# 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 September 30, 2023**

**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. 0-22818**

# THE HAIN CELESTIAL GROUP, INC.
**(Exact name of registrant as specified in its charter)**

| | |
|---|---|
| **Delaware** | **22-3240619** |
| (State or other jurisdiction of incorporation) | (I.R.S. Employer Identification No.) |

**221 River Street, Hoboken, NJ 07030**
(Address of principal executive offices, including zip code)

**Registrant’s telephone number, including area code: (516) 587-5000**
**4600 Sleepytime Drive, Boulder, CO 80301**
(Former name, former address and former fiscal year, if changed since last report)

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, par value $.01 per share | HAIN | 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 (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

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

| | | | | | |
|---|---|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ | | |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ | Emerging growth company | ☐ |

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of October 31, 2023, there were 89,709,018 shares outstanding of the registrant’s Common Stock, par value $.01 per share.

**THE HAIN CELESTIAL GROUP, INC.**

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## Forward-Looking Statements

This Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 (the "Form 10-Q") contains forward-looking statements within the meaning of the 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, the results of The Hain Celestial Group, Inc. (collectively with its subsidiaries, the "Company," "Hain Celestial," "we," "us" or "our") may differ materially from those expressed or implied by such forward-looking statements. The words "believe," "expect," "anticipate," "may," "should," "plan," "intend," "potential," "will" 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 (including statements related to Hain Reimagined and our related investments in our business); our business strategy; our supply chain, including the availability and pricing of raw materials; our brand portfolio; pricing actions and product performance; inflation rates; and current or future macroeconomic trends.

Risks and uncertainties that may cause actual results to differ materially from forward-looking statements include: challenges and uncertainty resulting from the impact of competition; our ability to manage our supply chain effectively; input cost inflation, including with respect to freight and other distribution costs; disruption of operations at our manufacturing facilities; reliance on independent contract manufacturers; changes to consumer preferences; customer concentration; reliance on independent distributors; risks associated with operating internationally; pending and future litigation, including litigation relating to Earth's Best® baby food products; the reputation of our Company and our brands; compliance with our credit agreement; foreign currency exchange risk; the availability of organic ingredients; risks associated with outsourcing arrangements; our ability to execute our cost reduction initiatives and related strategic initiatives; risks associated with conflicts in Eastern Europe and the Middle East and other geopolitical events; our ability to identify and complete acquisitions or divestitures and our level of success in integrating acquisitions; our reliance on independent certification for a number of our products; our ability to use and protect trademarks; general economic conditions; cybersecurity incidents; disruptions to information technology systems; changing rules, public disclosure regulations and stakeholder expectations on ESG-related matters; the impact of climate change; liabilities, claims or regulatory change with respect to environmental matters; potential liability if our products cause illness or physical harm; the highly regulated environment in which we operate; compliance with data privacy laws; our ability to issue preferred stock; the adequacy of our insurance coverage; impairments in the carrying value of goodwill or other intangible assets; and other risks and matters described in our most recent Annual Report on Form 10-K, this Form 10-Q and other reports that we file in the future.

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.

# PART I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

**THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS (UNAUDITED)**
**SEPTEMBER 30, 2023 AND JUNE 30, 2023**
(In thousands, except par values)

| | September 30, 2023 | June 30, 2023 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 38,280 | $ 53,364 |
| Accounts receivable, less allowance for doubtful accounts of $3,018 and $2,750, respectively | 158,094 | 160,948 |
| Inventories | 313,335 | 310,341 |
| Prepaid expenses and other current assets | 56,044 | 66,378 |
| Total current assets | 565,753 | 591,031 |
| Property, plant and equipment, net | 285,972 | 296,325 |
| Goodwill | 928,375 | 938,640 |
| Trademarks and other intangible assets, net | 290,867 | 298,105 |
| Investments and joint ventures | 12,298 | 12,798 |
| Operating lease right-of-use assets, net | 102,540 | 95,894 |
| Other assets | 31,091 | 25,846 |
| Total assets | $ 2,216,896 | $ 2,258,639 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Current liabilities: | | |
| Accounts payable | $ 142,291 | $ 134,780 |
| Accrued expenses and other current liabilities | 96,731 | 88,520 |
| Current portion of long-term debt | 7,568 | 7,567 |
| Total current liabilities | 246,590 | 230,867 |
| Long-term debt, less current portion | 807,401 | 821,181 |
| Deferred income taxes | 61,006 | 72,086 |
| Operating lease liabilities, noncurrent portion | 97,165 | 90,014 |
| Other noncurrent liabilities | 23,740 | 26,584 |
| Total liabilities | 1,235,902 | 1,240,732 |
| Commitments and contingencies (Note 16) | | |
| Stockholders' equity: | | |
| Preferred stock - $.01 par value, authorized 5,000 shares; issued and outstanding: none | — | — |
| Common stock - $.01 par value, authorized 150,000 shares; issued: 111,578 and 111,339 shares, respectively; outstanding: 89,628 and 89,475 shares, respectively | 1,116 | 1,113 |
| Additional paid-in capital | 1,221,291 | 1,217,549 |
| Retained earnings | 642,185 | 652,561 |
| Accumulated other comprehensive loss | (155,623) | (126,216) |
| | 1,708,969 | 1,745,007 |
| Less: Treasury stock, at cost, 21,950 and 21,864 shares, respectively | (727,975) | (727,100) |
| Total stockholders' equity | 980,994 | 1,017,907 |
| Total liabilities and stockholders' equity | $ 2,216,896 | $ 2,258,639 |

*See notes to consolidated financial statements.*

**THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**
(In thousands, except per share amounts)

| | Three Months Ended September 30, | |
|---|---|---|
| | **2023** | **2022** |
| Net sales | $ 425,029 | $ 439,351 |
| Cost of sales | 341,086 | 345,016 |
| Gross profit | 83,943 | 94,335 |
| Selling, general and administrative expenses | 77,169 | 74,951 |
| Productivity and transformation costs | 6,403 | 773 |
| Amortization of acquired intangible assets | 1,955 | 2,788 |
| Long-lived asset impairment | 694 | — |
| Operating (loss) income | (2,278) | 15,823 |
| Interest and other financing expense, net | 13,244 | 7,677 |
| Other income, net | (265) | (1,790) |
| (Loss) income from operations before income taxes and equity in net loss of equity-method investees | (15,257) | 9,936 |
| (Benefit) provision for income taxes | (5,379) | 2,631 |
| Equity in net loss of equity-method investees | 498 | 382 |
| Net (loss) income | $ (10,376) | $ 6,923 |
| | | |
| Net (loss) income per common share: | | |
| Basic | $ (0.12) | $ 0.08 |
| Diluted | $ (0.12) | $ 0.08 |
| | | |
| Shares used in the calculation of net (loss) income per common share: | | |
| Basic | 89,512 | 89,307 |
| Diluted | 89,512 | 89,493 |

*See notes to consolidated financial statements.*

**THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)**
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**
(In thousands)

| | Three Months Ended | | | | | |
|---|---|---|---|---|---|---|
| | September 30, 2023 | | | September 30, 2022 | | |
| | Pretax amount | Tax (expense) benefit | After tax amount | Pretax amount | Tax (expense) benefit | After tax amount |
| Net (loss) income | | | $ (10,376) | | | $ 6,923 |
| Other comprehensive loss: | | | | | | |
| Foreign currency translation adjustments before reclassifications | (32,933) | — | (32,933) | (67,149) | — | (67,149) |
| Change in deferred gains on cash flow hedging instruments | 3,238 | (794) | 2,444 | 14,231 | (3,638) | 10,593 |
| Change in deferred losses on fair value hedging instruments | (381) | 94 | (287) | (272) | 69 | (203) |
| Change in deferred gains on net investment hedging instruments | 1,821 | (452) | 1,369 | 5,773 | (1,476) | 4,297 |
| Total other comprehensive loss | $ (28,255) | $ (1,152) | $ (29,407) | $ (47,417) | $ (5,045) | $ (52,462) |
| Total comprehensive loss | | | $ (39,783) | | | $ (45,539) |

*See notes to consolidated financial statements.*

**THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)**
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2023**
(In thousands, except par values)

| | Common Stock | | Additional | | Treasury Stock | | Accumulated Other | |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount at $.01 | Paid-in Capital | Retained Earnings | Shares | Amount | Comprehensive Loss | Total |
| Balance at June 30, 2023 | 111,339 | $ 1,113 | $ 1,217,549 | $ 652,561 | 21,864 | $ (727,100) | $ (126,216) | $ 1,017,907 |
| Net loss | | | | (10,376) | | | | (10,376) |
| Other comprehensive loss | | | | | | | (29,407) | (29,407) |
| Issuance of common stock pursuant to stock-based compensation plans | 239 | 3 | | | | | | 3 |
| Employee shares withheld for taxes | | | | | 86 | (875) | | (875) |
| Stock-based compensation expense | | | 3,742 | | | | | 3,742 |
| Balance at September 30, 2023 | 111,578 | $ 1,116 | $ 1,221,291 | $ 642,185 | 21,950 | $ (727,975) | $ (155,623) | $ 980,994 |

*See notes to consolidated financial statements.*

**THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)**
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**
(In thousands, except par values)

| | Common Stock | | Additional | | Treasury Stock | | Accumulated Other | |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount at $.01 | Paid-in Capital | Retained Earnings | Shares | Amount | Comprehensive Loss | Total |
| Balance at June 30, 2022 | 111,090 | $ 1,111 | $ 1,203,126 | $ 769,098 | 21,788 | $ (725,685) | $ (164,482) | $ 1,083,168 |
| Net income | | | | 6,923 | | | | 6,923 |
| Other comprehensive loss | | | | | | | (52,462) | (52,462) |
| Issuance of common stock pursuant to stock-based compensation plans | 24 | 1 | | | | | | 1 |
| Employee shares withheld for taxes | | | | | 10 | (229) | | (229) |
| Stock-based compensation expense | | | 3,994 | | | | | 3,994 |
| Balance at September 30, 2022 | 111,114 | $ 1,112 | $ 1,207,120 | $ 776,021 | 21,798 | $ (725,914) | $ (216,944) | $ 1,041,395 |

*See notes to consolidated financial statements.*

**THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**
(In thousands)

| | Three Months Ended September 30, | |
|---|---|---|
| | 2023 | 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net (loss) income | $ (10,376) | $ 6,923 |
| Adjustments to reconcile net (loss) income from operations to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 12,305 | 11,970 |
| Deferred income taxes | (11,269) | (1,497) |
| Equity in net loss of equity-method investees | 498 | 382 |
| Stock-based compensation, net | 3,742 | 3,994 |
| Long-lived asset impairment | 694 | — |
| Loss (gain) on sale of assets | 62 | (60) |
| Other non-cash items, net | (556) | (1,457) |
| (Decrease) increase in cash attributable to changes in operating assets and liabilities: | | |
| Accounts receivable | (1,150) | (9,589) |
| Inventories | (7,423) | (16,907) |
| Other current assets | 8,761 | 2,541 |
| Other assets and liabilities | (3,198) | 1,348 |
| Accounts payable and accrued expenses | 21,940 | (2,764) |
| Net cash provided by (used in) operating activities | 14,030 | (5,116) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of property, plant and equipment | (6,906) | (7,215) |
| Investments and joint ventures, net | — | 191 |
| Proceeds from sale of assets | 1,257 | 96 |
| Net cash used in investing activities | (5,649) | (6,928) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Borrowings under bank revolving credit facility | 46,000 | 80,000 |
| Repayments under bank revolving credit facility | (57,000) | (68,000) |
| Repayments under term loan | (1,875) | (1,875) |
| Payments of other debt, net | (3,834) | (72) |
| Employee shares withheld for taxes | (875) | (229) |
| Net cash (used in) provided by financing activities | (17,584) | 9,824 |
| Effect of exchange rate changes on cash | (5,881) | (11,498) |
| Net decrease in cash and cash equivalents | (15,084) | (13,718) |
| Cash and cash equivalents at beginning of period | 53,364 | 65,512 |
| Cash and cash equivalents at end of period | $ 38,280 | $ 51,794 |

*See notes to consolidated financial statements.*

**THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**
(Amounts in thousands, except par values and per share data)

## 1. BUSINESS

The Hain Celestial Group, Inc., a Delaware corporation (collectively with its subsidiaries, the "Company," "Hain Celestial," "we," "us" or "our"), was founded in 1993 and is headquartered in Hoboken, New Jersey. The Company's mission has continued to evolve since its founding, with health and wellness being the core tenet. The Company continues to be a leading marketer, manufacturer, and seller of organic and natural, "better-for-you" products by anticipating and exceeding consumer expectations in providing quality, innovation, value and convenience. The Company is committed to growing sustainably while continuing to implement environmentally sound business practices and manufacturing processes. Hain Celestial sells its products through specialty and natural food distributors, supermarkets, natural food stores, mass-market and e-commerce retailers, food service channels and club, drug, and convenience stores worldwide. The Company operates under two reportable segments: North America and International.

## 2. BASIS OF PRESENTATION

The Company's unaudited consolidated financial statements include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation. Investments in affiliated companies in which the Company exerts significant influence, but which it does not control, are accounted for under the equity method of accounting. As such, consolidated net loss includes the Company's equity in the current earnings or losses of such companies.

The Company's unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by U.S. GAAP and should be read in conjunction with the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the "Form 10-K"). The amounts as of and for the periods ended June 30, 2023 are derived from the Company's audited annual financial statements. The unaudited consolidated financial statements reflect all normal recurring adjustments which, in management's opinion, are necessary for a fair presentation for interim periods. Operating results for the three months ended September 30, 2023 are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2024. Please refer to the Notes to the Consolidated Financial Statements as of June 30, 2023 and for the fiscal year then ended included in the Form 10-K for information not included in these condensed notes.

All amounts in the unaudited consolidated financial statements, notes and tables have been rounded to the nearest thousands, except par values and per share amounts, unless otherwise indicated.

### *Significant Accounting Policies*

The Company's significant accounting policies are described in Note 2, *Summary of Significant Accounting Policies and Practices*, in the Notes to the Consolidated Financial Statements in the Form 10-K. Included herein are certain updates to those policies.

### *Transfer of Financial Assets*

The Company accounts for transfers of financial assets, such as non-recourse accounts receivable financing arrangements, when the Company has surrendered control over the related assets. Determining whether control has transferred requires an evaluation of relevant legal considerations, an assessment of the nature and extent of the Company's continuing involvement with the assets transferred and any other relevant considerations. The Company has non-recourse financing arrangements in which eligible receivables are sold to third-party buyers in exchange for cash. The Company transferred accounts receivable in their entirety to the buyers and satisfied all of the conditions to report the transfer of financial assets in their entirety as a sale. The principal amount of receivables sold under these arrangements was $86,506 and $83,659 during the three months ended September 30, 2023 and 2022, respectively. The incremental cost of financing receivables under these arrangements is included in selling, general and administrative expenses on the Company's Consolidated Statements of Operations. The proceeds from the sale of receivables are included in cash provided by operating activities on the Consolidated Statements of Cash Flows.

***Recently Adopted Accounting Pronouncements***

In July 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-03, "*Presentation of Financial Statement (Topic 205), Income Statement - Reporting Comprehensive Income (Topic 220), Distinguishing Liabilities from Equity (Topic 480), Equity (Topic 505), and Compensation - Stock Compensation (Topic 718)*", to amend various SEC paragraphs in the Accounting Standards Codification to reflect the issuance of SEC Staff Accounting Bulletin No. 120, among other things. The Company adopted this conforming guidance upon issuance, which had no material impact on its condensed consolidated financial statements and related disclosures.

## 3. (LOSS) EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted net (loss) income per share on the Consolidated Statements of Operations:

| | Three Months Ended September 30, | |
|---|---|---|
| | **2023** | **2022** |
| Numerator: | | |
| Net (loss) income | $ (10,376) | $ 6,923 |
| | | |
| Denominator: | | |
| Basic weighted average shares outstanding | 89,512 | 89,307 |
| Effect of dilutive stock options, unvested restricted stock and unvested restricted share units | — | 186 |
| Diluted weighted average shares outstanding | 89,512 | 89,493 |
| Basic net (loss) income per common share | $ (0.12) | $ 0.08 |
| Diluted net (loss) income per common share | $ (0.12) | $ 0.08 |

Due to the incurred net loss in the three months ended September 30, 2023, all common stock equivalents such as stock options and unvested restricted stock awards have been excluded from the computation of diluted net loss per share because the effect would have been anti-dilutive to the computations.

There were 489 restricted stock awards excluded from the calculation of diluted net income per share for the three months ended September 30, 2022, as such awards were anti-dilutive. Additionally, for the three months ended September 30, 2023 and 2022 there were 372 and 298, stock-based awards outstanding, that were contingently issuable based on market conditions, and such conditions had not been achieved during the respective periods.

## 4. INVENTORIES

Inventories consisted of the following:

| | September 30, 2023 | June 30, 2023 |
|---|---|---|
| Finished goods | $ 199,043 | $ 192,007 |
| Raw materials, work-in-progress, and packaging | 114,292 | 118,334 |
| | $ 313,335 | $ 310,341 |

## 5. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net consisted of the following:

| | September 30, 2023 | June 30, 2023 |
|---|---|---|
| Land | $ 11,202 | $ 11,453 |
| Buildings and improvements | 53,926 | 55,354 |
| Machinery and equipment | 327,790 | 335,912 |
| Computer hardware and software | 53,658 | 54,192 |
| Furniture and fixtures | 20,301 | 20,722 |
| Leasehold improvements | 48,834 | 49,394 |
| Construction in progress | 13,889 | 10,816 |
| | 529,600 | 537,843 |
| Less: Accumulated depreciation and impairment | 243,628 | 241,518 |
| | $ 285,972 | $ 296,325 |

Depreciation expense for the three months ended September 30, 2023 and 2022 was $9,826 and $8,067, respectively.

During the three months ended September 30, 2023, the Company completed the sale of a facility in the United States for total cash proceeds of $1,182, net of brokerage and other fees, resulting in a loss in the amount of $68, which is included as a component of other income, net on the Consolidated Statement of Operations. The facility was held for sale as of June 30, 2023 with a net carrying amount of $1,250.

## 6. LEASES

The Company leases office space, warehouse and distribution facilities, manufacturing equipment and vehicles primarily in North America and Europe. The Company determines if an arrangement is or contains a lease at inception. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. The Company's lease agreements generally do not contain residual value guarantees or material restrictive covenants.

Some of the Company's leases contain variable lease payments, which are expensed as incurred unless those payments are based on an index or rate. Variable lease payments based on an index or rate are initially measured using the index or rate in effect at lease commencement and included in the measurement of the lease liability; thereafter, changes to lease payments due to rate or index changes are recorded as variable lease expense in the period incurred. The Company does not have any related party leases, and sublease transactions are de minimis.

The components of lease expenses for the three months ended September 30, 2023 and 2022 were as follows:

| | Three Months Ended | |
|---|---|---|
| | September 30, 2023 | September 30, 2022 |
| Operating lease expenses | $ 4,578 | $ 4,975 |
| Finance lease expenses | 37 | 69 |
| Variable lease expenses | 182 | 180 |
| Short-term lease expenses | 395 | 496 |
| Total lease expenses | $ 5,192 | $ 5,720 |

Supplemental balance sheet information related to leases was as follows:

| Leases | Classification | September 30, 2023 | June 30, 2023 |
|---|---|---|---|
| Assets | | | |
| Operating lease ROU assets, net | Operating lease right-of-use assets, net | $ 102,540 | $ 95,894 |
| Finance lease ROU assets, net | Property, plant and equipment, net | 268 | 289 |
| Total leased assets | | $ 102,808 | $ 96,183 |
| | | | |
| Liabilities | | | |
| Current | | | |
| Operating | Accrued expenses and other current liabilities | $ 10,152 | $ 10,489 |
| Finance | Current portion of long-term debt | 84 | 83 |
| Non-current | | | |
| Operating | Operating lease liabilities, noncurrent portion | 97,165 | 90,014 |
| Finance | Long-term debt, less current portion | 200 | 222 |
| Total lease liabilities | | $ 107,601 | $ 100,808 |

Additional information related to leases is as follows:

| | Three Months Ended | |
|---|---|---|
| | September 30, 2023 | September 30, 2022 |
| **Supplemental cash flow information** | | |
| **Cash paid for amounts included in the measurement of lease liabilities:** | | |
| Operating cash flows from operating leases | $ 4,215 | $ 3,968 |
| Operating cash flows from finance leases | $ 3 | $ 4 |
| Financing cash flows from finance leases | $ 19 | $ 52 |
| **ROU assets obtained in exchange for lease obligations:** | | |
| Operating leases | $ 10,986 | $ 7,143 |
| Finance leases | $ — | $ 26 |
| **Weighted average remaining lease term:** | | |
| Operating leases | 10.3 years | 10.2 years |
| Finance leases | 3.6 years | 4.1 years |
| **Weighted average discount rate:** | | |
| Operating leases | 5.1 % | 4.5 % |
| Finance leases | 4.5 % | 4.3 % |

Maturities of lease liabilities as of September 30, 2023 were as follows:

| Fiscal Year | Operating leases | Finance leases | Total |
|---|---|---|---|
| 2024 (remainder of year) | $ 11,808 | $ 71 | $ 11,879 |
| 2025 | 14,261 | 93 | 14,354 |
| 2026 | 13,605 | 68 | 13,673 |
| 2027 | 13,307 | 53 | 13,360 |
| 2028 | 13,390 | 25 | 13,415 |
| Thereafter | 74,979 | — | 74,979 |
| Total lease payments | 141,350 | 310 | 141,660 |
| Less: Imputed interest | 34,033 | 26 | 34,059 |
| Total lease liabilities | $ 107,317 | $ 284 | $ 107,601 |

## 7. GOODWILL AND OTHER INTANGIBLE ASSETS

### *Goodwill*

The following table provides the changes in the carrying value of goodwill by reportable segment:

| | North America | International | Total |
|---|---|---|---|
| Balance as of June 30, 2023 | $ 697,053 | $ 241,587 | $ 938,640 |
| Translation | (1,001) | (9,264) | (10,265) |
| Balance as of September 30, 2023 | $ 696,052 | $ 232,323 | $ 928,375 |

There were no events or circumstances that warranted an interim impairment test for goodwill during the three months ended September 30, 2023 or 2022.

### *Other Intangible Assets*

The following table includes the gross carrying amount and accumulated amortization, where applicable, for intangible assets, excluding goodwill:

| | September 30, 2023 | June 30, 2023 |
|---|---|---|
| Non-amortized intangible assets: | | |
| Trademarks and tradenames[(1)] | $ 246,529 | $ 250,860 |
| Amortized intangible assets: | | |
| Other intangibles[(2)] | 157,764 | 161,874 |
| Less: Accumulated amortization | (113,426) | (114,629) |
| Net amortized intangible assets | 44,338 | 47,245 |
| Net other intangible assets | $ 290,867 | $ 298,105 |

[(1)] *The gross carrying value of trademarks and tradenames is reflected net of $223,981 of accumulated impairment charges as of September 30, 2023* and *June 30, 2023.*
[(2)] *The reduction in carrying value of other intangible assets as of June 30, 2023 reflected a non-cash impairment charge of $45,798 recognized in the fiscal year ended June 30, 2023.*

There were no events or circumstances that warranted an interim impairment test for indefinite-lived intangible assets during the three months ended September 30, 2023 or 2022.

Amortized intangible assets, which are deemed to have a finite life, primarily consist of customer relationships, trademarks and tradenames and are amortized over their estimated useful lives of 7 to 25 years. Amortization expense included in the Consolidated Statements of Operations was as follows:

| | Three Months Ended September 30, | |
|---|---|---|
| | 2023 | 2022 |
| Amortization of acquired intangibles | $ 1,955 | $ 2,788 |

Expected amortization expense over the next five fiscal years is as follows:

| | Fiscal Year Ending June 30, | | | | |
|---|---|---|---|---|---|
| | 2024 (remainder of year) | 2025 | 2026 | 2027 | 2028 |
| Estimated amortization expense | $ 4,454 | $ 5,505 | $ 5,082 | $ 5,010 | $ 3,870 |

The weighted average remaining amortization period of amortized intangible assets is 10.9 years.

## 8. DEBT AND BORROWINGS

Debt and borrowings consisted of the following:

| | September 30, 2023 | June 30, 2023 |
|---|---|---|
| Revolving credit facility | $ 530,000 | $ 541,000 |
| Term loans | 286,875 | 288,750 |
| Less: Unamortized issuance costs | (2,190) | (1,307) |
| Other borrowings[1] | 284 | 305 |
| | 814,969 | 828,748 |
| Short-term borrowings and current portion of long-term debt[2] | 7,568 | 7,567 |
| Long-term debt, less current portion | $ 807,401 | $ 821,181 |

[1] *Includes $284 (June 30, 2023: $305) of finance lease obligations as discussed in Note 6, Leases.*
[2] *Includes $84 (June 30, 2023: $83) of short-term finance lease obligations as discussed in Note 6, Leases.*

***Amended and Restated Credit Agreement***

On August 22, 2023, the Company entered into a Second Amendment (the "Second Amendment") to the Credit Agreement (as amended by a First Amendment dated December 16, 2022, the "Credit Agreement"). The Credit Agreement provides for senior secured financing of $1,100 million in the aggregate, consisting of (1) $300 million in aggregate principal amount of term loans (the "Term Loans") and (2) an $800 million senior secured revolving credit facility (which includes borrowing capacity available for letters of credit, and is comprised of a $440 million U.S. revolving credit facility and $360 million global revolving credit facility) (the "Revolver"). Both the Revolver and the Term Loans mature on December 22, 2026.

During the Second Amendment Period, loans under the Credit Agreement will bear interest at (a) Term SOFR plus 2.5% per annum or (b) the Base Rate plus 1.5% per annum. Following the Second Amendment Period, Loans will bear interest at rates based on (a) Term SOFR plus a rate ranging from 1.125% to 2.0% per annum or (b) the Base Rate plus a rate ranging from 0.125% to 1.0% per annum, the relevant rate in each case being the Applicable Rate. The Applicable Rate following the Second Amendment Period will be determined in accordance with a leverage-based pricing grid, as set forth in the Credit Agreement as amended by the Second Amendment. Excluding hedge impact, the weighted average interest rate on outstanding borrowings under the Credit Agreement at September 30, 2023 was 7.86%. Additionally, the Credit Agreement contains a Commitment Fee (as defined in the Credit Agreement) on the amount unused under the Credit Agreement ranging from 0.15% to 0.25% per annum, and such Commitment Fee is determined in accordance with a leverage-based pricing grid.

The Credit Agreement includes financial covenants that require compliance with a consolidated interest coverage ratio, a consolidated leverage ratio and a consolidated secured leverage ratio. Pursuant to the Second Amendment, the Company's maximum consolidated secured leverage ratio was amended to be 5.00:1.00 until September 30, 2023, 5.25:1.00 until December 31, 2023 and 5.00:1.00 until December 31, 2024 (the period of time during which such maximum consolidated secured leverage ratios are in effect, the "Second Amendment Period," which the Company may elect to end early). Following the Second Amendment Period, the maximum consolidated secured leverage ratio will be 4.25:1.00, subject to possible temporary increase following certain corporate acquisitions. Pursuant to the Second Amendment, the Company's minimum interest coverage ratio was amended to be 2.50:1.00.

As of September 30, 2023, there were $530,000 of loans under the Revolver, $286,875 of Term Loans, and $4,468 of letters of credit outstanding under the Credit Agreement. As of September 30, 2023, $265,532 was available under the Credit Agreement, subject to compliance with the financial covenants. As of September 30, 2023, the Company was in compliance with all associated covenants.

*Credit Agreement Issuance Costs*

In connection with the First Amendment to its Credit Agreement during the second quarter of fiscal year 2023, the Company incurred debt issuance costs of approximately $1,987, of which $1,916 was deferred. Of the total deferred costs, $1,396 were associated with the Revolver and are being amortized on a straight-line basis within Other assets on the Consolidated Balance Sheets, and $520 are being amortized on a straight-line basis, which approximates the effective interest method, as an adjustment to the carrying amount of the Term Loans as a component of Interest and other financing expense, net over the term of the Credit Agreement.

In connection with the Second Amendment to its Credit Agreement, the Company incurred debt issuance costs of approximately $3,854, of which $3,813 was deferred. Of the total deferred costs, $2,802 were associated with the Revolver and are being amortized on a straight-line basis within Other assets on the Consolidated Balance Sheets, and $1,011 are being recorded as an adjustment to the carrying amount of the Term Loans as a component of Interest and other financing expense, net over the term of the Credit Agreement utilizing the effective interest rate method.

Interest paid during the three months ended September 30, 2023 and September 30, 2022 was $11,432 and $6,688, respectively.

## 9. INCOME TAXES

In general, the Company uses an estimated annual effective tax rate, which is based on expected annual income and statutory tax rates in the various jurisdictions in which the Company operates, to determine its quarterly provision for income taxes. Certain significant or unusual items are separately recognized in the quarter in which they occur and can be a source of variability on the effective tax rates from quarter to quarter. The Company's effective tax rate may change from period-to-period based on recurring and non-recurring factors including the geographical mix of earnings, enacted tax legislation, state and local income taxes and tax audit settlements.

The effective income tax rate was a benefit of 35.3% and an expense of 26.5% for the three months ended September 30, 2023 and 2022, respectively. The effective income tax rate for the three months ended September 30, 2023 increased due to tax expense related to stock-based compensation, global intangible low-taxed income ("GILTI"), and limitations on the deductibility of executive compensation. The effective income tax rates in each period were also impacted by the geographical mix of earnings and state income taxes.

## 10. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following table presents the changes in accumulated other comprehensive loss ("AOCL"):

| | Foreign Currency Translation Adjustment, Net | Deferred Gains on Cash Flow Hedging Instruments, Net | Deferred Gains on Fair Value Hedging Instruments, Net | Deferred Gains on Net Investment Hedging Instruments, Net | Total |
|---|---|---|---|---|---|
| Balance at June 30, 2022 | $ (168,225) | $ 519 | $ 500 | $ 2,724 | $ (164,482) |
| Other comprehensive (loss) income before reclassifications | (67,149) | 11,360 | 1,145 | 4,666 | (49,978) |
| Amounts reclassified into income | — | (767) | (1,348) | (369) | (2,484) |
| Net change in accumulated other comprehensive (loss) income for the three months ended September 30, 2022[1] | (67,149) | 10,593 | (203) | 4,297 | (52,462) |
| Balance at September 30, 2022 | $ (235,374) | $ 11,112 | $ 297 | $ 7,021 | $ (216,944) |
| | | | | | |
| Balance at June 30, 2023 | $ (138,028) | $ 10,898 | $ 685 | $ 229 | $ (126,216) |
| Other comprehensive (loss) income before reclassifications | (32,933) | 4,159 | 430 | 1,741 | (26,603) |
| Amounts reclassified into income | — | (1,715) | (717) | (372) | (2,804) |
| Net change in accumulated other comprehensive (loss) income for the three months ended September 30, 2023[1] | (32,933) | 2,444 | (287) | 1,369 | (29,407) |
| Balance at September 30, 2023 | $ (170,961) | $ 13,342 | $ 398 | $ 1,598 | $ (155,623) |

*[1]See Note 14, Derivatives and Hedging Activities, for the amounts reclassified into income for deferred gains on hedging instruments recorded in the Consolidated Statements of Operations during the three months ended September 30, 2023 and 2022.*

## 11. STOCK-BASED COMPENSATION AND INCENTIVE PERFORMANCE PLANS

Under the Company's Amended and Restated 2002 Long-Term Incentive and Stock Award Plan (the “2002 Plan”), the Company historically granted equity-based awards to its officers, senior management, other key employees, consultants, and directors. The Company currently utilizes a stockholder-approved plan, The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan (the “2022 Plan”) which was approved at the Company’s 2022 Annual Meeting of Stockholders held on November 17, 2022. The 2022 Plan permits the Company to continue making equity-based and other incentive awards in a manner intended to properly incentivize its employees, directors, consultants and other service providers by aligning their interests with the interests of the Company’s stockholders. The Company also historically granted shares under its 2019 Equity Inducement Award Program (the “2019 Inducement Program”) to induce selected individuals to become employees of the Company. The 2002 Plan, the 2022 Plan and the 2019 Inducement Program are collectively referred to as the “Stock Award Plans.” In conjunction with the Stock Award Plans, the Company maintains a long-term incentive program (the “LTI Program” or “LTIP”) that provides for equity awards, including performance and market-based equity awards that can be earned over defined performance periods. The Company's LTIP plans, with the exception of the 2023 - 2025 LTIP described below, are described in Note 13, *Stock-Based Compensation and Incentive Performance Plans*, in the Notes to the Consolidated Financial Statements in the Form 10-K.

Compensation cost and related income tax benefits recognized in the Consolidated Statements of Operations for stock-based compensation plans were as follows:

| | Three Months Ended September 30, | |
|---|---|---|
| | 2023 | 2022 |
| Selling, general and administrative expense | $ 3,742 | $ 3,994 |
| Related income tax benefit | $ 456 | $ 402 |

***Restricted Stock***

Awards of restricted stock are either restricted stock awards (“RSAs”) or restricted stock units (“RSUs”) that are issued at no cost to the recipient. Performance-based or market-based RSUs are issued in the form of performance share units (“PSUs”). A summary of the restricted stock activity (including all RSAs, RSUs and PSUs) for the three months ended September 30, 2023 is as follows:

| | Number of Shares and Units | Weighted Average Grant Date Fair Value (per share) |
|---|---|---|
| Non-vested RSAs, RSUs and PSUs outstanding at June 30, 2023 | 1,288 | $ 26.37 |
| Granted | — | $ — |
| Vested | (239) | $ 23.08 |
| Forfeited | (23) | $ 29.74 |
| Non-vested RSAs, RSUs and PSUs outstanding at September 30, 2023 | 1,026 | $ 26.17 |

Vested shares during the three months ended September 30, 2023 include a total of 15 shares related to certain performance-based metrics being met and a total of 224 shares related to service-based RSUs. There were 86 shares surrendered for payment of employee payroll taxes due on shares issued under stock-based compensation plans at an average price of $10.17 per share. There are market-based PSU awards outstanding under both the 2023 – 2025 LTIP and the 2022 – 2024 LTIP. At September 30, 2023, 311 of such shares were outstanding under the 2023 – 2025 LTIP while 61 shares were outstanding under the 2022 – 2024 LTIP. The fair value of RSAs, RSUs and PSUs granted and of shares vested, and the tax benefit recognized from restricted shares vesting was as follows:

| | Three Months Ended September 30, | |
|---|---|---|
| | 2023 | 2022 |
| Fair value of RSAs, RSUs and PSUs granted | $ — | $ 19,839 |
| Fair value of shares vested | $ 2,422 | $ 576 |
| Tax benefit recognized from restricted shares vesting | $ 281 | $ 78 |

At September 30, 2023, there was $13,677 of unrecognized stock-based compensation expense related to non-vested restricted stock awards which is expected to be recognized over a weighted average period of 1.66 years.

*2023-2025 LTIP*

At September 30, 2023, there are 311 such shares outstanding under the LTI Program. Such PSU awards will vest, if at all, pursuant to a defined calculation of either relative TSR or absolute TSR (as defined) over the period from September 6, 2022 through the earlier of (i) September 6, 2025; (ii) the date the participant's employment is terminated due to death or Disability (as defined); or (iii) the effective date of a Change in Control (as defined) (the "2023 TSR Performance Period"). Vesting of 208 target shares of the outstanding PSU awards is pursuant to a defined calculation of relative TSR over the 2023 TSR Performance Period (the "2023 Relative TSR PSUs"). Vesting of 103 target shares of the outstanding PSU awards is pursuant to the achievement of pre-established three-year compound annual TSR targets over the 2023 TSR Performance Period (the "2023 Absolute TSR PSUs"). Total shares eligible to vest for both the 2023 Relative TSR PSUs and 2023 Absolute TSR PSUs range from zero to 200% of the target amount. Grant date fair values are calculated using a Monte Carlo simulation model with grant date fair values per target share and related valuation assumptions as follows for grants prior to January 1, 2023:

| | Absolute TSR PSUs | Relative TSR PSUs |
|---|---|---|
| Grant date fair value (per target share) | $ 20.18 | $ 27.47 |
| Risk-free interest rate | 3.54 % | 3.54 % |
| Expected dividend yield | — | — |
| Expected volatility | 40.30 % | 26.60 % |
| Expected term | 3.00 years | 3.00 years |

Grant date fair values are calculated using a Monte Carlo simulation model with grant date fair values per target share and related valuation assumptions as follows for grants on or subsequent to January 1, 2023:

| | Absolute TSR PSUs | Relative TSR PSUs |
|---|---|---|
| Grant date fair value (per target share) | $ 13.84 | $ 19.54 |
| Risk-free interest rate | 4.28 % | 4.28 % |
| Expected dividend yield | — | — |
| Expected volatility | 40.70 % | 28.20 % |
| Expected term | 3.00 years | 3.00 years |

## 12. INVESTMENTS

On October 27, 2015, the Company acquired a minority equity interest in Chop't Creative Salad Company LLC, predecessor to Founders Table Restaurant Group, LLC ("Founders Table"). Founders Table owns and operates the fast-casual restaurant chains Chop't Creative Salad Co. and Dos Toros Taqueria. The investment is being accounted for as an equity method investment due to the Company's representation on the Board of Directors of Founders Table. At September 30, 2023 and June 30, 2023, the carrying value of the Company's investment in Founders Table was $7,654 and $8,032, respectively, and is included in the Consolidated Balance Sheets as a component of Investments and joint ventures.

The Company also holds an investment in Hutchison Hain Organic Holdings Limited, a joint venture with HUTCHMED (China) Limited, accounted for under the equity method of accounting. The carrying value of its investment was $4,644 and $4,766 as of September 30, 2023 and June 30, 2023, respectively, and is included in the Consolidated Balance Sheets as a component of Investments and joint ventures.

## 13. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The Company's financial assets and liabilities measured at fair value are required to be grouped in one of three levels. The levels prioritize the inputs used to measure the fair value of the assets or liabilities. These levels are:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 – Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 – 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).

The following table presents assets and liabilities measured at fair value on a recurring basis as of September 30, 2023:

| | Total | Quoted prices in active markets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|---|---|---|---|---|
| Assets: | | | | |
| Derivative financial instruments | $ 20,236 | $ — | $ 20,236 | $ — |
| Liabilities: | | | | |
| Derivative financial instruments | $ 901 | — | $ 901 | — |

The following table presents assets and liabilities measured at fair value on a recurring basis as of June 30, 2023:

| | Total | Quoted prices in active markets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|---|---|---|---|---|
| Assets: | | | | |
| Derivative financial instruments | $ 16,988 | $ — | $ 16,988 | $ — |
| Liabilities: | | | | |
| Derivative financial instruments | $ 3,160 | $ — | $ 3,160 | $ — |

There were no transfers of financial instruments between the three levels of fair value hierarchy during the three months ended September 30, 2023 or 2022.

***Derivative Instruments***

The Company uses interest rate swaps to manage its interest rate risk and cross-currency swaps and foreign currency exchange contracts to manage its exposure to fluctuations in foreign currency exchange rates. The valuation of these instruments is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves.

The Company incorporates credit valuation adjustments to appropriately reflect both the Company's nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of the Company's derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts and guarantees.

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by the Company and its counterparties. The Company has determined that the significance of the impact of the credit valuation adjustments made to its derivative contracts, which determination was based on the fair value of each individual contract, was not significant to the overall valuation. As a result, all of the derivatives held as of September 30, 2023 and June 30, 2023 were classified as Level 2 of the fair value hierarchy.

***Nonrecurring Fair Value Measurements***

The Company measures certain non-financial assets at fair value on a nonrecurring basis including goodwill, intangible assets, property and equipment and right-of-use lease assets. These assets were initially measured and recognized at amounts equal to the fair value determined as of the date of acquisition or purchase subject to changes in value only for foreign currency translation. Periodically, these assets are tested for impairment by comparing their respective carrying values to the estimated fair value of the reporting unit or asset group in which they reside. In the event any of these assets were to become impaired, the Company would recognize an impairment expense equal to the amount by which the carrying value of the reporting unit, impaired asset or asset group exceeds its estimated fair value. For indefinite-lived intangible assets, the relief from royalty approach is dependent on a number of factors, including estimates of future growth and trends, royalty rates in the category of intellectual property, discount rates and other variables. Fair value measurements of reporting units are estimated using an income approach involving discounted cash flow models that contain certain Level 3 inputs requiring significant management judgment, including projections of economic conditions, customer demand and changes in competition, revenue growth rates, gross profit margins, operating margins, capital expenditures, working capital requirements, terminal growth rates and discount rates. Fair value measurements of the reporting units associated with the Company's goodwill balances and its indefinite-lived intangible assets are estimated at least annually in the fourth quarter of each fiscal year for purposes of impairment testing if a quantitative analysis is performed. The Company bases its fair value estimates on assumptions its management believes to be reasonable, but which are unpredictable and inherently uncertain.

## 14. DERIVATIVES AND HEDGING ACTIVITIES

**Risk Management Objective of Using Derivatives**

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company manages its exposures to a wide variety of business and operational risks. The Company manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources and duration of its assets and liabilities and the use of derivative financial instruments. Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. The Company’s derivative financial instruments are used to manage differences in the amount, timing, and duration of the Company’s known or expected cash receipts and its known or expected cash payments principally related to the Company’s receivables and borrowings.

Certain of the Company’s foreign operations expose the Company to fluctuations of foreign exchange rates. These fluctuations may impact the value of the Company’s cash receipts and payments in terms of the Company’s functional currency. The Company enters into derivative financial instruments to protect the value or fix the amount of certain assets and liabilities in terms of its functional currency, the U.S. Dollar.Accordingly, the Company uses derivative financial instruments to manage and mitigate such risks. The Company does not use derivatives for speculative or trading purposes.

***Cash Flow Hedges of Interest Rate Risk***

The Company’s objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. During the three months ended September 30, 2023 and 2022, such derivatives were used to hedge the variable cash flows associated with existing variable rate debt.

For derivatives designated and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in AOCL and subsequently reclassified into interest expense in the same period during which the hedged transaction affects earnings. Amounts reported in AOCL related to derivatives will be reclassified to interest expense as interest payments are made on the Company’s variable rate debt. During the remaining nine months of fiscal 2024, the Company estimates that an additional $6,967 will be reclassified as a decrease to interest expense.

As of September 30, 2023, the Company had the following outstanding interest rate derivatives that were designated as cash flow hedges of interest rate risk:

| Interest Rate Derivative | Number of Instruments | Notional Amount |
|---|---|---|
| Interest rate swap | 4 | $400,000 |

***Cash Flow Hedges of Foreign Exchange Risk***

The Company is exposed to fluctuations in various foreign currencies against its functional currency, the U.S. Dollar. The Company uses foreign currency derivatives including cross-currency swaps to manage its exposure to fluctuations in the USD-EUR exchange rates. Cross-currency swaps involve exchanging fixed-rate interest payments for fixed-rate interest receipts, both of which will occur at the USD-EUR forward exchange rates in effect upon entering into the instrument. The Company, at times, also uses forward contracts to manage its exposure to fluctuations in the GBP-EUR exchange rates. The Company designates these derivatives as cash flow hedges of foreign exchange risk.

For derivatives designated and that qualify as cash flow hedges of foreign exchange risk, the gain or loss on the derivative is recorded in AOCL and subsequently reclassified in the period(s) during which the hedged transaction affects earnings within the same income statement line item as the earnings effect of the hedged transaction. During the remaining nine months of fiscal 2024, the Company estimates that no amount relating to the cross-currency swaps will be reclassified to interest expense. As of September 30, 2023, the Company had the following outstanding foreign currency derivatives that were used to hedge its foreign exchange risk.

| Foreign Currency Derivative | Number of Instruments | Notional Sold | Notional Purchased |
|---|---|---|---|
| Foreign currency forward contract | 4 | £3,467 | €4,000 |

***Net Investment Hedges***

The Company is exposed to fluctuations in foreign exchange rates on investments it holds in its European foreign entities and their exposure to the Euro. The Company uses fixed-to-fixed cross-currency swaps to hedge its exposure to changes in the foreign exchange rate on its foreign investment in Europe. Currency forward agreements involve fixing the USD-EUR exchange rate for delivery of a specified amount of foreign currency on a specified date. The currency forward agreements are typically cash settled in U.S. Dollars for their fair value at or close to their settlement date. Cross-currency swaps involve the receipt of functional-currency-fixed-rate amounts from a counterparty in exchange for the Company making foreign-currency- fixed-rate payments over the life of the agreement.

For derivatives designated as net investment hedges, the gain or loss on the derivative is reported in AOCL as part of the cumulative translation adjustment. Amounts are reclassified out of AOCL into earnings when the hedged net investment is either sold or substantially liquidated.

As of September 30, 2023, the Company had the following outstanding foreign currency derivatives that were used to hedge its net investments in foreign operations:

| Foreign Currency Derivative | Number of Instruments | Notional Sold | Notional Purchased |
|---|---|---|---|
| Cross-currency swap | 4 | €100,300 | $105,804 |

***Fair Value Hedges***

The Company is exposed to changes in the fair value of certain of its foreign denominated intercompany loans due to changes in foreign exchange spot rates. The Company uses fixed-to-fixed cross-currency swaps to hedge its exposure to changes in foreign exchange rates affecting gains and losses on intercompany loan principal and interest. Cross-currency swaps involve the receipt of functional-currency-fixed-rate amounts from a counterparty in exchange for the Company making foreign-currency-fixed-rate payments over the life of the agreement.

For derivatives designated and that qualify as fair value hedges, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in interest and other financing expense, net.

Gains and losses on the derivative representing hedge components excluded from the assessment of effectiveness are recognized over the life of the hedge on a systematic and rational basis, as documented at hedge inception in accordance with the Company's accounting policy election. The earnings recognition of excluded components is presented in the same income statement line item as the earnings effect of the hedged transaction. During the remaining nine months of fiscal 2024, the Company estimates that an additional $359 relating to cross currency swaps will be reclassified as a decrease to interest expense.

As of September 30, 2023, the Company had the following outstanding foreign currency derivatives that were used to hedge changes in fair value attributable to foreign exchange risk:

| Foreign Currency Derivative | Number of Instruments | Notional Sold | Notional Purchased |
|---|---|---|---|
| Cross-currency swap | 1 | €24,700 | $26,021 |

As of September 30, 2023 and June 30, 2023, the following amounts were recorded on the balance sheet related to cumulative basis adjustment for fair value hedges:

| | Carrying Amount of the Hedged Asset | | Cumulative Amount of Fair Value Hedge Adjustment Included in the Carrying Amount of the Hedged Asset | |
|---|---|---|---|---|
| | September 30, 2023 | June 30, 2023 | September 30, 2023 | June 30, 2023 |
| Intercompany loan receivable | $ 26,115 | $ 26,945 | $ 830 | $ 924 |

***Designated Hedges***

The following table presents the fair value of the Company's derivative financial instruments as well as their classification on the Consolidated Balance Sheet as of September 30, 2023:

| | Asset Derivatives | | Liability Derivatives | |
|---|---|---|---|---|
| | Balance Sheet Location | Fair Value | Balance Sheet Location | Fair Value |
| Derivatives designated as hedging instruments: | | | | |
| Interest rate swaps | Prepaid expenses and other current assets | $ 8,964 | Accrued expenses and other current liabilities | $ — |
| Interest rate swaps | Other noncurrent assets | 8,855 | Other noncurrent liabilities | — |
| Cross-currency swaps | Prepaid expenses and other current assets | 2,376 | Accrued expenses and other current liabilities | — |
| Cross-currency swaps | Other noncurrent assets | — | Other noncurrent liabilities | 901 |
| Foreign currency forward contracts | Prepaid expenses and other current assets | 41 | Other noncurrent liabilities | — |
| Total derivatives designated as hedging instruments | | $ 20,236 | | $ 901 |

The following table presents the fair value of the Company's derivative financial instruments as well as their classification on the Consolidated Balance Sheet as of June 30, 2023:

| | Asset Derivatives | | Liability Derivatives | |
|---|---|---|---|---|
| | Balance Sheet Location | Fair Value | Balance Sheet Location | Fair Value |
| Derivatives designated as hedging instruments: | | | | |
| Interest rate swaps | Prepaid expenses and other current assets | $ 8,649 | Accrued expenses and other current liabilities | $ — |
| Interest rate swaps | Other noncurrent assets | 5,974 | Other noncurrent liabilities | — |
| Cross-currency swaps | Prepaid expenses and other current assets | 2,365 | Accrued expenses and other current liabilities | — |
| Cross-currency swaps | Other noncurrent assets | — | Other noncurrent liabilities | 3,160 |
| Total derivatives designated as hedging instruments | | $ 16,988 | | $ 3,160 |

The following table presents the pre-tax effect of cash flow hedge accounting on AOCL for the three months ended September 30, 2023 and 2022:

| Derivatives in Cash Flow Hedging Relationships | Amount of Gain Recognized in AOCL on Derivatives | | Location of Gain (Loss) Reclassified from AOCL into Income (Expense) | Amount of Gain (Loss) Reclassified from AOCL into Income (Expense) | |
|---|---|---|---|---|---|
| | Three Months Ended September 30, | | | Three Months Ended September 30, | |
| | 2023 | 2022 | | 2023 | 2022 |
| Interest rate swaps | $ 5,478 | $ 15,262 | Interest and other financing expense, net | $ 2,281 | $ 1,146 |
| Cross-currency swaps | — | — | Interest and other financing expense, net / Other (income) expense, net | — | (115) |
| Foreign currency forward contracts | 41 | — | Cost of sales | — | — |
| | $ 5,519 | $ 15,262 | | $ 2,281 | $ 1,031 |

The following table presents the pre-tax effect of the Company's derivative financial instruments electing cash flow hedge accounting on the Consolidated Statements of Operations for the three months ended of September 30, 2023 and 2022:

| | Location and Amount of Gain (Loss) Recognized in the Consolidated Statements of Operations on Cash Flow Hedging Relationships | | | |
|---|---|---|---|---|
| | Three Months Ended September 30, 2023 | | Three Months Ended September 30, 2022 | |
| | Cost of sales | Interest and other financing expense, net | Cost of sales | Interest and other financing expense, net |
| The effects of cash flow hedging: | | | | |
| Gain (Loss) on cash flow hedging relationships | | | | |
| Interest rate swaps | | | | |
| Amount of gain reclassified from AOCL into income | $ — | $ 2,281 | $ — | $ 1,146 |
| Cross-currency swaps | | | | |
| Amount of loss reclassified from AOCL into income | $ — | $ — | $ — | $ (115) |

The following table presents the pre-tax effect of fair value hedge accounting on AOCL for the three months ended September 30, 2023 and 2022:

| Derivatives in Fair value Hedging Relationships | Amount of Gain Recognized in AOCL on Derivatives | | Location of Gain Reclassified from AOCL into Income on Derivatives (Amount Excluded from Effectiveness Testing) | Amount of Gain Reclassified from AOCL into Income on Derivatives (Amount Excluded from Effectiveness Testing) | |
|---|---|---|---|---|---|
| | Three Months Ended September 30, | | | Three Months Ended September 30, | |
| | 2023 | 2022 | | 2023 | 2022 |
| Cross-currency swaps | $ 572 | $ 1,539 | Interest and other financing expense, net | $ 123 | $ 123 |
| | $ 572 | $ 1,539 | | $ 123 | $ 123 |

The following table presents the pre-tax effect of the Company's derivative financial instruments electing fair value hedge accounting on the Consolidated Statements of Operations as of September 30, 2023 and 2022:

| | Location and Amount of Gain Recognized in the Consolidated Statements of Operations on Fair Value Hedging Relationships | | | | | |
|---|---|---|---|---|---|---|
| | Three Months Ended September 30, 2023 | | | Three Months Ended September 30, 2022 | | |
| | Cost of sales | Interest and other financing expense, net | Other expense (income), net | Cost of sales | Interest and other financing expense, net | Other expense (income), net |
| The effects of fair value hedging: | | | | | | |
| Gain on fair value hedging relationships | | | | | | |
| Cross-currency swaps | | | | | | |
| Amount of gain reclassified from AOCL into income | $ — | $ 953 | $ — | $ — | $ 123 | $ 1,688 |

The following table presents the pre-tax effect of the Company's net investment hedges on AOCL and the Consolidated Statements of Operations for the three months ended September 30, 2023 and 2022:

| Derivatives in Net Investment Hedging Relationships | Amount of Gain Recognized in AOCL on Derivatives | | Location of Gain (Loss) Recognized in Income (Expense) on Derivatives (Amount Excluded from Effectiveness Testing) | Amount of Gain (Loss) Recognized in Income (Expense) on Derivatives (Amount Excluded from Effectiveness Testing) | |
|---|---|---|---|---|---|
| | Three Months Ended September 30, | | | Three Months Ended September 30, | |
| | 2023 | 2022 | | 2023 | 2022 |
| Cross-currency swaps | $ 2,316 | $ 6,268 | Interest and other financing expense, net | $ 495 | $ (495) |

**Credit-Risk-Related Contingent Features**

The Company has agreements with each of its derivative counterparties that contain a cross-default provision upon certain defaults by the Company on any of its indebtedness.

## 15. TRANSFORMATION PROGRAM

During the first quarter of fiscal year 2024, we initiated a multi-year growth and transformation program (the "Hain Reimagined Program"). The program is intended to optimize the Company's portfolio, improve underlying profitability and increase its flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The savings initiatives are expected to impact the Company's reportable segments and Corporate and Other.

Implementation of the Hain Reimagined Program is expected to be completed by the end of the 2027 fiscal year and comprised of: contract termination costs, asset write-downs, employee-related costs and other transformation-related expenses.

For the three months ended September 30, 2023, expenses associated with the Company's restructuring program in the amount of $6,403 and $3,320, respectively, were recorded in Productivity and transformation costs and Cost of sales on the Consolidated Statements of Operations and impacted reportable segments and Corporate and Other as follows:

| | Three Months Ended September 30, 2023 |
|---|---|
| Corporate and Other | $ 5,770 |
| North America | 3,358 |
| International | 595 |
| | $ 9,723 |

The Company expects to pay the remaining accrued restructuring costs during the next 12 months. The following table displays the activities and liability balances relating to the restructuring program for the period ended as of September 30, 2023:

| | Charges | Amounts Paid | Non-cash settlements/Adjustments[2] | Balance at September 30, 2023 |
|---|---|---|---|---|
| Employee-related costs[1] | $ 1,115 | $ (46) | — | $ 1,069 |
| Contract termination costs | 1,799 | (1,528) | — | 271 |
| Asset write-downs[2] | 1,521 | — | (1,521) | — |
| Other transformation-related expenses[3] | 5,288 | (16) | — | 5,272 |
| | $ 9,723 | $ (1,590) | $ (1,521) | $ 6,612 |

[1]*Employee-related expenses include $491 severance related to executive officer succession.*
[2]*Represents non-cash asset write-downs, including accelerated depreciation and asset impairment.*
[3]*Other transformation-related expenses primarily include consultancy charges.*

The liability balance as of September 30, 2023 is included within Accrued expenses and other current liabilities on the Company's Consolidated Balance Sheets.

## 16. COMMITMENTS AND CONTINGENCIES

*Securities Class Actions Filed in Federal Court*

On August 17, 2016, three securities class action complaints were filed in the Eastern District of New York (the "District Court") against the Company alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. The three complaints are: (1) Flora v. The Hain Celestial Group, Inc., et al. (the "Flora Complaint"); (2) Lynn v. The Hain Celestial Group, Inc., et al. (the "Lynn Complaint"); and (3) Spadola v. The Hain Celestial Group, Inc., et al. (the "Spadola Complaint" and, together with the Flora and Lynn Complaints, the "Securities Complaints"). On June 5, 2017, the District Court issued an order for consolidation, appointment of Co-Lead Plaintiffs and approval of selection of co-lead counsel. Pursuant to this order, the Securities Complaints were consolidated under the caption In re The Hain Celestial Group, Inc. Securities Litigation (the "Consolidated Securities Action"), and Rosewood Funeral Home and Salamon Gimpel were appointed as Co-Lead Plaintiffs. On June 21, 2017, the Company received notice that plaintiff Spadola voluntarily dismissed his claims without prejudice to his ability to participate in the Consolidated Securities Action as an absent class member. The Co-Lead Plaintiffs in the Consolidated Securities Action filed a Consolidated Amended Complaint on August 4, 2017 and a Corrected Consolidated Amended Complaint on September 7, 2017 on behalf of a purported class consisting of all persons who purchased or otherwise acquired Hain Celestial securities between November 5, 2013 and February 10, 2017 (the "Amended Complaint"). The

Amended Complaint named as defendants the Company and certain of its former officers (collectively, “Defendants”) and asserted violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 based on allegedly materially false or misleading statements and omissions in public statements, press releases and SEC filings regarding the Company’s business, prospects, financial results and internal controls. Defendants filed a motion to dismiss the Amended Complaint on October 3, 2017 which the District Court granted on March 29, 2019, dismissing the case in its entirety, without prejudice to replead. Co-Lead Plaintiffs filed a Second Amended Consolidated Class Action Complaint on May 6, 2019 (the “Second Amended Complaint”). The Second Amended Complaint again named as defendants the Company and certain of its former officers and asserts violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 based on allegations similar to those in the Amended Complaint, including materially false or misleading statements and omissions in public statements, press releases and SEC filings regarding the Company’s business, prospects, financial results, and internal controls. Defendants filed a motion to dismiss the Second Amended Complaint on June 20, 2019. On April 6, 2020, the District Court granted Defendants’ motion to dismiss the Second Amended Complaint in its entirety, with prejudice. Co-Lead Plaintiffs appealed the District Court’s decision dismissing the Second Amended Complaint to the United States Court of Appeals for the Second Circuit (the "Second Circuit"). By decision dated December 17, 2021, the Second Circuit vacated the District Court’s judgment and remanded the case for further proceedings. On April 6, 2022, the District Court issued an order directing the parties to submit position papers outlining their views regarding: (a) the scope of the Court's reconsideration of Defendants’ Motion to Dismiss the Second Amended Complaint; and (b) the appropriate procedure the Court should follow in light of the Second Circuit's opinion. On April 14, 2022, the District Court entered an order setting the schedule for, and determining the scope of, supplemental briefing on Defendants’ Motion to Dismiss the Second Amended Complaint. The parties submitted supplemental briefing between May 12, 2022 and June 23, 2022. In June 2022, the District Court referred Defendants’ Motion to Dismiss the Second Amended Complaint to a United States Magistrate Judge (the “Magistrate Judge”) for a Report and Recommendation. On November 4, 2022, the Magistrate Judge issued a Report and Recommendation recommending that the District Court grant Defendants’ Motion to Dismiss the Second Amended Complaint with prejudice. Plaintiffs filed Objections to Magistrate Judge’s November 4, 2022 Report and Recommendation on December 7, 2022, and Defendants filed their Opposition to Plaintiffs’ Objections to Magistrate Judge’s November 4, 2022 Report and Recommendation on January 9, 2023. On September 29, 2023, the District Court granted Defendants’ Motion to Dismiss the Second Amended Complaint. Plaintiffs filed notice of appeal on October 26, 2023.

*Additional Stockholder Class Action and Derivative Complaints Filed in Federal Court*

On April 19, 2017 and April 26, 2017, two class action and stockholder derivative complaints were filed in the Eastern District of New York against the former Board of Directors and certain former officers of the Company under the captions Silva v. Simon, et al. (the “Silva Complaint”) and Barnes v. Simon, et al. (the “Barnes Complaint”), respectively. Both the Silva Complaint and the Barnes Complaint allege violation of securities law, breach of fiduciary duty, waste of corporate assets and unjust enrichment.

On May 23, 2017, an additional stockholder filed a complaint under seal in the Eastern District of New York against the former Board of Directors and certain former officers of the Company. The complaint alleged that the Company’s former directors and certain former officers made materially false and misleading statements in press releases and SEC filings regarding the Company’s business, prospects and financial results. The complaint also alleged that the Company violated its by-laws and Delaware law by failing to hold its 2016 Annual Stockholders Meeting and includes claims for breach of fiduciary duty, unjust enrichment and corporate waste. On August 9, 2017, the District Court granted an order to unseal this case and reveal Gary Merenstein as the plaintiff (the “Merenstein Complaint”).

On August 10, 2017, the District Court granted the parties' stipulation to consolidate the Barnes Complaint, the Silva Complaint and the Merenstein Complaint under the caption In re The Hain Celestial Group, Inc. Stockholder Class and Derivative Litigation (the “Consolidated Stockholder Class and Derivative Action”) and to appoint Robbins Arroyo LLP and Scott+Scott as Co-Lead Counsel, with the Law Offices of Thomas G. Amon as Liaison Counsel for Plaintiffs. On September 14, 2017, a related complaint was filed under the caption Oliver v. Berke, et al. (the “Oliver Complaint”), and on October 6, 2017, the Oliver Complaint was consolidated with the Consolidated Stockholder Class and Derivative Action. The Plaintiffs filed their consolidated amended complaint under seal on October 26, 2017. On December 20, 2017, the parties agreed to stay Defendants’ time to answer, move, or otherwise respond to the consolidated amended complaint through and including 30 days after a decision was rendered on the motion to dismiss the Amended Complaint in the Consolidated Securities Action, described above.

On March 29, 2019, the District Court in the Consolidated Securities Action granted Defendants’ motion, dismissing the Amended Complaint in its entirety, without prejudice to replead. Co-Lead Plaintiffs in the Consolidated Securities Action filed the Second Amended Complaint on May 6, 2019. The parties to the Consolidated Stockholder Class and Derivative Action agreed to continue the stay of Defendants’ time to answer, move, or otherwise respond to the consolidated amended complaint through 30 days after a decision on Defendants' motion to dismiss the Second Amended Complaint in the Consolidated Securities Action.

On April 6, 2020, the District Court granted Defendants’ motion to dismiss the Second Amended Complaint in the Consolidated Securities Action, with prejudice. Pursuant to the terms of the stay, Defendants in the Consolidated Stockholder Class and Derivative Action had until May 6, 2020 to answer, move, or otherwise respond to the complaint in this matter. This deadline was extended, and Defendants moved to dismiss the Consolidated Stockholder Class and Derivative Action Complaint on June 23, 2020, with Plaintiffs’ opposition due August 7, 2020.

On July 24, 2020, Plaintiffs made a stockholder litigation demand on the current Board containing overlapping factual allegations to those set forth in the Consolidated Stockholder Class and Derivative Action. On August 10, 2020, the District Court vacated the briefing schedule on Defendants’ pending motion to dismiss in order to give the Board of Directors time to consider the demand. On each of September 8 and October 8, 2020, the District Court extended its stay of any applicable deadlines for 30 days to give the Board of Directors additional time to complete its evaluation of the demand. On November 3, 2020, Plaintiffs were informed that the Board of Directors had finished investigating and resolved, among other things, that the demand should be rejected. On November 6, 2020, Plaintiffs and Defendants notified the District Court that Plaintiffs were evaluating the rejection of the demand, sought certain additional information and were assessing next steps, and requested that the District Court extend the stay for an additional 30 days, to on or around December 7, 2020. The Parties then filed a number of additional joint status reports, requesting that the District Court continue the stay of applicable deadlines through December 30, 2021. In light of the Second Circuit vacating the District Court’s judgment in the Consolidated Securities Action referenced above and remanding the case for further proceedings, the Parties submitted a joint status report on December 29, 2021 requesting that the District Court continue the temporary stay pending the District Court’s reconsideration of the Defendants’ motion to dismiss the Second Amended Complaint in the Consolidated Securities Action. On November 3, 2023, the Parties filed a joint request to continue the temporary stay of the Derivative Action pending resolution of the Securities Class Action appeal and await a response from the Court.

*Baby Food Litigation*

Since February 2021, the Company has been named in numerous consumer class actions alleging that the Company’s Earth’s Best® baby food products (the “Products”) contain unsafe and undisclosed levels of various naturally occurring heavy metals, namely lead, arsenic, cadmium and mercury. Those actions have now been transferred and consolidated as a single lawsuit in the U.S. District Court for the Eastern District of New York captioned In re Hain Celestial Heavy Metals Baby Food Litigation, Case No. 2:21-cv-678 (the "Consolidated Proceeding"), which generally alleges that the Company violated various state consumer protection laws and asserts other state and common law warranty and unjust enrichment claims related to the alleged failure to disclose the presence of these metals, arguing that consumers would have either not purchased the Products or would have paid less for them had the Company made adequate disclosures. The Court appointed interim class counsel for Plaintiffs in the Consolidated Proceeding, and Plaintiffs filed a Consolidated Amended Class Action Complaint on March 18, 2022. The Company filed a motion to dismiss the Consolidated Class Action Complaint on November 7, 2022. The plaintiffs filed their opposition on December 22, 2022, and the Company filed its reply brief on January 20, 2023. On May 9, 2023, upon consent of the parties, the Court stayed this action pending the Second Circuit’s decision on appeal in In re Beech-Nut Nutrition Co. Baby Food Litigation, 21 Civ. 133 (N.D.N.Y.). Accordingly, the Court denied the Company’s motion to dismiss without prejudice to renew. One consumer class action is pending in New York Supreme Court, Nassau County, which the court has stayed in deference to the Consolidated Proceeding. The Company denies the allegations in these lawsuits and contends that its baby foods are safe and properly labeled.

The claims raised in these lawsuits were brought in the wake of a highly publicized report issued by the U.S. House of Representatives Subcommittee on Economic and Consumer Policy on Oversight and Reform, dated February 4, 2021 (the “House Report”), addressing the presence of heavy metals in baby foods made by certain manufacturers, including the Company. Since the publishing of the House Report, the Company has also received information requests with respect to the advertising and quality of its baby foods from certain governmental authorities, as such authorities investigate the claims made in the House Report. The Company is fully cooperating with these requests and is providing documents and other requested information. The Company has been named in one civil government enforcement action, State of New Mexico ex rel. Balderas v. Nurture, Inc., et al., which was filed by the New Mexico Attorney General against the Company and several other manufacturers based on the alleged presence of heavy metals in their baby food products. The Company and several other manufacturers moved to dismiss the New Mexico Attorney General’s lawsuit, which motion the Court denied. The Company filed its answer to the New Mexico Attorney General’s amended complaint on April 23, 2022. The Company denies the New Mexico Attorney General’s allegations and maintains that its baby foods are safe, properly labeled, and compliant with New Mexico law.

In addition to the consumer class actions discussed above, the Company is currently named in seven lawsuits in state and federal courts alleging some form of personal injury from the ingestion of the Company's Products, purportedly due to unsafe and undisclosed levels of various naturally occurring heavy metals. These lawsuits generally allege injuries related to neurological development disorders such as autism and attention deficit hyperactivity disorder.

- In the matter Palmquist v. The Hain Celestial Group, Inc., a jury trial commenced on February 6, 2023 in the United States District Court for the Southern District of Texas. The Company moved for Directed Verdict at the close of Plaintiffs' case. The Court granted the Company's motion, finding no liability for the Company. The Court entered Final Judgment in the Company's favor on March 3, 2023. On April 3, 2023, Plaintiffs filed their Notice of Appeal in the Fifth Circuit. Plaintiffs filed their appellate brief on July 12, 2023. The Company filed its appellate brief on September 26, 2023. It is expected that the matter will be fully briefed this fall. No argument date has been set.

- In NC v. The Hain Celestial Group, et al., pending in the Superior Court for the State of California, County of Los Angeles, as a result of successful defense pretrial motions, including the Company's motion for summary judgment, the Company expects that the case will be dismissed and judgment will soon be entered in the Company's favor.

- In Watkins v. Plum, PBC, et al., currently pending in the United States District Court for the Eastern District of Louisiana, the Court has set the case for trial beginning on August 12, 2024. The parties are currently engaging in discovery.

- On January 9, 2023, Plaintiffs in P.A. v. Hain Celestial Group, Inc., et al. filed their First Amended Complaint in the Circuit Court of the First Circuit, State of Hawai'i. On March 8, 2023, the Company filed its Answer to Plaintiff's First Amended Complaint. The case is set for trial starting on January 23, 2025.

- On February 3, 2023, Plaintiff in Pourdanesh v. Hain Celestial Group, Inc. et al. filed his Complaint in the Superior Court for the State of California, County of Los Angeles. Plaintiff filed an Amended Complaint on June 16, 2023. Defendants filed a Demurrer to the Amended Complaint on July 17, 2023, which was denied on October 5, 2023. The parties have begun to engage in discovery.

- On July 25, 2023, Plaintiffs in DMP v. Beech-Nut Nutrition Company, Inc. et al., currently pending in the United States District Court for the District of Nevada, filed a Motion for Leave to Amend the Complaint. On October 24, 2023, the Court granted Plaintiffs' Motion and Hain was added as a defendant to the case.

In September 2023, the two Nevada state court cases previously pending in Clark County District Court, Benitez v. Beech-Nut Nutrition Company, Inc., et al. and Buenaventura v. Beech-Nut Nutrition Company, Inc., were both voluntarily dismissed.

The Company denies that its Products led to any of the alleged injuries and will defend these cases vigorously. That said, additional lawsuits may be filed against the Company in the future, asserting similar or different legal theories and seeking similar or different types of damages and relief. Such lawsuits may be resolved in a manner adverse to us, and we may incur substantial costs or damages not covered by insurance, which could have a material adverse effect on our financial condition and business.

*Other*

In addition to the litigation described above, the Company is and may be a defendant in lawsuits from time to time in the normal course of business.

With respect to all litigation and related matters, the Company records a liability when the Company believes it is probable that a liability has been incurred and the amount can be reasonably estimated. As of the end of the period covered by this report, the Company has not recorded a liability for any of the matters disclosed in this note. It is possible that some matters could require the Company to pay damages, incur other costs or establish accruals in amounts that could not be reasonably estimated as of the end of the period covered by this report.

## 17. SEGMENT INFORMATION

The Company's organizational structure consists of two geographic based reportable segments: North America and International, which are also the operating segments. This structure is in line with how the Company's Chief Operating Decision Maker ("CODM") assesses the Company's performance and allocates resources. The Company uses segment net sales and segment Adjusted EBITDA in order to analyze segment results and trends.

Segment Adjusted EBITDA excludes: (benefit) provision for income taxes, net interest expense, depreciation and amortization, equity in net loss of equity-method investees, stock-based compensation, net, unrealized currency losses (gains), certain litigation and related costs, plant closure related costs-net, productivity and transformation costs, warehouse and manufacturing consolidation and other costs, costs associated with acquisitions, divestitures and other transactions, loss (gain) on sale of assets, long-lived asset impairments and other adjustments. In addition, Segment Adjusted EBITDA does not include Corporate and Other expenses related to the Company's centralized administrative functions, which do not specifically relate to a reportable segment. Such Corporate and Other expenses are comprised mainly of compensation and related expenses of certain of the Company's senior executive officers and other employees who perform duties related to the entire enterprise, litigation expense and expenses for certain professional fees, facilities, and other items which benefit the Company as a whole.

The following tables set forth financial information about each of the Company's reportable segments. Information about total assets by segment is not disclosed because such information is not reported to or used by the Company's CODM for purposes of assessing segment performance or allocating resources. Transactions between reportable segments were insignificant for all periods presented.

| | Three Months Ended September 30, | |
|---|---|---|
| | 2023 | 2022 |
| Net Sales: | | |
| North America | $ 260,054 | $ 288,396 |
| International | 164,975 | 150,955 |
| | $ 425,029 | $ 439,351 |
| | | |
| Adjusted EBITDA: | | |
| North America | $ 18,727 | $ 30,781 |
| International | 17,438 | 14,947 |
| Total Reportable Segments Adjusted EBITDA | 36,165 | 45,728 |
| Corporate and Other | (12,075) | (9,699) |
| | 24,090 | 36,029 |
| Impairment charges | | |
| Long-lived asset impairment | (694) | — |
| Acquisitions, divestitures and other | | |
| Transaction and integration costs, net | (118) | (1,367) |
| (Loss) gain on sale of assets | (62) | 40 |
| Restructuring activities | | |
| Plant closure related costs, net | (1,841) | 2 |
| Productivity and transformation costs | (6,403) | (773) |
| Litigation and related costs | (1,524) | (2,463) |
| Depreciation and amortization | (12,305) | (11,970) |
| Equity in net loss of equity-method investees | (498) | (382) |
| Interest expense, net | (12,623) | (7,279) |
| Benefit (provision) for income taxes | 5,379 | (2,631) |
| Stock-based compensation, net | (3,742) | (3,994) |
| Unrealized currency (losses) gains | (35) | 1,711 |
| Net (loss) income | $ (10,376) | $ 6,923 |

The Company’s net sales by geographic region, which are generally based on the location of the Company’s subsidiaries, are as follows:

| | Three Months Ended September 30, | |
|---|---|---|
| | 2023 | 2022 |
| United States | $ 230,659 | $ 259,508 |
| United Kingdom | 121,051 | 109,160 |
| Europe | 43,924 | 41,795 |
| All Other | 29,395 | 28,888 |
| | $ 425,029 | $ 439,351 |

There has been no material change to Company’s total assets by segment from the amount disclosed in the Form 10-K for the fiscal year ended June 30, 2023.

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

*This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Consolidated Financial Statements and the related Notes thereto for the period ended September 30, 2023 contained in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended June 30, 2023. Forward-looking statements in this Form 10-Q are qualified by the cautionary statement included in this Form 10-Q under the sub-heading "Forward-Looking Statements" in the introduction of this Form 10-Q.*

***Overview***

The Hain Celestial Group, Inc., a Delaware corporation (collectively, along with its subsidiaries, the "Company," and herein referred to as "Hain Celestial," "we," "us" and "our"), was founded in 1993. The Company is a leading manufacturer, marketer, and seller of better-for-you brands that inspire healthier living. The Company is committed to growing sustainably while continuing to implement environmentally sound business practices and manufacturing processes. Hain Celestial sells its products through specialty and natural food distributors, supermarkets, natural food stores, mass-market and e-commerce retailers, food service channels and club, drug and convenience stores worldwide.

The Company's food and beverage brands include Celestial Seasonings®, Clarks™, Cully & Sully®, Earth's Best®, Ella's Kitchen®, Frank Cooper's®, Garden of Eatin'®, Garden Veggie™, Hartley's®, Health Valley®, Imagine®, Joya®, Lima®, Linda McCartney's® (under license), MaraNatha®, Natumi®, New Covent Garden Soup Co.®, ParmCrisps®, Robertson's®, Rose's® (under license), Sensible Portions®, Spectrum®, Sun-Pat®, Terra®, The Greek Gods®, Thinsters®, Yorkshire Provender® and Yves Veggie Cuisine®. The Company's personal care brands include Alba Botanica®, Avalon Organics®, JASON®, Live Clean® and Queen Helene®.

***Hain Reimagined Program***

During the first quarter of fiscal year 2024, we initiated a multi-year growth and transformation program (the "Hain Reimagined Program") to drive shareholder returns. The savings initiatives are expected to impact our reportable segments and Corporate and Other. The program is intended to optimize our portfolio, improve underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. Hain Reimagined is grounded on four strategic pillars:

- Focus
  - Concentrate our portfolio in five consumer-centric Better-For-You ("BFY") platforms: Snacks, Baby & Kids, Beverages, Meal Preparation, and Personal Care.
  - Simplify our footprint, maintaining direct presence in five key markets – United States, Canada, UK, Ireland, and Europe – and align our global operating model and footprint, leveraging scale and realizing synergies across the business.
- Grow
  - Deliver share gain in key platforms where we have the most compelling right to win, through expanded channel reach and acceleration in its innovation pipeline.
- Build
  - Enhance critical capabilities in brand building and effectiveness of marketing spend; expand reach across under-penetrated margin-accretive channels such as away-from-home and omni-channel e-commerce; and enhance our innovation capability to be more leading edge in BFY.
- Fuel
  - Drive revenue growth management, working capital management and operational efficiency to fund growth and enhance margins.

Cumulative pretax charges are expected to be $115 million - $125 million inclusive of potential inventory reductions of approximately $25 million related to brand/category exits. The balance of cumulative pretax restructuring charges is expected to be $90 million - $100 million comprised of contract termination costs, asset write-downs, employee-related costs and other transformation-related expenses. Annualized pretax savings are expected to be $130 million - $150 million.

### *Global Economic Environment*

The duration and intensity of inflation fluctuations, the possibility of an impending recession, alterations in consumer shopping and consumption patterns, and shifts in geopolitical events, such as the ongoing Russia-Ukraine conflict and the recent Gaza Strip conflict, may lead to increased supply chain expenses, higher inflation, and other business impacts. We continually assess the nature and extent of these potential and evolving impacts on our business, consolidated operational results, liquidity, and capital resources.

## Comparison of Three Months Ended September 30, 2023 to Three Months Ended September 30, 2022

### *Consolidated Results*

The following table compares our results of operations, including as a percentage of net sales, on a consolidated basis, for the three months ended September 30, 2023 and 2022 (amounts in thousands, other than per share data and percentages, which may not add due to rounding):

| | Three Months Ended | | | | Change in | |
|---|---|---|---|---|---|---|
| | September 30, 2023 | | September 30, 2022 | | Dollars | Percentage |
| Net sales | $ 425,029 | 100.0% | $ 439,351 | 100.0% | $ (14,322) | (3.3)% |
| Cost of sales | 341,086 | 80.3% | 345,016 | 78.5% | (3,930) | (1.1)% |
| Gross profit | 83,943 | 19.7% | 94,335 | 21.5% | (10,392) | (11.0)% |
| Selling, general and administrative expenses | 77,169 | 18.2% | 74,951 | 17.1% | 2,218 | 3.0% |
| Productivity and transformation costs | 6,403 | 1.5% | 773 | 0.2% | 5,630 | 728.3% |
| Amortization of acquired intangible assets | 1,955 | 0.5% | 2,788 | 0.6% | (833) | (29.9)% |
| Long-lived asset impairment | 694 | 0.2% | — | —% | 694 | 100.0% |
| Operating (loss) income | (2,278) | (0.5)% | 15,823 | 3.6% | (18,101) | * |
| Interest and other financing expense, net | 13,244 | 3.1% | 7,677 | 1.7% | 5,567 | 72.5% |
| Other income, net | (265) | (0.1)% | (1,790) | (0.4)% | 1,525 | (85.2)% |
| (Loss) income from operations before income taxes and equity in net loss (income) of equity-method investees | (15,257) | (3.6)% | 9,936 | 2.3% | (25,193) | * |
| (Benefit) provision for income taxes | (5,379) | (1.3)% | 2,631 | 0.6% | (8,010) | * |
| Equity in net loss of equity-method investees | 498 | 0.1% | 382 | 0.1% | 116 | 30.4% |
| Net (loss) income | $ (10,376) | (2.4)% | $ 6,923 | 1.6% | $ (17,299) | * |
| | | | | | | |
| Adjusted EBITDA | $ 24,090 | 5.7% | $ 36,029 | 8.2% | $ (11,939) | (33.1)% |
| Diluted net (loss) income per common share | $ (0.12) | | $ 0.08 | | $ (0.20) | * |

** Percentage is not meaningful due to one or more numbers being negative.*

Net Sales

Net sales for the three months ended September 30, 2023 were $425.0 million, a decrease of $14.3 million, or 3.3%, as compared to $439.4 million in the three months ended September 30, 2022. Net sales, adjusted for the impact of divestitures and discontinued brands, decreased approximately $12.6 million, or 2.9%, from the prior year quarter due to a decline in the North America reportable segment, partially offset by growth in the International reportable segment. Further details of changes in net sales by segment are provided below in the *Segment Results* section.

Gross Profit

Gross profit for the three months ended September 30, 2023 was $83.9 million, a decrease of $10.4 million, or 11.0%, as compared to the prior year quarter. Additionally, gross profit margin of 19.7% was lower when compared with 21.5% in the prior year quarter.

The decrease in gross profit was driven primarily by the North America reportable segment, mainly due to lower sales volume as well as by inflation, partially offset by pricing and productivity. The International reportable segment had an increase in gross profit mainly driven by higher net sales due to pricing, partially offset by inflation.

Selling, General and Administrative Expenses

Selling, general and administrative expenses were $77.2 million for the three months ended September 30, 2023, an increase of $2.2 million, or 3.0%, from $75.0 million for the prior year quarter. The increase was due to higher selling expenses and employee-related expenses.

Productivity and Transformation Costs

Productivity and transformation costs were $6.4 million for the three months ended September 30, 2023, an increase of $5.6 million from $0.8 million in the prior year quarter. The increase was primarily due to restructuring costs incurred in connection with the Hain Reimagined Program.

Amortization of Acquired Intangible Assets

Amortization of acquired intangibles was $2.0 million for the three months ended September 30, 2023, a decrease of $0.8 million from $2.8 million in the prior year quarter, primarily reflecting reduced amortization expenses due to impairment of the ParmCrisps customer relationships recognized in the third quarter of fiscal 2023. See Note 8, *Goodwill and Other Intangible Assets*, in the Notes to the Consolidated Financial Statements included in Item 8 of the Form 10-K.

Long-Lived Asset Impairment

During the three months ended September 30, 2023, the Company recognized a non-cash impairment charge of $0.7 million related to certain equipment in North America.

Operating (Loss) Income

Operating loss for the three months ended September 30, 2023 was $2.3 million compared to operating income of $15.8 million in the prior year quarter as a result of the items described above.

Interest and Other Financing Expense, Net

Interest and other financing expense, net totaled $13.2 million for the three months ended September 30, 2023, an increase of $5.6 million, or 72.5%, from $7.7 million in the prior year quarter. The increase resulted primarily due to higher borrowing rates, partially offset by lower outstanding debt balance compared to the prior year quarter. See Note 8, *Debt and Borrowings*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Other Income, Net

Other income, net totaled $0.3 million for the three months ended September 30, 2023, compared to $1.8 million in the prior year quarter. The decrease was primarily attributable to lower unrealized foreign currency gains.

(Loss) Income from Operations Before Income Taxes and Equity in Net Loss of Equity-Method Investees

Loss from operations before income taxes and equity in net loss of our equity-method investees for the three months ended September 30, 2023 was $15.3 million compared to income of $9.9 million in the prior year quarter. The decrease was due to the items discussed above.

(Benefit) Provision for Income Taxes

The (benefit) provision for income taxes includes federal, foreign, state and local income taxes. Our income tax benefit was $5.4 million for the three months ended September 30, 2023 compared to expense of $2.6 million in the prior year quarter.

The effective income tax rate was a benefit of 35.3% and an expense of 26.5% for the three months ended September 30, 2023 and 2022, respectively. The effective income tax rate for the three months ended September 30, 2023 increased due to tax expense related to stock-based compensation, global intangible low-taxed income ("GILTI"), and limitations on the deductibility of executive compensation. The effective income tax rates in each period were also impacted by the geographical mix of earnings and state income taxes.

Equity in Net Loss of Equity-Method Investees

Our equity in net loss from our equity-method investments for the three months ended September 30, 2023 was a loss of $0.5 million compared to $0.4 million in the prior year quarter. See Note 12, *Investments*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Net (Loss) Income

Net loss for the three months ended September 30, 2023 was $10.4 million, or $0.12 per diluted share, compared to net income of $6.9 million, or $0.08 per diluted share, in the prior year quarter. The decrease was attributable to the factors noted above.

Adjusted EBITDA

Our Adjusted EBITDA was $24.1 million and $36.0 million for the three months ended September 30, 2023 and 2022, respectively, as a result of the factors discussed above and the adjustments described in the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* presented following the discussion of our results of operations.

***Segment Results***

Our organizational structure consists of two geographic based reportable segments: North America and International, which are also the operating segments. This structure is in line with how the Company's Chief Operating Decision Maker ("CODM") assesses the Company's performance and allocates resources. The Company uses segment net sales and segment Adjusted EBITDA in order to analyze segment results and trends.

Segment Adjusted EBITDA excludes: net interest expense, (benefit) provision for income taxes, depreciation and amortization, equity in net loss of equity-method investees, stock-based compensation, net, unrealized currency losses (gains), certain litigation and related costs, plant closure related costs-net, productivity and transformation costs, warehouse and manufacturing consolidation and other costs, costs associated with divestitures and other transactions, loss (gain) on sale of assets, long-lived asset impairments and other adjustments. In addition, Segment Adjusted EBITDA does not include Corporate and Other expenses related to the Company's centralized administrative functions, which do not specifically relate to a reportable segment. Such Corporate and Other expenses are comprised mainly of compensation and related expenses of certain of the Company's senior executive officers and other employees who perform duties related to our entire enterprise, litigation expense and expenses for certain professional fees, facilities, and other items which benefit the Company as a whole. We do not allocate amounts below operating (loss) income to our reportable segments.

The following table provides a summary of net sales and Adjusted EBITDA by reportable segment for the three months ended September 30, 2023 and 2022:

| *(dollars in thousands)* | North America | International | Corporate and Other | Consolidated |
|---|---|---|---|---|
| Net sales | | | | |
| Three months ended 9/30/23 | $ 260,054 | $ 164,975 | $ — | $ 425,029 |
| Three months ended 9/30/22 | 288,396 | 150,955 | — | 439,351 |
| $ change | $ (28,342) | $ 14,020 | n/a | $ (14,322) |
| % change | (9.8)% | 9.3 % | n/a | (3.3)% |
| Adjusted EBITDA | | | | |
| Three months ended 9/30/23 | $ 18,727 | $ 17,438 | $ (12,075) | $ 24,090 |
| Three months ended 9/30/22 | 30,781 | 14,947 | (9,699) | 36,029 |
| $ change | $ (12,054) | $ 2,491 | $ (2,376) | $ (11,939) |
| % change | (39.2)% | 16.7 % | 24.5 % | (33.1)% |
| Adjusted EBITDA margin | | | | |
| Three months ended 9/30/23 | 7.2 % | 10.6 % | n/a | 5.7 % |
| Three months ended 9/30/22 | 10.7 % | 9.9 % | n/a | 8.2 % |

See the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* following the discussion of our results of operations and Note 17, *Segment Information*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q for a reconciliation of segment Adjusted EBITDA.

North America

Our net sales in the North America reportable segment for the three months ended September 30, 2023 were $260.1 million, a decrease of $28.3 million, or 9.8%, from net sales of $288.4 million in the prior year quarter. The decrease in net sales was primarily due to lower sales in baby/kids category on account of continued industry-wide challenges in organic formula supply, as well as by a decline in personal care primarily reflecting the timing shift of a sun care program and a decline in snacks associated with the optimization of promotional activity for Terra®.

Adjusted EBITDA for the three months ended September 30, 2023 was $18.7 million, a decrease of $12.1 million, or 39.2%, from Adjusted EBITDA of $30.8 million in the prior year quarter. The decrease was primarily driven by reduced gross profit reflecting inflation as well as by lower sales discussed above and an increase in certain inventory obsolescence reserves. Adjusted EBITDA margin was 7.2%, a 350-basis point decrease from the prior year period.

International

Net sales in the International reportable segment for the three months ended September 30, 2023 were $165.0 million, an increase of $14.0 million, or 9.3%, from net sales of $151.0 million in the prior year quarter. The increase in net sales was mainly driven by growth in meal preparation and beverages categories.

Adjusted EBITDA for the three months ended September 30, 2023 was $17.4 million, an increase of $2.5 million, or 16.7%, from Adjusted EBITDA of $14.9 million in the prior year quarter. The increase was primarily driven by an increase in gross profit reflecting higher pricing, partially offset by the above-noted increase in selling, general and administrative expenses. Adjusted EBITDA margin was 10.6%, a 70-basis point increase from the prior year period.

Corporate and Other

The increase in Corporate and Other expenses primarily reflected an increase in consulting charges.

Refer to Note 17, *Segment Information*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

### Liquidity and Capital Resources

We finance our operations and growth primarily with the cash flows we generate from our operations and from borrowings available to us under our Credit Agreement (as defined below). We believe that our cash flows from operations and borrowing capacity under our Credit Agreement will be adequate to meet anticipated operating and other expenditures for the foreseeable future. See Note 8, *Debt and Borrowings,* in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

In addition to obligations under the Credit Agreement, we are party to other contractual obligations involving commitments to make payments to third parties, including purchase commitments and lease obligations, which impact our short-term and long-term liquidity and capital resource needs. See Note 6, *Leases*.

Amended and Restated Credit Agreement

On August 22, 2023, the Company entered into a Second Amendment (the “Second Amendment”) to the Credit Agreement (as amended by a First Amendment dated December 16, 2022, the “Credit Agreement”). The Credit Agreement provides for senior secured financing of $1,100 million in the aggregate, consisting of (1) $300 million in aggregate principal amount of term loans (the “Term Loans”) and (2) an $800 million senior secured revolving credit facility (which includes borrowing capacity available for letters of credit, and is comprised of a $440 million U.S. revolving credit facility and $360 million global revolving credit facility) (the “Revolver”). Both the Revolver and the Term Loans mature on December 22, 2026.

During the Second Amendment Period, loans under the Credit Agreement will bear interest at (a) Term SOFR plus 2.5% per annum or (b) the Base Rate plus 1.5% per annum. Following the Second Amendment Period, Loans will bear interest at rates based on (a) Term SOFR plus a rate ranging from 1.125% to 2.0% per annum or (b) the Base Rate plus a rate ranging from 0.125% to 1.0% per annum, the relevant rate in each case being the Applicable Rate. The Applicable Rate following the Second Amendment Period will be determined in accordance with a leverage-based pricing grid, as set forth in the Credit Agreement as amended by the Second Amendment. The weighted average interest rate on outstanding borrowings under the Credit Agreement at September 30, 2023 was 7.86%. Additionally, the Credit Agreement contains a Commitment Fee (as defined in the Credit Agreement) on the amount unused under the Credit Agreement ranging from 0.15% to 0.25% per annum, and such Commitment Fee is determined in accordance with a leverage-based pricing grid.

The Credit Agreement includes financial covenants that require compliance with a consolidated interest coverage ratio, a consolidated leverage ratio and a consolidated secured leverage ratio. Pursuant to the Second Amendment, the Company’s maximum consolidated secured leverage ratio was amended to be 5.00:1.00 until September 30, 2023, 5.25:1.00 until December 31, 2023 and 5.00:1.00 until December 31, 2024 (the period of time during which such maximum consolidated secured leverage ratios are in effect, the “Second Amendment Period,” which the Company may elect to end early). Following the Second Amendment Period, the maximum consolidated secured leverage ratio will be 4.25:1.00, subject to possible temporary increase following certain corporate acquisitions. Pursuant to the Second Amendment, the Company’s minimum interest coverage ratio was amended to be 2.50:1.00.

As of September 30, 2023, there were $530,000 of loans under the Revolver, $286,875 of Term Loans, and $4,468 of letters of credit outstanding under the Credit Agreement. As of September 30, 2023, $265,532 was available under the Credit Agreement, subject to compliance with the financial covenants. As of September 30, 2023, the Company was in compliance with all associated covenants.

In addition to obligations under the Credit Agreement, we are party to other contractual obligations involving commitments to make payments to third parties, including purchase commitments and lease obligations, which impact our short-term and long-term liquidity and capital resource needs. See Note 6, *Leases*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Our cash and cash equivalents balance decreased $15.1 million at September 30, 2023 to $38.3 million as compared to $53.4 million at June 30, 2023. Our working capital was $319.2 million at September 30, 2023, a decrease of $39.8 million from $358.9 million at the end of fiscal 2023. Additionally, our total debt decreased by $13.8 million at September 30, 2023 to $815.0 million as compared to $828.7 million at June 30, 2023 as a result of $12.9 million of net repayments carried out during the period.

Our cash balances are held in the United States, United Kingdom, Canada, Europe, the Middle East and India. As of September 30, 2023, substantially all cash was held outside of the United States.

We maintain our cash and cash equivalents primarily in money market funds or their equivalent. Accordingly, we do not believe that our investments have significant exposure to interest rate risk. Cash provided by (used in) operating, investing and financing activities is summarized below.

| | Three Months Ended September 30, | | Change in |
|---|---|---|---|
| *(amounts in thousands)* | 2023 | 2022 | Dollars |
| Cash flows provided by (used in): | | | |
| Operating activities | $ 14,030 | $ (5,116) | $ 19,146 |
| Investing activities | (5,649) | (6,928) | 1,279 |
| Financing activities | (17,584) | 9,824 | (27,408) |
| Decrease in cash and cash equivalents | (9,203) | (2,220) | (6,983) |
| Effect of exchange rate changes on cash and cash equivalents | (5,881) | (11,498) | 5,617 |
| Net decrease in cash and cash equivalents | $ (15,084) | $ (13,718) | $ (1,366) |

Cash provided by operating activities was $14.0 million for the three months ended September 30, 2023, an increase of $19.1 million from cash used in operating activities of $5.1 million in the prior year period. This increase versus the prior year period resulted primarily from higher cash generation of $44.3 million from our working capital accounts which was mainly due to our accounts payable optimization initiatives, focused inventory management, and an improvement in accounts receivable recovery, partially offset by reduction of $25.2 million in net income adjusted for non-cash charges in the current period.

Cash used in investing activities was $5.6 million for the three months ended September 30, 2023, a decrease of $1.3 million from $6.9 million in the prior year period primarily due to lower capital expenditures in the current period due to phasing of capital projects. During the three months ended September 30, 2023, $6.9 million of capital expenditures were incurred primarily related to operational improvements in the United States and the United Kingdom segments. We expect capital expenditures to be approximately $50.0 million for fiscal year 2024.

Cash used in financing activities was $17.6 million for the three months ended September 30, 2023, a decrease of $27.4 million compared to $9.8 million of cash provided by financing activities in the prior year period. The increase in cash used in financing activities was primarily due to higher net debt repayment during the three months ended September 30, 2023.

Free Cash Flow

Our free cash flow was $7.1 million for the three months ended September 30, 2023, an increase of $19.5 million from negative free cash flow of $12.3 million in the three months ended September 30, 2022. This increase versus the prior year period resulted primarily from an increase in cash flows from operations of $19.1 million driven by the reasons explained above. See Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures following the discussion of our results of operations for definitions and a reconciliation from our net cash provided by operating activities to free cash flow.

Share Repurchase Program

In January 2022, the Company’s Board of Directors authorized the repurchase of up to $200.0 million of the Company’s issued and outstanding common stock. Repurchases may be made from time to time in the open market, pursuant to pre-set trading plans, in private transactions or otherwise. The current 2022 authorization does not have a stated expiration date. The extent to which the Company repurchases its shares and the timing of such repurchases will depend upon market conditions and other corporate considerations. During the three months ended September 30, 2023, the Company repurchased no shares under the repurchase program. As of September 30, 2023, the Company had $173.5 million of remaining authorization under the share repurchase program.

***Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures***

We have included in this report measures of financial performance that are not defined by U.S. GAAP. We believe that these measures provide useful information to investors and include these measures in other communications to investors.

For each of these non-U.S. GAAP financial measures, we are providing below a reconciliation of the differences between the non-U.S. GAAP measure and the most directly comparable U.S. GAAP measure, an explanation of why our management and Board of Directors believe the non-U.S. GAAP measure provides useful information to investors and any additional purposes for which our management and Board of Directors use the non-U.S. GAAP measures. These non-U.S. GAAP measures should be viewed in addition to, and not in lieu of, the comparable U.S. GAAP measures.

Net Sales - Adjusted for the Impact of Divestitures and Discontinued Brands

We also exclude the impact of divestitures and discontinued brands when comparing net sales to prior periods, which results in the presentation of certain non-U.S. GAAP financial measures. The Company's management believes that excluding the impact of divestitures and discontinued brands when presenting period-over-period results of net sales aids in comparability.

To present net sales adjusted for the impact of divestitures and discontinued brands, the net sales of a divested business or discontinued brand are excluded from all periods. A reconciliation between reported net sales and net sales adjusted for the impact of divestitures and discontinued brands is as follows:

| *(amounts in thousands)* | North America | International | Hain Consolidated |
|---|---|---|---|
| Net sales - Three months ended September 30, 2023 | $ 260,054 | $ 164,975 | $ 425,029 |
| Divestitures and discontinued brands | 8 | — | 8 |
| Net sales adjusted for divestitures and discontinued brands - Three months ended September 30, 2023 | $ 260,062 | $ 164,975 | $ 425,037 |
| | | | |
| Net sales - Three months ended September 30, 2022 | $ 288,396 | $ 150,955 | $ 439,351 |
| Divestitures and discontinued brands | (1,762) | — | (1,762) |
| Net sales adjusted for divestitures and discontinued brands - Three months ended September 30, 2022 | $ 286,634 | $ 150,955 | $ 437,589 |
| | | | |
| Net sales (decline) growth | (9.8)% | 9.3 % | (3.3)% |
| Impact of divestitures and discontinued brands | 0.5 % | — % | 0.4 % |
| Net sales (decline) growth adjusted for divestitures and discontinued brands | (9.3)% | 9.3 % | (2.9)% |

Adjusted EBITDA

The Company defines Adjusted EBITDA as net (loss) income before net interest expense, income taxes, depreciation and amortization, equity in net loss of equity-method investees, stock-based compensation, net, unrealized currency losses (gains), certain litigation and related costs, plant closure related costs-net, productivity and transformation costs, warehouse and manufacturing consolidation and other costs, costs associated with acquisitions, divestitures and other transactions, gains on sales of assets, long-lived asset impairment and other adjustments. The Company’s management believes that this presentation provides useful information to management, analysts and investors regarding certain additional financial and business trends relating to its results of operations and financial condition. In addition, management uses this measure for reviewing the financial results of the Company and as a component of performance-based executive compensation. Adjusted EBITDA is a non-U.S. GAAP measure and may not be comparable to similarly titled measures reported by other companies.

We do not consider Adjusted EBITDA in isolation or as an alternative to financial measures determined in accordance with U.S. GAAP. The principal limitation of Adjusted EBITDA is that it excludes certain expenses and income that are required by U.S. GAAP to be recorded in our consolidated financial statements. In addition, Adjusted EBITDA is subject to inherent limitations as this metric reflects the exercise of judgment by management about which expenses and income are excluded or included in determining Adjusted EBITDA. In order to compensate for these limitations, management presents Adjusted EBITDA in connection with U.S. GAAP results.

A reconciliation of net (loss) income to Adjusted EBITDA is as follows:

| | Three Months Ended September 30, | |
|---|---|---|
| *(amounts in thousands)* | 2023 | 2022 |
| Net (loss) income | $ (10,376) | $ 6,923 |
| | | |
| Depreciation and amortization | 12,305 | 11,970 |
| Equity in net loss of equity-method investees | 498 | 382 |
| Interest expense, net | 12,623 | 7,279 |
| (Benefit) provision for income taxes | (5,379) | 2,631 |
| Stock-based compensation, net | 3,742 | 3,994 |
| Unrealized currency losses (gains) | 35 | (1,711) |
| Litigation and related costs | | |
| Litigation expenses[a] | 1,524 | 2,463 |
| Restructuring activities | | |
| Plant closure related costs, net | 1,841 | (2) |
| Productivity and transformation costs | 6,403 | 773 |
| Acquisitions, divestitures and other | | |
| Transaction and integration costs, net | 118 | 1,367 |
| Loss (gain) on sale of assets | 62 | (40) |
| Impairment charges | | |
| Long-lived asset impairment | 694 | — |
| Adjusted EBITDA | $ 24,090 | $ 36,029 |

[a] *Expenses and items relating to securities class action and baby food litigation.*

Free Cash Flow

In our internal evaluations, we use the non-GAAP financial measure "Free Cash Flow." The difference between Free Cash Flow and cash flows provided by or used in operating activities, which is the most comparable U.S. GAAP financial measure, is that Free Cash Flow reflects the impact of purchases of property, plant and equipment (capital spending). Since capital spending is essential to maintaining our operational capabilities, we believe that it is a recurring and necessary use of cash. As such, we believe investors should also consider capital spending when evaluating our cash flows provided by or used in operating activities. We view Free Cash Flow as an important measure because it is one factor in evaluating the amount of cash available for discretionary investments. We do not consider Free Cash Flow in isolation or as an alternative to financial measures determined in accordance with U.S. GAAP. A reconciliation from cash flows provided by (used in) operating activities to Free Cash Flow is as follows:

| | Three Months Ended September 30, | |
|---|---|---|
| *(amounts in thousands)* | 2023 | 2022 |
| Net cash provided by (used in) operating activities | $ 14,030 | $ (5,116) |
| Purchases of property, plant and equipment | (6,906) | (7,215) |
| Free cash flow | $ 7,124 | $ (12,331) |

### Critical Accounting Estimates

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States. The accounting principles we use require us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and amounts of income and expenses during the reporting periods presented. We believe in the quality and reasonableness of our critical accounting policies; however, materially different amounts may be reported under different conditions or using assumptions different from those that we have applied. The accounting policies that have been identified as critical to our business operations and to understanding the results of our operations pertain to variable consideration, valuation of long-lived assets, goodwill and intangible assets, stock-based compensation and valuation allowances for deferred tax assets. The application of each of these critical accounting policies and estimates is discussed in Part II, Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, of our Annual Report on Form 10-K for the fiscal year ended June 30, 2023, from which there have been no material changes.

### Recent Accounting Pronouncements

There were no recently adopted accounting pronouncements or recently issued accounting pronouncements not yet effective that we believe will have a significant impact on our consolidated financial statements.

### Seasonality

Certain of our product lines have seasonal fluctuations. Hot tea, hot-eating desserts and soup sales are stronger in colder months, while sales of snack foods, sunscreen and certain of our personal care products are stronger in the warmer months. As such, our results of operations and our cash flows for any particular quarter are not indicative of the results we expect for the full year, and our historical seasonality may not be indicative of future quarterly results of operations. In recent years, net sales and diluted earnings per share in the first fiscal quarter have typically been the lowest of our four quarters.

## Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes in market risk from those addressed in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023 during the three months ended September 30, 2023. See the information set forth in Part II, Item 7A, *Quantitative and Qualitative Disclosures About Market Risk*, of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023.

## Item 4. Controls and Procedures

### Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), with the assistance of other members of management, have reviewed the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Our disclosure controls and procedures are intended to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms and (2) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Based on this review, our CEO and CFO have concluded that the disclosure controls and procedures for the Company were effective as of September 30, 2023.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect every misstatement. An evaluation of effectiveness is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may decrease over time.

### Changes in Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the three months ended September 30, 2023 that 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 called for by this item is incorporated herein by reference to Note 16, *Commitments and Contingencies*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

### Item 1A. Risk Factors

There have been no material changes from the discussion of the material factors that make an investment in the Company speculative or risky contained in the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023, filed with the SEC on August 24, 2023.

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

*Issuer Purchases of Equity Securities*

During the three months ended September 30, 2023, there were no shares repurchased under share repurchase programs approved by the Board of Directors.

During the three months ended September 30, 2023, there were 86,036 shares withheld by the Company to satisfy tax withholding obligations in connection with shares issued under stock-based compensation plans, at an average price of $10.17 per share. These shares withheld to satisfy tax withholding obligations do not constitute repurchases by the Company.

### Item 5. Other Information

*Rule 10b5-1 Trading Arrangements and Non-Rule 10b5-1 Trading Arrangements*

During the three months ended September 30, 2023, none of the Company’s directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended), adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933, as amended).

**Item 6. Exhibits**

| Exhibit Number | Description |
|---|---|
| 3.1 | Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2021, filed with the SEC on August 26, 2021). |
| 3.2 | The Hain Celestial Group, Inc. Amended and Restated By-Laws (incorporated by reference to Exhibit 3.2 of the Company’s Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023, filed with the SEC on May 9, 2023). |
| 4.1 | Specimen of common stock certificate (incorporated by reference to Exhibit 4.1 of Amendment No. 1 to the Company’s Registration Statement on Form S-4 filed with the SEC on April 24, 2000). |
| 10.1 | Second Amendment, dated August 22, 2023, to the Fourth Amended and Restated Credit Agreement, dated December 22, 2021, by and among the Company, the Lenders party thereto and Bank of America, N.A., as administrative agent. |
| 10.2 | Offer Letter, dated August 23, 2023, between the Company and Lee A. Boyce. |
| 31.1 | Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended. |
| 31.2 | Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended. |
| 32.1 | Certification by 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 by 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 | Inline XBRL Taxonomy Extension Schema Document. |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document. |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document. |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document. |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). |

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 report to be signed on its behalf by the undersigned thereunto duly authorized.

**THE HAIN CELESTIAL GROUP, INC.**
(Registrant)

| | |
|---|---|
| Date: November 7, 2023 | /s/ Wendy P. Davidson<br>**Wendy P. Davidson,**<br>**President and Chief Executive Officer**<br>**(Principal Executive Officer)** |
| Date: November 7, 2023 | /s/ Lee A. Boyce<br>**Lee A. Boyce,**<br>**Executive Vice President and**<br>**Chief Financial Officer**<br>**(Principal Financial Officer)** |
| Date: November 7, 2023 | /s/ Michael J. Ragusa<br>**Michael J. Ragusa,**<br>**Senior Vice President and**<br>**Chief Accounting Officer**<br>**(Principal Accounting Officer)** |

**Exhibit 10.1**

**Execution Copy**

# SECOND AMENDMENT TO CREDIT AGREEMENT

This **SECOND AMENDMENT TO CREDIT AGREEMENT**, dated as of August 22, 2023 (this "Amendment"), is by and among **THE HAIN CELESTIAL GROUP, INC.**, a Delaware corporation (the "Company"), each Lender party hereto and BANK OF AMERICA, N.A., as Administrative Agent. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement.

## W I T N E S S E T H

**WHEREAS**, the Company, each Subsidiary of the Company from time to time party thereto as a Designated Borrower, each lender from time to time party thereto (collectively, the "Lenders" and individually, a "Lender") and the Administrative Agent are parties to that certain Fourth Amended and Restated Credit Agreement, dated as of December 22, 2021, as amended by that certain First Amendment to Credit Agreement, dated as of December 16, 2022 (as further amended, restated, amended and restated, supplemented, extended, or otherwise modified from time to time, the "Credit Agreement");

**WHEREAS**, the Company has requested that the Lenders amend certain provisions of the Credit Agreement; and

**WHEREAS**, the Lenders party hereto are willing to make such amendments to the Credit Agreement, in accordance with and subject to the terms and conditions set forth herein.

**NOW, THEREFORE**, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

## Article 1

## AMENDMENTS TO CREDIT AGREEMENT

**1.1** Section 1.01 of the Credit Agreement is hereby amended by amending and restating the defined term "Applicable Rate" to read as follows:

"Applicable Rate" means, in respect of each Facility, the following percentages per annum, based upon the Consolidated Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a):

| Applicable Rate | | | | |
|---|---|---|---|---|
| **Pricing Level** | **Consolidated Leverage Ratio** | **Commitment Fee** | **Term SOFR Loans + Alternative Currency Loans + Global Swing Line Loans + Letters of Credit** | **Base Rate +** |
| 1 | ≥ 4.00:1.00 | 0.250% | 2.000% | 1.000% |

| | | | | |
|---|---|---|---|---|
| 2 | ≥ 3.25:1.00 but < 4.00:1.00 | 0.225% | 1.750% | 0.750% |
| 3 | ≥ 2.50:1.00 but < 3.25:1.00 | 0.200% | 1.500% | 0.500% |
| 4 | ≥ 1.75:1.00 but < 2.50:1.00 | 0.175% | 1.375% | 0.375% |
| 5 | ≥ 1.00:1.00 but < 1.75:1.00 | 0.150% | 1.250% | 0.250% |
| 6 | < 1.00:1.00 | 0.150% | 1.125% | 0.125% |

Any increase or decrease in the Applicable Rate resulting from a change in the Consolidated Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(a); provided that if a Compliance Certificate is not delivered when due in accordance with such Section, then, upon the request of the Required Lenders, Pricing Level 1 shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall remain in effect until the date on which such Compliance Certificate is delivered.

Notwithstanding anything to the contrary contained in this definition or otherwise in this Agreement, (a) the determination of the Applicable Rate for any period shall be subject to the provisions of Section 2.10(b) and (b) at all times during the Relief Period, the Applicable Rate shall be (i) 2.50% in respect of Term SOFR Loans, Alternative Currency Loans, Global Swing Line Loans and Letters of Credit, (ii) 1.50% in respect of Base Rate Loans and (iii) 0.250% in respect of the Commitment Fee. On the first Business Day following the Relief Period Termination Date, the Applicable Rate shall be determined based upon the Consolidated Leverage Ratio (and the corresponding Pricing Level above (and the sentence following the table above, including the proviso thereto, if applicable)) as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a) prior to (or, in the case of the Relief Period Termination Date occurring at the time of delivery of the March 31, 2025 financial statements and corresponding Compliance Certificate, at the time of) the Relief Period Termination Date.

**1.2** Section 1.01 of the Credit Agreement is hereby amended by amending and restating the defined term “Relief Period” to read as follows:

“Relief Period” means the period commencing on the First Amendment Effective Date and continuing until the date (such earlier date, the “Relief Period Termination Date”) which is the earlier to occur of: (a) the date specified as the “Relief Period Termination Date” in a written notice from the Company to the Administrative Agent (which written notice shall be delivered to the Administrative Agent five (5) Business Days prior to the “Relief Period Termination Date” specified in such notice) and (b) the date on which both (i) the financial statements required by Section 6.01(b) and (ii) the Compliance Certificate required by Section 6.02(a), in each case, for the fiscal quarter ending March 31, 2025, shall have been delivered to the Administrative Agent by the Company (or, if earlier, the date on which such statements and certificate were required to be delivered to the Administrative Agent pursuant to such Sections).

**1.3** Section 1.01 of the Credit Agreement is hereby amended by inserting the defined term “Second Amendment Effective Date” in appropriate alphabetical order to read as follows:

“Second Amendment Effective Date” means August 22, 2023.

**1.4** Section 1.01 of the Credit Agreement is hereby amended by amending and restating the defined term “Excluded Subsidiary” to read as follows:

"Excluded Subsidiary" means, as of any date of determination, any Subsidiary of the Company that (i) is a captive insurance Subsidiary; (ii) is a not-for-profit Subsidiary; (iii) is an Immaterial Subsidiary; (iv) is a Receivables Subsidiary; (v) is not a Wholly-Owned Subsidiary of the Company; provided that an existing Subsidiary that is a Loan Party shall not be released from being a Subsidiary Guarantor solely as a result of such Subsidiary becoming a non- Wholly-Owned Subsidiary if as a result of (i) a Disposition or issuance of Equity Interests of such Subsidiary, in either case, to a Person that is an Affiliate of the Company or (ii) any transaction entered into primarily for the purpose of such Subsidiary ceasing to constitute a Loan Party; (vi) to the extent (and for so long as) not required to guarantee the Obligations pursuant to the Collateral and Guarantee Requirement; or (vii) is listed on Schedule 1.02.

**1.5** Section 7.11(a) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

(a) Consolidated Interest Coverage Ratio. Permit the ratio of (a) Consolidated EBITDA to (b) Consolidated Interest Expense to be less than, as of the end of any fiscal quarter of the Company ending on or after (x) the Closing Date and prior to the Second Amendment Effective Date, 2.75:1.00 and (y) the Second Amendment Effective Date, 2.50:1.00.

**1.6** Section 7.11(b) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

(b) Consolidated Secured Leverage Ratio. Permit the Consolidated Secured Leverage Ratio as of the end of any fiscal quarter of the Company ending on or after the Closing Date to be greater than 4.25:1.00; provided, after the consummation of a Specified Acceptable Acquisition, the Company may elect to increase the maximum Consolidated Secured Leverage Ratio to (i) 5.00:1.00 for the first four fiscal quarters occurring after the date of such Acceptable Acquisition ("Initial Leverage Ratio Increase") and (ii) 4.50:1.00 for the first two fiscal quarters occurring after the end of the Initial Leverage Ratio Increase; provided further that, notwithstanding any of the foregoing to the contrary, during the Relief Period, the Company shall not permit the Consolidated Secured Leverage Ratio as of the end of any fiscal quarter of the Company occurring during the Relief Period to be greater than the ratio set forth below opposite such period (for the avoidance of doubt, (A) the last fiscal period for which the Company shall have the benefit of this further proviso shall be the earlier of (I) the fiscal quarter ending immediately prior to the Relief Period Termination Date and (II) the fiscal quarter ending December 31, 2024, and (B) the Company shall not have the ability to elect to further increase the maximum Consolidated Secured Leverage Ratio in connection with any Specified Acceptable Acquisition during the Relief Period and for the two (2) full fiscal quarters ending immediately following the Relief Period Termination Date):

| **Fiscal Quarter Ending** | **Maximum Consolidated Secured Leverage Ratio** |
|---|---|
| September 30, 2023 | 5.00:1.00 |
| December 31, 2023 | 5.25:1.00 |
| March 31, 2024 through (and including) December 31, 2024 | 5.00:1.00 |

**1.7** Section 8.01(k)(ii) and (iii) of the Credit Agreement are hereby deleted and a new clause (ii) is inserted therein to read as follows:

(ii) to the extent any loss of perfection or priority results solely from (A) the Administrative Agent no longer having possession of certificates actually delivered to it representing Equity

Interests pledged under any Collateral Document or (B) a UCC filing having lapsed because a UCC continuation statement was not filed in a timely manner.

**1.8** Section 10.01(e) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

(e) (i) change Section 8.03, (ii) change Section 2.13 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender, or (iii) subordinate, or have the effect of subordinating, the Obligations hereunder to any Indebtedness or other obligation, in any case, without the written consent of each Lender;

Article 2

**CONDITIONS TO EFFECTIVENESS**

This Amendment shall become effective as of the date first above written (such date, the "Second Amendment Effective Date") upon satisfaction of the following conditions (in each case, in form and substance reasonably acceptable to the Administrative Agent):

**2.1 Executed Amendment.** The Administrative Agent shall have received a copy of this Amendment, duly executed by the Company, the Required Lenders and the Administrative Agent.

**2.2 Default.** No Default or Event of Default shall exist immediately prior to and after giving effect to this Amendment.

**2.3 Fees, Costs and Expenses.**

(a) The Administrative Agent shall have received from the Company for the account of each Lender that executes and delivers a signature page hereto to the Administrative Agent by 5:00 p.m. (ET) on or before August 22, 2023 (each such Lender, a "Consenting Lender"), an amendment fee equal to 0.25% of such Consenting Lender's Total Credit Exposure on the Second Amendment Effective Date.

(b) The Administrative Agent shall have received from the Company such other fees, costs and expenses previously agreed in writing by the Company to be due and payable in connection with this Amendment on or prior to the Amendment Effective Date.

(c) Holland & Knight LLP shall have received from the Company payment of all outstanding fees and expenses previously incurred and all fees and expenses incurred in connection with this Amendment, in each case to the extent such fees and expenses are required to be paid by the Company pursuant to the Credit Agreement or otherwise previously agreed in writing by the Company to be payable in connection with the Amendment and to the extent invoiced to the Company at least two Business Days prior to the Amendment Effective Date.

**2.4 Miscellaneous.** All other documents and legal matters in connection with the transactions contemplated by this Amendment shall be reasonably satisfactory in form and substance to the Administrative Agent and its counsel.

Article 3

**MISCELLANEOUS**

**3.1 Amended Terms.** On and after the Second Amendment Effective Date, all references to the Credit Agreement in each of the Loan Documents shall hereafter mean the Credit Agreement as amended by this Amendment. Except as specifically amended hereby or otherwise agreed, the Credit

Agreement is hereby ratified and confirmed and shall remain in full force and effect according to its terms.

**3.2** **<u>Representations and Warranties of the Company</u>.** The Company represents and warrants as follows:

(a) It has taken all necessary action to authorize the execution, delivery and performance of this Amendment.

(b) This Amendment has been duly executed and delivered by the Company, and constitutes a legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, reorganization, moratorium, insolvency and similar laws affecting creditors' rights generally or by equitable principles of general application, regardless of whether considered in a proceeding in equity or at law.

(c) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by the Company of this Amendment.

(d) The representations and warranties contained in Article V of the Credit Agreement and in each other Loan Document are (i) with respect to representations and warranties that contain a materiality qualification, true and correct on and as of the Second Amendment Effective Date and (ii) with respect to representations and warranties that do not contain a materiality qualification, true and correct in all material respects on and as of the Second Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are (x) with respect to representations and warranties that contain a materiality qualification, true and correct on and as of such earlier date and (y) with respect to representations and warranties that do not contain a materiality qualification, true and correct in all material respects on and as of such earlier date.

(e) As of the Second Amendment Effective Date, no event has occurred and is continuing which constitutes a Default or an Event of Default.

(f) The Obligations are not reduced or modified by this Amendment and are not subject to any offsets, defenses or counterclaims.

**3.3** **<u>Reaffirmation of Obligations</u>.** The Company, on behalf of itself and each other Loan Party, hereby ratifies the Credit Agreement and each other Loan Document, and acknowledges and reaffirms (a) that each Loan Party is bound by all terms of the Credit Agreement and each such Loan Document applicable to it and (b) that each Loan Party is responsible for the observance and full performance of its respective Obligations.

**3.4** **<u>Loan Document</u>.** This Amendment shall constitute a Loan Document under the terms of the Credit Agreement.

**3.5** **<u>Expenses</u>.** The Company agrees to pay all reasonable and documented out-of-pocket costs and expenses of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including without limitation the reasonable and documented fees and expenses of the Administrative Agent's legal counsel.

**3.6** **<u>Further Assurances</u>.** The Company agrees to promptly take such action, upon the request of the Administrative Agent, as is necessary to carry out the intent of this Amendment.

**3.7** **<u>Entirety</u>.** This Amendment and the other Loan Documents embody the entire agreement among the parties hereto and supersede all prior agreements and understandings, oral or written, if any, relating to the subject matter hereof.

**3.8 Counterparts; Delivery.** This Amendment may be in the form of an Electronic Record and may be executed using Electronic Signatures (including, without limitation, facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record. This Amendment may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Amendment. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Administrative Agent of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. Notwithstanding anything contained herein to the contrary, the Administrative Agent is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided that, without limiting the foregoing, (a) to the extent the Administrative Agent has agreed to accept such Electronic Signature, the Administrative Agent shall be entitled to rely on any such Electronic Signature without further verification and (b) upon the request of the Administrative Agent any Electronic Signature shall be promptly followed by a manually executed, original counterpart.

**3.9 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, INCLUDING FOR SUCH PURPOSES SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK.**

**3.10 Successors and Assigns.** This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

**3.11 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial.** The jurisdiction, service of process and waiver of jury trial provisions set forth in Sections 10.14 and 10.15 of the Credit Agreement are hereby incorporated by reference, *mutatis mutandis*.

IN WITNESS WHEREOF the parties hereto have caused this Amendment to be duly executed on the date first above written.

**BORROWER:**

**THE HAIN CELESTIAL GROUP, INC.**

By: /s/ Christopher J. Bellairs
Name: Christopher J. Bellairs
Title: Executive Vice President & Chief Financial Officer

**<u>ADMINISTRATIVE AGENT</u>:**

**BANK OF AMERICA, N.A.**,
as the Administrative Agent

By: <u>/s/ Ronaldo Naval</u>
Name: Ronaldo Naval
Title: Vice President

**<u>LENDERS</u>:**

**BANK OF AMERICA, N.A.**,
as a Lender

By: <u>/s/ Jana L. Baker</u>
Name: Jana L. Baker
Title: Senior Vice President

**WELLS FARGO BANK, NATIONAL ASSOCIATION**,
as a Lender

By: /s/ Michael Zick
Name: Michael Zick
Title: Director

**CITIZENS BANK, N.A.**,
as a Lender

By: /s/ Michael DeVivo
Name: Michael DeVivo
Title: Vice President

**COBANK, ACB**,
as a Lender

By: /s/ John B. Trawick
Name: John B. Trawick
Title: Vice President

**COÖPERATIEVE RABOBANK U.A.,**
**NEW YORK BRANCH**,
as a Lender

By: /s/ André Baladi
Name: André Baladi
Title: Managing Director

By: /s/ Irene Stephens
Name: Irene Stephens
Title: Executive Director

**FARM CREDIT EAST, ACA**,
as a Lender

By: /s/ Justin A. Brown
Name: Justin A. Brown
Title: Vice President

**JPMorgan Chase Bank N.A.**,
as a Lender

By: /s/ Anthony Galea
Name: Anthony Galea
Title: Managing Director

**TD BANK, N.A.**,
as a Lender

By: /s/ Bernadette Collins
Name: Bernadette Collins
Title: Senior Vice President

**BANK OF MONTREAL**,
as a Lender

By: /s/ Katherine Robinson
Name: Katherine Robinson
Title: Managing Director

**HSBC Bank USA, National Association**,
as a Lender

By: /s/ Matthew Guarnaccia
Name: Matthew Guarnaccia
Title: Senior Vice President #23439

**BARCLAYS BANK PLC**,
as a Lender

By: /s/ Christopher M. Aitkin
Name: Christopher M. Aitkin
Title: Vice President

**AgFirst Farm Credit Bank**,
as a Lender

By: /s/ Brandon Waring
Name: Brandon Waring
Title: AVP, Capital Markets

**Exhibit 10.2**

The Hain Celestial Group, Inc.

4600 Sleepytime Drive • Boulder, CO 80301 • phone: +1 (516) 587-5000 • www.hain.com

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August 18, 2023

***Personal & Confidential***

Lee Boyce

Dear Lee:

We are pleased to offer employment to you as Executive Vice President, Chief Financial Officer of The Hain Celestial Group, Inc. ("**Hain Celestial**" or the "**Company**"), reporting to the Company's Chief Executive Officer. As we have discussed, your employment will commence on September 5, 2023 (the "Start Date").

1. Your annual base salary will be $558,000 (less required withholdings and elected deductions) and will be paid in accordance with the Company's payroll practices.

2. You will be eligible to earn an annual incentive award (the "**Annual Incentive Award**") under the terms and conditions of the Company's Annual Incentive Plan. Your target Annual Incentive Award for fiscal year 2024 shall be equal to 85% of your annual base salary ("**Target AIP Award**"), prorated based on your Start Date. The amount payable to you under the Annual Incentive Award will be determined by the Compensation Committee in its discretion under the terms of the Annual Incentive Plan, and you must be actively employed by the Company at the time of payment.

3. As a member of the Hain Celestial leadership team, you will be eligible to participate in the Company's Long-Term Incentive Program ("**LTIP**"), subject to your continued employment and Compensation Committee plan design and approval. For fiscal year 2024, you will be eligible to receive an award under the 2024-2026 LTIP worth $1,000,000 subject to the terms and conditions of such program. Your fiscal year 2024 LTIP award will consist of (A) an award of Restricted Share Units ("**RSUs**") (50% of the award value) vesting in 1/3 installments over the course of three years, each vesting on anniversary of the grant date and (B) awards of Performance Share Units ("**PSUs**") (50% of the award value), with 2/3 of the PSUs tied to relative Total Shareholder Return and 1/3 of the PSUs tied to absolute Total Shareholder Return, under the terms of the LTIP.

4. You also will receive a one-time signing bonus of $196,000 (the "**Make-Whole Sign-On Bonus**"). The Make-Whole Sign-On Bonus is intended to recognize the bonus you are forfeiting from your former employer upon joining Hain Celestial. The Make-Whole Sign-On Bonus will be paid in one lump sum after you have completed the first 90 days of your employment with the Company. The Make-Whole Sign-On Bonus is subject to applicable tax withholdings and will be made in accordance with the Company's payroll practices. Should you voluntarily terminate your employment with the Company, or if you are terminated for cause, as determined by the Compensation Committee in good faith, in each case within the first 12 months following your Start Date, you will be

responsible for the repayment of a pro-rated amount of the Make-Whole Sign-On Bonus based on the number of days you were employed by the Company during such 12-month period.

5. If Hain Celestial terminates your employment without cause, as determined by the Compensation Committee in good faith, you will be entitled to receive a severance payment of one (1) times your annual base salary in effect at the time of termination and one (1) times your Target AIP Award for the year in which the termination date occurs, payable (less applicable withholdings) in bi-weekly payments, in accordance with the Company's payroll practices, following the termination of your employment. Your entitlement to the severance payment will be subject to the execution of a separation agreement and release of claims in a form satisfactory to the Company, including an acknowledgment of the continued effectiveness of your post-employment restrictive covenants and other obligations to the Company.

6. You will participate in the Company's "Change in Control Agreement," in accordance with and subject to the terms and conditions of such agreement. The Change in Control Agreement will generally provide a severance benefit equal to (2) times the sum of your annual base salary and Target AIP Award if your employment is terminated under certain circumstances in connection with a Change in Control (as defined in the agreement).

7. Our group health insurance benefit plan provides for participation by new employees on the first calendar day of the month following completion of 30 days of employment. Additionally, as soon as practicable but no later than the first calendar day of the month following completion of 30 days of employment, you will be eligible to participate in the Hain Celestial 401(k) Retirement Plan.

8. You will be entitled to up to four (4) weeks of annual paid vacation and other personal leave in accordance with Company policy, which shall be subject in all respects to the terms and conditions of the Company's paid time off policies, as may be in effect from time to time.

9. This offer is contingent upon your completion of a pre-hire screening, which will require that you execute documents required by Hain Celestial for a background investigation concerning your criminal, employment, education, and credit history.

10. You have advised us that you are not a party to or restricted by an agreement with a previous employer that would interfere with or impair in any way your ability to perform the duties of your position with Hain Celestial as described in this letter. It is a condition of your employment with Hain Celestial that you refrain from using or disclosing any proprietary information or trade secrets of any previous employer in the course of your employment with Hain Celestial. If any previous employer asserts a claim that your employment with Hain Celestial violates any contractual obligations owed by you, or that you have otherwise committed a breach of any contractual or other duty to a previous employer, Hain Celestial may immediately terminate your employment, and such termination will be treated as a termination for cause. In the event of such a claim, Hain Celestial is not obligated to indemnify you for any damages or to provide a defense against such claims.

11. This letter does not constitute a contract of employment or a guarantee that your employment will continue for any period of time or any specific treatment. Your employment with us is "at-will" and is therefore terminable by either Hain Celestial or you without cause, notice or liability except as set forth in paragraphs 5 and 6 above. Your continued employment is subject to, among other things, your satisfactory completion of your job responsibilities and your compliance with Hain Celestial's policy requirements.

12. This letter and the Company's obligations hereunder are intended to comply with or otherwise be exempt from Section 409A and its corresponding regulations, to the extent applicable, and shall be so construed.

13. This letter supersedes all prior or contemporaneous agreements, understandings, negotiations, or representations, whether oral or written, express or implied, on this subject. This letter may not be modified or amended except by a specific, written arrangement signed by you and Hain Celestial's Chief Executive Officer or Chief Human Resources Officer. The terms of this letter shall be governed by New York law.

Please acknowledge your acceptance of these terms by your signature below. Afterwards, kindly return the signed letter to me.

Sincerely,

/s/ JoAnn A. Murray

JoAnn A. Murray
Chief People Officer

Accepted: /s/ Lee Boyce
Lee Boyce

Date: 8-23-23

**EXHIBIT 31.1**

CERTIFICATION

I, Wendy P. Davidson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Hain Celestial Group, Inc.;

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

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

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

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 7, 2023

/s/ Wendy P. Davidson

Wendy P. Davidson
President and Chief Executive Officer

**EXHIBIT 31.2**

CERTIFICATION

I, Lee A. Boyce, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Hain Celestial Group, Inc.;

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

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

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

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 7, 2023

/s/ Lee A. Boyce

Lee A. Boyce
Executive Vice President and Chief Financial Officer

**EXHIBIT 32.1**

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

I, Wendy P. Davidson, President and Chief Executive Officer of The Hain Celestial Group, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that to my knowledge:

- The Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2023 (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 7, 2023

/s/ Wendy P. Davidson
Wendy P. Davidson
President and Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff on request.

**EXHIBIT 32.2**

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

I, Lee A. Boyce, Executive Vice President and Chief Financial Officer of The Hain Celestial Group, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that to my knowledge:

- The Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2023 (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 7, 2023

/s/ Lee A. Boyce

Lee A. Boyce
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff on request.