, and food-grade and pharmaceutical salts and ingredients.
- Our Industrial Solutions segment specializes in providing industrial chemicals, products and services to industries such as industrial manufacturing, chemical processing, electronics, energy, plating, and surface finishing. This segment's principal products are acids and alkalis.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Product costs and expenses for each segment are based on actual costs incurred along with cost allocations of shared and centralized functions.

There are no intersegment sales and no operating segments have been aggregated.

In fiscal 2026 and 2025, none of our customers accounted for 10% or more of our total sales.

Summarized financial information for our reportable segments is presented and reconciled to consolidated financial information in the following tables:

(In thousands)	Water Treatment	Food & Health Sciences	Industrial Solutions	Total
Three months ended September 28, 2025:				
Sales	\$ 150,908	\$ 72,914	\$ 56,612	\$ 280,434
Cost of sales - materials	88,814	53,153	45,131	187,098
Cost of sales - operational overhead	18,833	4,280	2,580	25,693
Gross profit	43,261	15,481	8,901	67,643
Selling, general, and administrative expenses	22,071	8,084	3,548	33,703
Operating income	<u>21,190</u>	<u>7,397</u>	<u>5,353</u>	33,940
Interest expense, net				(3,832)
Other income				721
Income tax expense				(8,231)
Net income				<u>22,598</u>
Identifiable assets*	569,338	247,644	135,082	952,064
Capital expenditures	7,033	1,774	1,991	10,798
Depreciation and amortization	7,854	3,214	2,194	13,262
Three months ended September 29, 2024:				
Sales	\$ 124,528	\$ 71,402	\$ 51,099	\$ 247,029
Cost of sales - materials	71,264	51,054	40,305	162,623
Cost of sales - operational overhead	17,336	4,283	2,565	24,184
Gross profit	35,928	16,065	8,229	60,222
Selling, general, and administrative expenses	15,825	7,456	3,196	26,477
Operating income	<u>20,103</u>	<u>8,609</u>	<u>5,033</u>	33,745
Interest expense, net				(1,427)
Other income				673
Income tax expense				(8,873)
Net income				<u>24,118</u>
Identifiable assets*	292,017	239,639	130,091	661,747
Capital expenditures	5,428	2,421	2,788	10,637
Depreciation and amortization	4,693	3,122	2,112	9,927

(In thousands)	Water Treatment	Food & Health Sciences	Industrial Solutions	Total
Six months ended September 28, 2025:				
Sales	\$ 300,474	\$ 162,091	\$ 111,141	\$ 573,706
Cost of sales - materials	177,973	118,967	87,979	384,919
Cost of sales - operational overhead	35,493	8,295	4,994	48,782
Gross profit	87,008	34,829	18,168	140,005
Selling, general, and administrative expenses	41,156	16,465	7,111	64,732
Operating income	<u>45,852</u>	<u>18,364</u>	<u>11,057</u>	75,273
Interest expense, net				(7,101)
Other income				1,663
Income tax expense				(18,062)
Identifiable assets*				
Capital expenditures	14,593	4,787	4,962	24,342
Depreciation and amortization	14,758	6,414	4,381	25,553
Six months ended September 29, 2024:				
Sales	\$ 241,704	\$ 156,495	\$ 104,709	\$ 502,908
Cost of sales - materials	137,261	112,601	82,246	332,108
Cost of sales - operational overhead	33,307	7,926	4,690	45,923
Gross profit	71,136	35,968	17,773	124,877
Selling, general, and administrative expenses	29,904	14,821	6,616	51,341
Operating income	<u>41,232</u>	<u>21,147</u>	<u>11,157</u>	73,536
Interest expense, net				(2,690)
Other income				832
Income tax expense				(18,681)
Identifiable assets*				
Capital expenditures	11,549	4,582	5,155	21,286
Depreciation and amortization	8,864	6,211	4,181	19,256

*Unallocated assets not included, consisting primarily of cash and cash equivalents, prepaid expenses, and non-qualified deferred compensation plan assets of \$32.1 million at September 28, 2025 and \$28.0 million at September 29, 2024.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of our financial condition and results of operations for the three and six months ended September 28, 2025 as compared to the similar period ended September 29, 2024. This discussion should be read in conjunction with the condensed consolidated financial statements and notes to condensed consolidated financial statements included in this quarterly report on Form 10-Q and Item 8 of our [Annual Report on Form 10-K for the fiscal year ended March 30, 2025](#).

Overview

We derive substantially all of our revenues from the sale of water treatment solutions, specialty ingredients, and chemicals to our customers in a wide variety of industries. We began our operations primarily as a distributor of bulk chemicals with a strong customer focus. Over the years, we have maintained a strong customer focus and have expanded our business by increasing our sales of value-added and specialty ingredients, including manufacturing, blending, and repackaging certain products.

Business Acquisitions

We completed the following acquisitions in fiscal 2025 and the first half of fiscal 2026. The results of operations since the date of each acquisition and the assets, including goodwill associated with these acquisitions, are included in our Water Treatment segment with the exception of the MakWood lactate business which is shown in our Food & Health Sciences segment. Certain acquisitions discussed below are not included in Note 2 to our Condensed Consolidated Financial Statements as they were not deemed to be material enough to warrant disclosure.

- On August 29, 2025, we acquired substantially all the assets and assumed certain liabilities of StillWaters Technology, Inc. ("StillWaters") for \$4.3 million. StillWaters distributes water treatment chemicals and equipment for its customers in Alabama.
- On July 2, 2025, we acquired the lactate business of MakWood, Inc. for \$1.9 million. We had previously been party to a Distribution Agreement with MakWood for certain lactate products under the Mak Lak trade name. This acquisition agreement terminated the Distribution Agreement, and resulted in our acquisition of the lactate distribution business, including the customer list and associated brand name.
- On July 1, 2025, we acquired substantially all the assets and assumed certain liabilities of PhillTech, LLC ("PhillTech") for \$5.0 million. PhillTech is located in Courtland, AL, and manufactures and distributes coagulants and corrosion control products for its water treatment customers.
- On June 13, 2025, we acquired substantially all the assets and assumed certain liabilities of Hendrickson and Polymer Tech (collectively, "Hendrickson") for approximately \$1.5 million. Hendrickson distributed water treatment chemicals and equipment to its customers via direct shipments from suppliers.
- On April 24, 2025, we acquired substantially all of the assets and assumed certain liabilities of WaterSurplus and related entities for approximately \$149.9 million paid at closing, with an additional amount payable as an earnout of up to \$53.7 million based on cumulative gross profit for the first five years. WaterSurplus is located in Rockford, IL and delivers sustainable water treatment solutions to customers throughout the United States.
- In the fourth quarter of fiscal 2025, we acquired substantially all the assets and assumed certain liabilities of Amerochem for \$44.0 million. Amerochem distributed water treatment chemicals and equipment to its customers primarily throughout North Carolina.
- In the third quarter of fiscal 2025, we acquired substantially all the assets and assumed certain liabilities of Water Guard for \$18.0 million. Water Guard distributed water treatment chemicals and equipment to its customers primarily throughout North Carolina.
- In the first quarter of fiscal 2025, we acquired substantially all the assets and assumed certain liabilities of Wofford for \$3.4 million. Wofford distributed water treatment chemicals and equipment to customers mainly in Mississippi.
- In the first quarter of fiscal 2025, we acquired substantially all the assets and assumed certain liabilities of Intercoastal for \$22.0 million. Intercoastal distributed water treatment chemicals and equipment to its customers in Maryland, Delaware and Virginia.

The aggregate annual revenue of these nine businesses acquired in fiscal 2025 and fiscal 2026 totaled approximately \$106 million, as determined using the applicable twelve-month period preceding each respective acquisition date.

Change in Reporting Segments

Effective beginning with the first quarter of fiscal 2026, we realigned our reporting segments to reflect organizational changes made and to reflect the way we manage our operations and allocate resources. We believe this realignment better reflects the value our company provides to our customers and our evolution from a bulk commodity distributor into a specialty ingredients company. We now organize and manage our business by the following three segments, each of which meets the definition of reportable segments under ASC 280-10, *Segment Reporting*: Water Treatment, Food & Health Sciences, and Industrial Solutions. These segments are defined primarily by product and type of customer. Information presented in this quarterly report has been recast to align with the new segments. Additional information regarding these new segments is set forth in Note 13 - Segment Information.

Financial Results

We focus on operating income when evaluating our financial results as opposed to profitability as a percentage of sales, as sales dollars tend to fluctuate as raw material prices rise and fall. The costs for certain of our raw materials can rise or fall rapidly, causing fluctuations in gross profit as a percentage of sales.

We use the last in, first out ("LIFO") method of valuing the majority of our inventory, which causes the most recent product costs to be recognized in our income statement. The LIFO inventory valuation method and the resulting cost of sales are consistent with our business practices of pricing to current chemical raw material prices.

We disclose the sales of our bulk commodity products as a percentage of total sales dollars for our Water Treatment and Industrial Solutions segments. Our definition of bulk commodity products includes products that we do not modify in any way, but receive, store, and ship from our facilities, or direct ship to our customers in large quantities. We disclose the percentage of our overall sales that consist of sales of bulk

commodity products as these products are generally distributed and we do not add significant value to these products in comparison to our non-bulk products. Sales of these products are generally highly competitive and price sensitive. As a result, bulk commodity products generally have our lowest margins.

Results of Operations

The following table sets forth the percentage relationship of certain items to sales for the period indicated:

	Three Months Ended		Six Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	(75.9)%	(75.6)%	(75.6)%	(75.2)%
Gross profit	24.1 %	24.4 %	24.4 %	24.8 %
Selling, general and administrative expenses	(12.0)%	(10.7)%	(11.3)%	(10.2)%
Operating income	12.1 %	13.7 %	13.1 %	14.6 %
Interest expense, net	(1.4)%	(0.6)%	(1.2)%	(0.5)%
Other income	0.3 %	0.3 %	0.3 %	0.2 %
Income before income taxes	11.0 %	13.4 %	12.2 %	14.3 %
Income tax expense	(2.9)%	(3.6)%	(3.1)%	(3.7)%
Net income	8.1 %	9.8 %	9.1 %	10.6 %

Three Months Ended September 28, 2025 Compared to Three Months Ended September 29, 2024

Sales

Sales were \$280.4 million for the three months ended September 28, 2025, an increase of \$33.4 million, or 14%, from sales of \$247.0 million in the same period a year ago. All of our segments contributed to the year-over-year growth, with both our Water Treatment and Industrial Solutions segments reporting double-digit growth.

Water Treatment Segment. Water Treatment segment sales increased \$26.4 million, or 21%, to \$150.9 million for the three months ended September 28, 2025, from sales of \$124.5 million in the same period a year ago. Sales of bulk commodity products in the Water Treatment segment were approximately 8% of sales dollars in both the current quarter and in the same period a year ago. Sales increased as a result of \$23 million of added sales from acquired businesses as well as increased organic sales volumes and improved pricing on certain products.

Food & Health Sciences Segment. Food & Health Sciences segment sales increased \$1.5 million, or 2%, to \$72.9 million for the three months ended September 28, 2025, from sales of \$71.4 million in the same period a year ago. Sales increased primarily as result of increased sales volumes of our agricultural products as well as increased sales of our health and nutrition products.

Industrial Solutions Segment. Industrial Solutions segment sales increased \$5.5 million, or 11%, to \$56.6 million for the three months ended September 28, 2025, from sales of \$51.1 million in the same period a year ago. Sales of bulk commodity products in the Industrial Solutions segment were approximately 21% of sales dollars in the current quarter and 22% in the same period a year ago. Sales increased primarily as a result of increased sales volumes of certain of our manufactured, blended and repackaged products.

Gross Profit

Gross profit increased \$7.4 million, or 12%, to \$67.6 million, or 24% of sales, for the three months ended September 28, 2025, from \$60.2 million, or 24% of sales, in the same period a year ago. During the current quarter, the LIFO reserve increased, and gross profit decreased, by \$0.3 million, primarily due to a projected increase in certain commodity volumes and costs at year-end. In the same period a year ago, the LIFO reserve was unchanged and therefore had no impact on gross profit.

Water Treatment Segment. Gross profit for the Water Treatment segment increased \$7.4 million, or 20%, to \$43.3 million, or 29% of sales, for the three months ended September 28, 2025, from \$35.9 million, or 29% of sales, in the same period a year ago. Gross profit increased primarily as a result of increased sales from our acquired businesses as well as increased organic sales.

Food & Health Sciences Segment. Gross profit for the Food & Health Sciences segment decreased \$0.6 million, or 4%, to \$15.5 million, or 21% of sales, for the three months ended September 28, 2025, from \$16.1 million, or 22% of sales, in the same period a year ago. Gross profit decreased primarily as a result of lower selling prices as a result of competitive pricing pressures.

Industrial Solutions Segment. Gross profit for the Industrial Solutions segment increased \$0.7 million, or 9%, to \$8.9 million, or 16% of sales, for the three months ended September 28, 2025, from \$8.2 million, or 16% of sales, in the same period a year ago. Gross profit increased as a result of the increase in sales.

Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses increased \$7.2 million, or 27%, to \$33.7 million, or 12% of sales, for the three months ended September 28, 2025, from \$26.5 million, or 11% of sales, in the same period a year ago. Expenses increased largely due to \$5.6 million in added costs from the acquired businesses in our Water Treatment segment, including amortization of intangibles of \$2.5 million and \$0.5 million of fair value accretion on earnout liabilities. SG&A expenses also increased due to increases in other variable costs, including variable pay and other personnel costs.

Operating Income

Operating income increased \$0.2 million, or 1%, to \$33.9 million, or 12% of sales, for the three months ended September 28, 2025, from \$33.7 million, or 14% of sales, in the same period a year ago due to the combined impact of the factors discussed above.

Interest Expense, Net

Interest expense increased \$2.4 million to \$3.8 million for the three months ended September 28, 2025 compared to \$1.4 million in the same period a year ago. Interest expense increased due to increased borrowings in the current quarter, primarily to fund the acquisition of WaterSurplus.

Other Income

Other income was \$0.7 million for the three months ended September 28, 2025 and the same period a year ago. The income represents gains recorded on investments held for our non-qualified deferred compensation plan. The amounts recorded as a gain were offset by similar amounts recorded as an increase to compensation expense within SG&A expenses.

Income Tax Provision

Our effective income tax rate was approximately 27% the three months ended September 28, 2025 and for the same period a year ago. The effective tax rate is impacted by projected levels of annual taxable income, permanent items, and state taxes. Our effective tax rate for the full year is expected to be approximately 26% to 27%.

Six Months Ended September 28, 2025 Compared to Six Months Ended September 29, 2024

Sales

Sales were \$573.7 million for the six months ended September 28, 2025, an increase of \$70.8 million, or 14%, from sales of \$502.9 million in the same period a year ago. Each of our segments contributed to the year-over-year growth, with our Water Treatment segment showing 24% growth.

Water Treatment Segment. Water Treatment segment sales increased \$58.8 million, or 24%, to \$300.5 million for the six months ended September 28, 2025, from sales of \$241.7 million in the same period a year ago. Sales of bulk commodity products in the Water Treatment segment were approximately 8% of sales dollars in the current period and 9% in the same period a year ago. Sales increased as a result of \$52 million of added sales from acquired businesses as well as increased organic sales volumes and improved pricing on certain of our products.

Food & Health Sciences. Food & Health Sciences sales increased \$5.6 million or 4%, to \$162.1 million for the six months ended September 28, 2025, from sales of \$156.5 million in the same period a year ago. Sales of our agricultural products increased \$5.8 million due to increased volumes, partially offset by declines in some of our other product lines as a result of lower selling prices driven by competitive pricing pressures.

Industrial Solutions Segment. Industrial Solutions segment sales increased \$6.4 million, or 6%, to \$111.1 million for the six months ended September 28, 2025, from sales of \$104.7 million in the same period a year ago. Sales of bulk commodity products in the Industrial Solutions segment were approximately 21% of sales dollars in the current period and 22% in the same period a year ago. Sales increased primarily as a result of increased sales of certain of our manufactures, blended and repackaged products.

Gross Profit

Gross profit increased \$15.1 million, or 12%, to \$140.0 million, or 24% of sales, for the six months ended September 28, 2025, from \$124.9 million, or 25% of sales, in the same period a year ago. During the current period, the LIFO reserve increased, and gross profit decreased, by \$0.9 million due primarily to a projected increase in certain commodity volumes and costs at year end. In the same period a year ago, the LIFO reserve increased, and gross profit decreased, by \$0.4 million.

Water Treatment Segment. Gross profit for the Water Treatment segment increased \$15.9 million, or 22%, to \$87.0 million, or 29% of sales, for the six months ended September 28, 2025, from \$71.1 million, or 29% of sales, in the same period a year ago. Gross profit increased primarily as a result of increased sales from our acquired businesses, as well as increased organic sales.

Food & Health Sciences. Gross profit for the Food & Health Sciences segment decreased \$1.1 million, or 3% to \$34.8 million, or 21% of sales, for the six months ended September 28, 2025, from \$36.0 million, or 23% of sales, in the same period a year ago. Gross profit decreased primarily as a result of lower selling prices resulting from competitive pricing pressures.

Industrial Solutions Segment. Gross profit for our Industrial Solutions segment increased \$0.4 million, or 2%, to \$18.2 million, or 16% of sales, for the six months ended September 28, 2025, from \$17.8 million, or 17% of sales, in the same period a year ago. Gross profit increased as a result of the increase in sales.

Selling, General and Administrative Expenses

SG&A expenses increased \$13.4 million, or 26%, to \$64.7 million, or 11% of sales, for the six months ended September 28, 2025, from \$51.3 million, or 10% of sales, in the same period a year ago. Expenses increased largely due to \$10.4 million in added costs from the acquired businesses in our Water Treatment segment, including amortization of intangibles of \$4.5 million, fair value accretion on earnout liability of \$0.9 million, and \$0.7 million of acquisition costs. In addition, a year-over-year increase of \$0.8 million in compensation expense related to our non-qualified deferred compensation plan increased SG&A expenses, with the offset in Other Income. In the current year, we recorded a reduction to SG&A expense of \$1.9 million related to fair value accretion previously recorded on the Water Solutions earnout due to a change in projections. SG&A expenses also increased due to increases in other variable costs, including variable pay and personnel costs

Operating Income

Operating income increased \$1.8 million, or 2%, to \$75.3 million, or 13% of sales, for the six months ended September 28, 2025, from \$73.5 million, or 15% of sales, in the same period a year ago due to the combined impact of the factors discussed above.

Interest Expense, Net

Interest expense increased \$4.4 million to \$7.1 million for the six months ended September 28, 2025, from \$2.7 million in the same period a year ago. Interest expense increased due to an increase in outstanding borrowings in the current year, primarily to fund the acquisition of WaterSurplus.

Other Income

Other income was \$1.7 million for the six months ended September 28, 2025 compared to \$0.8 million in the same period a year ago. The income represents gains recorded on investments held for our non-qualified deferred compensation plan. The amounts recorded as a gain were offset by similar amounts recorded as an increase to compensation expense within SG&A expenses.

Income Tax Provision

Our effective income tax rate was 26% for both the six months ended September 28, 2025 and the same period a year ago. The effective tax rate for both the six months ended September 28, 2025 and the same period a year ago were impacted by favorable tax provision adjustments recorded. The effective tax rate is impacted by projected levels of annual taxable income, permanent items, and state taxes. Our effective tax rate for the full year is currently expected to be approximately 26% to 27%.

Liquidity and Capital Resources

Cash was \$10.4 million at September 28, 2025, an increase of \$5.3 million as compared with the \$5.1 million available as of March 30, 2025.

Cash provided by operating activities was \$71.0 million for the six months ended September 28, 2025, compared to cash provided by operating activities of \$59.2 million in the same period a year ago. The year-over-year increase in cash provided by operating activities in the current period was primarily driven by favorable year-over-year changes in trade receivables compared to the same period a year ago. Due

to the nature of our operations, which includes purchases of large quantities of bulk chemicals, the timing of purchases can result in significant changes in working capital investment and the resulting operating cash flow.

Cash used in investing activities was \$185.8 million for the six months ended September 28, 2025, compared to \$46.3 million in the same period a year ago. In the current period, we incurred acquisition spending of \$162.5 million, including the acquisition of WaterSurplus for approximately \$149.9 million paid at closing. Capital expenditures were \$24.3 million for the current period, compared to \$21.3 million in the same period a year ago. In the current period, we had more investments in transportation equipment, resulting in an increase in overall capital expenditures compared to the prior year.

Cash provided by financing activities was \$120.1 million for the six months ended September 28, 2025, compared to \$12.5 million of cash used in financing activities in the same period a year ago. Included in financing activities in the current period were net debt borrowings of \$130.0 million, compared to net debt borrowings of \$5.0 million in the same period a year ago. We drew approximately \$150 million of the proceeds from the Revolving Loan Facility for the acquisition of WaterSurplus. In addition, we repurchased no common stock in the current period, compared to \$9.1 million in the same period of the prior year.

We expect our cash balances and funds available under our credit facility, discussed below, along with cash flows generated from operations, will be sufficient to fund the cash requirements of our ongoing operations for the foreseeable future.

Our Board has authorized the repurchase of up to 2.6 million shares of our outstanding common shares. The shares may be purchased on the open market or in privately negotiated transactions subject to applicable securities laws and regulations. The primary objective of the share repurchase program is to offset the impact of dilution from issuances relating to employee and director equity grants and our employee stock purchase program. During the three and six months ended September 28, 2025, we repurchased no shares of common stock. During the three months ended September 29, 2024, we repurchased no shares of common stock and during the six months ended September 29, 2024, we repurchased 105,541 shares of common stock with an aggregate purchase price of \$9.1 million. As of September 28, 2025, 731,544 shares remained available to be repurchased under the share repurchase program.

We are party to a second amended and restated credit agreement with U.S. Bank National Association (“U.S. Bank”) as Administrative Agent, Sole Lead Arranger and Sole Book Runner, and the other lenders from time to time party thereto (collectively, the “Lenders”), dated as of March 31, 2022 (the “Existing Credit Agreement” and as amended, restated or modified from time to time, and as modified by the Amendment, the “Credit Agreement”). The Joinder, Consent and Second Amendment to Second Amended and Restated Credit Agreement, dated April 25, 2025 increased the revolving commitment under the Existing Credit Agreement to provide us with senior secured revolving credit facilities (the “Revolving Loan Facility”) totaling \$400.0 million. The Revolving Loan Facility includes a \$10.0 million letter of credit subfacility and \$25.0 million swingline subfacility. The Revolving Loan Facility has a five-year maturity date, maturing on April 25, 2030. The Revolving Loan Facility is secured by substantially all of our personal property assets and those of our subsidiaries. We may use the amount available under the Revolving Loan Facility for working capital, capital expenditures, share repurchases, restricted payments and acquisitions permitted under the Credit Agreement, and other general corporate purposes.

Borrowings under the Revolving Loan Facility bear interest at a rate per annum equal to one of the following, plus, in both cases, an applicable margin based upon our leverage ratio: (a) Term SOFR, for an interest period of one, three or six months as selected by us, reset at the end of the selected interest period, or (b) a base rate determined by reference to the highest of (1) U. S. Bank’s prime rate, (2) the Federal Funds Effective Rate plus 0.5%, or (3) one-month Term SOFR for U.S. dollars plus 1.0%. The Term SOFR margin is between 1.0% and 1.85%, depending on our leverage ratio. The base rate margin is between 0.00% and 0.85%, depending on our leverage ratio. At September 28, 2025, the effective interest rate on our borrowings was 5.1%.

In addition to paying interest on the outstanding principal under the Revolving Loan Facility, we are required to pay a commitment fee on the unutilized commitments thereunder. The commitment fee is between 0.15% and 0.25%, depending on our leverage ratio.

Debt issuance costs paid to the Lenders are being amortized as interest expense over the term of the Credit Agreement. As of September 28, 2025, the unamortized balance of these costs was \$0.9 million, and is reflected as a reduction of debt on our balance sheet.

The Credit Agreement will require us to maintain (a) a minimum fixed charge coverage ratio of 1.15 to 1.00 and (b) a maximum total cash flow leverage ratio of 3.5 to 1.0, subject to an election by us to increase the maximum total cash flow leverage ratio to 4.0 to 1.0 after certain Permitted Acquisitions subject to limitations set forth in the Credit Agreement. The Credit Agreement also contains other customary affirmative and negative covenants, including covenants that restrict our ability to incur additional indebtedness, dispose of significant assets, make certain investments, including any acquisitions other than permitted acquisitions, make certain payments, enter into sale and leaseback transactions, grant liens on its assets or rate management transactions, subject to certain limitations.

We are permitted to make distributions, pay dividends and repurchase shares so long as no default or event of default exists or would exist as a result thereof. We were in compliance with all covenants of the Credit Agreement as of September 28, 2025 and expect to remain in compliance with all covenants for the next 12 months.

The Credit Agreement contains customary events of default, the occurrence of which would permit the lenders to terminate their commitments and accelerate loans under the Revolving Loan Facility, including failure to make payments under the Revolving Loan Facility, failure to comply with covenants in the Credit Agreement and other loan documents, cross default to other material indebtedness, our failure to pay or discharge material judgments, bankruptcy, and change of control of the Company. The occurrence of an event of default would permit the lenders to terminate their commitments and accelerate loans under the Credit Facility.

We have in place an interest rate swap agreement to manage the risk associated with a portion of our variable-rate long-term debt. We do not utilize derivative instruments for speculative purposes. The interest rate swap involves the exchange of fixed-rate and variable-rate payments without the exchange of the underlying notional amount on which the interest payments are calculated. The notional amount of the swap agreement is \$60 million, and it will terminate on May 1, 2027.

As part of our growth strategy, we have acquired businesses and may pursue acquisitions or other strategic relationships in the future that we believe will complement or expand our existing businesses or increase our customer base. We believe we could borrow additional funds under our current or new credit facilities or sell equity for strategic reasons or to further strengthen our financial position.

Critical Accounting Estimates

There have been no material changes in our critical accounting estimates, as disclosed in our [Annual Report on Form 10-K for fiscal 2025](#).

Forward-Looking Statements

The information presented in this Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements have been made pursuant to the

provisions of the Private Securities Litigation Reform Act of 1995. These statements are not historical facts, but rather are based on our current expectations, estimates and projections, and our beliefs and assumptions. Words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “will” and similar expressions to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. These factors could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Additional information concerning potential factors that could affect future financial results is included in our [Annual Report on Form 10-K for fiscal 2025](#). We caution you not to place undue reliance on these forward-looking statements, which reflect our management’s view only as of the date of this Quarterly Report on Form 10-Q. We are not obligated to update these statements or publicly release the result of any revisions to them to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect the occurrence of unanticipated events.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to the risk inherent in the cyclical nature of commodity chemical prices. However, we do not currently purchase forward contracts or otherwise engage in hedging activities with respect to the purchase of commodity chemicals. We attempt to pass changes in the cost of our materials to our customers. However, there are no assurances that we will be able to pass on the increases in the future.

We are exposed to market risks related to interest rates. Our exposure to changes in interest rates is primarily related to borrowings under our Revolving Loan Facility. We have in place an interest rate swap agreement to manage the risk associated with a portion of our variable-rate long-term debt. The interest rate swap involves the exchange of fixed-rate and variable-rate payments without the exchange of the underlying notional amount on which the interest payments are calculated. The notional amount of the swap agreement is \$60.0 million, and it will terminate on May 1, 2027. As of September 28, 2025, a 25-basis point change in interest rates on our unhedged variable-rate debt would potentially increase or decrease our annual interest expense by approximately \$0.5 million.

Other types of market risk, such as foreign currency risk, do not arise in the normal course of our business activities.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report on Form 10-Q, we conducted an evaluation, under supervision and with the participation of management, including the chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rules 13a-15 and 15d-15 of the Exchange Act. Based upon that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of September 28, 2025. Disclosure controls and procedures are defined by Rules 13a-15(e) and 15d-15(e) of the Exchange Act as controls and other procedures that are designed to ensure that information required to be disclosed by us in reports filed with the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in reports filed under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or person performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control

There was no change in our internal control over financial reporting during the second quarter of fiscal 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There are no material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which we or any of our subsidiaries are a party or of which any of our property is the subject.

ITEM 1A. RISK FACTORS

There have been no material changes to our risk factors from those disclosed in our [Annual Report on Form 10-K for fiscal 2025](#).

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Our Board has authorized the repurchase of up to 2.6 million shares of our outstanding common stock, initially approved on May 29, 2014 and subsequently amended from time to time. The repurchase plan has no expiration date. The shares may be purchased on the open market or in privately negotiated transactions subject to applicable securities laws and regulations. We did not repurchase any shares of our common stock during the three months ended September 28, 2025. The following table sets forth information concerning purchases of our common stock for the three months ended September 28, 2025:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of a Publicly Announced Plan or Program	Maximum Number of Shares that May Yet be Purchased under Plans or Programs
06/30/2025-07/27/2025	—	\$ —	—	731,544
07/28/2025-08/24/2025	—	—	—	731,544
08/25/2025-09/28/2025	—	—	—	731,544
Total	—	—	—	—

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, modified or terminated any contract, instruction, or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the three months ended September 28, 2025.

ITEM 6. EXHIBITS

<u>Exhibit</u>	<u>Description</u>	<u>Method of Filing</u>
3.1	Restated Articles of Incorporation. (1)	Incorporated by Reference
3.2	Amended and Restated By-Laws. (2)	Incorporated by Reference
10.1	Third Amendment to Second Amended and Restated Credit Agreement dated as of October 15, 2025, among Hawkins, Inc., U.S. Bank National Association, and certain financial institutions.	Filed Electronically
31.1	Certification by Chief Executive Officer pursuant to Rule 13a-14(a) of the Exchange Act.	Filed Electronically
31.2	Certification by Chief Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act.	Filed Electronically
32.1	Section 1350 Certification by Chief Executive Officer.	Filed Electronically
32.2	Section 1350 Certification by Chief Financial Officer.	Filed Electronically
101	Financial statements from the Quarterly Report on Form 10-Q of Hawkins, Inc. for the period ended September 28, 2025 filed with the SEC on October 29, 2025 formatted in Inline Extensible Business Reporting Language (iXBRL); (i) the Condensed Consolidated Balance Sheets at September 28, 2025 and March 30, 2025, (ii) the Condensed Consolidated Statements of Income for the three and six months ended September 28, 2025 and September 29, 2024, (iii) the Condensed Consolidated Statements of Comprehensive Income for the three and six months ended September 28, 2025 and September 29, 2024, (iv) the Condensed Consolidated Statements of Shareholder's Equity for the three and six months ended September 28, 2025 and September 29, 2024, (v) the Condensed Consolidated Statements of Cash Flows for the six months ended September 28, 2025 and September 29, 2024, (vi) Notes to Condensed Consolidated Financial Statements and (vii) the information set forth in Part II, Item 5.	Filed Electronically
104	Cover Page Interactive Data File (embedded within the inline XBRL document)	Filed Electronically

(1) Incorporated by reference to Exhibit 3.2 to our Current Report on Form 8-K dated February 26, 2021 and filed March 2, 2021.

(2) Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K dated October 28, 2009 and filed November 3, 2009.

**THIRD AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT**

This THIRD AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this “**Amendment**”) is dated as of October 15, 2025 (the “**Third Amendment Effective Date**”), and is between Hawkins, Inc., a Minnesota corporation (the “**Borrower**”), the Lenders party hereto, U.S. Bank National Association, a national banking association, as LC Issuer, Swing Line Lender and as Administrative Agent (the “**Administrative Agent**”).

RECITALS

A. The Borrower, the Lenders and the Administrative Agent are party to that certain Second Amended and Restated Credit Agreement, dated as of March 31, 2022 as amended by that certain First Amendment to Second Amended and Restated Credit Agreement dated as of May 30, 2024 (the “**First Amendment**”), that certain Joinder, Consent and Second Amendment to Second Amended and Restated Credit Agreement (the “**Second Amendment**”) and by this Amendment (as may be further amended, restated or otherwise modified from time to time, the “**Credit Agreement**”). Capitalized terms not otherwise defined in this Amendment shall have the meanings respectively assigned to them in the Credit Agreement.

B. The parties hereto desire to amend and modify the Credit Agreement in accordance with the terms and subject to the conditions set forth in this Amendment.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements herein contained, the parties hereto hereby agree as follows:

AGREEMENT

SECTION 1. **Capitalized Terms.** Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement, unless the context otherwise requires.

SECTION 2. **Amendments.** Subject to the satisfaction of the conditions precedent set forth herein, the Credit Agreement is hereby amended as set forth herein, effective as of the First Amendment Effective Date.

Section 2.1 - Section 1.1 of the Credit Agreement is hereby amended by the addition or modification of the following defined terms:

“**Qualified Receivables Transaction**” means any transaction or series of transactions entered into by the Borrower or any Subsidiary pursuant to which the Borrower or any Subsidiary may sell, convey or otherwise transfer any accounts or notes receivable and rights related thereto and with respect to which (a) all of the terms and conditions of such transaction or series of transactions with respect to the Property transferred are acceptable to the Administrative Agent in its reasonable discretion, (b) no portion of the Indebtedness or other obligations (contingent or otherwise) incurred by the Borrower or Subsidiary in connection therewith (i) is

guaranteed (contingently or otherwise) by the Borrower or any other Subsidiary, other than any guarantee of obligations (other than of principal of, or interest on, Indebtedness) that may be deemed to exist solely by virtue of Standard Nonrecourse Financing Undertakings, (ii) is recourse (contingently or otherwise) to the Borrower or any other Subsidiary, other than by virtue of Standard Nonrecourse Financing Undertakings or (iii) is secured (contingently or otherwise) by any Lien on assets of the Borrower or any other Subsidiary (other than Liens permitted by Section 6.22(h)), (c) no portion of the Indebtedness or other obligations (contingent or otherwise) incurred by the Borrower or any Subsidiary in connection therewith is other than pursuant to Standard Nonrecourse Financing Undertakings and (d) the Receivables Transaction Attributed Indebtedness does not exceed \$75,000,000.

“Standard Nonrecourse Financing Undertakings” means representations, warranties, covenants and indemnities made by the Borrower or a Subsidiary in connection with Qualified Receivables Transactions permitted by this Agreement, which representations, warranties, covenants and indemnities are customarily included in such financings involving companies comparable to the Borrower.

Section 2.2 - Section 6.17(o) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

(o) Receivables Transaction Attributed Indebtedness not to exceed \$75,000,000; and

SECTION 3. **Effectiveness of Amendments.** The amendments contained in this Amendment shall become effective upon the satisfaction or waiver of the following conditions:

Section 3.1 - This Amendment shall have been duly executed by the Borrower and the Lenders constituting Required Lenders.

Section 3.2 - Delivery by the Borrower of a certificate of the Secretary of the Borrower certifying (i) as to the resolutions (which may be existing resolutions) of the Board of Directors of the Borrower authorizing the execution, delivery and performance of this Amendment, (ii) as to the Articles of Incorporation of the Borrower; (iii) as to the bylaws of the Borrower; and (iv) as to the identity, office and signatures of each officer of the Borrower authorized to execute this Amendment and any other instrument or agreement executed by such Person in connection with this Amendment (collectively, the “**Amendment Documents**”).

Section 3.3 - Delivery by the Borrower of original stock certificates issued by each of WaterSurplus, Inc. and Water Solutions Unlimited, Inc. together with stock powers or assignments separate from certificate in the form prescribed by the Administrative Agent and duly executed in blank.

SECTION 4. **Post-Closing Covenant.** Following the effectiveness of this Amendment, promptly upon receipt from the United States Patent and Trademark Office, Borrower shall provide evidence that the intellectual property of Surplus Management, Inc. was transferred to WaterSurplus, Inc.

SECTION 5. **Representations, Warranties, Authority, No Adverse Claim.**

Section 5.1 - Reassertion of Representations and Warranties, No Default. The Borrower hereby represents that on and as of the date hereof and after giving effect to this Amendment (a) all of the representations and warranties contained in the Credit Agreement are true, correct and complete in all respects as of the date hereof as though made on and as of such date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct on and as of such earlier date, and (b) there will exist no Default or Event of Default under the Credit Agreement on such date which has not been waived by the Required Lenders.

Section 5.2 - Authority, No Conflict, No Consent Required, Enforceability. The Borrower represents and warrants that the Borrower has the power and legal right and authority to enter into the Amendment Documents and has duly authorized as appropriate the execution and delivery of the Amendment Documents and other agreements and documents executed and delivered by the Borrower in connection herewith or therewith by proper corporate action, and none of the Amendment Documents nor the agreements contained herein or therein contravenes or constitutes a default under any agreement, instrument or indenture to which the Borrower is a party or a signatory or a provision of the Borrower's Articles of Incorporation, Bylaws, or any other agreement or requirement of law, or result in the imposition of any Lien on any of its property under any agreement binding on or applicable to the Borrower or any of its property except, if any, in favor of the Administrative Agent and the Lenders. The Borrower represents and warrants that no consent, approval or authorization of or registration or declaration with any Person, including but not limited to any governmental authority, is required in connection with the execution and delivery by the Borrower of the Amendment Documents or other agreements and documents executed and delivered by the Borrower in connection therewith or the performance of obligations of the Borrower therein described, except for those which the Borrower has obtained or provided and as to which the Borrower has delivered certified copies of documents evidencing each such action to the Administrative Agent. The Borrower represents and warrants that the Amendment Documents constitute the legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, subject to limitations as to enforceability which might result from bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights generally and subject to limitations on the availability of equitable remedies.

Section 5.3 - No Adverse Claim. The Borrower warrants, acknowledges and agrees that no events have taken place and no circumstances exist at the date hereof which would give the Borrower a basis to assert a defense, offset or counterclaim to any claim of the Administrative Agent or the Lenders with respect to the Borrower's obligations under the Loan Documents as amended by this Amendment.

SECTION 6. **Affirmation of Credit Agreement, Further References.** The Borrower acknowledges and affirms that the Credit Agreement and all of the terms, conditions, provisions, agreements, requirements, promises, obligations, duties, covenants and representations of the Borrower under the Credit Agreement and the other Loan Documents and any and all other documents and agreements entered into with respect to the obligations under the Credit Agreement and the other Loan Documents are hereby ratified and affirmed in all respects by the Borrower. All references in any document or instrument to the Credit Agreement are hereby amended and shall refer to the Credit Agreement as amended by this Amendment.

SECTION 7. **Successors.** The Amendment Documents shall be binding upon the Borrower, the Administrative Agent and the Lenders and their respective successors and assigns, and shall inure to the benefit of the Borrower, the Administrative Agent and the Lenders and their respective successors and assigns.

SECTION 8. **Legal Expenses.** The Borrower agrees to reimburse the Administrative Agent, upon execution of this Amendment, for all reasonable out-of-pocket expenses (including attorneys' fees and legal expenses of Dorsey & Whitney LLP, counsel for the Administrative Agent) incurred in connection with the Credit Agreement, including in connection with the negotiation, preparation and execution of the Amendment Documents and all other documents negotiated, prepared and executed in connection with the Amendment Documents, and in enforcing the obligations of the Borrower under the Amendment Documents, and to pay and save the Administrative Agent and the Lenders harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of the Amendment Documents, which obligations of the Borrower shall survive any termination of the Credit Agreement.

SECTION 9. **Counterparts.** The Amendment Documents may be executed in several counterparts as deemed necessary or convenient, each of which, when so executed, shall be deemed an original, provided that all such counterparts shall be regarded as one and the same document, and either party to the Amendment Documents may execute any such agreement by executing a counterpart of such agreement.

SECTION 10. **Governing Law.** THE AMENDMENT DOCUMENTS (OTHER THAN THOSE CONTAINING A CONTRARY EXPRESS CHOICE OF LAW PROVISION) SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS THEREOF (OTHER THAN THE PROVISIONS OF SECTIONS 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK) BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

SECTION 11. **Acknowledgement and Release.** IN ORDER TO INDUCE THE ADMINISTRATIVE AGENT AND THE LENDERS TO ENTER INTO THIS AMENDMENT, THE BORROWER: (A) REPRESENTS AND WARRANTS TO THE ADMINISTRATIVE AGENT AND THE LENDERS THAT NO EVENTS HAVE TAKEN PLACE AND NO CIRCUMSTANCES EXIST AT THE DATE HEREOF WHICH WOULD GIVE THE BORROWER THE RIGHT TO ASSERT A DEFENSE, OFFSET OR COUNTERCLAIM TO ANY CLAIM BY THE ADMINISTRATIVE AGENT OR ANY LENDER FOR PAYMENT OF THE OBLIGATIONS; AND (B) HEREBY RELEASES AND FOREVER DISCHARGES THE

ADMINISTRATIVE AGENT AND THE LENDERS AND THEIR SUCCESSORS, ASSIGNS, DIRECTORS, OFFICERS, AGENTS, EMPLOYEES AND PARTICIPANTS FROM ANY AND ALL ACTIONS, CAUSES OF ACTION, SUITS, PROCEEDINGS, DEBTS, SUMS OF MONEY, COVENANTS, CONTRACTS, CONTROVERSIES, CLAIMS AND DEMANDS, AT LAW OR IN EQUITY, WHICH THE BORROWER EVER HAD OR NOW HAS AGAINST THE ADMINISTRATIVE AGENT OR ANY LENDER OR ANY OF THEIR SUCCESSORS, ASSIGNS, DIRECTORS, OFFICERS, AGENTS, EMPLOYEES OR PARTICIPANTS BY VIRTUE OF THEIR RELATIONSHIP TO THE BORROWER IN CONNECTION WITH THIS AMENDMENT, THE CREDIT AGREEMENT, THE LOAN DOCUMENTS AND TRANSACTIONS RELATED THERETO.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date and year first above written.

BORROWER:

HAWKINS, INC.

By: /s/ Jeffrey P. Oldenkamp
Name: Jeffrey P. Oldenkamp
Title: Executive Vice President and Chief
Financial Officer

[Signature Page to Third Amendment to Second Amended and Restated Credit Agreement]

U.S. BANK NATIONAL ASSOCIATION,
as a Lender, as LC Issuer and as
Administrative Agent

By: /s/ Christopher Taddei
Name: Christopher Taddei
Title: Vice President

[Signature Page to Third Amendment to Second Amended and Restated Credit Agreement]

JPMORGAN CHASE BANK, N.A.,
as a Lender, an LC Issuer, Joint Lead Arranger, Joint Bookrunner and
Documentation Agent

By: /s/ Mike Myers
Name: Mike Myers
Title: Authorized Signer

[Signature Page to Third Amendment to Second Amended and Restated Credit Agreement]

WELLS FARGO BANK, NATIONAL ASSOCIATION
as a Lender

By: /s/ Megan Pridmore
Name: Megan Pridmore
Title: Executive Director

[Signature Page to Third Amendment to Second Amended and Restated Credit Agreement]

ASSOCIATED BANK, N.A.
as a Lender

By: /s/ Brett Neuleib
Name: Brett Neuleib
Title: Senior Vice President | Corporate Banking - Minnesota

[Signature Page to Third Amendment to Second Amended and Restated Credit Agreement]

**CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

CERTIFICATIONS

I, Patrick H. Hawkins, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hawkins, Inc.;
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 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 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/ Patrick H. Hawkins

Patrick H. Hawkins

Chief Executive Officer and President

**CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

CERTIFICATIONS

I, Jeffrey P. Oldenkamp, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hawkins, Inc.;
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 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 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/ Jeffrey P. Oldenkamp

Jeffrey P. Oldenkamp

Executive Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Hawkins, Inc. (the Company) on Form 10-Q for the period ended September 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Patrick H. Hawkins, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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.

/s/ Patrick H. Hawkins

Patrick H. Hawkins
Chief Executive Officer and President
October 29, 2025

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Hawkins, Inc. (the Company) on Form 10-Q for the period ended September 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Jeffrey P. Oldenkamp, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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.

/s/ Jeffrey P. Oldenkamp

Jeffrey P. Oldenkamp

Executive Vice President and Chief Financial Officer

October 29, 2025