



Hain Celestial Takes Strategic Actions to Simplify Portfolio & Operating Footprint to Reduce Complexity, Strengthen Balance Sheet

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Company Consolidates Personal Care Manufacturing Footprint, Reduces Portfolio Assortment by 62%

Efforts Underway Across Snacks, Baby/Kids, Beverages and Meal Prep to Shape a Winning Portfolio

Actions Advance the Focus Pillar of Hain Reimagined Business Strategy

HOBOKEN, N.J., April 30, 2024 /PRNewswire/ -- Hain Celestial Group (Nasdaq: HAIN), a leading global health and wellness company whose purpose is to inspire healthier living through better-for-you brands, announced strategic actions the company is taking to progress the Focus pillar of its [Hain Reimagined](#) business strategy. Key initiatives include category-wide SKU reductions, consolidation of its operating footprint, and streamlining its co-manufacturing network, globally. The steps Hain has taken are unlocking annualized savings, generating operating cash flow to pay down debt and driving gross margin expansion.



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"This critical work delivers on the commitments we outlined in the Focus pillar of our Hain Reimagined strategy to design a winning portfolio of brands across five categories, and to materially simplify our footprint and leverage scale and synergies across our five core geographies," said Wendy Davidson, Hain Celestial President and CEO. "These actions strengthen our focus on driving a core, hardworking portfolio of brands that produce stronger velocities and remove operational complexity from our supply chain to drive margin expansion."

Global SKU Reduction to Shape a Winning Portfolio

Hain is designing a winning portfolio by actively assessing and streamlining its brand portfolios. Since July 2023, the company has removed 6% of its SKUs globally and is expected to increase that number over the next two years. Today, those reductions are split almost equally between North America and International and include brands across the Snacks, Baby/Kids, Beverages, Meal Prep and Personal Care categories.

- The largest SKU reductions are occurring within Hain's Personal Care business, which includes hair care, skin care and sun care under the Alba Botanica®, Jason®, Live Clean® and Avalon Organics® brands. As part of a comprehensive assessment, Hain is removing 62% of underperforming SKUs in the portfolio, which will enable the team to prioritize products that have higher velocities to improve the portfolio's growth and margin expansion. This work is being executed in phases to ensure a smooth transition for customers.
- In Meal Prep, the company is streamlining its Linda McCartney® Plant-Based (Meat Free) portfolio, which includes a focus on the frozen portfolio that is sold in Europe and the UK.
- In Snacks, Hain announced the sale of the [Thinsters®](#) cookie brand in April, enabling the company to remove a non-core brand and category from its Snacks business and utilize cash proceeds to pay down debt.
- And in the Baby/Kids and Beverages categories, Hain is adjusting its portfolios as part of ongoing brand maintenance.

Operating Footprint Simplification to Reduce Supply Chain Complexity

Hain is also streamlining its operating footprint and leveraging synergies across the business to drive scale as the company focuses in five core geographies: the U.S., Canada, UK, Ireland and Western Europe.

- Within Personal Care, Hain announced today that it is consolidating its manufacturing footprint down to one facility and eliminating five co-manufacturers from the network. This initiative will help to expand overall gross margins through improved capacity utilization and lower manufacturing costs. The phased approach is expected to be completed in late summer/early fall 2024.
- In Snacks, the Thinsters® divestiture enabled Hain to reduce its distribution center needs by two and removed a co-manufacturer from its network, generating annualized cost savings.
- In Meal Prep, Hain consolidated its Yves® Plant-Based (Meat Free) manufacturing plants in Canada in late fiscal 2023. This move has enabled greater capacity utilization and delivered overall operational efficiencies and focus for the Yves brand.
- In April, Hain ceased all production and operations within its non-strategic joint venture in India, which further streamlines the company's manufacturing footprint. Hain will continue to supply products in the IMEA region through the International operating segment.

As Hain is in the foundational year of its Hain Reimagined strategy, the company is continuing to identify opportunities to further simplify and streamline the business through optimizing its operating model, leveraging synergies and scale and continuing to focus on shaping a winning portfolio. These efforts will unlock savings to further de-leverage the balance sheet and reinvest in brand building, channel expansion and innovation. Hain will share more details during the Q3 2024 earnings call on May 8, 2024.

About The Hain Celestial Group

Hain Celestial Group is a leading health and wellness company whose purpose is to inspire healthier living for people, communities and the planet through better-for-you brands. For more than 30 years, our portfolio of beloved brands has intentionally focused on delivering nutrition and well-being that positively impacts today and tomorrow. Headquartered in Hoboken, N.J., Hain Celestial's products across snacks, baby/kids, beverages, meal preparation, and personal care, are marketed and sold in over 75 countries around the world. Our leading brands include Garden Veggie™ snacks, Terra® chips, Garden of Eatin'® snacks, Earth's Best® and Ella's Kitchen® baby and kids foods, Celestial Seasonings® teas, Joya® and Natumi® plant-based beverages, Greek Gods® yogurt, Cully & Sully®, Imagine® and New Covent Garden® soups, Yves® and Linda McCartney's® (under license) meat-free, and Alba Botanica® natural sun care, among others. For more information, visit hain.com and [LinkedIn](#).

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties, and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. The words "will," "expect," "aim," "may," "should," "plan," "intend," "potential" and similar expressions are intended to identify such forward-looking statements. Forward-looking statements include, among other things, our beliefs or expectations relating to our future performance, results of operations and financial condition; our strategic initiatives; and our business strategy.

The risks and uncertainties that may cause actual results to differ materially from forward-looking statements are described in our most recent Annual Report on Form 10-K and our other filings from time to time with the U.S. Securities and Exchange Commission.

We undertake no obligation to update forward-looking statements to reflect actual results or changes in assumptions or circumstances, except as required by applicable law.





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