

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended November 1, 2025

or

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

For the transition period from _____ to _____.

Commission File No. 001-39589



Academy Sports and Outdoors, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

85-1800912

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

1800 North Mason Road
Katy, Texas 77449

(Address of principal executive offices) (Zip Code)

(281) 646-5200

(Registrant's Telephone Number, including Area Code)

Not applicable

(Former name, former address and former fiscal year, if changed since last report)

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.01 per share	ASO	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

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

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

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

As of December 2, 2025, Academy Sports and Outdoors, Inc. had 66,681,300 shares of common stock, par value \$0.01 per share, outstanding.

ACADEMY SPORTS AND OUTDOORS, INC.
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollar amounts in thousands, except per share data)

	November 1, 2025	February 1, 2025	November 2, 2024
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 289,487	\$ 288,929	\$ 295,996
Accounts receivable - less allowance for doubtful accounts of \$2,195, \$2,752 and \$2,609, respectively	17,508	16,759	18,124
Merchandise inventories, net	1,701,163	1,308,840	1,524,978
Prepaid expenses and other current assets	64,754	95,621	68,884
Assets held for sale	20,658	—	—
Total current assets	2,093,570	1,710,149	1,907,982
PROPERTY AND EQUIPMENT, NET	591,067	525,136	503,115
RIGHT-OF-USE ASSETS	1,226,518	1,173,075	1,189,116
TRADE NAME	579,588	579,007	578,815
GOODWILL	861,920	861,920	861,920
OTHER NONCURRENT ASSETS	61,321	51,676	50,830
Total assets	\$ 5,413,984	\$ 4,900,963	\$ 5,091,778
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable	\$ 793,558	\$ 612,424	\$ 764,489
Accrued expenses and other current liabilities	305,786	230,323	314,289
Current lease liabilities	124,685	115,134	130,236
Current maturities of long-term debt	3,000	3,000	3,000
Total current liabilities	1,227,029	960,881	1,212,014
LONG-TERM DEBT, NET	481,266	482,679	483,148
LONG-TERM LEASE LIABILITIES	1,260,067	1,185,741	1,173,158
DEFERRED TAX LIABILITIES, NET	272,733	256,815	250,970
OTHER LONG-TERM LIABILITIES	26,620	10,812	10,961
Total liabilities	3,267,715	2,896,928	3,130,251
COMMITMENTS AND CONTINGENCIES (NOTE 10)			
STOCKHOLDERS' EQUITY:			
Preferred stock, \$0.01 par value, authorized 50,000,000 shares; none issued and outstanding	—	—	—
Common stock, \$0.01 par value, authorized 300,000,000 shares; 66,676,966; 68,332,961 and 69,932,128 issued and outstanding as of November 1, 2025, February 1, 2025 and November 2, 2024, respectively	667	683	699
Additional paid-in capital	263,736	247,094	245,511
Retained earnings	1,881,866	1,756,258	1,715,317
Stockholders' equity	2,146,269	2,004,035	1,961,527
Total liabilities and stockholders' equity	\$ 5,413,984	\$ 4,900,963	\$ 5,091,778

See Condensed Notes to Consolidated Financial Statements

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(Amounts in thousands, except per share data)

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
NET SALES	\$ 1,383,696	\$ 1,343,330	\$ 4,334,942	\$ 4,256,530
COST OF GOODS SOLD	890,287	886,617	2,805,931	2,785,299
GROSS MARGIN	493,409	456,713	1,529,011	1,471,231
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	393,017	365,239	1,186,973	1,087,287
OPERATING INCOME	100,392	91,474	342,038	383,944
INTEREST EXPENSE, NET	8,984	9,149	27,057	27,706
WRITE OFF OF DEFERRED LOAN COSTS	—	—	—	449
OTHER INCOME, NET	2,618	6,406	6,907	17,140
INCOME BEFORE INCOME TAXES	94,026	88,731	321,888	372,929
INCOME TAX EXPENSE	22,464	22,968	78,808	88,113
NET INCOME	\$ 71,562	\$ 65,763	\$ 243,080	\$ 284,816
EARNINGS PER COMMON SHARE:				
BASIC	\$ 1.07	\$ 0.94	\$ 3.64	\$ 3.95
DILUTED	\$ 1.05	\$ 0.92	\$ 3.57	\$ 3.86
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
BASIC	66,647	70,319	66,770	72,047
DILUTED	67,963	71,774	68,096	73,744

See Condensed Notes to Consolidated Financial Statements

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)
(Amounts in thousands, except per share data)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount			
Balances as of February 1, 2025	68,333	\$ 683	\$ 247,094	\$ 1,756,258	\$ 2,004,035
Net income	—	—	—	46,084	46,084
Equity compensation	—	—	7,542	—	7,542
Repurchase of common stock for retirement	(2,081)	(20)	(8,436)	(91,444)	(99,900)
Settlement of vested Restricted Stock Units, net of shares withheld	163	(1)	(3,300)	—	(3,301)
Stock option exercises, net of shares withheld	51	—	1,488	—	1,488
Cash dividends declared, \$0.13 per share	—	—	—	(8,716)	(8,716)
Balances as of May 3, 2025	66,466	\$ 662	\$ 244,388	\$ 1,702,182	\$ 1,947,232
Net income	—	—	—	125,434	125,434
Equity compensation	—	—	7,602	—	7,602
Settlement of vested Restricted Stock Units, net of shares withheld	46	1	(420)	—	(419)
Issuance of common stock under employee stock purchase plan	73	2	2,779	—	2,781
Stock option exercises, net of shares withheld	40	1	1,168	—	1,169
Cash dividends declared, \$0.13 per share	—	—	—	(8,649)	(8,649)
Balances as of August 2, 2025	66,625	\$ 666	\$ 255,517	\$ 1,818,967	\$ 2,075,150
Net income	—	—	—	71,562	71,562
Equity compensation	—	—	7,580	—	7,580
Settlement of vested Restricted Stock Units, net of shares withheld	15	—	(321)	—	(321)
Stock option exercises, net of shares withheld	37	1	960	—	961
Cash dividends declared, \$0.13 per share	—	—	—	(8,663)	(8,663)
Balances as of November 1, 2025	66,677	\$ 667	\$ 263,736	\$ 1,881,866	\$ 2,146,269

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)
(Amounts in thousands, except per share data)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount			
Balances as of February 3, 2024	74,350	\$ 743	\$ 242,098	\$ 1,711,809	\$ 1,954,650
Net income	—	—	—	76,465	76,465
Equity compensation	—	—	6,138	—	6,138
Repurchase of common stock for retirement	(1,984)	(19)	(7,625)	(115,856)	(123,500)
Settlement of vested Restricted Stock Units, net of shares withheld	98	1	(2,798)	—	(2,797)
Stock option exercises, net of shares withheld	127	1	2,746	—	2,747
Cash dividends declared, \$0.11 per share	—	—	—	(8,182)	(8,182)
Balances as of May 4, 2024	72,591	\$ 726	\$ 240,559	\$ 1,664,236	\$ 1,905,521
Net income	—	—	—	142,588	142,588
Equity compensation	—	—	7,955	—	7,955
Repurchase of common stock for retirement	(1,810)	(18)	(6,961)	(91,802)	(98,781)
Settlement of vested Restricted Stock Units, net of shares withheld	43	—	(574)	—	(574)
Issuance of common stock under employee stock purchase plan	62	1	2,818	—	2,819
Stock option exercises, net of shares withheld	30	—	787	—	787
Cash dividends declared, \$0.11 per share	—	—	—	(7,921)	(7,921)
Balances as of August 3, 2024	70,916	\$ 709	\$ 244,584	\$ 1,707,101	\$ 1,952,394
Net income	—	—	—	65,763	65,763
Equity compensation	—	—	6,296	—	6,296
Repurchase of common stock for retirement	(1,044)	(10)	(4,544)	(49,808)	(54,362)
Settlement of vested Restricted Stock Units, net of shares withheld	45	—	(1,059)	—	(1,059)
Stock option exercises, net of shares withheld	15	—	234	—	234
Cash dividends declared, \$0.11 per share	—	—	—	(7,739)	(7,739)
Balances as of November 2, 2024	69,932	\$ 699	\$ 245,511	\$ 1,715,317	\$ 1,961,527

See Condensed Notes to Consolidated Financial Statements

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Amounts in thousands)

	Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 243,080	\$ 284,816
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	92,075	87,108
Non-cash lease expense	30,034	16,773
Equity compensation	22,724	20,389
Amortization of deferred loan and other costs	1,943	1,925
Deferred income taxes	15,917	(3,826)
Write off of deferred loan costs	—	449
Gain on disposal of property and equipment	(3,634)	—
Changes in assets and liabilities:		
Accounts receivable, net	(749)	1,247
Merchandise inventories, net	(392,323)	(330,819)
Prepaid expenses and other current assets	28,813	14,566
Other noncurrent assets	(10,751)	(11,222)
Accounts payable	171,553	214,264
Accrued expenses and other current liabilities	52,812	48,464
Income taxes payable	23,874	44,782
Other long-term liabilities	9,698	(1,004)
Net cash provided by operating activities	<u>285,066</u>	<u>387,912</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(170,154)	(135,866)
Purchases of intangible assets	(581)	(579)
Proceeds from the sale of property and equipment	4,706	—
Net cash used in investing activities	<u>(166,029)</u>	<u>(136,445)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Revolving Credit Facilities	—	3,900
Repayment of Revolving Credit Facilities	—	(3,900)
Repayment of Term Loan	(2,250)	(2,250)
Debt issuance fees	—	(5,690)
Proceeds from exercise of stock options	3,606	3,809
Proceeds from issuance of common stock under employee stock purchase program	2,781	2,819
Taxes paid related to net share settlement of equity awards	(4,067)	(4,471)
Repurchase of common stock for retirement	(99,031)	(273,766)
Dividends paid	(26,028)	(23,842)
Other financing activities	6,510	—
Net cash used in financing activities	<u>(118,479)</u>	<u>(303,391)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	558	(51,924)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	288,929	347,920
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 289,487	\$ 295,996

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Amounts in thousands)

	Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid for interest	\$ 20,353	\$ 20,612
Cash paid for income taxes	\$ 38,016	\$ 45,788
SUPPLEMENTAL DISCLOSURES OF NON-CASH ACTIVITIES:		
Non-cash capital expenditures	\$ 21,854	\$ 15,834
Right-of-use assets obtained in exchange for new operating leases	\$ 183,110	\$ 184,249

See Condensed Notes to Consolidated Financial Statements

ACADEMY SPORTS AND OUTDOORS, INC.
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Nature of Operations

The Company

All references to “we,” “us,” “our” or the “Company” in the financial statements refer to Academy Sports and Outdoors, Inc., a Delaware corporation (“ASO, Inc.”) and the current parent holding company of our operations, and its consolidated subsidiaries. We conduct our operations primarily through our indirect subsidiary, Academy, Ltd., a Texas limited partnership doing business as “Academy Sports + Outdoors”, or Academy, Ltd. All of the Company's sales and business operations occur at Academy, Ltd., and Academy, Ltd. is also the borrower and/or issuer of the Company's long-term debt and the lessee of the Company's facilities. Our fiscal year represents the 52 or 53 weeks ending on the Saturday closest to January 31.

The Company is a leading full-line sporting goods and outdoor recreational products retailer in the United States in terms of net sales. As of November 1, 2025, we operated 317 “Academy Sports + Outdoors” retail locations in 21 states and three distribution centers located in Katy, Texas, Twiggs County, Georgia and Cookeville, Tennessee. Our distribution centers receive, store and ship merchandise to our stores and customers. We also sell merchandise to customers across most of the United States via our *academy.com* website and our mobile app.

2. Summary of Significant Accounting Policies

The accompanying unaudited financial statements of the Company have been prepared as though they were required to be in accordance with Rule 10-01 of Regulation S-X for interim financial statements, however, they do not include all information and footnotes required by United States generally accepted accounting principles (“GAAP”) for complete financial statements. Certain information and footnote disclosures normally included in our annual consolidated financial statements prepared in accordance with GAAP have been condensed or omitted. However, we believe that the disclosures included herein are adequate to make the information presented not misleading. These condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended February 1, 2025, as filed with the Securities and Exchange Commission (the “SEC”) on March 20, 2025 (the “Annual Report”). The information furnished herein reflects all normal recurring adjustments which are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. The results of operations for the thirteen and thirty-nine weeks ended November 1, 2025 are not necessarily indicative of the results that will be realized for the fiscal year ending January 31, 2026 or any other period. The balance sheet as of February 1, 2025 has been derived from our audited financial statements as of that date. For further information, refer to our audited financial statements and notes thereto included in the Annual Report.

Basis of Presentation and Principles of Consolidation

These unaudited condensed consolidated financial statements include the accounts of ASO, Inc. and its subsidiaries, New Academy Holding Company, LLC (“NAHC”), Academy Managing Co., L.L.C., Associated Investors, L.L.C., Academy, Ltd., the Company's operating company, Academy International Limited, Mason Creek Insurance Co., LLC, and Academy Procurement Co., LLC. NAHC, Academy Managing Co., LLC, and Associated Investors, LLC are intermediate holding companies. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Our management bases its estimates on historical experience and other assumptions it believes to be reasonable under the circumstances. Actual results could differ significantly from those estimates. Our most significant estimates and assumptions that materially affect the financial statements involve difficult, subjective or complex judgments by management, including the valuation of merchandise inventories and performing goodwill, intangible and long-lived asset impairment analyses.

Reclassifications

Within the merchandise division sales table presented in Note 3, certain products and categories were recategorized in the current fiscal year amongst various categories and divisions, respectively, to better align with our current merchandising strategy and view of the business. As a result, we have reclassified sales between divisions in the thirteen and thirty-nine weeks ended November 2, 2024 for comparability purposes. This reclassification is in divisional presentation only and did not impact the overall net sales balances previously disclosed.

Share Repurchases

On December 4, 2024, the Company's Board of Directors approved a new share repurchase program under which the Company is authorized to purchase up to \$700 million of its outstanding shares during the three-year period ending December 4, 2027 (the "2024 Share Repurchase Program"), and which replaces the previously approved share repurchase program. Under the 2024 Share Repurchase Program, repurchases can be made using a variety of methods, which may include open market purchases, block trades, accelerated share repurchase programs, privately negotiated transactions and/or Rule 10b5-1 or other non-discretionary trading plans, all in compliance with the rules of the SEC and other applicable legal requirements. The timing, manner, price and amount of any common share repurchases under the 2024 Share Repurchase Program will be determined by the Company in its discretion and depend on a variety of factors, including legal requirements, price, economic and market conditions. The 2024 Share Repurchase Program does not obligate the Company to acquire any particular number of common shares, and the program may be suspended, extended, modified or discontinued at any time.

The following table summarizes our share repurchases for the periods presented:

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
Shares repurchased	—	1,044,027	2,080,772	4,837,850
Aggregate amount paid (amounts in millions) ⁽¹⁾	\$ —	\$ 54.4	\$ 99.9	\$ 276.6

(1) Includes estimated excise tax fees of \$0.0 million and \$0.9 million for the thirteen and thirty-nine weeks ended November 1, 2025, respectively, and \$0.9 million and \$2.9 million for the thirteen and thirty-nine weeks ended November 2, 2024, respectively.

The Company allocates the excess of the repurchase price over the par value of shares acquired to Retained Earnings and Additional Paid-in Capital. The portion allocated to Additional Paid-in Capital is determined by dividing the number of shares to be retired by the number of shares issued multiplied by the balance of Additional Paid-in Capital as of the retirement date. As of November 1, 2025, we had \$536.5 million available for share repurchases pursuant to the 2024 Share Repurchase Program.

Supplier Finance Programs

We have previously entered into a supply chain financing arrangement with a third-party financial institution, whereby certain suppliers have the ability to settle outstanding payment obligations earlier than the due date required by our original supplier terms. Subsequently, we settle invoices with the financial institution within 45 days, which approximates our original supplier terms. The Company does not have an economic interest in suppliers' voluntary participation, does not provide any guarantees or pledge assets under these arrangements, and our rights and obligations to our suppliers, including amounts due, are not impacted. Our liability associated with these arrangements, which is presented within accounts payable on the Condensed Consolidated Balance Sheets, was \$1.9 million, \$3.8 million and \$2.5 million as of November 1, 2025, February 1, 2025 and November 2, 2024, respectively.

Recent Accounting Pronouncements

U.S. Income Tax Regulations

On July 4, 2025, an Act to provide for reconciliation pursuant to title II of H. Con. Res. 14, commonly referred to as the One Big Beautiful Bill Act ("OBBBA"), was enacted into law in the United States. The OBBBA introduces significant changes to U.S. tax law, including full deductibility of qualified capital expenditures, full deductibility of domestic research and development expenditures, changes to the business interest limitation, and modifications to the international tax framework. For the fiscal year ending January 31, 2026, the Company anticipates a material decrease to the current tax expense and corresponding increase to deferred tax expense that results in no net impact to the effective tax rate.

Accounting Guidance Adopted

In September 2025, the FASB issued ASU 2025-07, *Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Scope Clarifications for Share-Based Noncash Consideration from a Customer in a Revenue Contract*. This pronouncement is intended to refine the scope of derivatives and clarify the scope for share-based noncash consideration from a customer in a revenue contract. The new guidance is effective for fiscal years beginning after December 15, 2026, and interim reporting periods within those annual reporting periods, and should be applied prospectively or on a modified retrospective basis. The Company has elected early adoption of ASU 2025-07 on a modified retrospective basis, effective November 1, 2025. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which is intended to enhance the disclosures on reportable segments. Under this pronouncement, all public entities (including those with a single reporting segment) are required to include incremental disclosures related to a public entity's reportable segments, including disclosure of disaggregated expense information that is regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss. The new guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and should be adopted retrospectively. The Company adopted ASU 2023-07 retrospectively, effective February 1, 2025. The adoption of this standard did not have a material impact on the Company's consolidated financial statement disclosures.

Accounting Guidance Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This pronouncement is intended to enhance the transparency and decision usefulness of income tax disclosures and establishes new income tax disclosure requirements, including requiring disaggregation of a reporting entity's effective tax rate reconciliation and disaggregation of the income taxes paid based on the applicable tax jurisdiction. The new guidance is effective for the annual periods for fiscal years beginning after December 15, 2024 and should be applied on a prospective basis with the option to apply the standard retrospectively. The Company is currently evaluating the impact that the adoption of this accounting standard will have on its annual financial disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (DISE)*, which requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. The new guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The requirements should be applied prospectively with the option for retrospective application. The Company is evaluating the impact of adopting ASU 2024-03 on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which requires removal of all references to prescriptive and sequential software development stages. The new guidance is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, and should be applied on a prospective transition approach, a modified transition approach, or a retrospective transition approach. The Company is evaluating the impact of adopting ASU 2025-06 on its consolidated financial statements.

3. Net Sales

Revenue from merchandise sales is recognized, net of sales tax, when the Company's performance obligation to the customer is met, which is when the Company transfers control of the merchandise to the customer. Store merchandise sales are recognized at the point of sale and e-commerce sales are recognized upon delivery to the customer.

The following table sets forth the approximate amount of sales by merchandise divisions for the periods presented (amounts in thousands):

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
Merchandise division sales ⁽¹⁾				
Outdoors	\$ 445,144	\$ 436,566	\$ 1,276,481	\$ 1,262,761
Sports and recreation	288,738	273,449	993,688	969,250
Apparel	349,813	340,437	1,133,663	1,109,864
Footwear	292,440	285,480	908,349	890,025
Total merchandise sales ⁽²⁾	1,376,135	1,335,932	4,312,181	4,231,900
Other sales ⁽³⁾	7,561	7,398	22,761	24,630
Net Sales	\$ 1,383,696	\$ 1,343,330	\$ 4,334,942	\$ 4,256,530

(1) Certain products and categories were reclassified in the current fiscal year amongst various categories and divisions, respectively, to better align with our current merchandising strategy and view of the business. As a result, we have reclassified sales between divisions in the thirteen and thirty-nine weeks ended November 2, 2024, for comparability purposes. This reclassification is in divisional presentation only and did not impact the overall net sales balances previously disclosed.

(2) E-commerce sales consisted of 10.4% and 10.5% of merchandise sales for the thirteen and thirty-nine weeks ended November 1, 2025, respectively, and 8.8% and 9.2% for the thirteen and thirty-nine weeks ended November 2, 2024, respectively.

(3) Other sales consisted primarily of the gift card breakage income, credit card bounties and royalties, shipping income, sales return allowance and other items.

We sell gift cards in stores, online and in third-party retail locations. The gift cards we sell have no expiration dates. A liability for gift cards, which is recorded in accrued expenses and other liabilities on our Condensed Consolidated Balance Sheets, is established at the time of sale and revenues are recognized as the gift cards are redeemed in stores or on our website. Based on historical gift card redemption patterns, we believe we can reasonably estimate the amount of gift cards that have a remote likelihood of redemption. These identified amounts are recorded as net sales and recognized in proportion to historical redemption trends, which is referred to as "breakage".

The following is a reconciliation of the gift card liability (amounts in thousands):

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
Gift card liability, beginning balance	\$ 81,778	\$ 78,768	\$ 96,469	\$ 94,155
Issued	22,084	19,800	71,346	63,598
Redeemed	(23,501)	(21,017)	(84,907)	(77,581)
Recognized as breakage income	(1,164)	(914)	(3,711)	(3,535)
Gift card liability, ending balance	\$ 79,197	\$ 76,637	\$ 79,197	\$ 76,637

4. Long-Term Debt

Our debt consisted of the following (amounts in thousands) as of:

	November 1, 2025	February 1, 2025	November 2, 2024
ABL Facility, due March 2029	\$ —	\$ —	\$ —
Term Loan, due November 2027	86,500	88,750	89,500
6.00% Notes, due November 2027	400,000	400,000	400,000
Total debt	486,500	488,750	489,500
Less current maturities	(3,000)	(3,000)	(3,000)
Less unamortized discount on Term Loan	(260)	(361)	(396)
Less deferred loan costs ⁽¹⁾	(1,974)	(2,710)	(2,956)
Long-term debt, net	<u>\$ 481,266</u>	<u>\$ 482,679</u>	<u>\$ 483,148</u>

(1) Deferred loan costs are related to the Term Loan and Notes.

ABL Facility

Academy Ltd., as borrower, and certain wholly-owned subsidiaries, as guarantors, entered into an asset-based revolving \$1 billion credit facility, dated March 8, 2024 with JPMorgan Chase Bank, N.A., as the administrative agent and collateral agent and other lenders party thereto (as amended to date, the “ABL Facility”). Borrowings under the ABL Facility bear interest, at our election, at either (1) adjusted term secured overnight financing rate (“Adjusted Term SOFR”) plus a margin of 1.25% to 1.75%, or (2) a base rate equal to the highest of (a) the federal funds rate plus 0.50%, (b) JPMorgan Chase Bank, N.A.’s “prime rate”, or (c) the one-month Adjusted Term SOFR rate plus 1.00%, plus a margin of 0.25% to 0.75%. The ABL Facility also provides a fee applicable to the unused commitments of 0.375%. The terms and conditions of the ABL Facility also require that we prepay outstanding loans under the ABL Facility under certain circumstances. As of November 1, 2025, no future prepayments of outstanding loans have been triggered under the terms and conditions of the ABL Facility.

As of November 1, 2025, we had outstanding letters of credit of approximately \$7.6 million, all of which were issued under the ABL Facility, and we had no borrowings outstanding, leaving an available borrowing capacity under the ABL Facility of \$992.4 million.

Term Loan

Academy, Ltd., as borrower, and certain wholly-owned subsidiaries, as guarantors, entered into a seven-year \$400.0 million senior secured term loan with Credit Suisse AG, Cayman Island Branch, as the administrative agent and collateral agent and the several other lenders and parties named therein on November 6, 2020 (as amended to date, the “Term Loan”). Borrowings under the Term Loan bear interest, at our election, at either (1) Adjusted Term SOFR with a floor of 0.75% rate plus a margin of 3.75% or (2) a base rate equal to the highest of (a) the federal funds rate plus 0.50%, (b) the U.S. “prime rate” announced by the administrative agent, or (c) the one-month Adjusted Term SOFR with a floor of 0.75% rate, plus a margin of 3.75%. As of November 1, 2025, the weighted average interest rate was 8.12%, with interest payable monthly. Quarterly principal payments of \$750.0 thousand are required through September 30, 2027 and borrowings mature on November 6, 2027. As of November 1, 2025, no prepayment was due under the terms and conditions of the Term Loan.

Notes

On November 6, 2020, Academy, Ltd. issued \$400.0 million of 6.00% senior secured notes which are due November 15, 2027 (the “Notes”), pursuant to an indenture, dated as of November 6, 2020, with the subsidiary guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee and collateral agent. The Notes require cash interest payments semi-annually in arrears on May 15 and November 15 of each year at a rate of 6.00% per year, which commenced on May 15, 2021.

Covenants. The ABL Facility, Term Loan and Notes agreements contain covenants, including, among other things, covenants that may restrict Academy, Ltd.'s ability to incur certain additional indebtedness, create or permit liens on assets, engage in mergers or consolidations, pay dividends, make other restricted payments, make loans or advances, engage in transactions with affiliates or amend material documents. Additionally, at certain times, the ABL Facility is subject to a minimum adjusted fixed charge coverage ratio. These covenants are subject to certain qualifications and limitations. We were in compliance with these covenants as of November 1, 2025.

5. Fair Value Measurements

Fair value is defined as an exit price that would be received from the sale of an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Authoritative guidance establishes a three-level hierarchy for disclosure that is based on the extent and level of judgment used to estimate the fair value of the assets and liabilities.

The fair value measurements are classified as either:

- Level 1 which represents valuations based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 which represents valuations based on quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 which represents valuations based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy in which the fair value measurement is classified in its entirety, is based on the lowest level input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. There were no transfers made into or out of the Level 1, 2 or 3 categories during any period presented.

Periodically, we make cash investments in money market funds comprised of U.S. Government treasury bills and securities, which are classified as cash and are redeemable on demand. As of November 1, 2025, February 1, 2025 and November 2, 2024, we held \$232.2 million, \$256.9 million and \$245.1 million in money market funds, respectively.

The fair value of the Term Loan and Notes is estimated using a discounted cash flow analysis based on quoted market prices for the instrument in an inactive market and is therefore classified as Level 2 within the fair value hierarchy. As of November 1, 2025, February 1, 2025, and November 2, 2024, the estimated fair value of the Term Loan and Notes was \$0.5 billion, \$0.5 billion and \$0.5 billion, respectively. As borrowings on the ABL Facility are generally repaid in less than 12 months, we believe that fair value approximates the carrying value.

6. Property and Equipment

Property and equipment consists of the following (amounts in thousands) as of:

	November 1, 2025	February 1, 2025	November 2, 2024
Leasehold improvements	\$ 753,647	\$ 663,869	\$ 635,815
Equipment and software	771,288	733,939	718,924
Furniture and fixtures	468,211	431,577	421,900
Construction in progress	46,907	54,236	55,333
Building and Land	11,964	16,010	14,921
Total property and equipment	2,052,017	1,899,631	1,846,893
Accumulated depreciation and amortization	(1,460,950)	(1,374,495)	(1,343,778)
Property and equipment, net	\$ 591,067	\$ 525,136	\$ 503,115

Depreciation expense was \$30.9 million and \$92.1 million in the thirteen and thirty-nine weeks ended November 1, 2025, respectively, and \$29.3 million and \$87.1 million in the thirteen and thirty-nine weeks ended November 2, 2024, respectively.

Assets Held for Sale

As of the third quarter of 2025, we either identified or were actively seeking out potential buyers for certain properties, with the intent to subsequently lease-back a portion of these properties from the buyers. We determined that the assets met the criteria to be presented as "held for sale." As of November 1, 2025, the \$20.7 million of assets held for sale on the Condensed Consolidated Balance Sheets were comprised entirely of building and land assets. We believe the sales of these properties are expected to occur within one year. We do not believe the sales will be material to our financial results.

7. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following (amounts in thousands) as of:

	November 1, 2025	February 1, 2025	November 2, 2024
Accrued interest	\$ 13,821	\$ 7,634	\$ 12,994
Accrued personnel costs	64,208	46,178	58,480
Accrued professional fees	2,533	13,466	2,672
Accrued sales and use tax	20,126	4,772	18,385
Accrued self-insurance	16,862	15,205	14,837
Deferred revenue - gift cards and other	82,031	98,641	78,904
Income taxes payable	27,911	6,090	54,095
Property taxes	48,949	16,833	46,602
Sales return allowance	4,500	4,400	4,500
Other	24,845	17,104	22,820
Accrued expenses and other current liabilities	\$ 305,786	\$ 230,323	\$ 314,289

8. Share-Based Compensation

On September 29, 2020, the ASO, Inc. Board of Directors adopted the 2020 Omnibus Incentive Plan (the “2020 Omnibus Incentive Plan”), which became effective on October 1, 2020. The plan reserved a total of 5,150,000 shares of common stock for issuance. On June 1, 2023, our stockholders approved the First Amendment to the 2020 Omnibus Incentive Plan, which, among other changes, increased the number of shares available for issuance thereunder by 2,600,000 shares. As of November 1, 2025, there were 3,552,521 shares that were authorized and available for future issuance under the 2020 Omnibus Incentive Plan.

On September 29, 2020, the ASO, Inc. Board of Directors adopted the 2020 Employee Stock Purchase Plan (the “ESPP”), which became effective on October 1, 2020. We have reserved a total of 2,000,000 shares and as of November 1, 2025, there were 1,402,072 shares authorized and available for future issuance under the ESPP.

Equity compensation expense was \$7.6 million and \$22.7 million for the thirteen and thirty-nine weeks ended November 1, 2025, respectively. Equity compensation expense was \$6.3 million and \$20.4 million for the thirteen and thirty-nine weeks ended November 2, 2024, respectively. These costs are included in selling, general and administrative expenses in the Condensed Consolidated Statements of Income. For all Awards granted in 2023, 2024, and 2025, for team members that meet the age and service requirement for retirement eligibility (as defined in the award agreement), such Awards do not require the continued employment of the team member for vesting eligibility. In such cases, expensing of Awards is accelerated through the retirement eligibility date.

The following table presents the Award grants during the thirty-nine weeks ended November 1, 2025:

	Service Restricted Stock Units	Performance Restricted Stock Units
Number of shares	549,077	165,055
Weighted average grant date fair value per Award	\$ 48.91	\$ 49.98
Weighted average exercise price per Award	N/A	N/A

The following table presents the unrecognized compensation cost as of November 1, 2025:

	Service Options	Service Restricted Stock Units	Performance Restricted Stock Units
Remaining expense	\$ 1,073,124	\$ 30,997,018	\$ 9,282,672
Weighted average life remaining in years	0.6	1.9	1.9

9. Earnings per Common Share

Basic earnings per common share is calculated based on net income divided by the basic weighted average common shares outstanding during the period, and diluted earnings per common share is calculated based on net income divided by the diluted weighted average common shares outstanding. Diluted weighted average common shares outstanding is based on the basic weighted average common shares outstanding plus any potential dilutive effect of stock-based awards outstanding during the period using the treasury stock method, which assumes the potential proceeds received from the dilutive stock options are used to purchase treasury stock. Anti-dilutive stock-based awards do not include awards which have a performance or liquidity event target which has yet to be achieved.

Basic and diluted weighted average common shares outstanding and basic and diluted earnings per common share are calculated as follows (amounts in thousands except per share amounts):

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
Net income	\$ 71,562	\$ 65,763	\$ 243,080	\$ 284,816
Weighted average common shares outstanding - basic	66,647	70,319	66,770	72,047
Dilutive effect of Service Restricted Units and Service Restricted Stock Units	214	164	262	295
Dilutive effect of Performance Restricted Stock Units and Liquidity Event Restricted Units	17	100	20	112
Dilutive effect of Service Options	1,004	1,107	933	1,182
Dilutive effect of Performance Unit Options	81	84	78	87
Dilutive effect of ESPP Shares	—	—	33	21
Weighted average common shares outstanding - diluted	67,963	71,774	68,096	73,744
Earnings per common share - basic	\$ 1.07	\$ 0.94	\$ 3.64	\$ 3.95
Earnings per common share - diluted	\$ 1.05	\$ 0.92	\$ 3.57	\$ 3.86
Anti-dilutive stock-based awards excluded from diluted calculation	173	67	242	67

10. Commitments and Contingencies

Technology Related and Other Commitments

As of November 1, 2025, we have obligations under technology-related, construction and other contractual commitments in the amount of \$113.4 million. Of such commitments, approximately \$55.2 million is payable in the next 12 months.

Other Contingencies

During the fiscal quarter ended November 1, 2025, the Company entered into an agreement to sell a portion of the rights to potential tariff relief litigation claims, which was determined to be accounted for under ASC 470. As of the third quarter of fiscal year 2025, the \$6.5 million proceeds from the sale are recorded within Other Long-term Liabilities on the Condensed Consolidated Balance Sheets and are presented as other financing activities on the Condensed Consolidated Statements of Cash Flows pending a final U.S. Supreme Court decision regarding tariffs.

Financial Guarantees

During the normal course of business, we enter into contracts that contain a variety of representations and warranties and provide general indemnifications. The maximum exposure under these arrangements is unknown as this would involve future claims that may be made against us that have not yet occurred. However, based on experience, we believe the risk of loss to be remote.

Legal Proceedings

We are a defendant or co-defendant in lawsuits, claims and demands brought by various parties relating to matters normally incident to our business. No individual case, or group of cases against us, presenting substantially similar issues of law or fact, is expected to have a material effect on the manner in which we conduct our business or on our consolidated results of operations, financial position or liquidity. The majority of these cases are alleging product, premises, employment and/or commercial liability. Reserves have been established that we believe to be adequate based on our current evaluations and experience in these types of claim situations; however, the ultimate outcome of these cases cannot be determined at this time. We believe, taking into consideration our indemnities, defenses, insurance and reserves, the ultimate resolution of these matters will not have a material impact on our financial position, results of operations or cash flows. In addition, government agencies and self-regulatory organizations have the ability to conduct periodic examinations of and administrative proceedings regarding our business.

There have been no material developments during the fiscal quarter ended November 1, 2025, with respect to any of the matters discussed under the heading "Legal Proceedings" in the Annual Report. We are not currently party to any other legal proceedings that we believe would have a material adverse effect on our financial position, results of operations or cash flows.

11. Segment Information

The Company's retail operations represent one operating segment and one reportable segment, which derives revenues from customers by selling full-line sporting goods and outdoor recreational products. The Company's retail stores and online selling channels sell similar products and services, use similar selling processes, and sell to similar classes of customers. See Note 1 to the consolidated financial statements for information related to the products and services offered as well as business operations. The accounting policies of the Company's single reportable segment are the same as those described in the summary of significant accounting policies in Note 2 to the condensed consolidated financial statements. All intercompany transactions within the single reportable segment are eliminated upon consolidation.

The Company's chief operating decision maker (the "CODM") is the Chief Executive Officer. The CODM allocates resources and assesses performance at a Company level using consolidated net income, which is a GAAP measure, as reported on the Condensed Consolidated Statements of Income. The CODM evaluates the Company's assets as reported on the Company's Condensed Consolidated Balance Sheets. The CODM evaluates significant segment expenses and makes decisions about the retail business based on the cost of goods we sell and the selling, general, and administrative expenses needed to sell those goods as reported on the Condensed Consolidated Statements of Income. See the Company's consolidated financial statements included in Part I Item 1 for more information.

12. Subsequent Events

Our management evaluated events or transactions that occurred after November 1, 2025 through December 9, 2025, the issuance date of the consolidated financial statements, and identified the following matter to report:

On December 4, 2025, the Company's Board of Directors declared a quarterly cash dividend with respect to the fiscal quarter ended November 1, 2025, of \$0.13 per share of the Company's common stock, payable on January 15, 2026, to stockholders of record as of the close of business on December 18, 2025.

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

Cautionary Statement Regarding Forward-looking Statements

This Quarterly Report on Form 10-Q (this "Quarterly Report") includes "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which are subject to the "safe harbor" created by those sections. Forward-looking statements include all statements that are not historical facts, including statements reflecting our current views with respect to, among other things, our operations and financial performance. These forward-looking statements are included throughout this Quarterly Report, including this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in the section entitled "Risk Factors," and relate to matters such as macroeconomic conditions, our industry, business strategy, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information. We have used the words "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "future," "will," "seek," "foreseeable," the negative version of these words or similar terms and phrases to identify forward-looking statements in this Quarterly Report.

The forward-looking statements contained in this Quarterly Report are based on management's current expectations and are not guarantees of future performance. The forward-looking statements are subject to various risks, uncertainties, assumptions or changes in circumstances that are difficult to predict or quantify. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs and projections will result or be achieved. Actual results may differ materially from these expectations due to changes in global, regional or local economic, business, competitive, market, regulatory and other factors that could affect overall consumer spending or our industry, including the possible effect of ongoing macroeconomic challenges, inflation and higher interest rates, trade policy changes or additional tariffs or changes in tariffs, geopolitical tensions, or changes to the financial health of our customers, many of which are beyond our control. We believe that these factors include but are not limited to those described under "Risk Factors" in the Company's Annual Report, as such risk factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov.

Any forward-looking statement made by us in this Quarterly Report speaks only as of the date of this Quarterly Report and are expressly qualified in their entirety by the cautionary statements included in this Quarterly Report. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, investments or other strategic transactions we may make. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable securities laws.

The following is a summary of the principal factors that make an investment in our securities speculative or risky (all of which are more fully described in the section entitled "Risk Factors" in the Annual Report, as the same may be updated by subsequent Forms 10-Q):

Risks Related to Our Business and Industry

- overall decline in the health of the economy and consumer discretionary spending;
- risks associated with our reliance on internationally manufactured merchandise, including in China, which exposes us to various international risks, including additional tariffs and our ability to successfully reduce our direct cost exposure to China;
- our ability to operate, update or implement our information systems;
- our ability to manage our inventory balances;
- our ability to predict or effectively react to changes in consumer tastes and preferences, to acquire and sell brand name merchandise at competitive prices and/or to manage our inventory balances;
- risks associated with our e-commerce business;
- our ability to safeguard sensitive or confidential data relating to us and our customers, team members and vendors;
- intense competition in the sporting goods and outdoor recreation retail industries;
- risks associated with disruptions in our supply chain and losses of merchandise purchasing incentives;

- our ability to successfully continue our store growth plans or manage our growth effectively, or any failure of our new stores to generate sales and/or achieve profitability;
- the effectiveness of our marketing and advertising programs;
- our ability to attract, train and retain quality team members in sufficient numbers, increases in wage and labor costs, and changes in laws and other labor issues;
- our ability to protect against inventory shrink;
- payment-related risks;
- the occurrence of severe weather events, catastrophic health events, natural or man-made disasters, social and political conditions or civil unrest;
- the geographic concentration of our stores;
- our ability to attract, retain and train key personnel;
- fluctuations in merchandise (including raw materials) costs and availability;
- any disruption in the operation of our distribution centers;
- our reliance on key personnel to support our existing business and future initiatives;
- our reliance on suppliers to supply us with merchandise that we purchase for resale;
- risks related to our private label brand merchandise;
- any failure of our third-party vendors of outsourced business services and solutions;
- harm to our reputation;
- quarterly and seasonal fluctuations in our operating results;
- our ability to successfully pursue strategic acquisitions and integrate acquired businesses.

Legal and Regulatory Risks

- our ability to comply with laws and regulations affecting our business, including those relating to the sale, manufacture and import of consumer products;
- claims, demands and lawsuits to which we are, and may in the future, be subject and the risk that our insurance or indemnities coverage may not be sufficient;
- risks related to product safety;
- risks related to climate change and other sustainability-related matters;
- our ability to protect our intellectual property and avoid the infringement of third-party intellectual property rights.

Risks Related to Our Indebtedness

- our level of indebtedness and related debt service payments and our ability to generate sufficient cash flow to satisfy all of our obligations under our indebtedness;
- our ability to incur substantially more debt;
- our variable rate indebtedness subjects us to interest rate risk;
- restrictions on our current and future operations imposed by the terms of our indebtedness;
- our ability to borrow under the ABL Facility (as defined above);
- our level of indebtedness may hinder our ability to negotiate favorable terms with our vendors.

Risks Related to the Ownership of Our Common Stock

- our stock price is volatile or may decline;
- our ability or decision to pay dividends on our common stock or conduct stock repurchases;
- anti-takeover provisions in our organizational documents could delay or prevent a change of control;
- our exclusive forum provision; and
- you may be diluted by any future issuances of shares by us.

These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this Quarterly Report. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, our actual results may vary in material respects from those projected in these forward-looking statements.

The following discussion and analysis of our financial condition and results of operations should be read together with our unaudited financial statements and related notes included elsewhere in this Quarterly Report for the thirteen and thirty-nine weeks ended November 1, 2025 and our audited financial statements for the fiscal year ended February 1, 2025 and the section entitled “Management's Discussion and Analysis of Financial Condition and Results of Operations” included in the Annual Report.

All references to “Academy,” “Academy Sports + Outdoors,” “ASO, Inc.,” “we,” “us,” “our” or the “Company” in this Quarterly Report refer to Academy Sports and Outdoors, Inc., a Delaware corporation and the current parent holding company of our operations, and its consolidated subsidiaries. We conduct our operations through our indirect subsidiary, Academy, Ltd., a Texas limited partnership doing business as “Academy Sports + Outdoors”, or Academy, Ltd. All of the Company's sales and business operations occur at Academy, Ltd., and Academy, Ltd., is also the borrower and/or issuer of the Company's long-term debt and lessee of facilities.

We operate on a retail fiscal calendar pursuant to which our fiscal year consists of 52 or 53 weeks, ending on the Saturday closest to January 31 (which such Saturday may occur on a date following January 31) each year. References to any year, quarter, or month mean our fiscal year, fiscal quarter, and fiscal month, respectively, unless the context requires otherwise. References to the “current quarter,” “2025 third quarter,” or similar reference refers to the thirteen week period ended November 1, 2025, and any reference to the “prior year quarter,” “2024 third quarter” or similar reference refers to the thirteen week period ended November 2, 2024. Unless otherwise specified, all comparisons regarding the current period of 2025 are made to the corresponding period of 2024.

Overview

We are a leading full-line sporting goods and outdoor recreation retailer in the United States. Our mission is to provide “Fun for All”, and we fulfill this mission with a localized merchandising strategy and value proposition that deeply connect with a broad range of consumers. Our product assortment focuses on key categories of outdoor, sports and recreation, apparel, and footwear (representing 32%, 21%, 25%, and 22% of our 2025 third quarter net sales, respectively) through both leading national brands and a portfolio of private label brands, which go well beyond traditional sporting goods and apparel offerings.

We sell a range of sporting and outdoor recreation products, including sporting equipment, apparel, footwear, camping gear, patio furniture, outdoor cooking equipment, and hunting and fishing gear, among many others. Our strong merchandise assortment is anchored by our broad offering of year-round items, such as fitness equipment and apparel, work and casual wear, folding chairs, wagons and tents, training and running shoes, and coolers. We also carry a deep selection of seasonal items, such as sports equipment and apparel, seasonal wear and accessories, hunting and fishing equipment and apparel, patio furniture, trampolines, play sets, bicycles, and severe weather supplies. We provide locally relevant offerings, such as crawfish boilers in Louisiana, licensed apparel for area sports fans, baits and lures for area fishing spots, and beach towels in coastal markets.

As of November 1, 2025, we operated 317 stores that range in size from approximately 40,000 to 130,000 gross square feet, with an average size of approximately 70,000 gross square feet, throughout 21 contiguous states located primarily in the southern United States. Our stores are supported by approximately 24,000 team members, three distribution centers, and our e-commerce platform, which includes our website at www.academy.com and our mobile app. Additionally, we are deepening our customer relationships, further integrating our e-commerce platform with our stores and driving operating efficiencies by developing our omnichannel capabilities, such as our mobile app, optimizing the website experience and upgrading our fulfillment capabilities.

The following table summarizes store activity for the periods indicated:

	Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024
Beginning stores	298	282
Q1 new stores	5	2
Q2 new stores	3	1
Q3 new stores	11	8
Closed	—	—
Ending stores	<u>317</u>	<u>293</u>
Relocated stores	—	—

Tariffs and Other Macroeconomic Trends

We continue to monitor global macroeconomic trends and uncertainties such as inflation, existing and potential tariffs, and other shifting trade policies, which have impacted consumer spending and could adversely affect our ability to grow sales and merchandise margin. The impact of the evolving macroeconomic environment on our financial results is uncertain. We have worked diligently to mitigate the impact of tariffs on our business. We are closely monitoring the evolving environment with respect to tariffs and other trade policy developments and will continue to adjust plans as needed, including, but not limited to, inventory purchase quantities and timing, strategic pricing and promotional adjustments to maintain value for our customers, diversifying sourcing to shift country of origin, and vendor negotiations.

How We Assess the Performance of Our Business

Our management considers a number of financial and operating metrics, including the following key metrics, to evaluate our business, measure our performance, identify trends affecting our business, determine the allocation of resources, make decisions regarding corporate strategies and evaluate projections. These metrics include operational measures and non-GAAP metrics supplemental to our GAAP results.

Comparable Sales. We define comparable sales as the percentage of period-over-period net sales increase or decrease, in the aggregate, for stores open after thirteen full fiscal months, as well as for all e-commerce sales. There may be variations in the way in which some of our competitors and other retailers calculate comparable sales. As a result, data in this Quarterly Report regarding our comparable sales may not be comparable to similar data made available by other retailers. Stores which have been significantly remodeled or relocated are removed from this calculation until the new store has been in operation for substantially all of the periods being compared. Stores which have been closed for an extended period of time due to circumstances beyond our control are also removed from the calculation. Any sales made through our website or mobile app are allocated to e-commerce sales for the purpose of measuring comparable sales, regardless of how those sales are fulfilled, whether shipped to home or picked up in-store or curbside through our buy-online-pickup-in-store program (“BOPIS”). For example, all BOPIS transactions, which are originated by our website, are allocated to e-commerce sales for the purpose of comparable sales, despite the fact that our customers pick-up these purchases from a specific store.

Increases or decreases in e-commerce between periods being compared directly impact the comparable sales results. Various factors affect comparable sales, including consumer preferences, buying trends and overall economic trends; our ability to identify and respond effectively to customer preferences and local and regional trends; our ability to provide an assortment of high quality/value oriented product offerings that generate new and repeat visits to our stores and our website; the customer experience and unique services we provide in our stores; our ability to execute our omnichannel strategy, including the growth of our e-commerce business; changes in product mix and pricing, including promotional activities; the number of items purchased per visit and average order value; a shift in the timing of a holiday between comparable periods; and the number of stores that have been in operation for more than thirteen months.

Transactions and average ticket. We define transactions as the number of customer transactions for stores and e-commerce during a given period on a comparable sales basis. Transactions are influenced by customer traffic, the amount of customers that visited our stores or website, and sales conversion, the percent of those customers that made a purchase. We define average ticket as total sales divided by the number of transactions during a given period, which tells us the average amount the customer is spending on a purchase.

Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow. Management uses Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, and to compare our performance against that of other peer companies using similar measures. Management also uses Adjusted EBIT as a performance target to establish and award discretionary annual incentive compensation. See “Non-GAAP Measures” below.

Components of Our Results of Operations. Our profitability is primarily influenced by fluctuations in net sales, gross margin and our ability to leverage selling, general and administrative expenses.

Net Sales. Net sales are derived from in-store and e-commerce merchandise sales, net of sales tax and an allowance for merchandise returns.

Net sales fluctuations can be driven by new store openings, comparable sales increases or decreases including e-commerce sales, our ability to adjust inventory based on sales fluctuations, our management of vendor relations and meeting customer demand, allowances and logistics, seasonality, unseasonal or extreme weather, changes in consumer shopping preferences, consumer discretionary spending, and market and sales promotions.

We must maintain sufficient inventory levels of merchandise that our customers desire to successfully operate our business. A shortage of popular merchandise could reduce our net sales. Conversely, we also must seek to avoid accumulating excess inventory to avoid markdowns and clearance which negatively impact sales and gross margin. We have deployed several new tools over recent years to improve inventory handling and vendor management, including third-party programs to analyze our inventory stock and execute a disciplined markdown strategy throughout the year at every location. This implementation, along with other factors, has allowed us to improve our inventory management in stores over the past few years. We have coupled these tools with the data we have been able to collect from our Academy Credit Card program, our customer database and targeted customer surveys, so that we can better estimate future inventory requirements. It is imperative that we continue to find innovative ways to strengthen our inventory management if we are to remain competitive and expand our margins on a go-forward basis.

We have continued to add private label brand products to our assortment of products, which we generally price lower than the national brand products of comparable quality that we also offer. Furthermore, our softgoods merchandise divisions, which consist of apparel and footwear, have higher margins than our hardgoods merchandise divisions, which consist of outdoors and sports and recreation. A shift in sales mix toward softgoods would generally have a positive impact on gross margin and a shift in sales mix towards hardgoods would generally have a negative impact on gross margin.

The expansion and enhancement of our omnichannel capabilities has resulted in increased sales in recent years. We continue to invest in initiatives that will increase traffic to our stores and e-commerce platform, which includes our website and mobile app, and drive increased sales conversion. These initiatives include investments in our new customer data platform and the development of strategies that focus on customer segmentation with the intention of improving customer identification and increasing customer engagement. Additionally, we continue to implement several website features to enhance the customer online shopping experience, including a redesigned home page, additional BOPIS features, and enhanced shipping notifications. Our improved e-commerce platform supports our stores with digital marketing and our BOPIS and ship-to-store programs. These platforms allow us to connect further with our customers for marketing and product education and assists us in introducing customers to the Academy brand by reaching customers outside of our current store footprint. During the 2025 year-to-date third quarter, stores facilitated approximately 95% of our total sales, including ship-from-store, BOPIS and in-store retail sales. We expect to continue to invest in expanding and enhancing our omnichannel capabilities, including our mobile app, optimizing the web site experience and upgrading our fulfillment capabilities, which will continue to require further investments by us.

We expect that new stores will be a key driver of growth in our net sales and gross margin in the future as we execute our new store opening growth plans. Our growth strategy encompasses both deepening our presence in existing markets as well as entering new markets, leveraging enhanced brand awareness and operational efficiencies. Our new store model favors off-mall locations within power centers or stand-alone buildings. We utilize comprehensive demographic and trade data to guide our real estate site selection. During the 2025 third quarter, we opened 11 new stores. Our strategic real estate approach, including the 58 stores opened since fiscal year 2021, has positioned us effectively for continued expansion.

Gross Margin. Gross margin is our net sales less cost of goods sold. Our cost of goods sold includes the direct cost of merchandise and costs related to procurement, warehousing and distribution, which consist primarily of transportation, payroll and benefits and distribution center occupancy costs and are generally variable in nature relative to our sales volume.

Our gross margin depends on a number of factors, such as net sales increases or decreases, our promotional activities, product mix including private label merchandise sales, and our ability to control cost of goods sold, such as inventory and logistics cost management. Our gross margin is also impacted by variables including commodity costs, freight costs, shrinkage (discussed below), inventory processing costs and e-commerce shipping costs. We track and measure gross margin as a percentage of net sales in order to evaluate our performance against profitability targets.

We refer to loss or theft of inventory as “shrinkage” or “shrink”. A prolonged period of significant increased shrink could have a material negative impact on our gross margin and results of operations.

Selling, General and Administrative Expenses. Selling, general and administrative (“SG&A”) expenses include store and corporate administrative payroll and payroll benefits, store and corporate headquarters occupancy costs, advertising, credit card processing, information technology, pre-opening costs and other store and administrative expenses. These expenses are both variable and fixed in nature. SG&A expenses as a percentage of sales increased from 25.5% in the 2024 year-to-date third quarter to 27.4% in the 2025 year-to-date third quarter, primarily attributable to increased strategic investments, including the addition of 24 new stores since the end of the 2024 third quarter. We track and measure operating expenses as a percentage of net sales in order to evaluate our performance against profitability targets. Management of SG&A expenses depends on our ability to balance a control of operating costs, such as store and corporate headcount, information technology infrastructure and marketing and advertising expenses, while efficiently and effectively servicing our customers.

Pre-opening expenses represent non-capital expenditures associated with the opening of new stores and distribution centers prior to sales generation or start of operations, which consist primarily of occupancy costs, marketing, payroll and recruiting costs, and are expensed as incurred. As we execute our new store opening growth plans, we expect our pre-opening expenses to increase and result in a negative impact to SG&A as a percentage of sales. The following table summarizes our pre-opening expense activity for the periods presented:

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
Number of new stores opened	11	8	19	11
Total pre-opening expenses incurred (in millions) \$	5.4	\$ 5.6	\$ 13.9	\$ 10.2

During the third quarter of 2025, we closed on a sale-leaseback agreement involving a store property in Slidell, Louisiana. We determined that the sale-leaseback transaction qualifies as a sale in accordance with ASC 842. In connection with the sale-leaseback transaction, we recognized a net gain of approximately \$3.6 million in Selling, General, and Administrative expenses on the Condensed Consolidated Statements of Income.

Interest Expense. Interest expense includes regular interest payable related to our Term Loan, Notes and ABL Facility (see Note 4 to the accompanying financial statements) and the amortization of our deferred loan costs and original issuance discounts associated with the acquisition of the debt.

Income Tax Expense. ASO, Inc. is treated as a U.S. corporation for U.S. federal, state, and local income tax purposes and accordingly, a provision for income taxes has been recorded for the anticipated tax consequences of our reported results of operations for federal, state and local income taxes. Recent fluctuations in income tax expense have been primarily a result of changes in income before income taxes and changes in equity awards activity.

Results of Operations

Thirteen Weeks Ended November 1, 2025 Compared to Thirteen Weeks Ended November 2, 2024

The following table sets forth amounts and information derived from our unaudited statements of income for the periods indicated as follows (dollar amounts in thousands):

	Thirteen Weeks Ended				Change	
	November 1, 2025		November 2, 2024		Dollars	Percent
Net sales	\$ 1,383,696	100.0 %	\$ 1,343,330	100.0 %	\$ 40,366	3.0 %
Cost of goods sold	890,287	64.3 %	886,617	66.0 %	3,670	0.4 %
Gross margin	493,409	35.7 %	456,713	34.0 %	36,696	8.0 %
Selling, general and administrative expenses	393,017	28.4 %	365,239	27.2 %	27,778	7.6 %
Operating income	100,392	7.3 %	91,474	6.8 %	8,918	9.7 %
Interest expense, net	8,984	0.6 %	9,149	0.7 %	(165)	(1.8)%
Other income, net	2,618	0.2 %	6,406	0.5 %	(3,788)	(59.1)%
Income before income taxes	94,026	6.8 %	88,731	6.6 %	5,295	6.0 %
Income tax expense	22,464	1.6 %	22,968	1.7 %	(504)	(2.2)%
Net income	\$ 71,562	5.2 %	\$ 65,763	4.9 %	\$ 5,799	8.8 %

*Percentages in table may not sum properly due to rounding.

Net Sales. Net sales increased \$40.4 million, or 3.0%, in the 2025 third quarter over the prior year third quarter. The increase of 3.0% in net sales was driven by increased sales of 5.6% in the sports and recreation merchandise division, 2.8% in the apparel merchandise division, 2.4% in the footwear merchandise division and 2.0% in the outdoor merchandise division.

We opened 24 new stores since the end of the 2024 third quarter, 11 of which opened throughout the 2025 third quarter. During the 2025 third quarter, these 24 stores generated \$48.6 million of net sales, including e-commerce. Since re-launching our new store program in 2022, we have opened 58 new stores, 34 of which have been open for at least twelve months. Over the last twelve months, those 34 stores have averaged approximately \$13 million in net sales per store, including e-commerce. We believe that performance of new stores in year one is partially affected by the season in which the new store opens and the brand awareness in the region the new store opens.

Comparable sales decreased 0.9% driven by lower comparable sales across all merchandise divisions, except sports and recreation, as a result of a 4.1% decrease in comparable transactions, partially offset by an increase in average ticket of 3.3%.

E-commerce net sales represented 10.4% of merchandise sales for the 2025 third quarter compared to 8.8% for the prior year third quarter. E-commerce net sales increased 22.2% in the 2025 third quarter over the prior year third quarter.

Gross Margin. Gross margin increased \$36.7 million, or 8.0%, to \$493.4 million in the 2025 third quarter from \$456.7 million in the 2024 third quarter. As a percentage of net sales, gross margin increased 170 basis points from 34.0% in the 2024 third quarter to 35.7% in the 2025 third quarter. The increase of 170 basis points in gross margin was primarily attributable to:

- 130 basis points of favorability in merchandise margin;
- 30 basis points of favorability due to decreased freight;
- 20 basis points of favorability as a result of decreased shrink; partially offset by
- 10 basis points of unfavorability as a result of increased e-commerce shipping due to increased e-commerce penetration.

Selling, General and Administrative Expenses. SG&A expenses increased \$27.8 million, or 7.6%, to \$393.0 million in the 2025 third quarter as compared to \$365.2 million in the 2024 third quarter, primarily as a result of our increased strategic investments of \$24.7 million in new stores and technology.

Interest Expense. Interest expense remained relatively constant in the 2025 third quarter when compared with the 2024 third quarter.

Other Income, net. Other income, net, decreased \$3.8 million in the 2025 third quarter when compared with the 2024 third quarter, primarily driven by decreased money market investments at lower interest rates in the 2025 third quarter when compared with the 2024 third quarter.

Income Tax Expense. Income tax expense decreased \$0.5 million to \$22.5 million for the 2025 third quarter as compared to \$23.0 million in the 2024 third quarter. ASO, Inc.'s effective income tax rate was 23.9% in the third quarter of 2025 compared to 25.9% in the third quarter of 2024. The decreases in income tax expense and effective tax rate compared to the prior year quarter are primarily due to a relative increase in excess tax benefits for share based compensation.

Thirty-Nine Weeks Ended November 1, 2025 Compared to Thirty-Nine Weeks Ended November 2, 2024

The following table sets forth amounts and information derived from our unaudited statements of income for the periods indicated as follows (dollar amounts in thousands):

	Thirty-Nine Weeks Ended				Change	
	November 1, 2025		November 2, 2024		Dollars	Percent
Net sales	\$ 4,334,942	100.0 %	\$ 4,256,530	100.0 %	\$ 78,412	1.8 %
Cost of goods sold	2,805,931	64.7 %	2,785,299	65.4 %	20,632	0.7 %
Gross margin	1,529,011	35.3 %	1,471,231	34.6 %	57,780	3.9 %
Selling, general and administrative expenses	1,186,973	27.4 %	1,087,287	25.5 %	99,686	9.2 %
Operating income	342,038	7.9 %	383,944	9.0 %	(41,906)	(10.9)%
Interest expense, net	27,057	0.6 %	27,706	0.7 %	(649)	(2.3)%
Write off of deferred loan costs	—	— %	449	— %	(449)	(100.0)%
Other income, net	6,907	0.2 %	17,140	0.4 %	(10,233)	(59.7)%
Income before income taxes	321,888	7.4 %	372,929	8.8 %	(51,041)	(13.7)%
Income tax expense	78,808	1.8 %	88,113	2.1 %	(9,305)	(10.6)%
Net income	\$ 243,080	5.6 %	\$ 284,816	6.7 %	\$ (41,736)	(14.7)%

*Percentages in table may not sum properly due to rounding.

Net Sales. Net sales increased \$78.4 million, or 1.8%, year-to-date 2025 compared to year-to-date 2024, which was driven by increased sales of 2.5% in the sports and recreation merchandise division, 2.1% in the apparel merchandise division, 2.1% in the footwear merchandise division and 1.1% in the outdoor division.

We opened 24 new stores since the end of the 2024 third quarter, 11 of which opened throughout the 2025 third quarter. During the year-to-date 2025, these 24 stores generated \$110.3 million of net sales, including e-commerce. Since re-launching our new store program in 2022, we have opened 58 new stores, 34 of which have been open for at least twelve months. Over the last twelve months, those 34 stores have averaged approximately \$13 million in net sales per store, including e-commerce. We believe that performance of new stores in year one is partially affected by the season in which the new store opens and the brand awareness in the region the new store opens.

Comparable sales decreased 1.4% driven by lower comparable sales across all merchandise divisions as a result of a 3.4% decrease in comparable transactions, partially offset by an increase in average ticket of 2.1%.

E-commerce net sales represented 10.5% of merchandise sales for the year-to-date 2025 compared to 9.2% for the year-to-date 2024. E-commerce net sales increased 16.1% year-to-date 2025 compared to year-to-date 2024.

Gross Margin. Gross margin increased \$57.8 million, or 3.9%, to \$1,529.0 million for the year-to-date 2025 from \$1,471.2 million for the year-to-date 2024. As a percentage of net sales, gross margin increased 70 basis points from 34.6% for the year-to-date 2024 to 35.3% for the year-to-date 2025. The increase of 70 basis points in gross margin was primarily attributable to 60 basis points of favorability in merchandise margin and 10 basis points of favorability as a result of decreased freight.

Selling, General and Administrative Expenses. SG&A expenses increased \$99.7 million, or 9.2%, to \$1,187.0 million for the year-to-date 2025 as compared to \$1,087.3 million for the year-to-date 2024, primarily as a result of our increased strategic investments of \$85.0 million, including \$77.5 million in new stores and technology as well as \$7.5 million for the Jordan Brand launch.

Write off of Deferred Loan Costs. Write off of deferred loan costs decreased by \$0.4 million for the year-to-date 2025 when compared with the year-to-date 2024, in connection with the amendment in the 2024 first quarter that led to the write off of deferred loan costs on the ABL Facility for the year-to-date 2024.

Interest Expense. Interest expense decreased \$0.6 million, or 2.3%, for the year-to-date 2025 when compared with the year-to-date 2024 primarily resulting from lower interest rates and a lower outstanding balance on our Term Loan.

Other Income, net. Other income, net, decreased \$10.2 million for the year-to-date 2025 when compared with the year-to-date 2024, primarily driven by decreased money market investments at lower interest rates in the year-to-date 2025 when compared with the year-to-date 2024.

Income Tax Expense. Income tax expense decreased \$9.3 million to \$78.8 million for the year-to-date 2025 as compared to \$88.1 million for the year-to-date 2024, resulting primarily from a decrease in pre-tax income. ASO, Inc.'s effective tax rate was 24.5% for the year-to-date 2025 compared to 23.6% for the year-to-date 2024. The increase in the effective tax rate compared to the prior year is due to a higher number of employee equity awards vesting and exercised in 2024 at a higher share price compared with 2025.

Non-GAAP Measures

Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow, as shown below, have been presented in this Quarterly Report as supplemental measures of financial performance that are not required by, or presented in accordance with, accounting principles generally accepted in the United States of America ("GAAP"). We define Adjusted EBITDA as net income (loss) before interest expense, net, income tax expense and depreciation, amortization and impairment and other adjustments included in the table below. We define Adjusted EBIT as Adjusted EBITDA less depreciation and amortization. We describe these adjustments reconciling net income (loss) to Adjusted EBITDA and to Adjusted EBIT in the applicable table below. We define Adjusted Net Income as net income (loss) plus other adjustments included in the table below, less the tax effect of these adjustments. We define basic Adjusted Earnings per Share as Adjusted Net Income divided by the basic weighted average common shares outstanding during the period and diluted Adjusted Earnings per Share as Adjusted Net Income divided by the diluted weighted average common shares outstanding during the period. We describe these adjustments by reconciling net income (loss) to Adjusted Net Income and Adjusted Earnings per Share in the applicable table below. We describe Adjusted Free Cash Flow as net cash provided by (used in) operating activities less net cash used in investing activities. We describe this adjustment by reconciling net cash provided by (used in) operating activities to Adjusted Free Cash Flow in the applicable table below.

We believe Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, and Adjusted Earnings per Share assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. Management believes Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, and Adjusted Earnings per Share are useful to investors in highlighting trends in our operating performance, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate and capital investments. Management believes Adjusted Free Cash Flow is a useful measure of liquidity and an additional basis for assessing our ability to generate cash. Management uses Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions and to compare our performance against that of other peer companies using similar measures. Management has also historically used Adjusted EBIT as a performance target to establish and award discretionary annual incentive compensation.

Management supplements GAAP results with non-GAAP financial measures to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone. Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow are not recognized terms under GAAP and should not be considered as an alternative to net income (loss) as a measure of financial performance or net cash provided by (used in) operating activities as a measure of liquidity, or any other performance measures derived in accordance with GAAP. Additionally, these measures are not intended to be a measure of free cash flow available for management's discretionary use as they do not consider certain cash requirements such as interest payments, tax payments and debt service requirements. Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, and Adjusted Earnings per Share should not be construed to imply that our future results will be unaffected by unusual or non-recurring items. In evaluating Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow should not be construed to imply that our future results will be unaffected by any such adjustments.

Our Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow measures have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, and Adjusted Earnings per Share do not reflect costs or cash outlays for capital expenditures or contractual commitments;
- Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, and Adjusted Earnings per Share do not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA and Adjusted EBIT do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our debt, and Adjusted Free Cash Flow does not reflect the cash requirements necessary to service principal payments on our debt;
- Adjusted EBITDA and Adjusted EBIT do not reflect period to period changes in taxes, income tax expense or the cash necessary to pay income taxes;
- Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, and Adjusted Earnings per Share do not reflect the impact of earnings or charges resulting from matters we consider not to be indicative of our ongoing operations;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA and Adjusted Free Cash Flow do not reflect cash requirements for such replacements; and
- other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

Because of these limitations, Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow should not be considered as measures of discretionary cash available to invest in business growth or to reduce indebtedness. Management compensates for these limitations by primarily relying on our GAAP results in addition to using Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, Adjusted Earnings per Share and Adjusted Free Cash Flow supplementally.

Adjusted EBITDA and Adjusted EBIT

The following table provides reconciliations of net income to Adjusted EBITDA and to Adjusted EBIT for the periods presented (amounts in thousands):

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
Net income	\$ 71,562	\$ 65,763	\$ 243,080	\$ 284,816
Interest expense, net	8,984	9,149	27,057	27,706
Income tax expense	22,464	22,968	78,808	88,113
Depreciation and amortization	30,904	29,337	92,075	87,108
Equity compensation (a)	7,580	6,296	22,724	20,389
Write off of deferred loan costs	—	—	—	449
Adjusted EBITDA	\$ 141,494	\$ 133,513	\$ 463,744	\$ 508,581
Less: Depreciation and amortization	(30,904)	(29,337)	(92,075)	(87,108)
Adjusted EBIT	\$ 110,590	\$ 104,176	\$ 371,669	\$ 421,473

(a) Represents non-cash charges related to equity-based compensation, which vary from period to period depending on certain factors such as timing and valuation of awards, achievement of performance targets and equity award forfeitures.

Adjusted Net Income and Adjusted Earnings per Share

The following table provides a reconciliation of net income to Adjusted Net Income and Adjusted Earnings per Share for the periods presented (amounts in thousands, except per share data):

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
Net income	\$ 71,562	\$ 65,763	\$ 243,080	\$ 284,816
Equity compensation (a)	7,580	6,296	22,724	20,389
Write off of deferred loan costs	—	—	—	449
Tax effects of these adjustments (b)	(1,816)	(1,593)	(5,561)	(4,926)
Adjusted Net Income	\$ 77,326	\$ 70,466	\$ 260,243	\$ 300,728

Earnings per common share:

Basic	\$ 1.07	\$ 0.94	\$ 3.64	\$ 3.95
Diluted	\$ 1.05	\$ 0.92	\$ 3.57	\$ 3.86

Adjusted Earnings per Share:

Basic	\$ 1.16	\$ 1.00	\$ 3.90	\$ 4.17
Diluted	\$ 1.14	\$ 0.98	\$ 3.82	\$ 4.08

Weighted average common shares outstanding:

Basic	66,647	70,319	66,770	72,047
Diluted	67,963	71,774	68,096	73,744

(a) Represents non-cash charges related to equity-based compensation, which vary from period to period depending on certain factors such as timing and valuation of awards, achievement of performance targets and equity award forfeitures.

(b) For the thirteen and thirty-nine weeks ended November 1, 2025 and November 2, 2024, this represents the estimated tax effect (by using the projected full year tax rates for the respective years) of the total adjustments made to arrive at Adjusted Net Income.

Adjusted Free Cash Flow

The following table provides a reconciliation of net cash provided by operating activities to Adjusted Free Cash Flow for the periods presented (amounts in thousands):

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
Net cash provided by operating activities	\$ 49,019	\$ 96,891	\$ 285,066	\$ 387,912
Net cash used in investing activities	(58,130)	(62,707)	(166,029)	(136,445)
Adjusted Free Cash Flow	\$ (9,111)	\$ 34,184	\$ 119,037	\$ 251,467

Liquidity and Capital Resources

Sources and Uses of Liquidity

Our principal liquidity requirements are for working capital, capital expenditures and cash used to pay our debt obligations and related interest expense. We also use cash to pay dividends and repurchase common stock. We fund these liquidity requirements through cash and cash equivalents, cash generated from operating activities, issuances of debt (such as the Notes) and borrowings under our ABL Facility. On November 1, 2025, our cash and cash equivalents totaled \$289.5 million. We believe our cash and cash equivalents, as well as our availability under the ABL Facility, will be sufficient to fund our cash requirements for the next 12 months and the longer term foreseeable future.

Long-Term Debt

As of November 1, 2025, the Company's long-term debt and interest rates consist of :

- Notes - 6.00% fixed rate senior secured notes with \$400 million in principal outstanding and full principal maturing November 15, 2027;
- Term Loan - 8.12% variable rate term-loan with \$86.5 million in principal outstanding maturing November 6, 2027 and requiring quarterly principal payments of \$750 thousand; and
- ABL Facility - \$1.0 billion commitment on a variable rate secured asset-based revolving credit facility with no principal outstanding maturing March 8, 2029.

See Note 4 to the accompanying financial statements for further disclosure regarding our debt agreements. The following table summarizes our current debt obligations by fiscal year (amounts in thousands):

	2025	2026	2027	2028	2029	Total
Term Loan and related interest ⁽¹⁾	\$ 2,329	\$ 9,159	\$ 87,725	\$ —	\$ —	\$ 99,213
Notes and related interest ⁽²⁾	12,000	24,000	424,000	—	—	460,000
ABL Facility and related interest ⁽³⁾	618	2,500	2,500	2,500	268	8,386

(1) Interest payments do not include amortization of discount and debt issuance costs and are approximated based on projected interest rates and assume no unscheduled principal payments.

(2) Interest payments do not include amortization of debt issuance costs and assumes Notes are paid in full at maturity date.

(3) Assumes a minimum revolving credit commitment of \$1.0 billion and assumes no balances drawn on our ABL Facility.

Liquidity information related to the ABL Facility is as follows for the periods shown (dollar amounts in thousands):

	Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024
Average funds drawn	\$ —	\$ 43
Number of days with outstanding balance	—	3
Maximum daily amount outstanding	\$ —	\$ 3,900
Minimum available borrowing capacity	\$ 953,921	\$ 977,254

Liquidity information related to the ABL Facility (amounts in thousands) as of:

	November 1, 2025	February 1, 2025	November 2, 2024
Outstanding borrowings	\$ —	\$ —	\$ —
Issued letters of credit	7,630	9,258	9,258
Available borrowing capacity	992,370	955,495	990,742

Leases

We predominantly lease store locations, distribution centers, office space and certain equipment under operating leases expiring between fiscal years 2026 and 2045. Operating lease obligations include future minimum lease payments under all of our non-cancelable operating leases at November 1, 2025. The following table summarizes our remaining operating lease obligations by fiscal year (amounts in thousands):

	2025	2026	2027	2028	2029	After 2029	Total
Operating lease payments ^{(1) (2)}	\$ 42,388	\$ 258,879	\$ 250,819	\$ 233,955	\$ 217,241	\$ 1,203,078	\$ 2,206,360

(1) Minimum lease payments have not been reduced by sublease rentals of \$1.5 million due in the future under non-cancelable sub-leases.

(2) These balances include stores where we have an executed contract but have not taken possession of the location as of November 1, 2025.

Share Repurchases

On December 4, 2024, the Company's Board of Directors approved a new share repurchase program under which the Company is authorized to purchase up to 700 million of its outstanding shares during the three-year period ending December 4, 2027 (the "2024 Share Repurchase Program"), and which replaces the previously approved share repurchase program. Under the 2024 Share Repurchase Program, repurchases can be made using a variety of methods, which may include open market purchases, block trades, accelerated share repurchase programs, privately negotiated transactions and/or Rule 10b5-1 or other non-discretionary trading plans, all in compliance with the rules of the SEC and other applicable legal requirements. The timing, manner, price and amount of any common share repurchases under the 2024 Share Repurchase Program will be determined by the Company in its discretion and will depend on a variety of factors, including legal requirements, price and economic and market conditions. The 2024 Share Repurchase Program does not obligate the Company to acquire any particular number of common shares, and the program may be suspended, extended, modified or discontinued at any time. As of November 1, 2025, the Company had \$536.5 million remaining for share repurchases under the Share Repurchase Programs. See Note 2 to the consolidated financial statements.

The following table summarizes our share repurchases for the year-to-date 2025 (dollar amounts in thousands, except per share amounts):

	Total Number of Shares Purchased	Average Price Paid per Share ⁽¹⁾	Total Amount Repurchased ⁽¹⁾
First Quarter (February 2, 2025 to May 3, 2025)	2,080,772	\$ 47.59	\$ 99,031
Second Quarter (May 4, 2025 to August 2, 2025)	—	—	—
Third Quarter (August 3, 2025 to November 1, 2025)	—	—	—
Total Share Repurchase Activity	<u>2,080,772</u>	<u>\$ 47.59</u>	<u>\$ 99,031</u>

(1) Excludes the impact of unpaid excise taxes.

Dividends

The following table summarizes our quarterly dividend payments for the year-to-date 2025 (amounts in thousands, except per share amounts):

	Dividend per Share	Total Dividends Paid	Stockholder Date of Record
First Quarter (February 2, 2025 to May 3, 2025)	\$ 0.13	\$ 8,716	March 25, 2025
Second Quarter (May 4, 2025 to August 2, 2025)	0.13	8,649	June 19, 2025
Third Quarter (August 3, 2025 to November 1, 2025)	0.13	8,663	December 18, 2025
Total Dividends Paid		<u>\$ 26,028</u>	

On December 4, 2025, the Company's Board of Directors declared a quarterly cash dividend with respect to the fiscal quarter ended November 1, 2025, of \$0.13 per share of the Company's common stock, payable on January 15, 2026, to stockholders of record as of the close of business on December 18, 2025.

Capital Expenditures

The following table summarizes our capital expenditures for the thirty-nine weeks ended November 1, 2025 and November 2, 2024 (amounts in thousands):

	Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024
New stores	\$ 97,447	\$ 73,321
Corporate, e-commerce and information technology programs	30,285	43,807
Existing stores, distribution centers and other	42,422	18,738
Total capital expenditures	<u>\$ 170,154</u>	<u>\$ 135,866</u>

We expect capital expenditures for fiscal 2025 to be between \$180 million and \$210 million. The following table summarizes our forecasted allocation of capital expenditures for fiscal year 2025:

	2025
New stores	60 %
Corporate, e-commerce and information technology programs	20 %
Existing stores, distribution centers and other	20 %

We review forecasted capital expenditures throughout the year and will adjust our capital expenditures based on business conditions at that time.

Cash Flows for the Thirty-Nine Weeks Ended November 1, 2025 and November 2, 2024

Our unaudited statements of cash flows are summarized as follows (in thousands):

	Thirty-Nine Weeks Ended	
	November 1, 2025	November 2, 2024
Net cash provided by operating activities	\$ 285,066	\$ 387,912
Net cash used in investing activities	(166,029)	(136,445)
Net cash used in financing activities	(118,479)	(303,391)
Net increase (decrease) in cash and cash equivalents	<u>\$ 558</u>	<u>\$ (51,924)</u>

Operating Activities. Cash flows from operating activities are seasonal in our business. Typically, cash flows from operations are used to build inventory in advance of peak selling seasons, with the fourth quarter pre-holiday season inventory increase being the most significant.

Cash provided by operating activities for the year-to-date 2025 decreased \$102.8 million, compared to year-to-date 2024. This decrease is attributable to:

- \$41.7 million decrease in net income; and
- \$97.4 million net decrease in cash flows provided by operating assets and liabilities; partially offset by
- \$39.9 million net increase in non-cash charges, offset by a \$3.6 million gain, net of fees, on a sale-leaseback transaction in the third quarter of fiscal year 2025.

The decrease in cash flows from operating assets and liabilities was primarily attributable to:

- \$104.2 million decrease in cash flows from working capital due to pull-forward of inventory purchases at pre-tariff rates relative to the prior year period; partially offset by
- \$14.2 million increase in cash flows from prepaid expenses and other current assets, largely driven by timing of construction reimbursement payments received.

Investing Activities. Cash used in investing activities increased \$29.6 million in the year-to-date 2025 compared to the year-to-date 2024. The increase in cash used in investing activities was primarily attributable to:

- \$34.3 million increase in capital expenditures, primarily driven by increased spending related to updates for existing stores and distribution centers, as well as new stores in the year-to-date 2025 compared to the year-to-date 2024; partially offset by
- \$4.7 million in proceeds related to the sale-leaseback transaction in the 2025 third quarter discussed in the Selling, General, and Administrative Expenses section above.

Financing Activities. Cash used in financing activities decreased \$184.9 million in the year-to-date 2025, compared to the year-to-date 2024. The primary driver of the decrease was:

- \$174.7 million decrease in cash outflows for repurchases of common stock in the year-to-date 2025; and
- \$6.5 million in proceeds received as of the third quarter of fiscal year 2025 for the sale of rights to tariff relief litigation claims.

Critical Accounting Policies and Estimates

This management's discussion and analysis of our financial condition and results of operations is based upon our unaudited financial statements, which have been prepared in accordance with GAAP. The preparation of financial statements in conformity with GAAP requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Our management bases its estimates on historical experience and other assumptions it believes to be reasonable under the circumstances. Actual results could differ significantly from those estimates.

Management evaluated the development and selection of our critical accounting policies and estimates used in the preparation of the Company's unaudited financial statements and related notes and believes these policies to be reasonable and appropriate. Certain of these policies involve a higher degree of judgment or complexity and are most significant to reporting our results of operations and financial position, and are, therefore, discussed as critical. Our most significant estimates and assumptions that materially affect the financial statements involve difficult, subjective or complex judgments by management, including the valuation of merchandise inventories and performing goodwill, intangible and long-lived asset impairment analyses. More information on all of our significant accounting policies can be found in the "Critical Accounting Policies and Estimates" section of the Annual Report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations." There have been no material changes to our critical accounting policies as compared to the critical accounting policies described in the Annual Report.

Recent Accounting Pronouncements

The information set forth in Note 2 to our unaudited consolidated financial statements included under Part I, Item 1 of this Quarterly Report is incorporated herein by reference.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in our primary risk exposures or management of market risks from those disclosed in the Annual Report under "Management's Discussion and Analysis of Financial Condition and Results of Operations – Quantitative and Qualitative Disclosures About Market Risk."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to ensure that information required to be disclosed in our reports under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer ("CEO") and our Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Our management, with the participation of our CEO and our CFO, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based on such evaluation, our CEO and CFO have concluded that, as of the end of the period covered by this Quarterly Report, the design and operation of the Company's disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

No changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the period covered by this Quarterly Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth in Note 10—Commitments to our unaudited consolidated financial statements included under Part I, Item 1 of this Quarterly Report is incorporated herein by reference.

There have been no material developments during the fiscal quarter ended November 1, 2025, with respect to any of the matters discussed under the heading “Legal Proceedings” in the Annual Report. We are not currently party to any other legal proceedings that we believe would have a material adverse effect on our financial position, results of operations or cash flows.

ITEM 1A. RISK FACTORS

You should carefully consider the risk factors discussed in the section of the Annual Report entitled “Risk Factors”, which could materially affect our business, financial condition or future results. The risks described in the Annual Report are not the only risks facing the Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or future results. There have been no material changes to the risk factors discussed in the section of the Annual Report entitled “Risk Factors”.

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

(c) Trading Plans

During the quarter ended November 1, 2025, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408(a) of Regulation S-K).

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit
3.1	Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed on June 5, 2025).
3.2	Amended and Restated Bylaws of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on March 7, 2025).
31.1*	Certification of Periodic Report by Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Periodic Report by Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Calculation Linkbase Document
101.DEF	XBRL Taxonomy Definition Linkbase Document
101.LAB	XBRL Taxonomy Label Linkbase Document
101.PRE	XBRL Taxonomy Presentation Linkbase Document
*	Filed herewith
**	Furnished herewith
†	Management contract or compensatory plans or arrangements.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report on Form 10-Q to be signed on December 9, 2025 on its behalf by the undersigned, thereto duly authorized.

ACADEMY SPORTS AND OUTDOORS, INC.

By: /s/ EARL CARLTON FORD, IV
Earl Carlton Ford, IV
Executive Vice President and Chief Financial Officer
(principal financial officer and authorized signatory)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Steven Lawrence, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended November 1, 2025 (this "Report") of Academy Sports and Outdoors, Inc. (the "Registrant");
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 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.

/s/ STEVEN LAWRENCE

Steven Lawrence
Chief Executive Officer
(principal executive officer)

Date: December 9, 2025

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Earl Carlton Ford, IV, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended November 1, 2025 (this "Report") of Academy Sports and Outdoors, Inc. (the "Registrant");
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 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.

/s/ EARL CARLTON FORD, IV

Earl Carlton Ford, IV

Executive Vice President and Chief Financial Officer
(principal financial officer)

Date: December 9, 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 on Form 10-Q of Academy Sports and Outdoors, Inc.. (the “Company”) for the quarterly period ended November 1, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Steven Lawrence, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

/s/ STEVEN LAWRENCE

Steven Lawrence

Chief Executive Officer

(principal executive officer)

Date: December 9, 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 on Form 10-Q of Academy Sports and Outdoors, Inc. (the "Company") for the quarterly period ended November 1, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Earl Carlton Ford, IV, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

/s/ EARL CARLTON FORD, IV

Earl Carlton Ford, IV

Executive Vice President and Chief Financial Officer
(principal financial officer)

Date: December 9, 2025