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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended November 30, 2025
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from __ to __
Commission File Number: 001-14669

HELEN OF TROY LIMITED

(Exact name of registrant as specified in its charter)

Bermuda	**74-2692550**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Clarendon House
2 Church Street
Hamilton HM 11, Bermuda
(Address of principal executive offices)

201 E. Main Street, Suite 300
El Paso, Texas 79901
(Registrant's United States Mailing Address) (Zip Code)

(915) 225-8000
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, $0.10 par value per share	**HELE**	**The NASDAQ Stock Market LLC**

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

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

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

Large accelerated filer	☒	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 ☒

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

As of January 2, 2026, there were 23,072,103 common shares, $0.10 par value per share, outstanding.

HELEN OF TROY LIMITED AND SUBSIDIARIES

FORM 10-Q

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

HELEN OF TROY LIMITED AND SUBSIDIARIES

Condensed Consolidated Balance Sheets (Unaudited)

(in thousands, except shares and par value)	November 30, 2025	February 28, 2025
Assets		
Assets, current:		
Cash and cash equivalents	**$ 27,137**	$ 18,867
Receivables, less allowances of $4,475 and $4,294	**435,977**	428,330
Inventory	**505,265**	452,615
Prepaid expenses and other current assets	**27,639**	26,102
Income taxes receivable	**8,094**	5,798
Total assets, current	**1,004,112**	931,712
Property and equipment, net of accumulated depreciation of $224,732 and $200,176	**331,248**	330,029
Goodwill	**530,186**	1,182,899
Other intangible assets, net of accumulated amortization of $172,310 and $205,757	**398,527**	566,756
Operating lease assets	**50,885**	35,063
Deferred tax assets, net	**3,648**	67,660
Other assets	**22,203**	17,964
Total assets	**$ 2,340,809**	$ 3,132,083
Liabilities and Stockholders' Equity		
Liabilities, current:		
Accounts payable	**$ 284,395**	$ 269,405
Accrued expenses and other current liabilities	**216,337**	160,740
Income taxes payable	**29,893**	26,739
Long-term debt, current maturities	**23,438**	9,375
Total liabilities, current	**554,063**	466,259
Long-term debt, excluding current maturities	**868,955**	907,519
Lease liabilities, non-current	**54,491**	39,949
Deferred tax liabilities, net	**9,584**	29,283
Other liabilities, non-current	**1,458**	5,634
Total liabilities	**1,488,551**	1,448,644
Commitments and contingencies		
Stockholders' equity:		
Cumulative preferred stock, non-voting, $1.00 par. Authorized 2,000,000 shares; none issued	**—**	—
Common stock, $0.10 par. Authorized 50,000,000 shares; 23,045,795 and 22,856,066 shares issued and outstanding	**2,305**	2,286
Additional paid in capital	**383,005**	367,106
Accumulated other comprehensive (loss) income	**(1,404)**	2,278
Retained earnings	**468,352**	1,311,769
Total stockholders' equity	**852,258**	1,683,439
Total liabilities and stockholders' equity	**$ 2,340,809**	$ 3,132,083

See accompanying notes to condensed consolidated financial statements.

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HELEN OF TROY LIMITED AND SUBSIDIARIES
Condensed Consolidated Statements of (Loss) Income (Unaudited)

	Three Months Ended November 30,		Nine Months Ended November 30,	
(in thousands, except per share data)	**2025**	**2024**	**2025**	**2024**
Sales revenue, net	**$ 512,829**	$ 530,706	**$ 1,316,265**	$ 1,421,774
Cost of goods sold	**272,485**	271,378	**710,229**	743,297
Gross profit	**240,344**	259,328	**606,036**	678,477
Selling, general and administrative expense ("SG&A")	**182,808**	180,692	**527,471**	530,865
Asset impairment charges	**65,906**	—	**806,685**	—
Restructuring charges	**—**	3,518	**3,005**	6,879
Operating (loss) income	**(8,370)**	75,118	**(731,125)**	140,733
Non-operating income, net	**211**	198	**768**	468
Interest expense	**15,855**	12,164	**43,884**	37,923
(Loss) income before income tax	**(24,014)**	63,152	**(774,241)**	103,278
Income tax expense	**60,042**	13,536	**69,176**	30,444
Net (loss) income	**$ (84,056)**	$ 49,616	**$ (843,417)**	$ 72,834
(Loss) earnings per share:				
Basic	**$ (3.65)**	$ 2.17	**$ (36.70)**	$ 3.16
Diluted	**(3.65)**	2.17	**(36.70)**	3.15
Weighted average shares used in computing (loss) earnings per share:				
Basic	**23,035**	22,853	**22,979**	23,064
Diluted	**23,035**	22,882	**22,979**	23,118

See accompanying notes to condensed consolidated financial statements.

HELEN OF TROY LIMITED AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive (Loss) Income (Unaudited)

	Three Months Ended November 30,		Nine Months Ended November 30,	
(in thousands)	**2025**	**2024**	**2025**	**2024**
Net (loss) income	**$ (84,056)**	$ 49,616	**$ (843,417)**	$ 72,834
Other comprehensive income (loss), net of tax:				
Cash flow hedge activity - interest rate swaps	**(433)**	1,934	**(590)**	(587)
Cash flow hedge activity - foreign currency contracts	**4,490**	2,824	**(3,092)**	1,731
Total other comprehensive income (loss), net of tax	**4,057**	4,758	**(3,682)**	1,144
Comprehensive (loss) income	**$ (79,999)**	$ 54,374	**$ (847,099)**	$ 73,978

See accompanying notes to condensed consolidated financial statements.

HELEN OF TROY LIMITED AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholders' Equity (Unaudited)

	Common Stock		Additional Paid in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity
(in thousands, including shares)	Shares	Par Value				
Balances at February 29, 2024	23,751	$ 2,375	$ 348,739	$ 2,099	$ 1,284,229	$ 1,637,442
Net income	—	—	—	—	6,204	6,204
Other comprehensive income, net of tax	—	—	—	698	—	698
Exercise of stock options	6	1	351	—	—	352
Issuance and settlement of restricted stock	71	7	(7)	—	—	—
Issuance of common stock related to stock purchase plan	19	2	2,004	—	—	2,006
Common stock repurchased and retired	(1,037)	(104)	(6,720)	—	(96,211)	(103,035)
Share-based compensation	—	—	5,833	—	—	5,833
Balances at May 31, 2024	22,810	$ 2,281	$ 350,200	$ 2,797	$ 1,194,222	$ 1,549,500
Net income	—	—	—	—	17,014	17,014
Other comprehensive loss, net of tax	—	—	—	(4,312)	—	(4,312)
Issuance and settlement of restricted stock	6	—	—	—	—	—
Common stock repurchased and retired	(1)	—	(109)	—	—	(109)
Share-based compensation	—	—	5,487	—	—	5,487
Balances at August 31, 2024	22,815	$ 2,281	$ 355,578	$ (1,515)	$ 1,211,236	$ 1,567,580
Net income	—	—	—	—	49,616	49,616
Other comprehensive income, net of tax	—	—	—	4,758	—	4,758
Issuance and settlement of restricted stock	5	1	(1)	—	—	—
Issuance of common stock related to stock purchase plan	33	3	1,519	—	—	1,522
Common stock repurchased and retired	—	—	(30)	—	—	(30)
Share-based compensation	—	—	4,730	—	—	4,730
Balances at November 30, 2024	22,853	$ 2,285	$ 361,796	$ 3,243	$ 1,260,852	$ 1,628,176
Balances at February 28, 2025	**22,856**	**$ 2,286**	**$ 367,106**	**$ 2,278**	**$ 1,311,769**	**$ 1,683,439**
Net loss	**—**	**—**	**—**	**—**	**(450,718)**	**(450,718)**
Other comprehensive loss, net of tax	**—**	**—**	**—**	**(5,756)**	**—**	**(5,756)**
Issuance and settlement of restricted stock	**75**	**7**	**(8)**	**—**	**—**	**(1)**
Issuance of common stock related to stock purchase plan	**39**	**4**	**1,753**	**—**	**—**	**1,757**
Common stock repurchased and retired	**(25)**	**(3)**	**(1,328)**	**—**	**—**	**(1,331)**
Share-based compensation	**—**	**—**	**296**	**—**	**—**	**296**
Balances at May 31, 2025	**22,945**	**$ 2,294**	**$ 367,819**	**$ (3,478)**	**$ 861,051**	**$ 1,227,686**
Net loss	**—**	**—**	**—**	**—**	**(308,643)**	**(308,643)**
Other comprehensive loss, net of tax	**—**	**—**	**—**	**(1,983)**	**—**	**(1,983)**
Issuance and settlement of restricted stock	**22**	**2**	**(1)**	**—**	**—**	**1**
Common stock repurchased and retired	**(5)**	**—**	**(151)**	**—**	**—**	**(151)**
Share-based compensation	**—**	**—**	**9,372**	**—**	**—**	**9,372**
Balances at August 31, 2025	**22,962**	**$ 2,296**	**$ 377,039**	**$ (5,461)**	**$ 552,408**	**$ 926,282**
Net loss	**—**	**—**	**—**	**—**	**(84,056)**	**(84,056)**
Other comprehensive income, net of tax	**—**	**—**	**—**	**4,057**	**—**	**4,057**
Issuance and settlement of restricted stock	**39**	**4**	**(2)**	**—**	**—**	**2**
Issuance of common stock related to stock purchase plan	**56**	**6**	**1,161**	**—**	**—**	**1,167**
Common stock repurchased and retired	**(11)**	**(1)**	**(223)**	**—**	**—**	**(224)**
Share-based compensation	**—**	**—**	**5,030**	**—**	**—**	**5,030**
Balances at November 30, 2025	**23,046**	**$ 2,305**	**$ 383,005**	**$ (1,404)**	**$ 468,352**	**$ 852,258**

See accompanying notes to condensed consolidated financial statements.

HELEN OF TROY LIMITED AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows (Unaudited)

	Nine Months Ended November 30,	
(in thousands)	**2025**	**2024**
Cash provided by operating activities:		
Net (loss) income	**$ (843,417)**	$ 72,834
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	**39,781**	40,850
Amortization of financing costs	**1,159**	957
Non-cash operating lease expense	**6,770**	8,583
Provision for credit losses	**194**	(537)
Non-cash share-based compensation	**14,698**	16,050
Asset impairment charges	**806,685**	—
Loss on extinguishment of debt	**855**	—
Gain on the sale or disposal of property and equipment	**(217)**	(10)
Deferred income taxes and tax credits	**45,304**	8,400
Changes in operating capital, net of effects of acquisition of business:		
Receivables	**(6,239)**	(61,806)
Inventory	**(52,650)**	(54,745)
Prepaid expenses and other current assets	**(6,615)**	(9,700)
Other assets and liabilities, net	**(1,839)**	(428)
Accounts payable	**12,271**	71,042
Accrued expenses and other current liabilities	**44,760**	(2,845)
Accrued income taxes	**(1,687)**	(10,409)
Net cash provided by operating activities	**59,813**	78,236
Cash used by investing activities:		
Capital and intangible asset expenditures	**(31,006)**	(22,155)
Net proceeds from business acquired	**3,880**	—
Payments for purchases of U.S. Treasury Bills	**(2,092)**	(3,441)
Proceeds from the maturity of U.S. Treasury Bills	**1,916**	1,872
Proceeds from the sale of property and equipment	**252**	145
Net cash used by investing activities	**(27,050)**	(23,579)
Cash used by financing activities:		
Proceeds from revolving loans	**450,510**	747,840
Repayment of revolving loans	**(713,110)**	(675,890)
Proceeds from term loans	**250,000**	—
Repayment of long-term debt	**(11,719)**	(4,687)
Payment of financing costs	**(1,392)**	(323)
Proceeds from share issuances under share-based compensation plans	**2,924**	3,880
Payments for repurchases of common stock	**(1,706)**	(103,174)
Net cash used by financing activities	**(24,493)**	(32,354)
Net increase in cash and cash equivalents	**8,270**	22,303
Cash and cash equivalents, beginning balance	**18,867**	18,501
Cash and cash equivalents, ending balance	**$ 27,137**	$ 40,804
Supplemental non-cash investing activity:		
Capital expenditures included in accounts payable and accrued expenses	**$ 6,640**	$ 6,935

See accompanying notes to condensed consolidated financial statements.

HELEN OF TROY LIMITED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
November 30, 2025

Note 1 - Basis of Presentation and Related Information

Corporate Overview

The accompanying condensed consolidated financial statements contain all adjustments (consisting of normal recurring adjustments) necessary to present fairly our consolidated financial position as of November 30, 2025 and February 28, 2025, and the results of our consolidated operations for the interim periods presented. We follow the same accounting policies when preparing quarterly financial data as we use for preparing annual data. These statements should be read in conjunction with the consolidated financial statements and the notes included in our latest annual report on Form 10-K for the fiscal year ended February 28, 2025 (“Form 10-K”), and our other reports on file with the Securities and Exchange Commission (the “SEC”).

When used in these notes, unless otherwise indicated or the context suggests otherwise, references to “the Company”, “our Company”, “Helen of Troy”, “we”, “us”, or “our” refer to Helen of Troy Limited and its subsidiaries, which are all wholly-owned. We refer to our common shares, par value $0.10 per share, as “common stock.” References to “fiscal” in connection with a numeric year number denotes our fiscal year ending on the last day of February, during the year number listed. References to “the FASB” refer to the Financial Accounting Standards Board. References to “GAAP” refer to accounting principles generally accepted in the United States of America (the “U.S.”). References to “ASU” refer to the codification of GAAP in the Accounting Standards Updates issued by the FASB. References to “ASC” refer to the codification of GAAP in the Accounting Standards Codification issued by the FASB.

We incorporated as Helen of Troy Corporation in Texas in 1968 and were reorganized as Helen of Troy Limited in Bermuda in 1994. We are a leading global consumer products company offering creative products and solutions for our customers through a diversified portfolio of brands. Our portfolio of brands includes OXO, Hydro Flask, Osprey, Vicks, Braun, Honeywell, PUR, Hot Tools, Drybar, Curlsmith, Revlon and Olive & June, among others. As of November 30, 2025, we operated two reportable segments: Home & Outdoor and Beauty & Wellness.

Our Home & Outdoor segment offers a broad range of outstanding world-class brands that help consumers enjoy everyday living inside their homes and outdoors. Our innovative products for home activities include food preparation and storage, cooking, cleaning, organization, and beverage service. Our outdoor performance range, on-the-go food storage, and beverageware includes lifestyle hydration products, coolers and food storage solutions, backpacks, and travel gear. The Beauty & Wellness segment provides consumers with a broad range of outstanding world-class brands for beauty and wellness. In Beauty, we deliver innovation through products such as hair styling appliances, grooming tools, liquid and aerosol personal care products, and nail care solutions that help consumers look and feel more beautiful. In Wellness, we are there when you need us most with highly regarded humidifiers, thermometers, water and air purifiers, heaters, and fans.

Our business is seasonal due to different calendar events, holidays and seasonal weather and illness patterns. Our fiscal reporting period ends on the last day in February. Historically, our highest sales volume and operating income occur in our third fiscal quarter ending November 30th. We purchase our products from unaffiliated manufacturers, most of which are located in China, Mexico, Vietnam and the U.S.

On December 16, 2024, we completed the acquisition of Olive & June, LLC (“Olive & June”), an innovative, omni-channel nail care brand. The Olive & June brand and products were added to the Beauty & Wellness segment. The total purchase consideration consists of initial cash consideration of $224.7 million, which is net of cash acquired and a favorable post-closing adjustment of $3.9 million, and contingent cash consideration of up to $15.0 million subject to Olive & June’s performance during calendar years 2025, 2026, and 2027, payable annually. See Note 4 and Note 11 for additional information.

Principles of Consolidation

The accompanying condensed consolidated financial statements are prepared in accordance with GAAP and include all of our subsidiaries. Our condensed consolidated financial statements are prepared in U.S. Dollars. All intercompany balances and transactions are eliminated in consolidation.

The preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in our condensed consolidated financial statements and accompanying notes. Actual results may differ materially from those estimates.

Note 2 - New Accounting Pronouncements

Except for the changes discussed below, there have been no changes in the information provided in our Form 10-K.

Not Yet Adopted

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which permits entities to elect a practical expedient to assume current conditions as of the balance sheet date will not change for the remaining life of accounts receivable and contract assets when developing forecasts as part of estimating expected credit losses. The amendments in ASU 2025-05 are effective for fiscal years beginning after December 15, 2025, and interim periods within those fiscal years, with early adoption permitted. The amendments should be applied prospectively. This ASU will be effective for us in the first quarter of fiscal 2027. We are currently evaluating this practical expedient and do not expect it to have a material impact on our consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which removes all references to software development project stages and requires entities to start capitalizing software costs when both of the following occur: (i) management has authorized and committed to funding the software project and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The amendments in ASU 2025-06 are effective for fiscal years beginning after December 15, 2027, and interim periods within those fiscal years, with early adoption permitted as of the beginning of a fiscal year. The amendments can be applied prospectively, retrospectively, or via a modified prospective transition method. This ASU will be effective for us in the first quarter of fiscal 2029. We are currently evaluating the impact this guidance may have on our consolidated financial statements.

Note 3 - Accrued Expenses and Other Current Liabilities

A summary of accrued expenses and other current liabilities was as follows:

(in thousands)	November 30, 2025	February 28, 2025
Accrued compensation, benefits and payroll taxes	**$ 31,422**	$ 16,096
Accrued sales discounts and allowances	**51,753**	36,600
Accrued sales returns	**22,583**	20,190
Accrued advertising	**32,951**	25,716
Other	**77,628**	62,138
Total accrued expenses and other current liabilities	**$ 216,337**	$ 160,740

Note 4 - Acquisition of Olive & June

On December 16, 2024, we completed the acquisition of 100% of the membership interests of Olive & June, an innovative, omni-channel nail care brand. Olive & June products deliver a salon-quality experience at home and include nail polish, press-on nails, manicure and pedicure systems, grooming tools and nail care essentials. The acquisition of Olive & June complements and broadens our existing Beauty portfolio beyond the hair care category. The Olive & June brand and products were added to the Beauty & Wellness segment. The total purchase consideration consists of initial cash consideration of $224.7 million, which is net of cash acquired and a favorable post-closing adjustment of $3.9 million, and contingent cash consideration of up to $15.0 million subject to Olive & June's performance during calendar years 2025, 2026, and 2027, payable annually. The acquisition was funded with cash on hand and borrowings under our existing revolving credit facility.

The contingent cash consideration of up to $15.0 million is payable annually in three equal installments subject to Olive & June achieving certain annual adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA") targets during calendar years 2025, 2026 and 2027. If the annual adjusted EBITDA target is not met, no payment is required. As of the acquisition date, we recorded a liability for the estimated fair value of the contingent consideration of $4.1 million, of which $1.8 million and $2.3 million was included within accrued expenses and other current liabilities and other liabilities, non-current, respectively, in our condensed consolidated balance sheet. This contingent consideration liability is remeasured at fair value each reporting period until the contingency is resolved, with changes in fair value recognized in SG&A. See Note 11 for additional information regarding the estimated fair value of our contingent consideration liability.

We accounted for the acquisition as a purchase of a business and recorded the excess of the purchase price over the provisionally determined estimated fair value of the assets acquired and liabilities assumed as goodwill. Adjustments to these provisional amounts may be made during the measurement period as we continue to obtain and evaluate information necessary to finalize these amounts. The goodwill recognized is attributable primarily to expected synergies including leveraging our operational scale, existing customer relationships and distribution capabilities. The goodwill is expected to be deductible for income tax purposes. We have provisionally determined the appropriate fair values of the acquired intangible assets and completed our analysis of the economic lives of the assets acquired. We assigned $51.0 million to trade names and are amortizing over a 15 year expected life. We assigned $8.0 million to customer relationships and are amortizing over a 8.5 year expected life, based on historical attrition rates. We assigned $1.6 million to non-compete agreements and are amortizing over a 5 year expected life.

During the first quarter of fiscal 2026, we made adjustments to provisional asset and liability balances, which resulted in a corresponding net decrease to goodwill of $0.3 million. We also finalized the net working capital adjustment during the first quarter of fiscal 2026, which resulted in a $3.9 million reduction to the total purchase consideration and goodwill. During the third quarter of fiscal 2026, we made adjustments to a provisional current liability balance, which resulted in a corresponding de minimis increase to goodwill.

The following table presents the preliminary estimated fair values of assets acquired and liabilities assumed at the acquisition date:

(in thousands)		
Assets:		
Receivables	$	13,182
Inventory		15,121
Prepaid expenses and other current assets		3,920
Property and equipment		1,490
Goodwill		150,726
Trade names - definite		51,000
Customer relationships - definite		8,000
Other intangible assets - definite		1,600
Other assets		275
Total assets		245,314
Liabilities:		
Accounts payable		5,614
Accrued expenses and other current liabilities		12,731
Other liabilities, non-current		2,300
Total liabilities		20,645
Net assets recorded	$	224,669

Note 5 - Goodwill and Intangibles

We perform annual impairment testing each fiscal year and interim impairment testing, if necessary. We write down any asset deemed to be impaired to its fair value.

During the first, second and third quarters of fiscal 2026, we concluded that a goodwill impairment triggering event had occurred due to a further sustained decline in our stock price, resulting in our carrying value (excluding long-term debt) exceeding the Company's total enterprise value (market capitalization plus long-term debt). Additional factors that contributed to these conclusions included downward revisions to our internal forecasts and strategic long-term plans, which reflect the tariff policies in effect and the related macroeconomic environment at the end of our first, second and third quarters of fiscal 2026, including the corresponding impact on consumer spending and retailer orders. These factors were applicable to all of our reporting units, indefinite-lived trademark licenses and trade names and definite-lived trademark licenses, trade names and certain other intangible assets. Thus, we performed quantitative impairment testing on our goodwill and intangible assets described above during the first, second and third quarters of fiscal 2026.

We estimate the fair value of our trade names and trademark licenses using the relief from royalty method income approach which is based upon projected future discounted cash flows ("DCF Model"). We estimate the fair value of our customer relationships and lists using the distributor method income approach which is based upon a DCF Model. After adjusting the carrying values of our indefinite-lived and definite-lived intangible assets, the Company completed quantitative impairment testing for goodwill. We estimate the fair value of our reporting units using an income approach based upon projected future discounted cash flows.

Based on the outcome of these assessments, we recognized pre-tax asset impairment charges as follows:

(in thousands)	Three Months Ended November 30, 2025	Nine Months Ended November 30, 2025
Home & Outdoor (1)	$ 24,000	$ 328,632
Beauty & Wellness (2)	41,906	478,053
Total	$ 65,906	$ 806,685

(1) Asset impairment charges recognized for our Home & Outdoor segment included charges for our Hydro Flask and Osprey businesses of $15.0 million and $9.0 million, respectively, for the three months ended November 30, 2025 and $180.5 million and $148.1 million, respectively, for the nine months ended November 30, 2025.

(2) Asset impairment charges recognized for our Beauty & Wellness segment included charges for our Health & Wellness, Drybar and Curlsmith businesses of $10.7 million, $3.1 million and $28.2 million, respectively, for the three months ended November 30, 2025 and for our Health & Wellness, Drybar, Curlsmith and Revlon businesses of $207.3 million, $154.5 million, $92.8 million and $23.5 million, respectively, for the nine months ended November 30, 2025.

During the first quarter of fiscal 2026, in connection with our annual budgeting and forecasting process, management reduced its forecasts for net sales revenue, gross margin and earnings before interest and taxes to reflect the tariff policies in effect and the related macroeconomic environment at the end of our first quarter of fiscal 2026, including the corresponding impact on consumer spending and retailer orders, as applicable. The revised forecasts also resulted in management selecting lower residual growth rates, which were also reflective of revised long-term industry growth expectations, and royalty rates, as applicable. During the second and third quarters of fiscal 2026, management further reduced its forecasts for net sales revenue, gross margin and earnings before interest and taxes to reflect the tariff policies in effect, timing of corresponding price increases and the related macroeconomic environment at the end of our second and third quarters of fiscal 2026, including the impact on consumer spending, retailer orders and China cross border ecommerce due to a shift to localized distribution, as applicable. We did not recognize any asset impairment charges during the three and nine months ended November 30, 2024. Refer to Note 11 for additional information on our valuation method and related assumptions and estimates. For additional information regarding the testing and analysis performed, refer to “Critical Accounting Policies and Estimates” in Item 2., “Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

The following table summarizes the changes in our goodwill by segment for the nine months ended November 30, 2025:

(in thousands)	Home & Outdoor	Beauty & Wellness	Total
Gross carrying amount as of February 28, 2025	$ 491,777	$ 729,792	$ 1,221,569
Accumulated impairment as of February 28, 2025	—	(38,670)	(38,670)
Net carrying amount as of February 28, 2025	$ 491,777	$ 691,122	$ 1,182,899
Acquisitions (1)	—	(4,113)	(4,113)
Impairment charges (2)	(229,058)	(419,542)	(648,600)
Gross carrying amount as of November 30, 2025	$ 491,777	$ 725,679	$ 1,217,456
Accumulated impairment as of November 30, 2025	(229,058)	(458,212)	(687,270)
Net carrying amount as of November 30, 2025	$ 262,719	$ 267,467	$ 530,186

(1) Reflects a favorable post-closing adjustment to goodwill recorded in the Beauty & Wellness segment during the first quarter of fiscal 2026, partially offset by an increase to goodwill for adjustments to a provisional current liability balance during the third quarter of fiscal 2026 in connection with the acquisition of Olive & June on December 16, 2024. For additional information see Note 4.

(2) The Home & Outdoor segment reflects goodwill impairment charges related to our Hydro Flask and Osprey reporting units of $115.9 million and $113.1 million, respectively, for the nine months ended November 30, 2025. No goodwill impairment charges were recognized during the three months ended November 30, 2025 related to our Home & Outdoor segment. The Beauty & Wellness segment reflects goodwill impairment charges related to our Health & Wellness, Drybar and

Curlsmith reporting units of $10.7 million, $0.2 million and $28.2 million, respectively, for the three months ended November 30, 2025 and $200.3 million, $134.3 million and $85.0 million, respectively, for the nine months ended November 30, 2025. The remaining carrying values of the Osprey, Health & Wellness and Curlsmith reporting units' goodwill as of November 30, 2025 were $96.6 million, $84.7 million and $32.1 million, respectively. The goodwill impairment charges recognized for the Hydro Flask and Drybar reporting units reduced the carrying values of their goodwill to zero.

The following table summarizes the components of our other intangible assets as follows:

	November 30, 2025			February 28, 2025		
(in thousands)	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**
Indefinite-lived:						
Trademark licenses	**$ 7,400**	**$ —**	**$ 7,400**	$ 7,400	$ —	$ 7,400
Trade names (1)	**257,200**	**—**	**257,200**	358,200	—	358,200
Definite-lived:						
Trademark licenses (2)	**45,700**	**(2,915)**	**42,785**	75,050	(9,454)	65,596
Trade names (3)	**65,253**	**(3,850)**	**61,403**	89,365	(14,030)	75,335
Customer relationships and lists (4)	**137,001**	**(115,463)**	**21,538**	168,201	(120,932)	47,269
Other intangibles (5)	**58,283**	**(50,082)**	**8,201**	74,297	(61,341)	12,956
Total	**$ 570,837**	**$ (172,310)**	**$ 398,527**	$ 772,513	$ (205,757)	$ 566,756

(1) Balances as of November 30, 2025 reflect total impairment charges of $24.0 million during the three months ended November 30, 2025 which includes $15.0 million related to our Hydro Flask trade name and $9.0 million related to our Osprey trade name and $97.0 million during the nine months ended November 30, 2025, which includes $55.0 million related to our Hydro Flask trade name, $35.0 million related to our Osprey trade name and $7.0 million related to our PUR trade name. The remaining carrying values of the Osprey and PUR trade names as of November 30, 2025 were $135.0 million and $47.0 million, respectively. The impairment charges were recorded in the Home & Outdoor segment for Hydro Flask and Osprey and in the Beauty & Wellness segment for PUR. The remaining carrying value of the Hydro Flask trade name of $4.0 million was reclassified to a definite-lived trade name as of November 30, 2025 and assigned a useful life of 10 years.

(2) Balances as of November 30, 2025 reflect total impairment charges recorded in the Beauty & Wellness segment during the nine months ended November 30, 2025 of $23.5 million related to our Revlon trademark license. The remaining carrying value of this trademark license as of November 30, 2025 was $40.4 million. As of November 30, 2025, the remaining useful life of the Revlon trademark license was revised from approximately 35 years to 10 years, which will increase annual amortization expense by approximately $2.9 million. No impairment charges were recognized during the three months ended November 30, 2025 related to our definite-lived trademark licenses.

(3) Balances as of November 30, 2025 reflect total impairment charges recorded in the Beauty & Wellness segment of $2.9 million during the three months ended November 30, 2025 related to our Drybar trade name and $14.5 million during the nine months ended November 30, 2025, which includes $7.8 million related to our Curlsmith trade name and $6.7 million related to our Drybar trade name. The remaining carrying value of the Curlsmith trade name as of November 30, 2025 was $9.6 million. The impairment charge recognized for the Drybar trade name reduced its carrying value to zero. The balance above also includes the carrying value of the Hydro Flask trade name of $4.0 million that was reclassified from an indefinite-lived trade name to a definite-lived trade name as of November 30, 2025.

(4) Balances as of November 30, 2025 reflect total impairment charges of $19.5 million recognized during the nine months ended November 30, 2025, which includes $10.7 million and $8.8 million recorded in the Beauty & Wellness and Home & Outdoor segments, respectively, related to our Drybar and Hydro Flask customer relationships which reduced the carrying values of these assets to zero. No impairment charges were recognized during the three months ended November 30, 2025 related to our customer relationships and lists.

(5) Balances as of November 30, 2025 reflect total impairment charges of $3.6 million recognized during the nine months ended November 30, 2025, which includes $2.8 million and $0.8 million recorded in the Beauty & Wellness and Home & Outdoor segments, respectively, related to Drybar and Hydro Flask other intangibles which reduced the carrying values of these assets to zero. No impairment charges were recognized during the three months ended November 30, 2025 related to our other intangible assets.

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During the three and nine months ended November 30, 2025, we recorded amortization expense of $3.7 million and $12.6 million, respectively, compared to $4.5 million and $13.6 million during the same periods last year, respectively.

The following table summarizes amortization expense related to our other intangible assets as follows:

Estimated Amortization Expense *(in thousands)*	
Fiscal 2026	$ 17,096
Fiscal 2027	14,587
Fiscal 2028	11,920
Fiscal 2029	11,892
Fiscal 2030	11,595
Fiscal 2031	10,759

Note 6 - Share-Based Compensation Plans

As part of our compensation structure, we grant share-based compensation awards to certain employees and non-employee members of our Board of Directors during the fiscal year. These awards may be subject to attainment of certain service conditions, performance conditions and/or market conditions. In connection with our annual grant during the first quarter of fiscal 2026, we granted 272,909 service condition awards ("Service Condition Awards") with a weighted average grant date fair value of $53.28. Additionally, we granted 320,027 performance-based awards during the first quarter of fiscal 2026, of which 191,946 contained performance conditions ("Performance Condition Awards") and 128,081 contained market conditions ("Market Condition Awards"), with weighted average grant date fair values of $53.28 and $37.24, respectively. Refer to our Form 10-K for further information on the Company's share-based compensation plans.

The Helen of Troy Limited 2018 Stock Incentive Plan ("2018 Plan") became effective on August 22, 2018. On August 20, 2025, our shareholders approved the 2025 Stock Incentive Plan (the "2025 Plan") which replaced the 2018 Plan. As a result, the 2018 Plan terminated on August 20, 2025, but will continue to apply to awards granted under the 2018 Plan before such date. The 2025 Plan permits the granting of stock options, stock appreciation rights, restricted stock, restricted stock units and other stock-based awards. As of November 30, 2025, the 2025 Plan had 1,092,393 shares available for future issuance, including shares which remained available for issuance under the 2018 Plan immediately prior to August 20, 2025.

We recorded share-based compensation expense in SG&A as follows:

	Three Months Ended November 30,		**Nine Months Ended November 30,**	
(in thousands)	**2025**	**2024**	**2025 (1)**	**2024**
Directors' stock compensation	**$ 196**	$ 197	**$ 588**	$ 589
Service Condition Awards	**3,462**	2,711	**14,030**	8,105
Performance Condition Awards	**734**	563	**(2,128)**	2,703
Market Condition Awards	**309**	842	**1,318**	3,609
Employee stock purchase plan	**329**	417	**890**	1,044
Share-based compensation expense	**5,030**	4,730	**14,698**	16,050
Less: income tax benefits	**(521)**	(354)	**(1,123)**	(839)
Share-based compensation expense, net of income tax benefits	**$ 4,509**	$ 4,376	**$ 13,575**	$ 15,211

(1) Share-based compensation expense during the nine months ended November 30, 2025 includes a benefit for Performance Condition Awards, as a result of a change in estimate from target achievement to zero percent achievement for Performance Condition Awards granted during fiscal 2024.

Unrecognized Share-Based Compensation Expense

As of November 30, 2025, our total unrecognized share-based compensation for all awards was $20.8 million, which will be recognized over a weighted average amortization period of 2.0 years. The total unrecognized share-based compensation reflects an estimate of target achievement for Performance Condition Awards granted during fiscal 2026 and fiscal 2025 and an estimate of zero percent of target achievement for Performance Condition Awards granted during fiscal 2024.

Note 7 - Repurchases of Common Stock

In August 2024, our Board of Directors authorized the repurchase of up to $500 million of our outstanding common stock. The authorization became effective August 20, 2024, for a period of three years, and replaced our former repurchase authorization. As of November 30, 2025, our repurchase authorization allowed for the purchase of $498.2 million of common stock.

Our current equity-based compensation plans include provisions that allow for the "net exercise" of share-settled awards by all plan participants. In a net exercise, any required payroll taxes, federal withholding taxes and exercise price of the shares due from the option or other share-based award holders are settled by having the holder tender back to us a number of shares at fair value equal to the amounts due. Net exercises are treated as repurchases of shares.

The following table summarizes our share repurchase activity for the periods shown:

(in thousands, except share and per share data)	Three Months Ended November 30, 2025	Three Months Ended November 30, 2024	Nine Months Ended November 30, 2025	Nine Months Ended November 30, 2024
Common stock repurchased on the open market:				
Number of shares	**—**	—	**—**	1,011,243
Aggregate value of shares	**$ —**	$ —	**$ —**	$ 100,019
Average price per share	**$ —**	$ —	**$ —**	$ 98.91
Common stock received in connection with share-based compensation:				
Number of shares	**11,025**	448	**40,964**	27,223
Aggregate value of shares	**$ 224**	$ 30	**$ 1,706**	$ 3,155
Average price per share	**$ 20.30**	$ 66.34	**$ 41.64**	$ 115.89

Note 8 - Restructuring Plan

During fiscal 2023, we initiated a global restructuring plan intended to expand operating margins through initiatives designed to improve efficiency and effectiveness and reduce costs (referred to as "Project Pegasus"). During the fourth quarter of fiscal 2025, we completed Project Pegasus, but still expect to realize the targeted savings through fiscal 2027. Project Pegasus included initiatives to further optimize our brand portfolio, streamline and simplify the organization, accelerate and amplify cost of goods savings projects, enhance the efficiency of our supply chain network, optimize our indirect spending and improve our cash flow and working capital, as well as other activities. These initiatives created operating efficiencies, as well as provided a platform to fund growth investments. During fiscal 2023, 2024 and 2025, we incurred restructuring charges in connection with Project Pegasus primarily for professional fees and severance and employee related costs, which were recorded as "Restructuring charges" in the condensed consolidated statements of (loss) income. Restructuring charges primarily represented cash expenditures and were substantially paid by the end of fiscal 2025, with a remaining liability of $7.7 million as of February 28, 2025.

During the three and nine months ended November 30, 2024, we incurred $3.5 million and $6.9 million, respectively, of pre-tax restructuring costs in connection with Project Pegasus, which were primarily comprised of severance and employee related costs, contract termination costs and professional fees. During the nine months ended November 30, 2025 and November 30, 2024, we made total cash restructuring payments related to Project Pegasus of $5.7 million and $9.8 million, respectively, and had a remaining liability of $2.0 million as of November 30, 2025 which is included in accrued expenses and other current liabilities. The cash payments during both the nine months ended November 30, 2025 and 2024 were primarily for severance and employee related costs. For information regarding Project Pegasus savings, refer to Item 2., "Management's Discussion and Analysis of Financial Condition and Results of Operations," including "Project Pegasus."

Note 9 - Commitments and Contingencies

Legal Matters

We are involved in various legal claims and proceedings in the normal course of operations. We believe the outcome of these matters will not have a material adverse effect on our consolidated financial position, results of operations or liquidity, except as described below.

On December 23, 2021, Brita LP filed a complaint against Kaz USA, Inc. and Helen of Troy Limited in the U.S. District Court for the Western District of Texas (the "Patent Litigation"), alleging patent infringement by the Company relating to its PUR gravity-fed water filtration systems. In the Patent Litigation, Brita LP seeks monetary damages and injunctive relief relating to the alleged infringement. Brita LP simultaneously filed a complaint with the U.S. International Trade Commission ("ITC") against Kaz USA, Inc., Helen of Troy Limited and five other unrelated companies that sell water filtration systems (the "ITC Action"). The complaint in the ITC Action also alleged patent infringement by the Company with respect to a limited set of PUR gravity-fed water filtration systems. In the ITC Action, Brita LP requested the ITC to initiate an unfair import investigation relating to such filtration systems. This action sought injunctive relief to prevent entry of certain accused PUR products (and certain other products) into the U.S. and cessation of marketing and sales of existing inventory already in the U.S. On January 25, 2022, the ITC instituted the investigation requested by the ITC Action. Discovery closed in the ITC Action in May 2022, and approximately half of the originally identified PUR gravity-fed water filters were removed from the case and are no longer included in the ITC Action. In August 2022, the parties participated in the evidentiary hearing, with additional supplemental hearings in October 2022. On February 28, 2023, the ITC issued an Initial Determination in the ITC Action, tentatively ruling against the Company and the other unrelated respondents. The ITC has a guaranteed review process, and thus all respondents, including the Company, filed a petition with the ITC for a full review of the Initial Determination. On September 19, 2023, the ITC issued its Final Determination in the Company's favor. The ITC determined there was no violation by the Company and terminated the investigation. Brita LP subsequently appealed the ITC's decision to the Federal Circuit ("CAFC Appeal") and filed its Notice of Appeal on October 24, 2023. The Company intervened in the CAFC Appeal and oral argument occurred on August 5, 2025.

In connection with the CAFC Appeal, on October 15, 2025, the Federal Circuit issued a precedential opinion affirming the ITC's decision that Brita LP's claims were invalid. Following the ITC's determinations with respect to the ITC Action and the Federal Circuit's opinion in the CAFC Appeal, on December 22, 2025, Brita filed a notice to dismiss the Patent Litigation in the District Court. We expect the Court's order dismissing the case in due course.

Regulatory Matters

During fiscal 2022 and 2023, we were in discussions with the U.S. Environmental Protection Agency (the "EPA") regarding the compliance of packaging claims on certain of our products in the air and water filtration categories and a limited subset of humidifier products within the Beauty & Wellness segment that are sold in the U.S. The EPA did not raise any product quality, safety or performance issues. As a result of these packaging compliance discussions, we voluntarily implemented a temporary stop shipment action on the impacted products as we worked with the EPA towards an expedient resolution. We resumed normalized levels of shipping of the affected inventory during fiscal 2022, and we completed the repackaging and relabeling of our existing inventory of impacted products during fiscal 2023. Additionally, as a result of continuing dialogue with the EPA, we executed further repackaging and relabeling plans on certain additional humidifier products and certain additional air filtration products, which were also completed during fiscal 2023. Ongoing settlement discussions with the EPA related to this matter may result in the imposition of fines or penalties in the future. Such potential fines or penalties cannot be reasonably estimated. For additional information refer to Part I, Item 2., "Management's Discussion and Analysis of Financial Condition and Results of Operations," including "EPA Compliance Costs."

Note 10 - Long-Term Debt

A summary of our long-term debt follows:

(in thousands)	**November 30, 2025**	**February 28, 2025**
Credit Agreement (1):		
Revolving loans	**$ 415,499**	$ 678,100
Term loans	**482,032**	243,750
Total borrowings under Credit Agreement	**897,531**	921,850
Unamortized prepaid financing fees	**(5,138)**	(4,956)
Total long-term debt	**892,393**	916,894
Less: current maturities of long-term debt	**(23,438)**	(9,375)
Long-term debt, excluding current maturities	**$ 868,955**	$ 907,519

(1) The weighted average interest rates on borrowings outstanding under the Credit Agreement (defined below) inclusive of the impact of our interest rate swaps as of November 30, 2025 and February 28, 2025 were 5.8% and 5.6%, respectively.

Credit Agreement

On February 15, 2024, we entered into a credit agreement (the "Credit Agreement") with Bank of America, N.A., as administrative agent, and other lenders that provides for aggregate commitments of $1.5 billion, which are available through (i) a $1.0 billion revolving credit facility, which includes a $50 million sublimit for the issuance of letters of credit, (ii) a $250 million term loan facility, and (iii) a committed $250 million delayed draw term loan facility, which permitted multiple drawdowns until August 15, 2025. Proceeds can be used for working capital and other general corporate purposes, including funding permitted acquisitions. At the closing date, February 15, 2024, we borrowed $457.5 million under the revolving credit facility and $250.0 million under the term loan facility and utilized the proceeds to repay all debt outstanding under our prior credit agreement. During the first quarter of fiscal 2026, we borrowed $250.0 million under the delayed draw term loan facility and utilized the proceeds to repay debt outstanding under the revolving credit facility. During the first quarter of fiscal 2026, we capitalized $0.4 million of lender fees and a de minimis amount of third-party fees incurred in connection with the delayed draw term loan facility borrowing, which were recorded as prepaid financing fees in long-term debt. The Credit Agreement matures on February 15, 2029. The Credit Agreement includes an accordion feature, which permits the Company to request to increase its borrowing capacity by an additional $300 million plus an unlimited amount when the Leverage Ratio (as defined in the Credit Agreement) on a pro-forma basis is less than 3.25 to 1.00. The term loans are payable at the end of each fiscal quarter in equal installments of 0.625% through February 28, 2025, 0.9375% through February 28, 2026, and 1.25% thereafter of the original principal balance of the term loans, which began in the first quarter of fiscal 2025 for the term loan facility and began in the second quarter of fiscal 2026 for the delayed draw term loan facility, with the remaining balance due at the maturity date. Borrowings under the Credit Agreement bear floating interest at either the Base Rate or Term SOFR (as defined in the Credit Agreement), plus a margin based on the Net Leverage Ratio (as defined in the Credit Agreement) of 0% to 1.125% and 1.0% to 2.125% for Base Rate and Term SOFR borrowings, respectively.

The floating interest rates on our borrowings under the Credit Agreement are hedged with interest rate swaps to effectively fix interest rates on $625 million and $550 million of the outstanding principal balance under the Credit Agreement as of November 30, 2025 and February 28, 2025, respectively. See Notes 11, 12, and 13 for additional information regarding our interest rate swaps.

In connection with the acquisition of Olive & June, we provided notice of a Qualified Acquisition (as defined in the Credit Agreement) and borrowed $235.0 million under our Credit Agreement to fund the acquisition initial cash consideration. The exercise of the Qualified Acquisition notice triggered temporary adjustments to the maximum Leverage Ratio, which was 3.50 to 1.00 before the impact of the qualified acquisition notice. As a result of the Qualified Acquisition notice, commencing at the beginning of our fourth quarter of fiscal 2025, the maximum Leverage Ratio was 4.50 to 1.00 through November 30, 2025. For additional information on the acquisition, see Note 4.

On November 25, 2025, we entered into an amendment to the Credit Agreement (the "Amendment"), which provides for the following:

- Reduces the commitment under the revolving credit facility from $1.0 billion to $750.0 million;
- Adds a maximum tier level pursuant to which, if the Net Leverage Ratio is greater than or equal to 4.00 to 1.00, then borrowings under the Credit Agreement bear floating interest at either the Base Rate or Term SOFR, plus a margin of 1.375% and 2.375% for Base Rate and Term SOFR borrowings, respectively, plus a credit spread of 0.10% for Term SOFR borrowings;
- Amends the minimum Interest Coverage Ratio financial covenant to replace the numerator with a Consolidated EBITDA measure instead of a Consolidated EBIT measure (as those terms are defined in the Credit Agreement);
- Amends the maximum Leverage Ratio financial covenant so that it is not permitted to be greater than as set forth below as of the end of the fiscal quarter:

Fiscal Quarter Ending	***Maximum*** **Leverage Ratio**
November 30, 2025	4.50 to 1.00
February 28, 2026 through August 31, 2026	4.50 to 1.00
November 30, 2026	4.00 to 1.00
February 28, 2027 through May 31, 2027	3.75 to 1.00
August 31, 2027 and each fiscal quarter thereafter	3.50 to 1.00

  We may elect to use the Leverage Holiday (as defined in the Credit Agreement) in connection with the consummation of a Qualified Acquisition after August 31, 2027, if we are in compliance with the terms of the Credit Agreement and meet the other terms and conditions relating to a Qualified Acquisition.

- Until August 31, 2027, the following negative covenants are reduced, as described in the Amendment, a general investments basket, an unsecured indebtedness basket and the Permitted Receivables Financings (as defined in the Credit Agreement) basket.

In connection with the Amendment, we recognized a $0.9 million charge within interest expense to write-off unamortized prepaid financing fees related to the revolver due to the reduced commitment and capitalized $1.0 million of lender and third-party fees during the third quarter of fiscal 2026, which were recorded as prepaid financing fees in long-term debt.

As of November 30, 2025, the balance of outstanding letters of credit was $9.5 million, the amount available for revolving loans under the Credit Agreement, as amended, was $334.5 million and the amount available per the maximum Leverage Ratio was $135.6 million. Covenants in the Credit Agreement, as amended, limit the amount of total indebtedness we can incur. As of November 30, 2025, these covenants effectively limited our ability to incur more than $135.6 million of additional debt from all sources, including the Credit Agreement, as amended.

Debt Covenants

As of November 30, 2025, we were in compliance with all covenants as defined under the terms of the Credit Agreement, as amended.

Note 11 - Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques under the accounting guidance related to fair value measurements are based on observable and unobservable inputs. These inputs are classified into the following hierarchy:

Level 1: Quoted prices for identical assets or liabilities in active markets;

Level 2: Observable inputs other than quoted prices that are directly or indirectly observable for the asset or liability, including quoted prices for similar assets or liabilities in active markets; quoted prices for similar or identical assets or liabilities in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable; and

Level 3: Unobservable inputs that reflect the reporting entity’s own assumptions.

Recurring Fair Value Measurements

All of our financial assets and liabilities, except for our investments in U.S. Treasury Bills and our contingent consideration liability, are classified as Level 2 because their valuation is dependent on observable inputs and other quoted prices for similar assets or liabilities, or model-derived valuations whose significant value drivers are observable. Our investments in U.S. Treasury Bills are classified as Level 1 because their value is based on quoted prices in active markets for identical assets. Our contingent consideration liability is classified as Level 3 because its valuation is primarily based on a significant input unobservable in the market, specifically, projected adjusted EBITDA derived from internal forecasts.

The following table presents the fair value of our financial assets and liabilities:

	Fair Value	
(in thousands)	**November 30, 2025**	**February 28, 2025**
Assets:		
Cash equivalents (money market accounts)	**$ 3,523**	$ 3,852
U.S. Treasury Bills	**11,694**	11,268
Interest rate swaps	**363**	1,065
Foreign currency derivatives	**1,059**	2,163
Total assets	**$ 16,639**	$ 18,348
Liabilities:		
Interest rate swaps	**$ 288**	$ 221
Contingent consideration	**4,800**	4,100
Foreign currency derivatives	**2,877**	119
Total liabilities	**$ 7,965**	$ 4,440

All of our financial assets and liabilities, except for our investments in U.S. Treasury Bills, are measured and recorded at fair value on a recurring basis. Our investments in U.S. Treasury Bills are recorded at amortized cost. As of November 30, 2025 and February 28, 2025, the current carrying amounts of our U.S. Treasury Bills were $2.6 million and $2.5 million, respectively, and were included within prepaid expenses and other current assets in our condensed consolidated balance sheets. As of November 30, 2025 and February 28, 2025, the non-current carrying amounts of our U.S. Treasury Bills were $8.9 million and $8.7 million, respectively, and were included within other assets in our condensed consolidated balance sheets.

The carrying amounts of cash and cash equivalents, accounts payable, accrued expenses and other current liabilities and income taxes receivable and payable approximate fair value because of the short maturity of these items. The carrying amounts of receivables approximate fair value due to the effect of the related allowance for credit losses. The carrying amount of our floating rate long-term debt approximates its fair value.

Our investments in U.S. Treasury Bills are classified as held-to-maturity because we have the positive intent and ability to hold the securities to maturity. We invest in U.S. Treasury Bills with maturities ranging from one to five years. As of both November 30, 2025 and February 28, 2025, gross unrealized gains were $0.1 million and losses were not material. During the three and nine months ended November 30, 2025, we recognized interest income on these investments of $0.1 million and $0.4 million, respectively, which is included in “Non-operating income, net” in our condensed consolidated statements of (loss) income. During the three and nine months ended November 30, 2024, we recognized interest income on these investments of $0.1 million and $0.2 million, respectively.

We use foreign currency forward contracts to manage our exposure to changes in foreign currency exchange rates. In addition, we use interest rate swaps to manage our exposure to changes in interest rates. All of our derivative assets and liabilities are recorded at fair value. See Notes 12 and 13 for more information on our derivatives.

In connection with the acquisition of Olive & June in December 2024, we recognized contingent consideration, as a result of the total purchase consideration including contingent cash consideration of up to $15.0 million payable annually in three equal installments subject to Olive & June achieving certain adjusted EBITDA targets during calendar years 2025, 2026 and 2027. If the annual adjusted EBITDA target is not met, no payment is required. As of the acquisition date, we recorded a liability for the estimated fair value of the contingent consideration of $4.1 million, of which $1.8 million and $2.3 million was included within accrued expenses and other current liabilities and other liabilities, non-current, respectively, in our condensed consolidated balance sheet. This contingent consideration liability is remeasured at fair value each reporting period until the contingency is resolved, with changes in fair value recognized in SG&A. As of November 30, 2025, the estimated fair value of the contingent consideration liability was $4.8 million, of which $4.4 million and $0.4 million was included within accrued expenses and other current liabilities and other liabilities, non-current, respectively, in our condensed consolidated balance sheet. This increase of $0.7 million from the acquisition date fair value was recognized in SG&A during the third quarter of fiscal 2026. The fair value of the contingent consideration liability was determined using a Monte Carlo simulation model, which utilizes projected adjusted EBITDA and corresponding volatility and discount rates to estimate the probability of the adjusted EBITDA targets being achieved. The projected adjusted EBITDA during the earn-out period was derived from internal forecasts and represents a Level 3 input, and was discounted using an estimated discount rate of 14% and 13% as of November 30, 2025 and February 28, 2025, respectively. Adjusted EBITDA volatility was calculated based upon peer companies, and the third quartile of 47% and 33% was selected as a key input into the Monte Carlo simulation model as of November 30, 2025 and February 28, 2025, respectively. In the simulated scenarios where a payment is earned, the projected contingent payments were discounted using an estimated credit risk discount rate of 6.9% and 6.5%, as of November 30, 2025 and February 28, 2025, respectively. Changes in these inputs may result in a significant increase or decrease in the fair value of the contingent consideration liability with a corresponding impact to SG&A.

Level 3 Fair Value Measurements

The following table presents the changes in our Level 3 contingent consideration liability:

	Three Months Ended November 30,		Nine Months Ended November 30,	
(in thousands)	2025	2024	2025	2024
Balance at beginning of period	$ 4,100	$ —	$ 4,100	$ —
Changes in fair value (1)	700	—	700	—
Balance at end of period	$ 4,800	$ —	$ 4,800	$ —

(1) Reflects an increase in the estimated fair value of our contingent consideration liability, which was recognized in SG&A during the three and nine months ended November 30, 2025.

Non-Recurring Fair Value Measurements

Assets remeasured to fair value on a non-recurring basis during the nine months ended November 30, 2025 represent goodwill, indefinite-lived intangible assets and definite-lived intangible assets, which were impaired. We did not remeasure any assets to fair value on a non-recurring basis during the nine months ended November 30, 2024.

The following table presents the remaining carrying value of the assets that were remeasured to fair value on a non-recurring basis:

		Fair Value Measurements			Fiscal 2026 Asset Impairment Charges
(in thousands)	November 30, 2025	Level 1	Level 2	Level 3	
Goodwill	$ 530,186	$ —	$ —	$ 530,186	$ 648,600
Indefinite-lived intangible assets	264,600	—	—	264,600	97,000
Definite-lived intangible assets	133,927	—	—	133,927	61,085
Total	$ 928,713	$ —	$ —	$ 928,713	$ 806,685

During the nine months ended November 30, 2025, our impairment testing resulted in impairment charges of $648.6 million, $97.0 million and $61.1 million to reduce the carrying values of our goodwill, indefinite-lived intangible assets and definite-lived intangible assets, respectively, to their estimated fair values of $530.2 million, $264.6 million and $133.9 million, respectively. Refer to Note 5 for additional information on the assets impaired and their remaining carrying values as of November 30, 2025.

We estimate the fair value of our reporting units using an income approach based upon projected future DCF Model. Under the DCF Model, the fair value of each reporting unit is determined based on the present value of estimated future cash flows, discounted at a risk-adjusted rate of return. We use internal forecasts and strategic long-term plans to estimate future cash flows, including net sales revenue, gross profit margin, and earnings before interest and taxes margins. Other key estimates used in the DCF Model include, but are not limited to, discount rates, statutory tax rates, terminal growth rates, as well as working capital and capital expenditures needs. The discount rates are based on a weighted-average cost of capital utilizing industry market data of our peer group companies. Accordingly, this fair value measurement is classified as Level 3 since it is based primarily upon unobservable inputs that reflect management's assumptions.

We estimate the fair value of our trade names and trademark licenses using the relief from royalty method income approach which is based upon a DCF Model. The relief-from-royalty method estimates the fair value of a trade name or trademark license by discounting the hypothetical avoided royalty payments to their present value over the economic life of the asset. We estimate the fair value of our customer relationships and lists using the distributor method income approach which is based upon a DCF Model. The distributor method uses financial margin information for distributors within the applicable industry and most representative of the Company to estimate a royalty rate. The determination of fair value using these methods entails a significant number of estimates and assumptions, which require management judgment, and include net sales revenue growth rates, discount rates, royalty rates, residual growth rates (as applicable) and customer attrition rates (as applicable). We use internal forecasts and strategic long-term plans to estimate net sales revenue growth rates and royalty rates. We utilize a constant growth model to determine the residual growth rates which are based upon long-term industry growth expectations and long-term expected inflation. Accordingly, this fair value measurement is classified as Level 3 since it is based primarily upon unobservable inputs that reflect management's assumptions. The most significant unobservable input (Level 3) used to estimate the fair value of our indefinite-lived intangible assets and our definite-lived intangible assets as of November 30, 2025 was a royalty rate that ranged from 0.3% to 5.5%.

For additional information regarding the testing and analysis performed, refer to Note 5 and "Critical Accounting Policies and Estimates" in Item 2., "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Note 12 - Financial Instruments and Risk Management

Foreign Currency Risk

The U.S. Dollar is the functional currency for the Company and all of its subsidiaries and is also the reporting currency for the Company. By operating internationally, we are subject to foreign currency risk from transactions denominated in currencies other than the U.S. Dollar ("foreign currencies"). Such transactions include sales and operating expenses. As a result of such transactions, portions of our cash, accounts receivable and accounts payable are denominated in foreign currencies. Approximately 14% and 15% of our net sales revenue was denominated in foreign currencies during the three and nine months ended November 30, 2025, respectively, compared to 14% for both periods last year, respectively. These sales were primarily denominated in Euros, British Pounds and Canadian Dollars.

We make most of our inventory purchases from manufacturers in Asia and primarily use the U.S. Dollar for such purchases.

In our condensed consolidated statements of (loss) income, foreign currency exchange rate gains and losses resulting from the remeasurement of foreign income tax receivables and payables and deferred income tax assets and liabilities are recognized in income tax (benefit) expense, and all other foreign currency exchange rate gains and losses are recognized in SG&A. During the three and nine months ended November 30, 2025, we recorded foreign currency exchange rate net losses of $0.7 million and gains of $8.8 million, respectively, in income tax expense, compared to net losses of $0.5 million and $0.8 million for the same periods last year, respectively. During the three and nine months ended November 30, 2025, we recorded foreign currency exchange rate net losses of $0.3 million and net gains of $1.8 million, respectively, in SG&A, compared to net losses of $1.4 million and $0.8 million for the same periods last year, respectively. We mitigate certain foreign currency exchange rate risk by using forward contracts to protect against the foreign currency exchange rate risk inherent in our transactions denominated in foreign currencies. We do not enter into any derivatives or similar instruments for trading or other speculative purposes. Certain of our forward contracts are designated as cash flow hedges ("foreign currency contracts") and are recorded on the balance sheet at fair value with changes in fair value recorded in Other Comprehensive Income (Loss) ("OCI") until the hedge transaction is settled, at which point amounts are reclassified from Accumulated Other Comprehensive (Loss) Income ("AOCI") to our condensed consolidated statements of (loss) income. Foreign currency derivatives for which we have not elected hedge accounting consist of certain forward contracts, and any changes in the fair value of these derivatives are recorded in our condensed consolidated statements of (loss) income. These undesignated derivatives are used to hedge monetary net asset and liability positions. Cash flows from our foreign currency derivatives are classified as cash flows from operating activities in our condensed consolidated statements of cash flows, which is consistent with the classification of the cash flows from the underlying hedged item. We evaluate our derivatives designated as cash flow hedges each quarter to assess hedge effectiveness.

Interest Rate Risk

Interest on our outstanding debt as of November 30, 2025 and February 28, 2025 is based on floating interest rates. If short-term interest rates increase, we will incur higher interest expense on any future outstanding balances of floating rate debt. Floating interest rates are hedged with interest rate swaps to effectively fix interest rates on a portion of our outstanding principal balance under the Credit Agreement, which totaled $897.5 million and $921.9 million as of November 30, 2025 and February 28, 2025, respectively. As of November 30, 2025 and February 28, 2025, $625 million and $550 million of the outstanding principal balance under the Credit Agreement, respectively, was hedged with interest rate swaps to fix the interest rate we pay. Our interest rate swaps are designated as cash flow hedges and are recorded on the balance sheet at fair value with changes in fair value recorded in OCI until the hedge transaction is settled, at which point amounts are reclassified from AOCI to our condensed consolidated statements of (loss) income. Cash flows from our interest rate swaps are classified as cash flows from operating activities in our condensed consolidated statements of cash flows, which is consistent with the classification of the cash flows from the underlying hedged item. We evaluate our derivatives designated as cash flow hedges each quarter to assess hedge effectiveness.

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The following tables summarize the fair values of our derivative instruments as of the end of the periods presented:

(in thousands)	November 30, 2025						
Derivatives designated as hedging instruments	**Hedge Type**	**Final Settlement Date**	**Notional Amount**	**Prepaid Expenses and Other Current Assets**	**Other Assets**	**Accrued Expenses and Other Current Liabilities**	**Other Liabilities, Non-Current**
Forward contracts - sell Euro	**Cash flow**	**8/2027**	**€ 81,600**	**$ 261**	**$ 366**	**$ 1,885**	**$ 35**
Forward contracts - sell Canadian Dollars	**Cash flow**	**2/2027**	**$ 37,100**	**97**	**56**	**133**	**23**
Forward contracts - sell Pounds	**Cash flow**	**12/2027**	**£ 36,650**	**27**	**179**	**586**	**174**
Forward contracts - sell Norwegian Kroner	**Cash flow**	**2/2027**	**kr 38,000**	**41**	**10**	**38**	**3**
Interest rate swaps (1)	**Cash flow**	**8/2027**	**$ 725,000**	**329**	**34**	**252**	**36**
Subtotal				**755**	**645**	**2,894**	**271**
Derivatives not designated under hedge accounting							
Forward contracts - sell Euro	(2)	**12/2025**	**€ 5,020**	**—**	**—**	**—**	**—**
Forward contracts - buy Pounds	(2)	**12/2025**	**£ 2,200**	**22**	**—**	**—**	**—**
Subtotal				**22**	**—**	**—**	**—**
Total fair value				**$ 777**	**$ 645**	**$ 2,894**	**$ 271**

(in thousands)	February 28, 2025						
Derivatives designated as hedging instruments	**Hedge Type**	**Final Settlement Date**	**Notional Amount**	**Prepaid Expenses and Other Current Assets**	**Other Assets**	**Accrued Expenses and Other Current Liabilities**	**Other Liabilities Non-Current**
Forward contracts - sell Euro	Cash flow	2/2026	€ 35,000	$ 1,266	$ —	$ —	$ —
Forward contracts - sell Canadian Dollars	Cash flow	2/2026	$ 8,000	38	—	—	—
Forward contracts - sell Pounds	Cash flow	2/2026	£ 24,950	788	—	99	—
Forward contracts - sell Norwegian Kroner	Cash flow	8/2025	kr 10,000	71	—	—	—
Interest rate swaps	Cash flow	8/2026	$ 550,000	763	302	221	—
Subtotal				2,926	302	320	—
Derivatives not designated under hedge accounting							
Forward contracts - sell Euro	(2)	3/2025	€ 680	—	—	2	—
Forward contracts - sell Pounds	(2)	3/2025	£ 1,280	—	—	18	—
Subtotal				—	—	20	—
Total fair value				$ 2,926	$ 302	$ 340	$ —

(1) Includes a forward-starting interest rate swap agreement with a notional amount of $100 million that becomes effective on March 1, 2026.

(2) These forward contracts, for which we have not elected hedge accounting, hedge monetary net asset and liability positions for the notional amounts reported, creating an economic hedge against currency movements.

The pre-tax effects of derivative instruments designated as cash flow hedges were as follows for the periods presented:

	Three Months Ended November 30,				
	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		
(in thousands)	2025	2024	Location	2025	2024
Foreign currency contracts - cash flow hedges	**$ 3,644**	$ 3,607	Sales revenue, net	**$ (2,034)**	$ (4)
Interest rate swaps - cash flow hedges	**174**	3,788	Interest expense	**736**	1,262
Total	**$ 3,818**	$ 7,395		**$ (1,298)**	$ 1,258

	Nine Months Ended November 30,				
	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		
(in thousands)	2025	2024	Location	2025	2024
Foreign currency contracts - cash flow hedges	**$ (8,431)**	$ 2,182	Sales revenue, net	**$ (4,527)**	$ (13)
Interest rate swaps - cash flow hedges	**2,044**	2,545	Interest expense	**2,813**	3,311
Total	**$ (6,387)**	$ 4,727		**$ (1,714)**	$ 3,298

The pre-tax effects of derivative instruments not designated under hedge accounting were as follows for the periods presented:

		Gain (Loss) Recognized in Income			
		Three Months Ended November 30,		Nine Months Ended November 30,	
(in thousands)	Location	2025	2024	2025	2024
Forward contracts	SG&A	**$ (96)**	$ (67)	**$ (601)**	$ 21
Total		**$ (96)**	$ (67)	**$ (601)**	$ 21

We expect a net loss of $2.1 million associated with foreign currency contracts and interest rate swaps currently recorded in AOCI to be reclassified into income over the next twelve months. The amount ultimately realized, however, will differ as exchange rates and interest rates change and the underlying contracts settle. See Notes 11 and 13 for more information.

Counterparty Credit Risk

Financial instruments, including foreign currency contracts, forward contracts and interest rate swaps, expose us to counterparty credit risk for non-performance. We manage our exposure to counterparty credit risk by only dealing with counterparties who are substantial international financial institutions with significant experience using such derivative instruments. We believe that the risk of incurring credit losses is remote.

Note 13 - Accumulated Other Comprehensive Income (Loss)

The changes in AOCI by component and related tax effects for the periods presented were as follows:

(in thousands)	Interest Rate Swaps	Foreign Currency Contracts	Total
Balance at February 29, 2024	$ 1,917	$ 182	$ 2,099
Other comprehensive income before reclassification	2,545	2,182	4,727
Amounts reclassified out of AOCI	(3,311)	13	(3,298)
Tax effects	179	(464)	(285)
Other comprehensive (loss) income	(587)	1,731	1,144
Balance at November 30, 2024	$ 1,330	$ 1,913	$ 3,243
Balance at February 28, 2025	**$ 646**	**$ 1,632**	**$ 2,278**
Other comprehensive income (loss) before reclassification	**2,044**	**(8,431)**	**(6,387)**
Amounts reclassified out of AOCI	**(2,813)**	**4,527**	**1,714**
Tax effects	**179**	**812**	**991**
Other comprehensive loss	**(590)**	**(3,092)**	**(3,682)**
Balance at November 30, 2025	**$ 56**	**$ (1,460)**	**$ (1,404)**

See Notes 11 and 12 for additional information regarding our cash flow hedges.

Note 14 - Segment and Geographic Information

Segment Information

We operate through two strategic business divisions, each comprised of operating segments organized by our brands and product lines. Operating segments with similar economic and qualitative characteristics are aggregated into our two reportable segments, which align with our strategic business divisions. Our two reportable segments consist of Home & Outdoor and Beauty & Wellness. For additional information on our segments refer to Note 1.

Segment financial information is prepared in accordance with GAAP and our significant accounting policies described in Note 1 of our Form 10-K. Resources are allocated and performance is assessed using segment operating income by our Chief Executive Officer, whom we have determined to be our Chief Operating Decision Maker ("CODM"). Our CODM utilizes segment operating income when making decisions about allocating capital and personnel to the segments, predominantly in the annual budget and quarterly forecasting processes. In addition, our CODM uses operating income, including comparison of actual results to budget and forecast, in assessing the performance of each segment and in evaluating product pricing, distribution strategies and marketing investments. Our CODM reviews balance sheet information at a consolidated level. We compute segment operating income based on net sales revenue, less cost of goods sold, SG&A, asset impairment charges and restructuring charges. The SG&A used to compute each segment's operating income is directly associated with the segment, plus shared services and corporate overhead expenses that are allocable to the segment. We do not allocate non-operating income and expense, including interest or income taxes, to operating segments.

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The following tables summarize reportable segment information with a reconciliation to our condensed consolidated results for the periods presented:

	Three Months Ended November 30, 2025		
(in thousands)	Home & Outdoor	Beauty & Wellness (1)	Total
Sales revenue, net	**$ 229,637**	**$ 283,192**	**$ 512,829**
Less: (2)			
Cost of goods sold	**117,355**	**155,130**	**272,485**
Operating expense (3)	**112,354**	**136,360**	**248,714**
Operating loss	**$ (72)**	**$ (8,298)**	**$ (8,370)**
Non-operating income, net			**211**
Interest expense			**15,855**
Loss before income tax			**$ (24,014)**

	Three Months Ended November 30, 2024		
(in thousands)	Home & Outdoor	Beauty & Wellness	Total
Sales revenue, net	$ 246,109	$ 284,597	$ 530,706
Less: (2)			
Cost of goods sold	115,438	155,940	271,378
Operating expense (3)	90,358	93,852	184,210
Operating income	$ 40,313	$ 34,805	$ 75,118
Non-operating income, net			198
Interest expense			12,164
Income before income tax			$ 63,152

	Nine Months Ended November 30, 2025		
(in thousands)	Home & Outdoor	Beauty & Wellness (1)	Total
Sales revenue, net	**$ 616,341**	**$ 699,924**	**$ 1,316,265**
Less: (2)			
Cost of goods sold	**315,884**	**394,345**	**710,229**
Operating expense (3)	**586,900**	**750,261**	**1,337,161**
Operating loss	**$ (286,443)**	**$ (444,682)**	**$ (731,125)**
Non-operating income, net			**768**
Interest expense			**43,884**
Loss before income tax			**$ (774,241)**

	Nine Months Ended November 30, 2024		
(in thousands)	Home & Outdoor	Beauty & Wellness	Total
Sales revenue, net	$ 686,512	$ 735,262	$ 1,421,774
Less: (2)			
Cost of goods sold	327,305	415,992	743,297
Operating expense (3)	271,892	265,852	537,744
Operating income	$ 87,315	$ 53,418	$ 140,733
Non-operating income, net			468
Interest expense			37,923
Income before income tax			$ 103,278

(1) The three and nine months ended November 30, 2025 include a full three and nine months, respectively, of operating results from Olive & June, acquired on December 16, 2024. For additional information see Note 4.
(2) These significant expense categories and amounts align with the reportable segment information that is regularly provided to the CODM.

(3) Operating expense for both reportable segments includes SG&A expense. Operating expense during the three and nine months ended November 30, 2025 includes asset impairment charges of $65.9 million and $806.7 million, respectively, of which $24.0 million and $328.6 million was recognized in our Home & Outdoor segment, respectively, and $41.9 million and $478.1 million was recognized in our Beauty & Wellness segment, respectively. Operating expense during the nine months ended November 30, 2025 and three and nine months ended November 30, 2024 also includes restructuring charges. See Note 5 for further information on the asset impairment charges.

The following tables summarize reportable segment information for the periods presented:

	Three Months Ended November 30, 2025		
(in thousands)	**Home & Outdoor**	**Beauty & Wellness (1)**	**Total**
Capital and intangible asset expenditures	**$ 2,159**	**$ 4,015**	**$ 6,174**
Depreciation and amortization	**6,075**	**6,762**	**12,837**
Non-cash share-based compensation	**2,013**	**3,017**	**5,030**
Asset impairment charges	**24,000**	**41,906**	**65,906**

	Three Months Ended November 30, 2024		
(in thousands)	**Home & Outdoor**	**Beauty & Wellness**	**Total**
Capital and intangible asset expenditures	$ 2,976	$ 5,153	$ 8,129
Depreciation and amortization	6,336	6,886	13,222
Non-cash share-based compensation	2,476	2,254	4,730

	Nine Months Ended November 30, 2025		
(in thousands)	**Home & Outdoor**	**Beauty & Wellness (1)**	**Total**
Capital and intangible asset expenditures	**$ 16,049**	**$ 14,957**	**$ 31,006**
Depreciation and amortization	**18,674**	**21,107**	**39,781**
Non-cash share-based compensation	**6,295**	**8,403**	**14,698**
Asset impairment charges	**328,632**	**478,053**	**806,685**

	Nine Months Ended November 30, 2024		
(in thousands)	**Home & Outdoor**	**Beauty & Wellness**	**Total**
Capital and intangible asset expenditures	$ 10,443	$ 11,712	$ 22,155
Depreciation and amortization	19,573	21,277	40,850
Non-cash share-based compensation	8,303	7,747	16,050

(1) The three and nine months ended November 30, 2025 include a full three and nine months, respectively, of operating results from Olive & June, acquired on December 16, 2024. For additional information see Note 4.

Geographic Information

The following table presents net sales revenue by geographic region, in U.S. Dollars:

	Three Months Ended November 30,				Nine Months Ended November 30,			
(in thousands)	**2025**		**2024**		**2025**		**2024**	
Domestic sales revenue, net (1)	**$ 393,267**	**76.7 %**	$ 400,539	75.5 %	**$1,001,723**	**76.1 %**	$1,066,969	75.0 %
International sales revenue, net	**119,562**	**23.3 %**	130,167	24.5 %	**314,542**	**23.9 %**	354,805	25.0 %
Total sales revenue, net	**$ 512,829**	**100.0 %**	$ 530,706	100.0 %	**$1,316,265**	**100.0 %**	$1,421,774	100.0 %

(1) Domestic net sales revenue includes net sales revenue from the U.S. and Canada.

Note 15 - Income Taxes

We reorganized the Company in Bermuda in 1994, and many of our foreign subsidiaries are not directly or indirectly owned by a U.S. parent. As such, a significant portion of our foreign income is not subject to U.S. taxation on a permanent basis under current law. Additionally, our intangible assets are primarily owned by foreign affiliates, resulting in proportionally higher earnings in jurisdictions with statutory tax rates lower than the U.S. Taxable income in each jurisdiction, whether U.S. or foreign, is determined by the subsidiary’s operating results as well as applicable transfer pricing and tax regulations.

In July 2025, a reconciliation bill, commonly referred to as the One Big Beautiful Bill Act, was signed into law. The legislation includes a broad range of U.S. tax reform provisions. There were no discrete effects in the second quarter of fiscal 2026, and we do not expect a material impact on our fiscal 2026 consolidated financial statements.

The Organisation for Economic Co-operation and Development (“OECD”) has introduced a framework to implement a global minimum corporate income tax of 15%, referred to as “Pillar Two.” Certain countries in which we operate have enacted, or are in process of enacting, domestic legislation aligned with OECD’s Pillar Two “Model Rules.” Pillar Two legislation in effect for our fiscal 2025 and 2026 has been incorporated into our financial statements.

In June 2025, the Group of Seven, comprised of Canada, France, Germany, Italy, Japan, the United Kingdom and the U.S., announced an agreement under which U.S. multinational companies would be excluded from certain elements of the Pillar Two global minimum tax rules in exchange for the U.S. withdrawing planned retaliatory tax measures. This agreement has not yet been formally incorporated into the OECD Pillar Two Model Rules. We will continue to monitor the potential implications of this development, as it may influence the broader application of the Pillar Two Model Rules globally.

In the fourth quarter of fiscal 2025, we implemented a reorganization involving the transfer of intangible assets previously held by Helen of Troy Limited (Barbados) to our subsidiary in Switzerland. The reorganization resulted in the consolidation of the ownership of intangible assets, supporting streamlined internal licensing and centralized management of the intangible assets. Further, the reorganization resulted in a transitional income tax benefit of $64.6 million from the recognition of a deferred tax asset of $74.0 million, partially offset by taxes associated with the transfer. As described below, a full valuation allowance has been recorded on this deferred tax asset as of the end of the third quarter of fiscal 2026.

In response to Pillar Two, on May 24, 2024, Barbados enacted a domestic corporate income tax rate of 9%, effective for our fiscal 2025 and a domestic minimum top-up tax (“DMTT”) of 15% which was effective beginning with our fiscal 2026. During the first quarter of fiscal 2025, we incorporated the corporate income tax into our estimated annual effective tax rate and revalued our existing deferred tax liabilities subject to the Barbados legislation, which resulted in a discrete tax charge of $6.0 million. However, as a result of the reorganization of our intangible assets described above, the Barbados corporate income tax and DMTT will not have a material impact on our condensed consolidated financial statements beginning in fiscal 2026.

Like Barbados, the government of Bermuda enacted a 15% corporate income tax that was effective for us beginning in fiscal 2026. This Bermuda tax will not have a material impact on our condensed consolidated financial statements.

We expect our fiscal 2026 effective tax rate, excluding discrete items and asset impairment charges described below and in Note 5, to increase relative to historical periods due to the impact of global tax reform initiatives, including the implementation of Pillar Two. As additional jurisdictions implement or revise legislation in response to these reforms, we could experience further adverse impacts on our global effective tax rate.

For interim periods, our income tax expense and resulting effective tax rate are based on an estimated annual effective tax rate, adjusted for the impact of discrete items recognized in the period. Discrete items include changes in tax laws or rates, changes in estimates for uncertain tax positions, excess tax benefits or deficiencies from stock-based compensation, foreign currency remeasurement effects that are not reasonably estimable, and other infrequent or non-recurring items. Discrete items do not include the asset impairment charges described below and in Note 5.

During the three and nine months ended November 30, 2025, we recognized goodwill and other intangible asset impairment charges of $65.9 million and $806.7 million, respectively, which included $37.7 million and $548.7 million, respectively, of non-deductible goodwill that will not result in a tax benefit. The expected tax benefit, net of valuation allowances, of $15.5 million on the year-to-date impairment charges will be recognized over the course of the fiscal year in relation to pre-tax book income, rather than as a discrete item in the periods in which the charges were incurred.

The downward revisions to our internal forecasts utilized in our impairment testing during fiscal 2026 impacted our assessment of the realizability of net deferred tax assets for our Switzerland subsidiary as of the beginning of the fiscal year. Based on these revisions and in accordance with ASC 740, *Income Taxes*, we recorded discrete partial valuation allowances during the first and second quarters of fiscal 2026 and ultimately full valuation allowances of $34.8 million and $64.8 million for the three and nine months ended November 30, 2025, respectively. We expect to maintain a full valuation allowance on these net deferred tax assets until we have objective factors that demonstrate the likelihood of realizing these deferred tax benefits.

For the three months ended November 30, 2025, income tax expense was $60.0 million on a pre-tax loss of $24.0 million, compared to income tax expense of $13.5 million on pre-tax income of $63.2 million for the same period last year. The increase in tax expense relative to pre-tax income (loss) is primarily due to non-deductible impairment charges and valuation allowances on deferred tax assets recorded in the third quarter of fiscal 2026, as discussed above.

For the nine months ended November 30, 2025, income tax expense was $69.2 million on a pre-tax loss of $774.2 million, compared to income tax expense of $30.4 million on pre-tax income of $103.3 million for the same period last year. The increase in tax expense relative to pre-tax income (loss) is primarily due to non-deductible impairment charges and valuation allowances on deferred tax assets recorded during the nine months ended November 30, 2025, as discussed above.

Note 16 - Earnings Per Share

We compute basic earnings per share using the weighted average number of shares of common stock outstanding during the period. We compute diluted earnings per share using the weighted average number of shares of common stock outstanding plus the effect of dilutive securities. Dilutive securities at any given point in time may consist of outstanding options to purchase common stock and issued and contingently issuable unvested restricted stock units, performance stock units, restricted stock awards and performance restricted stock awards and other stock-based awards. Anti-dilutive securities are not included in the computation of diluted earnings per share under the treasury stock method. See Note 6 to these condensed consolidated financial statements for more information regarding stock-based awards.

The following table presents our weighted average basic and diluted shares outstanding for the periods shown:

(in thousands)	Three Months Ended November 30,		Nine Months Ended November 30,	
	2025	**2024**	**2025**	**2024**
Weighted average shares outstanding, basic	**23,035**	22,853	**22,979**	23,064
Incremental shares from share-based compensation arrangements	**—**	29	**—**	54
Weighted average shares outstanding, diluted (1)	**23,035**	22,882	**22,979**	23,118
Anti-dilutive securities	**421**	123	**435**	134

(1) Due to the net loss for the three and nine months ended November 30, 2025, 145 thousand and 75 thousand incremental shares, respectively, from share-based compensation arrangements were excluded from the computation of diluted weighted average shares outstanding because their effect would be anti-dilutive.

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 ("MD&A") should be read in conjunction with our condensed consolidated financial statements included under Item 1., "Financial Statements." The various sections of this MD&A contain a number of forward-looking statements, all of which are based on our current expectations. Actual results may differ materially due to a number of factors, including those discussed in the section entitled "Information Regarding Forward-Looking Statements" following this MD&A, and in Item 3., "Quantitative and Qualitative Disclosures About Market Risk" in this report, as well as in Part I, Item IA., "Risk Factors" in the Company's most recent annual report on Form 10-K for the fiscal year ended February 28, 2025 ("Form 10-K") and its other filings with the Securities and Exchange Commission (the "SEC"). When used in this MD&A, unless otherwise indicated or the context suggests otherwise, references to "the Company", "our Company", "Helen of Troy", "we", "us" or "our" refer to Helen of Troy Limited and its subsidiaries. References to "fiscal" in connection with a numeric year number denotes our fiscal year ending on the last day of February, during the year number listed.

This MD&A, including the tables under the headings "Operating (Loss) Income, Operating Margin, Adjusted Operating Income (non-GAAP) and Adjusted Operating Margin (non-GAAP) by Segment" and "Net (Loss) Income, Diluted (Loss) Earnings Per Share, Adjusted Income (non-GAAP) and Adjusted Diluted Earnings Per Share (non-GAAP)," reports operating (loss) income, operating margin, net (loss) income and diluted (loss) earnings per share without the impact of asset impairment charges, a discrete tax charge to revalue existing deferred tax liabilities due to Barbados enacting domestic corporate income tax legislation ("Barbados tax reform"), costs incurred in connection with the departure of our former Chief Executive Officer ("CEO") primarily related to severance and recruitment costs ("CEO succession costs"), income tax expense from the recognition of a valuation allowance on a deferred tax asset related to our intangible asset reorganization in fiscal 2025 ("intangible asset reorganization"), restructuring charges, amortization of intangible assets and non-cash share-based compensation for the periods presented, as applicable. These measures may be considered non-GAAP financial measures as defined by SEC Regulation G, Rule 100. The tables reconcile these measures to their corresponding GAAP-based financial measures presented in our condensed consolidated statements of (loss) income. We believe that adjusted operating income, adjusted operating margin, adjusted income and adjusted diluted earnings per share provide useful information to management and investors regarding financial and business trends relating to our financial condition and results of operations. We believe that these non-GAAP financial measures, in combination with our financial results calculated in accordance with GAAP, provide investors with additional perspective regarding the impact of such charges and benefits on applicable income, margin and earnings per share measures. We also believe that these non-GAAP measures reflect the operating performance of our business and facilitate a more direct comparison of our performance to our competitors. The material limitation associated with the use of the non-GAAP financial measures is that the non-GAAP measures do not reflect the full economic impact of our activities. Our adjusted operating income, adjusted operating margin, adjusted income and adjusted diluted earnings per share are not prepared in accordance with GAAP, are not an alternative to GAAP financial measures and may be calculated differently than non-GAAP financial measures disclosed by other companies. Accordingly, undue reliance should not be placed on non-GAAP financial measures. These non-GAAP financial measures are discussed further and reconciled to their applicable GAAP-based financial measures contained in this MD&A beginning on page 47.

There were no material changes to the key financial measures discussed in our Form 10-K.

Overview

We incorporated as Helen of Troy Corporation in Texas in 1968 and were reorganized as Helen of Troy Limited in Bermuda in 1994. We are a leading global consumer products company offering creative products and solutions for our customers through a diversified portfolio of brands. Our portfolio of brands includes OXO, Hydro Flask, Osprey, Vicks, Braun, Honeywell, PUR, Hot Tools, Drybar, Curlsmith, Revlon and Olive & June, among others. We have built leading market positions through new product innovation, product quality and competitive pricing. As of November 30, 2025, we operated two reportable segments: Home & Outdoor and Beauty & Wellness.

As previously disclosed in our SEC filings, on May 2, 2025, Noel Geoffroy departed the Company as CEO, and the Board of Directors appointed Brian Grass as the Company's interim CEO. Effective September 1, 2025, the Board of Directors appointed G. Scott Uzzell as the Company's new CEO, and Mr. Grass transitioned back to his role as Chief Financial Officer at that time.

During the first, second and third quarters of fiscal 2026, we concluded a goodwill impairment triggering event had occurred due to a sustained decline in our stock price, and performed quantitative impairment testing on our goodwill and certain intangible assets. As a result of such testing, we recorded pre-tax asset impairment charges as follows:

(in thousands)	Three Months Ended November 30, 2025	Nine Months Ended November 30, 2025
Home & Outdoor (1)	$ 24,000	$ 328,632
Beauty & Wellness (2)	41,906	478,053
Total	$ 65,906	$ 806,685

(1) Asset impairment charges recognized for our Home & Outdoor segment included charges for our Hydro Flask and Osprey businesses of $15.0 million and $9.0 million, respectively, for the three months ended November 30, 2025 and $180.5 million and $148.1 million, respectively, for the nine months ended November 30, 2025.

(2) Asset impairment charges recognized for our Beauty & Wellness segment included charges for our Health & Wellness, Drybar and Curlsmith businesses of $10.7 million, $3.1 million and $28.2 million, respectively, for the three months ended November 30, 2025 and for our Health & Wellness, Drybar, Curlsmith and Revlon businesses of $207.3 million, $154.5 million, $92.8 million and $23.5 million, respectively, for the nine months ended November 30, 2025.

For additional information regarding the testing and analysis performed, refer to "Critical Accounting Policies and Estimates" in this Item 2., "Management's Discussion and Analysis of Financial Condition and Results of Operations."

On December 16, 2024, we completed the acquisition of Olive & June, LLC ("Olive & June"), an innovative, omni-channel nail care brand. Olive & June products deliver a salon-quality experience at home and include nail polish, press-on nails, manicure and pedicure systems, grooming tools and nail care essentials. The Olive & June brand and products were added to the Beauty & Wellness segment. The total purchase consideration consists of initial cash consideration of $224.7 million, which is net of cash acquired and a favorable post-closing adjustment of $3.9 million, and contingent cash consideration of up to $15.0 million subject to Olive & June's performance during calendar years 2025, 2026 and 2027, payable annually. The acquisition of Olive & June complements and broadens our existing Beauty portfolio beyond the hair care category and advances our strategy to deploy accretive capital that leverages our capabilities and scale to accelerate growth, further expand margins and drive greater earnings growth and free cash flow conversion.

Significant Trends Impacting the Business

Impact of Tariffs

Since 2019, the Office of the United States Trade Representative ("USTR") has imposed additional tariffs on products imported from China. Additionally, the current United States ("U.S.") presidential administration has promoted and implemented plans to raise tariffs even further and pursue other trade policies intended to restrict imports. Our purchases of products from unaffiliated manufacturers located in China and other regions exposes us to higher costs of doing business from increases in tariffs.

Under the International Emergency Economic Powers Act ("IEEPA"), the U.S. presidential administration began implementing fentanyl-related IEEPA tariffs ("Fentanyl IEEPA Tariff") and additional tariffs ("Reciprocal IEEPA Tariff") during calendar year 2025. As of April 9, 2025, the U.S. had imposed (i) an aggregate additional 145% tariff on imports from China, consisting of a 20% Fentanyl IEEPA Tariff and 125% Reciprocal IEEPA Tariff and (ii) a global 10% Reciprocal IEEPA Tariff on imports from other countries including Mexico, Vietnam and other U.S. trading partners. The Reciprocal IEEPA Tariff on imports from China was subsequently lowered to 10% effective May 12, 2025, resulting in an aggregate additional 30% tariff. Effective November 10, 2025, the 10% Reciprocal IEEPA Tariff on imports from China, which was set to expire, was extended to remain in effect through November 10, 2026, and the Fentanyl IEEPA Tariff was reduced from 20% to 10%, reducing the aggregate additional tariff from 30% to 20%. On July 31, 2025, the U.S. president signed an executive order imposing new IEEPA tariffs on a number of U.S. trading partners which became effective on August 7, 2025, including a 25% Fentanyl IEEPA Tariff on imports from Mexico and a 20% and 19% Reciprocal IEEPA Tariff on imports from Vietnam and Thailand, respectively. However, we do not currently incur any Fentanyl IEEPA Tariffs on our imports manufactured in Mexico since they qualify for duty-free preference under the United States-Mexico-Canada Agreement. Further, we benefit from certain exclusions from tariffs as a result of the COVID-19 pandemic, which were recently extended to November 9, 2026.

In March 2025, the U.S. president also implemented changes under Section 232 of the Trade Expansion Act of 1962 ("Section 232 Tariffs") which resulted in additional sectoral tariffs to aluminum and steel of 25%. On June 4, 2025, the Section 232 Tariffs related to aluminum and steel were increased to 50%, and effective August 1, 2025, expanded to include copper products and components. Currently, our products are not subject to the Section 232 Tariffs on copper products and components. Our products are subject to (i) a 50% Section 232 Tariff on the aluminum and steel content of components, which primarily impacts certain products within our Home and Wellness businesses and (ii) the Fentanyl IEEPA Tariff and any other applicable Reciprocal IEEPA Tariff or Section 301 (defined below) tariff on other components. In addition, the U.S. presidential administration is considering additional tariffs as a remedy for unfair trade practices under Section 301 of the Trade Act of 1974 ("Section 301"); however, no official Section 301 tariffs have been published since the review process is ongoing.

The U.S. tariff policies are continuing to evolve, as well as the corresponding impacts on global trade policies. As a result, our risks and mitigation plans, as further described below, will also continue to evolve as further developments arise. Any alteration of trade agreements and terms between China and the U.S., including limiting trade with China, imposing additional tariffs on imports from China and potentially imposing other restrictions on imports from China to the U.S., may result in further or higher tariffs or retaliatory trade measures by China.

We are continuing to assess our incremental tariff cost exposure in light of continuing changes to global tariff policies and the full extent of our potential mitigation plans, as well as the associated timing to implement such plans and realize the anticipated benefits. To mitigate our risk of ongoing exposure to tariffs, we have initiated significant efforts to diversify our production outside of China into regions where we expect tariffs or overall costs to be lower and to source the same product in more than one region, to the extent it is possible and not cost-prohibitive. We are also continuing to implement other mitigation actions, which include cost reductions from suppliers and price increases to customers on products subject to tariffs. In addition to the uncertainty from evolving global tariff policies, we expect unfavorable cascading impacts on inflation, consumer confidence, employment and overall macroeconomic conditions, all of which may adversely impact our sales, results of operations and cash flows.

Our cost of goods sold during the three and nine months ended November 30, 2025 included $20.8 million and $31.3 million, respectively, of additional pre-tax costs related to the changes in tariffs described above. Net sales revenue during the first nine months of fiscal 2026 was also negatively impacted by a combination of factors including the pause or cancellation of direct import orders from China by key retailers in response to increased tariff rates, a slowdown in retailer orders following pull forward activity in the fourth quarter of fiscal 2025 due to tariff uncertainty, and lower consumer confidence and demand. Sales were also negatively impacted by evolving dynamics in the China market, including a shift toward localized fulfillment models and heightened competition from domestic sellers benefiting from government subsidies. Net sales revenue during the third quarter of fiscal 2026 was unfavorably impacted by stop shipment actions in support of consistent adoption of tariff related price increases by our retail partners, which primarily impacted our Beauty & Wellness segment.

In the first quarter of fiscal 2026, we adjusted our measures to reduce costs and preserve cash flow as the environment continued to evolve. While we resumed targeted growth investments during the second and third quarters of fiscal 2026, we remain disciplined in our approach given continued tariff volatility. The measures in place continue to include the following:

- Suspension of projects and capital expenditures that are not critical or in support of supplier diversification or dual sourcing initiatives;
- Actions to reduce overall personnel costs and pause most project and travel expenses remain in place;
- A resumption of optimized marketing, promotional and new product development investments focused on opportunities with the highest returns;
- A measured approach to inventory purchases in expectation of softer consumer demand in the short to intermediate term; and
- Actions to optimize working capital and balance sheet productivity.

Impact of Macroeconomic Trends

The Federal Open Market Committee lowered the benchmark interest rate by 75 basis points and 25 basis points during the third and fourth quarters of fiscal 2025, respectively, resulting in lower average interest rates incurred during the first nine months of fiscal 2026 compared to the same period last year. The Federal Open Market Committee lowered the benchmark interest rate by 50 basis points in the third quarter of fiscal 2026 and an additional 25 basis points subsequent to the third quarter of fiscal 2026. As of November 30, 2025 and February 28, 2025, $625 million and $550 million of the outstanding principal balance under the Credit Agreement (as defined below), respectively, was hedged with interest rate swaps to fix the interest rate we pay. While the actual timing and extent of additional future changes in interest rates remains unknown, lower average interest rates would reduce interest expense on our outstanding variable rate debt not subject to the interest rate swaps. The financial markets, the global economy and global supply chain may also be adversely affected by the current or anticipated impact of military conflicts or other geopolitical events, as well as recent U.S. tariff policies, that are continuing to evolve and the corresponding impacts on global trade. High inflation and interest rates have also negatively impacted consumer disposable income, credit availability and spending, among others, which have adversely impacted our business, financial condition, cash flows and results of operations during fiscal 2025 and the first nine months of fiscal 2026 and may continue to have an adverse impact during the remainder of fiscal 2026. The evolving global tariff policies could adversely impact inflation and interest rates which could further negatively impact consumer disposable income, credit availability and spending. See further discussion below under “Consumer Spending and Changes in Shopping

Preferences." We expect continued uncertainty in our business and the global economy due to pressure from inflation, tariffs and consumer confidence, any of which may adversely impact our results.

Consumer Spending and Changes in Shopping Preferences

Our business depends upon discretionary consumer demand for most of our products and primarily operates within mature and highly developed consumer markets. The principal driver of our operating performance is the strength of the U.S. retail economy. Approximately 73% and 72% of our consolidated net sales revenue was from U.S. shipments during the three months ended November 30, 2025 and 2024, respectively. For the nine months ended November 30, 2025 and 2024, U.S. shipments were approximately 72% and 71% of our consolidated net sales revenue, respectively.

Among other things, high levels of inflation, interest rates and tariffs may negatively impact consumer disposable income, credit availability and spending. Consumer purchases of discretionary items, including some of the products that we offer, generally decline during recessionary periods or periods of economic uncertainty, when disposable income is reduced or when there is a reduction in consumer confidence. Dynamic changes in consumer spending and shopping patterns are also having an impact on retailer inventory levels. Our ability to sell to retailers is predicated on their ability to sell to the end consumer. During fiscal 2025, we experienced reduced replenishment orders from retail customers in line with softer consumer demand and discretionary spending, which adversely impacted our sales, results of operations and cash flows. Additionally, during fiscal 2025 and the first three quarters of fiscal 2026, we experienced increased competition within our Beauty & Wellness segment and in the insulated beverageware category, which led to some declines in retail distribution. During the first three quarters of fiscal 2026, we experienced reduced replenishment orders from retail customers who paused or cancelled orders originating in China in response to the increased tariff rates, as well as broader pressures in the China market related to a shift toward localized fulfillment models and increased competition from government-subsidized domestic sellers. In addition, we continue to experience lower replenishment orders in line with softer consumer demand and discretionary spending and continued competition, which adversely impacted our sales, results of operations and cash flows. If orders from our retail customers continue to be adversely impacted, our sales, results of operations and cash flows may continue to be adversely impacted. We expect continued uncertainty in our business and the global economy due to inflation, evolving global tariff policies, continued competition and changes in consumer spending patterns. Accordingly, our liquidity and financial results could be impacted in ways that we are not able to predict today.

Our concentration of sales reflects the continued evolution of consumer shopping preferences. Our net sales to pure-play online retailers and retail customers fulfilling end-consumer online orders, as well as our own online sales directly to consumers (collectively "online channel net sales") comprised approximately 27% and 25% of our total consolidated net sales revenue for the three and nine months ended November 30, 2025, respectively, and declined approximately 11% and 17% compared to the same periods last year, respectively. For the three and nine months ended November 30, 2024, our online channel net sales comprised approximately 29% and 28% of our total consolidated net sales revenue, respectively. Our online channel net sales declined approximately 9% and 7% for the three and nine months ended November 30, 2024 compared to the same periods last year.

With the continued importance of online sales in the retail landscape, many brick and mortar retailers are aggressively looking for ways to improve their customer delivery capabilities to be able to meet customer expectations. As a result, it has become increasingly important for us to leverage our distribution capabilities in order to meet the changing demands of our customers, including increasing our online capabilities to support our direct-to-consumer sales channels and online channel sales by our retail customers. To meet these needs, we completed the construction of an additional distribution facility in Gallaway, Tennessee that became operational during fiscal 2024. During the first quarter of fiscal 2025, we experienced automation system startup issues at the facility which impacted some of our Home &

Outdoor segment's small retail customer and direct-to-consumer orders. As a result, our sales during the first quarter of fiscal 2025 were adversely impacted due to shipping disruptions, and we incurred additional costs and lost efficiency during both the first and second quarters of fiscal 2025 as we worked to remediate the issues. As a result of the remediation efforts performed, the automation system began to operate as designed during the third quarter of fiscal 2025, and we achieved targeted efficiency levels by the end of fiscal 2025.

Additionally, we have invested in a centralized cloud-based e-commerce platform, which most of our brands are currently utilizing. The centralized cloud-based e-commerce platform enables us to leverage a common system and rapidly deploy new capabilities across all of our brands, as well as more easily integrate new brands. We believe this platform enhances the customer experience by strengthening the digital presentation and product browsing capabilities and improving the checkout process, order delivery and post-order customer care.

Project Pegasus

During fiscal 2023, we initiated a global restructuring plan intended to expand operating margins through initiatives designed to improve efficiency and effectiveness and reduce costs (referred to as "Project Pegasus"). During the fourth quarter of fiscal 2025, we completed Project Pegasus, but still expect to realize the targeted savings through fiscal 2027. Project Pegasus included initiatives to further optimize our brand portfolio, streamline and simplify the organization, accelerate and amplify cost of goods savings projects, enhance the efficiency of our supply chain network, optimize our indirect spending and improve our cash flow and working capital, as well as other activities. These initiatives created operating efficiencies, as well as provided a platform to fund growth investments. During fiscal 2023, 2024 and 2025 we incurred restructuring charges in connection with Project Pegasus primarily for professional fees and severance and employee related costs, which were recorded as "Restructuring charges" in the condensed consolidated statements of (loss) income. Restructuring charges primarily represented cash expenditures and were substantially paid by the end of fiscal 2025, with a remaining liability of $7.7 million as of February 28, 2025.

We continue to have the following expectations regarding Project Pegasus savings:

- Targeted annualized pre-tax operating profit improvements of approximately $75 million to $85 million, which began in fiscal 2024 and we expect to be substantially achieved by the end of fiscal 2027.
- Estimated cadence of the recognition of the savings will be approximately 25% and 35% in fiscal 2024 and 2025, respectively, which were both achieved, and approximately 25% and 15% in fiscal 2026 and 2027, respectively.
- Total profit improvements to be realized approximately 60% through reduced cost of goods sold and 40% through lower SG&A.

During the three and nine months ended November 30, 2025 and 2024, our gross margin and operating margins were favorably impacted by lower commodity and product costs driven by our cost of goods saving projects. Expectations regarding our Project Pegasus initiatives and our ability to realize targeted savings are based on management's estimates available at the time and are subject to a number of assumptions that could materially impact our estimates.

During the three and nine months ended November 30, 2024, we incurred $3.5 million and $6.9 million, respectively, of pre-tax restructuring costs in connection with Project Pegasus. We made total cash restructuring payments related to Project Pegasus of $5.7 million and $9.8 million during the nine months ended November 30, 2025 and 2024, respectively, and had a remaining liability of $2.0 million as of November 30, 2025. See Note 8 to the accompanying condensed consolidated financial statements for additional information.

Water Filtration Patent Litigation
On December 23, 2021, Brita LP filed a complaint against Kaz USA, Inc. and Helen of Troy Limited in the U.S. District Court for the Western District of Texas (the “Patent Litigation”), alleging patent infringement by the Company relating to its PUR gravity-fed water filtration systems. Brita LP simultaneously filed a complaint with the U.S. International Trade Commission (“ITC”) against Kaz USA, Inc., Helen of Troy Limited and five other unrelated companies that sell water filtration systems (the “ITC Action”). The complaint in the ITC Action also alleged patent infringement by the Company with respect to a limited set of PUR gravity-fed water filtration systems. This action sought injunctive relief to prevent entry of certain accused PUR products (and certain other products) into the U.S. and cessation of marketing and sales of existing inventory already in the U.S. On February 28, 2023, the ITC issued an Initial Determination in the ITC Action, tentatively ruling against the Company and the other unrelated respondents. The ITC has a guaranteed review process, and thus all respondents, including the Company, filed a petition with the ITC for a full review of the Initial Determination. On September 19, 2023, the ITC issued its Final Determination in the Company’s favor. The ITC determined there was no violation by the Company and terminated the investigation. Brita LP subsequently appealed the ITC’s decision to the Federal Circuit (“CAFC Appeal”) and filed its Notice of Appeal on October 24, 2023. The Company intervened in the CAFC Appeal and oral argument occurred on August 5, 2025.

In connection with the CAFC Appeal, on October 15, 2025, the Federal Circuit issued a precedential opinion affirming the ITC’s decision that Brita LP’s claims were invalid. Following the ITC’s determinations with respect to the ITC Action and the Federal Circuit’s opinion in the CAFC Appeal, on December 22, 2025, Brita filed a notice to dismiss the Patent Litigation in the District Court. We expect the Court’s order dismissing the case in due course.

EPA Compliance Costs
During fiscal 2022 and 2023, we were in discussions with the U.S. Environmental Protection Agency (the “EPA”) regarding the compliance of packaging claims on certain of our products in the air and water filtration categories and a limited subset of humidifier products within the Beauty & Wellness segment that are sold in the U.S. The EPA did not raise any product quality, safety or performance issues. As a result of these packaging compliance discussions, we voluntarily implemented a temporary stop shipment action on the impacted products as we worked with the EPA towards an expedient resolution. We resumed normalized levels of shipping of the affected inventory during fiscal 2022, and we completed the repackaging and relabeling of our existing inventory of impacted products during fiscal 2023. Additionally, as a result of continuing dialogue with the EPA, we executed further repackaging and relabeling plans on certain additional humidifier products and certain additional air filtration products, which were also completed during fiscal 2023. Ongoing settlement discussions with the EPA related to this matter may result in the imposition of fines or penalties in the future. Such potential fines or penalties cannot be reasonably estimated. See Note 9 to the accompanying condensed consolidated financial statements for additional information.

Foreign Currency Exchange Rate Fluctuations
Due to the nature of our operations, we have exposure to the impact of fluctuations in exchange rates from transactions that are denominated in a currency other than our functional currency (the U.S. Dollar). Such transactions include sales and operating expenses. The most significant currencies affecting our operating results are the Euro, British Pound and Canadian Dollar.

For the three months ended November 30, 2025, changes in foreign currency exchange rates had a favorable year-over-year impact on consolidated U.S. Dollar reported net sales revenue of approximately $1.6 million, or 0.3%, compared to a favorable year-over-year impact of $0.1 million, or less than 0.1%, for the same period last year. For the nine months ended November 30, 2025, changes in foreign currency exchange rates had a favorable year-over-year impact on consolidated U.S. Dollar reported net sales revenue of approximately $0.8 million, or 0.1%, compared to an unfavorable year-over-year impact of $0.1 million, or less than 0.1%, for the same period last year.

Variability of the Cough/Cold/Flu Season

Sales in several of our Beauty & Wellness segment categories are highly correlated to the severity of winter weather and cough/cold/flu incidence. In the U.S., the cough/cold/flu season historically runs from November through March, with peak activity normally in January to March. The 2024-2025 and 2023-2024 cough/cold/flu seasons were below historical averages seen prior to the impact of COVID-19.

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RESULTS OF OPERATIONS

The following tables provide selected operating data, in U.S. Dollars, as a percentage of net sales revenue, and as a year-over-year percentage change.

	Three Months Ended November 30, 2025				% of Sales Revenue, net	
(in thousands)	**2025 (1)**	**2024**	**$ Change**	**% Change**	**2025**	**2024**
Sales revenue by segment, net						
Home & Outdoor	**$ 229,637**	$ 246,109	$ (16,472)	(6.7)%	**44.8 %**	46.4 %
Beauty & Wellness	**283,192**	284,597	(1,405)	(0.5)%	**55.2 %**	53.6 %
Total sales revenue, net	**512,829**	530,706	(17,877)	(3.4)%	**100.0 %**	100.0 %
Cost of goods sold	**272,485**	271,378	1,107	0.4 %	**53.1 %**	51.1 %
Gross profit	**240,344**	259,328	(18,984)	(7.3)%	**46.9 %**	48.9 %
SG&A	**182,808**	180,692	2,116	1.2 %	**35.6 %**	34.0 %
Asset impairment charges	**65,906**	—	65,906	*	**12.9 %**	— %
Restructuring charges	**—**	3,518	(3,518)	*	**— %**	0.7 %
Operating (loss) income	**(8,370)**	75,118	(83,488)	*	**(1.6)%**	14.2 %
Non-operating income, net	**211**	198	13	6.6 %	**— %**	— %
Interest expense	**15,855**	12,164	3,691	30.3 %	**3.1 %**	2.3 %
(Loss) income before income tax	**(24,014)**	63,152	(87,166)	*	**(4.7)%**	11.9 %
Income tax expense	**60,042**	13,536	46,506	*	**11.7 %**	2.6 %
Net (loss) income	**$ (84,056)**	$ 49,616	$ (133,672)	*	**(16.4)%**	9.3 %

	Nine Months Ended November 30, 2025				% of Sales Revenue, net	
(in thousands)	**2025 (1)**	**2024**	**$ Change**	**% Change**	**2025**	**2024**
Sales revenue by segment, net						
Home & Outdoor	**$ 616,341**	$ 686,512	$ (70,171)	(10.2)%	**46.8 %**	48.3 %
Beauty & Wellness	**699,924**	735,262	(35,338)	(4.8)%	**53.2 %**	51.7 %
Total sales revenue, net	**1,316,265**	1,421,774	(105,509)	(7.4)%	**100.0 %**	100.0 %
Cost of goods sold	**710,229**	743,297	(33,068)	(4.4)%	**54.0 %**	52.3 %
Gross profit	**606,036**	678,477	(72,441)	(10.7)%	**46.0 %**	47.7 %
SG&A	**527,471**	530,865	(3,394)	(0.6)%	**40.1 %**	37.3 %
Asset impairment charges	**806,685**	—	806,685	*	**61.3 %**	— %
Restructuring charges	**3,005**	6,879	(3,874)	(56.3)%	**0.2 %**	0.5 %
Operating (loss) income	**(731,125)**	140,733	(871,858)	*	**(55.5)%**	9.9 %
Non-operating income, net	**768**	468	300	64.1 %	**0.1 %**	— %
Interest expense	**43,884**	37,923	5,961	15.7 %	**3.3 %**	2.7 %
(Loss) income before income tax	**(774,241)**	103,278	(877,519)	*	**(58.8)%**	7.3 %
Income tax expense	**69,176**	30,444	38,732	*	**5.3 %**	2.1 %
Net (loss) income	**$ (843,417)**	$ 72,834	$ (916,251)	*	**(64.1)%**	5.1 %

(1) The three and nine months ended November 30, 2025 include a full three and nine months, respectively, of operating results from Olive & June, acquired on December 16, 2024. For additional information see Note 4 to the accompanying condensed consolidated financial statements.

* Calculation is not meaningful.

Third Quarter Fiscal 2026 Financial Results

- Consolidated net sales revenue decreased 3.4%, or $17.9 million, to $512.8 million for the three months ended November 30, 2025, compared to $530.7 million for the same period last year.

- Consolidated operating loss was $8.4 million for the three months ended November 30, 2025, compared to consolidated operating income of $75.1 million for the same period last year. Consolidated operating loss for the three months ended November 30, 2025 includes pre-tax asset impairment charges of $65.9 million. Consolidated operating margin decreased to (1.6)% of consolidated net sales revenue for the three months ended November 30, 2025, compared to 14.2% for the same period last year.

- Consolidated adjusted operating income decreased 24.6%, or $21.6 million, to $66.3 million for the three months ended November 30, 2025, compared to $87.9 million for the same period last year. Consolidated adjusted operating margin decreased 3.7 percentage points to 12.9% of consolidated net sales revenue for the three months ended November 30, 2025, compared to 16.6% for the same period last year.

- Net loss was $84.1 million for the three months ended November 30, 2025, compared to net income of $49.6 million for the same period last year. Diluted loss per share was $3.65 for the three months ended November 30, 2025, compared to diluted earnings per share of $2.17 for the same period last year.

- Adjusted income decreased 35.0%, or $21.4 million, to $39.7 million for the three months ended November 30, 2025, compared to $61.1 million for the same period last year. Adjusted diluted earnings per share decreased 36.0% to $1.71 for the three months ended November 30, 2025, compared to $2.67 for the same period last year.

Year-To-Date Fiscal 2026 Financial Results

- Consolidated net sales revenue decreased 7.4%, or $105.5 million, to $1,316.3 million for the nine months ended November 30, 2025, compared to $1,421.8 million for the same period last year.

- Consolidated operating loss was $731.1 million for the nine months ended November 30, 2025, compared to consolidated operating income of $140.7 million for the same period last year. Consolidated operating loss for the nine months ended November 30, 2025 includes pre-tax asset impairment charges of $806.7 million. Consolidated operating margin decreased to (55.5)% of consolidated net sales revenue for the nine months ended November 30, 2025, compared to 9.9% for the same period last year.

- Consolidated adjusted operating income decreased 38.3%, or $67.9 million, to $109.3 million for the nine months ended November 30, 2025, compared to $177.3 million for the same period last year. Consolidated adjusted operating margin decreased 4.2 percentage points to 8.3% of consolidated net sales revenue for the nine months ended November 30, 2025, compared to 12.5% for the same period last year.

- Net loss was $843.4 million for the nine months ended November 30, 2025, compared to net income of $72.8 million for the same period last year. Diluted loss per share was $36.70 for the nine months ended November 30, 2025, compared to diluted earnings per share of $3.15 for the same period last year.

- Adjusted income decreased 44.0%, or $49.2 million, to $62.7 million for the nine months ended November 30, 2025, compared to $112.0 million for the same period last year. Adjusted diluted earnings per share decreased 43.8% to $2.72 for the nine months ended November 30, 2025, compared to $4.84 for the same period last year.

Consolidated and Segment Net Sales Revenue

The following tables summarize the impact that Organic business, foreign currency and acquisitions had on our net sales revenue by segment:

	Three Months Ended November 30,		
(in thousands)	**Home & Outdoor**	**Beauty & Wellness**	**Total**
Fiscal 2025 sales revenue, net	$ 246,109	$ 284,597	$ 530,706
Organic business	(17,468)	(39,673)	(57,141)
Impact of foreign currency	996	596	1,592
Acquisition (1)	—	37,672	37,672
Change in sales revenue, net	(16,472)	(1,405)	(17,877)
Fiscal 2026 sales revenue, net	$ 229,637	$ 283,192	$ 512,829
Total net sales revenue growth (decline)	(6.7)%	(0.5)%	(3.4)%
Organic business	(7.1)%	(13.9)%	(10.8)%
Impact of foreign currency	0.4 %	0.2 %	0.3 %
Acquisition	— %	13.2 %	7.1 %

	Nine Months Ended November 30,		
(in thousands)	**Home & Outdoor**	**Beauty & Wellness**	**Total**
Fiscal 2025 sales revenue, net	$ 686,512	$ 735,262	$ 1,421,774
Organic business	(71,930)	(132,275)	(204,205)
Impact of foreign currency	1,759	(985)	774
Acquisition (1)	—	97,922	97,922
Change in sales revenue, net	(70,171)	(35,338)	(105,509)
Fiscal 2026 sales revenue, net	$ 616,341	$ 699,924	$ 1,316,265
Total net sales revenue growth (decline)	(10.2)%	(4.8)%	(7.4)%
Organic business	(10.5)%	(18.0)%	(14.4)%
Impact of foreign currency	0.3 %	(0.1)%	0.1 %
Acquisition	— %	13.3 %	6.9 %

(1) The three and nine months ended November 30, 2025 include a full three and nine months, respectively, of operating results from Olive & June, acquired on December 16, 2024. For additional information see Note 4 to the accompanying condensed consolidated financial statements.

In the above tables, Organic business refers to our net sales revenue associated with product lines or brands after the first twelve months from the date the product line or brand was acquired, excluding the impact that foreign currency remeasurement had on reported net sales revenue. Net sales revenue from internally developed brands or product lines is considered Organic business activity.

Consolidated Net Sales Revenue

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025
Consolidated net sales revenue decreased $17.9 million, or 3.4%, to $512.8 million, compared to $530.7 million. The decline was driven by a decrease from Organic business of $57.1 million, or 10.8%, primarily due to:

- a decline in Beauty & Wellness due to lower sales of beauty products driven by softer consumer demand, increased competition, and the cancellation of direct import orders from China and a decrease in Wellness primarily due to the evolving dynamics in the China market favoring localized production, lower consumer demand and stop shipment actions in support of consistent adoption of tariff related price increases by our retail partners; and
- a decline in Home & Outdoor due to lower sales in the insulated beverageware category driven by continued competition, reduced replenishment orders from retail customers, and lower club and closeout channel sales.

These factors were partially offset by strong demand for travel, technical and lifestyle packs in Home & Outdoor.

The Olive & June acquisition contributed $37.7 million, or 7.1%, to consolidated net sales revenue growth. Consolidated net sales revenue was favorably impacted by net foreign currency fluctuations of approximately $1.6 million, or 0.3%.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025
Consolidated net sales revenue decreased $105.5 million, or 7.4%, to $1,316.3 million, compared to $1,421.8 million. The decline was driven by a decrease from Organic business of $204.2 million, or 14.4%, primarily due to:

- a decline in Beauty & Wellness due to a decrease in sales of thermometers and fans primarily due to reduced replenishment and direct import orders from retail customers in Wellness, and a decline in Beauty driven by softer consumer demand, increased competition, a net distribution loss year-over-year, and the cancellation of direct import orders from China in Beauty; and
- a decline in Home & Outdoor due to continued competition and a net distribution loss year-over-year in the insulated beverageware category, lower replenishment orders from retail customers, softer consumer demand, and a decrease in club and closeout channel sales.

These factors were partially offset by:

- strong demand for technical, travel and lifestyle packs in Home & Outdoor;
- incremental sales from new product launches in the insulated beverageware category within Home & Outdoor; and
- the favorable comparative impact of shipping disruption at our Tennessee distribution facility due to automation startup issues affecting Home & Outdoor during the first quarter of fiscal 2025.

The Olive & June acquisition contributed $97.9 million or 6.9%, to consolidated net sales revenue growth. Consolidated net sales revenue was favorably impacted by net foreign currency fluctuations of approximately $0.8 million, or 0.1%.

Segment Net Sales Revenue

Home & Outdoor

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025

Net sales revenue decreased $16.5 million, or 6.7%, to $229.6 million, compared to $246.1 million. The decrease was primarily driven by:

- continued competition, lower replenishment orders from retail customers partially due to retailer inventory rebalancing in response to softer demand trends, and a decrease in club channel sales in the insulated beverageware category;
- a decrease in online channel sales in the home category; and
- lower closeout channel sales.

These factors were partially offset by:

- the benefit of tariff related customer price increases;
- strong demand for travel, technical and lifestyle packs;
- higher brick and mortar sales in the home category primarily due to strong holiday season orders; and
- incremental sales from new product launches in the insulated beverageware category.

Segment net sales revenue was favorably impacted by net foreign currency fluctuations of approximately $1.0 million, or 0.4%.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025

Net sales revenue decreased $70.2 million, or 10.2%, to $616.3 million, compared to $686.5 million. The decrease was primarily driven by:

- softer consumer demand and lower replenishment orders from retail customers, partially due to retailer inventory rebalancing in response to demand trends;
- continued competition, a net distribution loss year-over-year and cancellation of direct import orders in response to higher tariffs in the insulated beverageware category;
- a decrease in club channel sales in response to higher tariffs;
- lower closeout channel sales; and
- the unfavorable impact of retailer pull-forward activity in the fourth quarter of fiscal 2025 in response to tariff uncertainty and anticipated supply disruption.

These factors were partially offset by:

- strong demand for technical, travel and lifestyle packs;
- the benefit of tariff related customer price increases;
- incremental sales from new product launches in the insulated beverageware category;
- higher sales from expanded distribution in the home category; and
- the favorable comparative impact of shipping disruption at our Tennessee distribution facility due to automation startup issues during the first quarter of fiscal 2025.

Segment net sales revenue was favorably impacted by net foreign currency fluctuations of approximately $1.8 million, or 0.3%.

Beauty & Wellness

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025
Net sales revenue decreased $1.4 million, or 0.5%, to $283.2 million, compared to $284.6 million. The decrease was primarily driven by a decrease from Organic business of $39.7 million, or 13.9%, primarily due to:

- a decline in Beauty primarily due to softer consumer demand, increased competition, the cancellation of direct import orders from China in response to higher tariffs and lower closeout channel sales;
- a decline in thermometry primarily due to evolving dynamics in the China market, including a shift away from cross-border ecommerce toward localized fulfillment models, heightened competition from domestic sellers benefiting from government subsidies, and lower replenishment due to a weaker illness season last year in Asia;
- a decline in Wellness as a result of stop shipment actions in support of consistent adoption of tariff related price increases by our retail partners; and
- the impact of a below average illness season on the humidification category.

The Olive & June acquisition contributed $37.7 million, or 13.2%, to segment net sales revenue growth. Segment net sales revenue was favorably impacted by net foreign currency fluctuations of approximately $0.6 million, or 0.2%.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025
Net sales revenue decreased $35.3 million, or 4.8%, to $699.9 million, compared to $735.3 million. The decrease was primarily driven by a decrease from Organic business of $132.3 million, or 18.0%, primarily due to:

- a decline in Beauty primarily due to softer consumer demand, increased competition, a net distribution loss year-over-year, the cancellation of direct import orders from China in response to higher tariffs and lower closeout channel sales;
- a decline in thermometry primarily due to evolving dynamics in the China market, including a shift away from cross-border ecommerce toward localized fulfillment models, heightened competition from domestic sellers benefiting from government subsidies, and lower replenishment due to a weaker illness season in Asia;
- a decrease in fan sales primarily driven by reduced replenishment orders from retail customers due to a decline in consumer demand and the cancellation of direct import orders from China in response to higher tariffs;
- a decrease in humidification due to stop shipment actions in support of consistent adoption of tariff related price increases by our retail partners and the impact of a below average illness season;
- a decrease in heater sales driven by reduced direct import orders from China in response to higher tariffs;
- a decrease in water filtration primarily driven by softer consumer demand, increased competitive promotional activity and stop shipment actions in support of consistent adoption of tariff related price increases by our retail partners; and
- sales of fans and air purifiers were also unfavorably impacted by stop shipment actions related to the consistent adoption of tariff related price increases by our retail partners and lower consumer demand.

These factors were partially offset by the favorable comparative impact of the shipping disruption from the Curlsmith system integration during the first quarter of fiscal 2025.

The Olive & June acquisition contributed $97.9 million, or 13.3%, to segment net sales revenue growth. Segment net sales revenue was unfavorably impacted by net foreign currency fluctuations of approximately $1.0 million, or 0.1%.

Consolidated Gross Profit Margin

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025
Consolidated gross profit margin decreased 2.0 percentage points to 46.9%, compared to 48.9%. The decrease in consolidated gross profit margin was primarily due to the net unfavorable impact of higher tariffs and a less favorable inventory obsolescence impact year-over-year.

These factors were partially offset by the favorable impact of the acquisition of Olive & June within the Beauty & Wellness segment and lower commodity and product costs, partly driven by Project Pegasus initiatives.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025
Consolidated gross profit margin decreased 1.7 percentage points to 46.0%, compared to 47.7%. The decrease in consolidated gross profit margin was primarily due to the net unfavorable impact of tariffs, higher retail trade and promotional expense, and a less favorable inventory obsolescence impact year-over-year.

These factors were partially offset by the favorable impact of the acquisition of Olive & June within the Beauty & Wellness segment and lower commodity and product costs, partly driven by Project Pegasus initiatives.

Consolidated SG&A

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025
Consolidated SG&A ratio increased 1.6 percentage points to 35.6%, compared to 34.0%. The increase in the consolidated SG&A ratio was primarily due to:

- the impact of the Olive & June acquisition;
- higher outbound freight costs;
- an increase in annual incentive compensation expense; and
- the impact of unfavorable operating leverage due to the decrease in net sales.

These factors were partially offset by lower marketing expense year-over-year.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025
Consolidated SG&A ratio increased 2.8 percentage points to 40.1%, compared to 37.3%. The increase in the consolidated SG&A ratio was primarily due to:

- higher outbound freight costs;
- an increase in annual incentive compensation expense;
- the impact of the Olive & June acquisition;
- CEO succession costs of $3.5 million; and
- the impact of unfavorable operating leverage due to the decrease in net sales.

These factors were partially offset by the favorable comparative impact of higher distribution center expense in the prior year period primarily due to additional costs and lost efficiency associated with automation startup issues at our Tennessee distribution facility.

Asset Impairment Charges

During the three months ended November 30, 2025, we recorded asset impairment charges of $65.9 million ($72.1 million after tax) to reduce our goodwill by $39.0 million and our other intangible assets by $26.9 million. During the nine months ended November 30, 2025, we recorded asset impairment charges of $806.7 million ($802.3 million after tax) to reduce our goodwill by $648.6 million and our other intangible assets by $158.1 million. For additional information regarding the testing and analysis performed, refer to "Critical Accounting Policies and Estimates" in this Item 2., "Management's Discussion and Analysis of Financial Condition and Results of Operations."

We did not record any asset impairment charges during the first nine months of fiscal 2025.

Restructuring Charges

During the nine months ended November 30, 2025, we incurred $3.0 million of pre-tax restructuring charges for severance and employee related costs as a result of personnel reductions outside of the scope of Project Pegasus.

During the three and nine months ended November 30, 2024, we incurred $3.5 million and $6.9 million, respectively, of pre-tax restructuring costs in connection with Project Pegasus, which were primarily comprised of severance and employee related costs, contract termination costs and professional fees. During the nine months ended November 30, 2025 and November 30, 2024, we made total cash restructuring payments related to Project Pegasus of $5.7 million and $9.8 million, respectively, and had a remaining liability of $2.0 million as of November 30, 2025.

Operating (Loss) Income, Operating Margin, Adjusted Operating Income (non-GAAP) and Adjusted Operating Margin (non-GAAP) by Segment

In order to provide a better understanding of the impact of certain items on our operating (loss) income, the tables that follow report the comparative pre-tax asset impairment charges, CEO succession costs, restructuring charges, amortization of intangible assets and non-cash share-based compensation, as applicable, on operating (loss) income and operating margin for each segment and in total for the periods presented below. Adjusted operating income and adjusted operating margin may be considered non-GAAP financial measures as contemplated by SEC Regulation G, Rule 100. For additional information regarding management's decision to present this non-GAAP financial information, see the introduction to this Item 2., "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	Three Months Ended November 30, 2025					
(in thousands)	Home & Outdoor		Beauty & Wellness		Total	
Operating loss, as reported (GAAP)	$ (72)	— %	$ (8,298)	(2.9)%	$ (8,370)	(1.6)%
Asset impairment charges	24,000	10.5 %	41,906	14.8 %	65,906	12.9 %
Subtotal	23,928	10.4 %	33,608	11.9 %	57,536	11.2 %
Amortization of intangible assets	1,377	0.6 %	2,331	0.8 %	3,708	0.7 %
Non-cash share-based compensation	2,013	0.9 %	3,017	1.1 %	5,030	1.0 %
Adjusted operating income (non-GAAP)	$ 27,318	11.9 %	$ 38,956	13.8 %	$ 66,274	12.9 %

	Three Months Ended November 30, 2024					
(in thousands)	Home & Outdoor		Beauty & Wellness		Total	
Operating income, as reported (GAAP)	$ 40,313	16.4 %	$ 34,805	12.2 %	$ 75,118	14.2 %
Restructuring charges	770	0.3 %	2,748	1.0 %	3,518	0.7 %
Subtotal	41,083	16.7 %	37,553	13.2 %	78,636	14.8 %
Amortization of intangible assets	1,770	0.7 %	2,777	1.0 %	4,547	0.9 %
Non-cash share-based compensation	2,476	1.0 %	2,254	0.8 %	4,730	0.9 %
Adjusted operating income (non-GAAP)	$ 45,329	18.4 %	$ 42,584	15.0 %	$ 87,913	16.6 %

	Nine Months Ended November 30, 2025					
(in thousands)	Home & Outdoor		Beauty & Wellness		Total	
Operating loss, as reported (GAAP)	$ (286,443)	(46.5)%	$ (444,682)	(63.5)%	$ (731,125)	(55.5)%
Asset impairment charges	328,632	53.3 %	478,053	68.3 %	806,685	61.3 %
CEO succession costs	1,742	0.3 %	1,742	0.2 %	3,484	0.3 %
Restructuring charges	1,501	0.2 %	1,504	0.2 %	3,005	0.2 %
Subtotal	45,432	7.4 %	36,617	5.2 %	82,049	6.2 %
Amortization of intangible assets	4,532	0.7 %	8,050	1.2 %	12,582	1.0 %
Non-cash share-based compensation	6,295	1.0 %	8,403	1.2 %	14,698	1.1 %
Adjusted operating income (non-GAAP)	$ 56,259	9.1 %	$ 53,070	7.6 %	$ 109,329	8.3 %

	Nine Months Ended November 30, 2024					
(in thousands)	Home & Outdoor		Beauty & Wellness		Total	
Operating income, as reported (GAAP)	$ 87,315	12.7 %	$ 53,418	7.3 %	$ 140,733	9.9 %
Restructuring charges	1,728	0.3 %	5,151	0.7 %	6,879	0.5 %
Subtotal	89,043	13.0 %	58,569	8.0 %	147,612	10.4 %
Amortization of intangible assets	5,303	0.8 %	8,303	1.1 %	13,606	1.0 %
Non-cash share-based compensation	8,303	1.2 %	7,747	1.1 %	16,050	1.1 %
Adjusted operating income (non-GAAP)	$ 102,649	15.0 %	$ 74,619	10.1 %	$ 177,268	12.5 %

Consolidated Operating (Loss) Income

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025
Consolidated operating loss was $8.4 million, or (1.6)% of net sales revenue, compared to consolidated operating income of $75.1 million, or 14.2% of net sales revenue. Operating loss in the third quarter of fiscal 2026 included $65.9 million of pre-tax asset impairment charges. The remaining 2.9 percentage point decrease in consolidated operating margin was primarily due to:

- the net unfavorable impact of higher tariffs on our gross profit;
- a less favorable inventory obsolescence impact year-over-year;
- higher outbound freight costs;
- an increase in annual incentive compensation expense; and
- the impact of unfavorable operating leverage due to the decrease in net sales.

These factors were partially offset by:

- the favorable comparative impact of restructuring costs of $3.5 million recognized in the prior year period;
- the favorable impact of the acquisition of Olive & June within the Beauty & Wellness segment;
- lower commodity and product costs, partly driven by Project Pegasus initiatives; and
- reduced marketing expense.

Consolidated adjusted operating income decreased 24.6% to $66.3 million, or 12.9% of net sales revenue, compared to $87.9 million, or 16.6% of net sales revenue.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025
Consolidated operating loss was $731.1 million, or (55.5)% of net sales revenue, compared to consolidated operating income of $140.7 million, or 9.9% of net sales revenue. Operating loss during the first nine months of fiscal 2026 included $806.7 million of pre-tax asset impairment charges. The remaining 4.1 percentage point decrease in consolidated operating margin was primarily due to:

- the net unfavorable impact of higher tariffs on our gross profit;
- higher retail trade and promotional expense;
- increased outbound freight costs;
- a less favorable inventory obsolescence impact year-over-year;
- an increase in annual incentive compensation expense;
- CEO succession costs of $3.5 million; and
- the impact of unfavorable operating leverage due to the decrease in net sales.

These factors were partially offset by:

- the favorable impact of the acquisition of Olive & June within the Beauty & Wellness segment;
- lower commodity and product costs, partly driven by Project Pegasus initiatives; and
- the favorable comparative impact of higher distribution center expense in the prior year period primarily due to additional costs and lost efficiency associated with automation startup issues at our Tennessee distribution facility.

Consolidated adjusted operating income decreased 38.3% to $109.3 million, or 8.3% of net sales revenue, compared to $177.3 million, or 12.5% of net sales revenue.

Home & Outdoor

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025
Operating loss was $0.1 million, or 0.0% of segment net sales revenue, compared to operating income of $40.3 million, or 16.4% of segment net sales revenue. Operating loss in the third quarter of fiscal 2026 included $24.0 million of pre-tax asset impairment charges. The remaining 5.9 percentage point decrease in segment operating margin was primarily due to:

- the net unfavorable impact of higher tariffs on our gross profit;
- higher retail trade and promotional expense;
- less favorable inventory obsolescence impact year-over-year;
- higher outbound freight costs;
- an increase in annual incentive compensation expense; and
- the impact of unfavorable operating leverage due to the decrease in net sales.

These factors were partially offset by:

- reduced marketing expense; and
- lower commodity and product costs, partly driven by Project Pegasus initiatives.

Adjusted operating income decreased 39.7% to $27.3 million, or 11.9% of segment net sales revenue, compared to $45.3 million, or 18.4% of segment net sales revenue.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025
Operating loss was $286.4 million, or (46.5)% of segment net sales revenue, compared to operating income of $87.3 million, or 12.7% of segment net sales revenue. Operating loss during the first nine months of fiscal 2026 included $328.6 million of pre-tax asset impairment charges. The remaining 5.9 percentage point decrease in segment operating margin was primarily due to:

- the net unfavorable impact of higher tariffs on our gross profit;
- higher retail trade and promotional expense;
- less favorable inventory obsolescence impact year-over-year;
- higher outbound freight costs;
- an increase in annual incentive compensation expense; and
- the impact of unfavorable operating leverage due to the decrease in net sales.

These factors were partially offset by lower commodity and product costs, partly driven by Project Pegasus initiatives, and the favorable comparative impact of higher distribution center expense in the prior year period.

Adjusted operating income decreased 45.2% to $56.3 million, or 9.1% of segment net sales revenue, compared to $102.6 million, or 15.0% of segment net sales revenue.

Beauty & Wellness

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025
Operating loss was $8.3 million, or (2.9)% of segment net sales revenue, compared to operating income of $34.8 million, or 12.2% of segment net sales revenue. Operating loss in the third quarter of fiscal 2026 included $41.9 million of pre-tax asset impairment charges. The remaining 0.3 percentage point decrease in segment operating margin was primarily due to:

- the net unfavorable impact of higher tariffs on our gross profit;
- a less favorable inventory obsolescence impact year-over-year;
- higher outbound freight costs;
- an increase in annual incentive compensation expense; and
- the impact of unfavorable operating leverage due to the decrease in net sales.

These factors were partially offset by:

- lower retail trade and promotional expense;
- the favorable comparative impact of restructuring costs of $2.7 million recognized in the prior year period;
- the favorable impact of the acquisition of Olive & June; and
- lower commodity and product costs, partly driven by Project Pegasus initiatives.

Adjusted operating income decreased 8.5% to $39.0 million, or 13.8% of segment net sales revenue, compared to $42.6 million, or 15.0% of segment net sales revenue.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025
Operating loss was $444.7 million, or (63.5)% of segment net sales revenue, compared to operating income of $53.4 million, or 7.3% of segment net sales revenue. Operating loss during the first nine months of fiscal 2026 included $478.1 million of pre-tax asset impairment charges. The remaining 2.5 percentage point decrease in segment operating margin was primarily due to:

- the net unfavorable impact of higher tariffs on our gross profit;
- increased marketing expense;
- higher outbound freight costs;
- a less favorable inventory obsolescence impact year-over-year;
- an increase in annual incentive compensation expense; and
- the impact of unfavorable operating leverage due to the decrease in net sales.

These factors were partially offset by the favorable impact of the acquisition of Olive & June and lower commodity and product costs, partly driven by Project Pegasus initiatives.

Adjusted operating income decreased 28.9% to $53.1 million, or 7.6% of segment net sales revenue, compared to $74.6 million, or 10.1% of segment net sales revenue.

Interest Expense

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025
Interest expense was $15.9 million, compared to $12.2 million. The increase in interest expense was primarily due to higher average borrowings outstanding compared to the same period last year.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025
Interest expense was $43.9 million, compared to $37.9 million. The increase in interest expense was primarily due to higher average borrowings outstanding, partially offset by a lower average effective interest rate inclusive of the impact of our interest rate swaps compared to the same period last year.

Income Tax Expense

The comparison of our effective tax rate between periods is often impacted by the geographic mix of earnings among our various tax jurisdictions. Due to our organization in Bermuda and the ownership structure of our foreign subsidiaries, many of which are not owned directly or indirectly by a U.S. parent company, an immaterial amount of our foreign income is subject to U.S. taxation on a permanent basis under current law. Additionally, our intangible assets are primarily owned by foreign affiliates, resulting in proportionally higher earnings in jurisdictions with statutory tax rates lower than the U.S.

In July 2025, a reconciliation bill, commonly referred to as the One Big Beautiful Bill Act, was signed into law. The legislation includes a broad range of U.S. tax reform provisions. There were no discrete effects in the second quarter of fiscal 2026, and we do not expect a material impact on our fiscal 2026 consolidated financial statements.

The Organisation for Economic Co-operation and Development ("OECD") has introduced a framework to implement a global minimum corporate income tax of 15%, referred to as "Pillar Two." Certain countries in which we operate have enacted, or are in process of enacting, domestic legislation aligned with OECD's Pillar Two "Model Rules." Pillar Two legislation in effect for our fiscal 2025 and 2026 has been incorporated into our financial statements.

In June 2025, the Group of Seven, comprised of Canada, France, Germany, Italy, Japan, the United Kingdom and the U.S., announced an agreement under which U.S. multinational companies would be excluded from certain elements of the Pillar Two global minimum tax rules in exchange for the U.S. withdrawing planned retaliatory tax measures. This agreement has not yet been formally incorporated into the OECD Pillar Two Model Rules. We will continue to monitor the potential implications of this development, as it may influence the broader application of the Pillar Two Model Rules globally.

In the fourth quarter of fiscal 2025, we implemented a reorganization involving the transfer of intangible assets previously held by Helen of Troy Limited (Barbados) to our subsidiary in Switzerland. The reorganization resulted in the consolidation of the ownership of intangible assets, supporting streamlined internal licensing and centralized management of the intangible assets. Further, the reorganization resulted in a transitional income tax benefit of $64.6 million from the recognition of a deferred tax asset of $74.0 million, partially offset by taxes associated with the transfer. As described below, a full valuation allowance has been recorded on this deferred tax asset as of the end of the third quarter of fiscal 2026.

In response to Pillar Two, on May 24, 2024, Barbados enacted a domestic corporate income tax rate of 9%, effective for our fiscal 2025 and a domestic minimum top-up tax ("DMTT") of 15% which was effective beginning with our fiscal 2026. During the first quarter of fiscal 2025, we incorporated the corporate income tax into our estimated annual effective tax rate and revalued our existing deferred tax liabilities subject to the Barbados legislation, which resulted in a discrete tax charge of $6.0 million. However, as a result of the reorganization of our intangible assets described above, the Barbados corporate income tax and DMTT will not have a material impact on our condensed consolidated financial statements beginning in fiscal 2026.

Like Barbados, the government of Bermuda enacted a 15% corporate income tax that was effective for us beginning in fiscal 2026. This Bermuda tax will not have a material impact on our condensed consolidated financial statements.

We expect our fiscal 2026 effective tax rate, excluding discrete items and asset impairment charges described below and in Note 5, to increase relative to historical periods due to the impact of global tax reform initiatives, including the implementation of Pillar Two. As additional jurisdictions implement or revise legislation in response to these reforms, we could experience further adverse impacts on our global effective tax rate.

For interim periods, our income tax expense and resulting effective tax rate are based on an estimated annual effective tax rate, adjusted for the impact of discrete items recognized in the period. Discrete items include changes in tax laws or rates, changes in estimates for uncertain tax positions, excess tax benefits or deficiencies from stock-based compensation, foreign currency remeasurement effects that are not reasonably estimable, and other infrequent or non-recurring items. Discrete items do not include the asset impairment charges described below and in Note 5 to the accompanying condensed consolidated financial statements.

During the three and nine months ended November 30, 2025, we recognized goodwill and other intangible asset impairment charges of $65.9 million and $806.7 million, respectively, which included $37.7 million and $548.7 million, respectively, of non-deductible goodwill that will not result in a tax benefit. The expected tax benefit, net of valuation allowances, of $15.5 million on the year-to-date impairment charges will be recognized over the course of the fiscal year in relation to pre-tax book income, rather than as a discrete item in the periods in which the charges were incurred.

The downward revisions to our internal forecasts utilized in our impairment testing during fiscal 2026 impacted our assessment of the realizability of net deferred tax assets for our Switzerland subsidiary as of the beginning of the fiscal year. Based on these revisions and in accordance with ASC 740, *Income Taxes*, we recorded discrete partial valuation allowances during the first and second quarters of fiscal 2026 and ultimately full valuation allowances of $34.8 million and $64.8 million for the three and nine months ended November 30, 2025, respectively. We expect to maintain a full valuation allowance on these net deferred tax assets until we have objective factors that demonstrate the likelihood of realizing these deferred tax benefits.

For the three months ended November 30, 2025, income tax expense was $60.0 million on a pre-tax loss of $24.0 million, compared to income tax expense of $13.5 million on pre-tax income of $63.2 million for the same period last year. The increase in tax expense relative to pre-tax income (loss) is primarily due to non-deductible impairment charges and valuation allowances on deferred tax assets recorded in the third quarter of fiscal 2026, as discussed above.

For the nine months ended November 30, 2025, income tax expense was $69.2 million on a pre-tax loss of $774.2 million, compared to income tax expense of $30.4 million on pre-tax income of $103.3 million for the same period last year. The increase in tax expense relative to pre-tax income (loss) is primarily due to non-deductible impairment charges and valuation allowances on deferred tax assets recorded during the nine months ended November 30, 2025, as discussed above.

Net (Loss) Income, Diluted (Loss) Earnings Per Share, Adjusted Income (non-GAAP) and Adjusted Diluted Earnings Per Share (non-GAAP)

In order to provide a better understanding of the impact of certain items on our (loss) income and diluted (loss) earnings per share, the tables that follow report the comparative after-tax impact of asset impairment charges, Barbados tax reform, CEO succession costs, intangible asset reorganization, restructuring charges, amortization of intangible assets and non-cash share-based compensation, as applicable, on (loss) income and diluted (loss) earnings per share for the periods presented below. Adjusted income and adjusted diluted earnings per share may be considered non-GAAP financial measures as contemplated by SEC Regulation G, Rule 100. For additional information regarding management's decision to present this non-GAAP financial information, see the introduction to this Item 2., "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	Three Months Ended November 30, 2025					
	(Loss) Income			**Diluted (Loss) Earnings Per Share**		
(in thousands, except per share data)	**Before Tax**	**Tax**	**Net of Tax**	**Before Tax**	**Tax**	**Net of Tax**
As reported (GAAP)	**$ (24,014)**	**$ 60,042**	**$ (84,056)**	**$ (1.04)**	**$ 2.61**	**$ (3.65)**
Asset impairment charges	**65,906**	**(6,232)**	**72,138**	**2.84**	**(0.27)**	**3.11**
Intangible asset reorganization	**—**	**(44,056)**	**44,056**	**—**	**(1.90)**	**1.90**
Subtotal	**41,892**	**9,754**	**32,138**	**1.81**	**0.42**	**1.39**
Amortization of intangible assets	**3,708**	**638**	**3,070**	**0.16**	**0.03**	**0.13**
Non-cash share-based compensation	**5,030**	**521**	**4,509**	**0.22**	**0.02**	**0.19**
Adjusted (non-GAAP)	**$ 50,630**	**$ 10,913**	**$ 39,717**	**$ 2.18**	**$ 0.47**	**$ 1.71**
Weighted average shares of common stock used in computing:						
Diluted loss per share, as reported						**23,035**
Adjusted diluted earnings per share (non-GAAP)						**23,180**

	Three Months Ended November 30, 2024					
	Income			**Diluted Earnings Per Share**		
(in thousands, except per share data)	**Before Tax**	**Tax**	**Net of Tax**	**Before Tax**	**Tax**	**Net of Tax**
As reported (GAAP)	$ 63,152	$ 13,536	$ 49,616	$ 2.76	$ 0.59	$ 2.17
Restructuring charges	3,518	316	3,202	0.15	0.01	0.14
Subtotal	66,670	13,852	52,818	2.91	0.61	2.31
Amortization of intangible assets	4,547	664	3,883	0.20	0.03	0.17
Non-cash share-based compensation	4,730	354	4,376	0.21	0.02	0.19
Adjusted (non-GAAP)	$ 75,947	$ 14,870	$ 61,077	$ 3.32	$ 0.65	$ 2.67
Weighted average shares of common stock used in computing reported and non-GAAP diluted earnings per share						22,882

	Nine Months Ended November 30, 2025					
	(Loss) Income			Diluted (Loss) Earnings Per Share		
(in thousands, except per share data)	**Before Tax**	**Tax**	**Net of Tax**	**Before Tax**	**Tax**	**Net of Tax**
As reported (GAAP)	**$ (774,241)**	**$ 69,176**	**$ (843,417)**	**$ (33.69)**	**$ 3.01**	**$ (36.70)**
Asset impairment charges	**806,685**	**4,418**	**802,267**	**34.99**	**0.19**	**34.80**
CEO succession costs	**3,484**	**153**	**3,331**	**0.15**	**0.01**	**0.14**
Intangible asset reorganization	**—**	**(74,015)**	**74,015**	**—**	**(3.21)**	**3.21**
Restructuring charges	**3,005**	**421**	**2,584**	**0.13**	**0.02**	**0.11**
Subtotal	**38,933**	**153**	**38,780**	**1.69**	**0.01**	**1.68**
Amortization of intangible assets	**12,582**	**2,189**	**10,393**	**0.55**	**0.09**	**0.45**
Non-cash share-based compensation	**14,698**	**1,123**	**13,575**	**0.64**	**0.05**	**0.59**
Adjusted (non-GAAP)	**$ 66,213**	**$ 3,465**	**$ 62,748**	**$ 2.87**	**$ 0.15**	**$ 2.72**

Weighted average shares of common stock used in computing:	
Diluted loss per share, as reported	**22,979**
Adjusted diluted earnings per share (non-GAAP)	**23,054**

	Nine Months Ended November 30, 2024					
	Income			Diluted Earnings Per Share		
(in thousands, except per share data)	**Before Tax**	**Tax**	**Net of Tax**	**Before Tax**	**Tax**	**Net of Tax**
As reported (GAAP)	$ 103,278	$ 30,444	$ 72,834	$ 4.47	$ 1.32	$ 3.15
Barbados tax reform	—	(6,045)	6,045	—	(0.26)	0.26
Restructuring charges	6,879	619	6,260	0.30	0.03	0.27
Subtotal	110,157	25,018	85,139	4.76	1.08	3.68
Amortization of intangible assets	13,606	1,986	11,620	0.59	0.09	0.50
Non-cash share-based compensation	16,050	839	15,211	0.69	0.04	0.66
Adjusted (non-GAAP)	$ 139,813	$ 27,843	$ 111,970	$ 6.05	$ 1.20	$ 4.84

Weighted average shares of common stock used in computing reported and non-GAAP diluted earnings per share	23,118

Comparison of Third Quarter Fiscal 2026 to Third Quarter Fiscal 2025

Net loss was $84.1 million, compared to net income of $49.6 million. Diluted loss per share was $3.65, compared to diluted earnings per share of $2.17. The decrease is primarily due to the recognition of an after-tax asset impairment charge of $72.1 million during the third quarter of fiscal 2026, higher income tax expense primarily from the recognition of a valuation allowance on a deferred tax asset related to our intangible asset reorganization in fiscal 2025, lower operating income exclusive of the asset impairment charges and an increase in interest expense.

Adjusted income decreased $21.4 million, or 35.0%, to $39.7 million, compared to $61.1 million. Adjusted diluted earnings per share decreased 36.0% to $1.71, compared to $2.67.

Comparison of First Nine Months of Fiscal 2026 to First Nine Months of Fiscal 2025

Net loss was $843.4 million, compared to net income of $72.8 million. Diluted loss per share was $36.70, compared to diluted earnings per share of $3.15. The decrease is primarily due to the recognition of after-tax asset impairment charges of $802.3 million during the first nine months of fiscal 2026, higher income tax expense primarily from the recognition of a valuation allowance on a deferred tax asset related to our intangible asset reorganization in fiscal 2025, lower operating income exclusive of the asset impairment charges and an increase in interest expense.

Adjusted income decreased $49.2 million, or 44.0%, to $62.7 million, compared to $112.0 million. Adjusted diluted earnings per share decreased 43.8% to $2.72, compared to $4.84.

Liquidity and Capital Resources

We principally rely on our cash flow from operations and borrowings under our Credit Agreement (as defined below) to finance our operations, capital and intangible asset expenditures, acquisitions and share repurchases. Historically, our principal uses of cash to fund our operations have included operating expenses, primarily SG&A, and working capital, predominantly for inventory purchases and the extension of credit to our retail customers. We have typically been able to generate positive cash flow from operations sufficient to fund our operating activities. In the past, we have utilized a combination of available cash and existing, or additional, sources of financing to fund strategic acquisitions, share repurchases and capital investments. We generated $59.8 million in cash from operations during the first nine months of fiscal 2026 and had $27.1 million in cash and cash equivalents at November 30, 2025. As of November 30, 2025, the amount of cash and cash equivalents held by our foreign subsidiaries was $19.8 million. We have no existing activities involving special purpose entities or off-balance sheet financing.

We believe our short-term liquidity requirements will primarily consist of operating and working capital requirements, capital expenditures and interest payments on our debt.

Based on our current financial condition and current operations, we believe that cash flows from operations and available financing sources will continue to provide sufficient capital resources to fund our foreseeable short- and long-term liquidity requirements.

We continue to evaluate acquisition opportunities on a regular basis. We may finance acquisition activity with available cash, the issuance of shares of common stock, additional debt, or other sources of financing, depending upon the size and nature of any such transaction and the status of the capital markets at the time of such acquisition.

We may also elect to repurchase additional shares of common stock under our Board of Directors' authorization, subject to limitations contained in our debt agreement and based upon our assessment of a number of factors, including share price, trading volume and general market conditions, working capital requirements, general business conditions, financial conditions, any applicable contractual limitations, and other factors, including alternative investment opportunities. We may finance share repurchases with available cash, additional debt or other sources of financing. For additional information, see Part II, Item 5., "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities" in our Form 10-K and Part II, Item 2., "Unregistered Sales of Equity Securities and Use of Proceeds" in this report.

Operating Activities

Operating activities provided net cash of $59.8 million for the nine months ended November 30, 2025, compared to net cash provided of $78.2 million for the same period last year. The decrease in cash provided by operating activities was primarily driven by a decrease in cash earnings and increases in payments for inventory, inclusive of higher tariffs, and interest, partially offset by decreases in cash used primarily for accounts receivable, annual incentive compensation, income taxes and restructuring activities.

Investing Activities

Investing activities used net cash of $27.1 million during the nine months ended November 30, 2025, compared to net cash used of $23.6 million for the same period last year. The increase in cash used by investing activities was primarily due to an increase in capital and intangible asset expenditures, partially offset by a favorable net working capital settlement during the first quarter of fiscal 2026 related to the acquisition of Olive & June. The increase in capital and intangible asset expenditures was primarily due to an increase in expenditures for buildings and improvements, computer, furniture and other equipment, and tooling, molds, and other production equipment, primarily driven by manufacturing diversification outside of China.

Financing Activities

Financing activities used net cash of $24.5 million during the nine months ended November 30, 2025, compared to net cash used of $32.4 million for the same period last year. The decrease in cash used by financing activities is primarily due to a decrease in payments for repurchases of common stock, partially offset by net repayments of our long-term debt of $24.3 million during the nine months ended November 30, 2025, in comparison to net borrowings of $67.3 million during the same period last year.

Credit Agreement

On February 15, 2024, we entered into a credit agreement (the “Credit Agreement”) with Bank of America, N.A., as administrative agent, and other lenders that provides for aggregate commitments of $1.5 billion, which are available through (i) a $1.0 billion revolving credit facility, which includes a $50 million sublimit for the issuance of letters of credit, (ii) a $250 million term loan facility, and (iii) a committed $250 million delayed draw term loan facility, which permitted multiple drawdowns until August 15, 2025. Proceeds can be used for working capital and other general corporate purposes, including funding permitted acquisitions. At the closing date, February 15, 2024, we borrowed $457.5 million under the revolving credit facility and $250.0 million under the term loan facility and utilized the proceeds to repay all debt outstanding under our prior credit agreement. During the first quarter of fiscal 2026, we borrowed $250.0 million under the delayed draw term loan facility and utilized the proceeds to repay debt outstanding under the revolving credit facility. During the first quarter of fiscal 2026, we capitalized $0.4 million of lender fees and a de minimis amount of third-party fees incurred in connection with the delayed draw term loan facility borrowing, which were recorded as prepaid financing fees in long-term debt. The Credit Agreement matures on February 15, 2029. The Credit Agreement includes an accordion feature, which permits the Company to request to increase its borrowing capacity by an additional $300 million plus an unlimited amount when the Leverage Ratio (as defined in the Credit Agreement) on a pro-forma basis is less than 3.25 to 1.00. The term loans are payable at the end of each fiscal quarter in equal installments of 0.625% through February 28, 2025, 0.9375% through February 28, 2026, and 1.25% thereafter of the original principal balance of the term loans, which began in the first quarter of fiscal 2025 for the term loan facility and began in the second quarter of fiscal 2026 for the delayed draw term loan facility, with the remaining balance due at the maturity date. Borrowings under the Credit Agreement bear floating interest at either the Base Rate or Term SOFR (as defined in the Credit Agreement), plus a margin based on the Net Leverage Ratio (as defined in the Credit Agreement) of 0% to 1.125% and 1.0% to 2.125% for Base Rate and Term SOFR borrowings, respectively.

The floating interest rates on our borrowings under the Credit Agreement are hedged with interest rate swaps to effectively fix interest rates on $625 million and $550 million of the outstanding principal balance under the Credit Agreement as of November 30, 2025 and February 28, 2025, respectively. For additional information regarding our interest rate swaps, see Notes 11, 12, and 13 to the accompanying condensed consolidated financial statements.

In connection with the acquisition of Olive & June, we provided notice of a Qualified Acquisition (as defined in the Credit Agreement) and borrowed $235.0 million under our Credit Agreement to fund the acquisition initial cash consideration. The exercise of the Qualified Acquisition notice triggered temporary adjustments to the maximum Leverage Ratio, which was 3.50 to 1.00 before the impact of the qualified acquisition notice. As a result of the Qualified Acquisition notice, commencing at the beginning of our fourth quarter of fiscal 2025, the maximum Leverage Ratio was 4.50 to 1.00 through November 30, 2025. For additional information on the acquisition, see Note 4 to the accompanying condensed consolidated financial statements.

On November 25, 2025, we entered into an amendment to the Credit Agreement (the “Amendment”), which provides for the following:

- Reduces the commitment under the revolving credit facility from $1.0 billion to $750.0 million;
- Adds a maximum tier level pursuant to which, if the Net Leverage Ratio is greater than or equal to 4.00 to 1.00, then borrowings under the Credit Agreement bear floating interest at either the Base Rate or Term SOFR, plus a margin of 1.375% and 2.375% for Base Rate and Term SOFR borrowings, respectively, plus a credit spread of 0.10% for Term SOFR borrowings;
- Amends the minimum Interest Coverage Ratio financial covenant to replace the numerator with a Consolidated EBITDA measure instead of a Consolidated EBIT measure (as those terms are defined in the Credit Agreement);
- Amends the maximum Leverage Ratio financial covenant so that it is not permitted to be greater than as set forth below as of the end of the fiscal quarter:

Fiscal Quarter Ending	***Maximum*** **Leverage Ratio**
November 30, 2025	4.50 to 1.00
February 28, 2026 through August 31, 2026	4.50 to 1.00
November 30, 2026	4.00 to 1.00
February 28, 2027 through May 31, 2027	3.75 to 1.00
August 31, 2027 and each fiscal quarter thereafter	3.50 to 1.00

  We may elect to use the Leverage Holiday (as defined in the Credit Agreement) in connection with the consummation of a Qualified Acquisition after August 31, 2027, if we are in compliance with the terms of the Credit Agreement and meet the other terms and conditions relating to a Qualified Acquisition.

- Until August 31, 2027, the following negative covenants are reduced, as described in the Amendment, a general investments basket, an unsecured indebtedness basket and the Permitted Receivables Financings (as defined in the Credit Agreement) basket.

In connection with the Amendment, we recognized a $0.9 million charge within interest expense to write-off unamortized prepaid financing fees related to the revolver due to the reduced commitment and capitalized $1.0 million of lender and third-party fees during the third quarter of fiscal 2026, which were recorded as prepaid financing fees in long-term debt.

As of November 30, 2025, the outstanding Credit Agreement principal balance was $897.5 million (excluding prepaid financing fees) and the balance of outstanding letters of credit was $9.5 million. As of November 30, 2025, the amount available for revolving loans under the Credit Agreement, as amended, was $334.5 million, and the amount available per the maximum Leverage Ratio was $135.6 million. Covenants in the Credit Agreement, as amended, limit the amount of total indebtedness we can incur. As of November 30, 2025, these covenants effectively limited our ability to incur more than $135.6 million of additional debt from all sources, including the Credit Agreement, as amended.

Debt Covenants

As of November 30, 2025, we were in compliance with all covenants as defined under the terms of the Credit Agreement, as amended.

Critical Accounting Policies and Estimates

The SEC defines critical accounting estimates as those made in accordance with generally accepted accounting principles that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on a company's financial condition or results of operations. For a discussion of the estimates that we consider to meet this definition and represent our more critical estimates and assumptions used in the preparation of our consolidated financial statements, see the section entitled "Critical Accounting Policies and Estimates" in our Form 10-K. Since the filing of our Form 10-K, there have been no material changes in our critical accounting policies and estimates from those disclosed therein, except as described below:

During the first, second and third quarters of fiscal 2026, we concluded that a goodwill impairment triggering event had occurred due to a further sustained decline in our stock price, resulting in our carrying value (excluding long-term debt) exceeding the Company's total enterprise value (market capitalization plus long-term debt). Additional factors that contributed to these conclusions included downward revisions to our internal forecasts and strategic long-term plans, which reflect the tariff policies in effect, timing of corresponding price increases and the related macroeconomic environment at the end of our first, second and third quarters of fiscal 2026, including the corresponding impact on consumer spending and retailer orders. These factors were applicable to all of our reporting units, indefinite-lived trademark licenses and trade names and definite-lived trademark licenses, trade names and certain other intangible assets. Thus, we performed quantitative impairment testing on our goodwill and intangible assets described above during the first, second and third quarters of fiscal 2026.

Based on the outcome of these assessments, we recognized pre-tax asset impairment charges as follows:

(in thousands)	Three Months Ended November 30, 2025	Nine Months Ended November 30, 2025
Home & Outdoor (1)	$ 24,000	$ 328,632
Beauty & Wellness (2)	41,906	478,053
Total	$ 65,906	$ 806,685

(1) Asset impairment charges recognized for our Home & Outdoor segment included charges for our Hydro Flask and Osprey businesses of $15.0 million and $9.0 million, respectively, for the three months ended November 30, 2025 and $180.5 million and $148.1 million, respectively, for the nine months ended November 30, 2025.

(2) Asset impairment charges recognized for our Beauty & Wellness segment included charges for our Health & Wellness, Drybar and Curlsmith businesses of $10.7 million, $3.1 million and $28.2 million, respectively, for the three months ended November 30, 2025 and for our Health & Wellness, Drybar, Curlsmith and Revlon businesses of $207.3 million, $154.5 million, $92.8 million and $23.5 million, respectively, for the nine months ended November 30, 2025.

Impairment of Goodwill

We review goodwill for impairment on an annual basis or more frequently whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If such circumstances or conditions exist, we perform a qualitative assessment to determine whether it is more likely than not that the assets are impaired. We evaluate goodwill at the reporting unit level (operating segment or one level below an operating segment). We operate two reportable segments, Home & Outdoor and Beauty & Wellness, which are comprised of eight reporting units, one of which did not have any goodwill recorded as of the beginning of fiscal 2026. If the results of the qualitative assessment indicate that it is more likely than not that the assets are impaired, further steps are required in order to determine whether the carrying value of each reporting unit exceeds its fair market value. An impairment charge is recognized to the extent the goodwill recorded exceeds the reporting unit's fair value. We perform our annual impairment testing for goodwill as of the beginning of the fourth quarter of our fiscal year.

As described above, during the first, second and third quarters of fiscal 2026, we concluded that a goodwill impairment triggering event had occurred, and our qualitative assessment resulted in us performing quantitative goodwill impairment testing on all of our reporting units. The quantitative assessments performed resulted in total pre-tax goodwill impairment charges of $39.0 million during the three months ended November 30, 2025 in our Beauty & Wellness segment and $648.6 million during the nine months ended November 30, 2025, which includes impairment charges of $229.1 million in our Home & Outdoor segment and $419.5 million in our Beauty & Wellness segment. The Beauty & Wellness segment includes goodwill impairment charges related to our Health & Wellness, Drybar and Curlsmith reporting units of $10.7 million, $0.2 million and $28.2 million, respectively, for the three months ended November 30, 2025 and $200.3 million, $134.3 million and $85.0 million, respectively, for the nine months ended November 30, 2025. The Home & Outdoor segment includes goodwill impairment charges related to our Hydro Flask and Osprey reporting units of $115.9 million and $113.1 million, respectively, for the nine months ended November 30, 2025. No goodwill impairment charges were recognized during the three months ended November 30, 2025 related to our Home & Outdoor segment.

The remaining carrying values of the Osprey, Health & Wellness and Curlsmith reporting units' goodwill as of November 30, 2025 were $96.6 million, $84.7 million and $32.1 million, respectively. The goodwill impairment charges recognized for the Hydro Flask and Drybar reporting units reduced the carrying values of their goodwill to zero.

During the first quarter of fiscal 2026, in connection with our annual budgeting and forecasting process, management reduced its forecasts for net sales revenue, gross margin and earnings before interest and taxes to reflect the tariff policies in effect and the related macroeconomic environment at the end of our first quarter of fiscal 2026, including the corresponding impact on consumer spending and retailer orders, as applicable. The revised forecasts also resulted in management selecting lower residual growth rates, which were also reflective of revised long-term industry growth expectations. During the second and third quarters of fiscal 2026, management further reduced its forecasts for net sales revenue, gross margin and earnings before interest and taxes to reflect the tariff policies in effect, timing of corresponding price increases and the related macroeconomic environment at the end of our second and third quarters of fiscal 2026, including the impact on consumer spending, retailer orders and China cross border ecommerce due to a shift to localized distribution, as applicable. An inability to achieve expected revenue and profitability in line with our internal projections could result in further declines in the fair value that may result in additional goodwill impairment charges.

The fair value of our OXO reporting unit, within our Home & Outdoor reportable segment, represented 108% of its carrying value as of November 30, 2025. We performed a sensitivity analysis on key assumptions used in the valuation. A hypothetical adverse change of 10% in the forecasted sales used to estimate the fair value of the OXO reporting unit would have resulted in an impairment charge of approximately $154.1 million against its goodwill carrying value of $166.1 million as of November 30, 2025.

The fair value of our Osprey reporting unit, within our Home & Outdoor reportable segment, represented 100% of its carrying value as of November 30, 2025. We performed a sensitivity analysis on key assumptions used in the valuation. A hypothetical adverse change of 10% in the forecasted sales used to estimate the fair value of the Osprey reporting unit would have resulted in an impairment charge of approximately $96.6 million reducing its goodwill carrying value to zero.

As of November 30, 2025, our remaining reporting unit, Olive & June had a fair value that exceeded its carrying value by at least 10%.

Considerable management judgment is necessary to estimate expected future cash flows for our reporting units, including evaluating the impact of operational and external economic factors on our future cash flows, all of which are subject to uncertainty. The assumptions and estimates used in determining the fair value of our reporting units involve significant elements of subjective judgment and analysis by management. Certain future events and circumstances, including higher tariffs, deterioration of retail economic conditions, higher cost of capital and a decline in actual and expected consumer demand, among others, could result in changes to these assumptions and judgments. A revision of these estimates and assumptions could cause the fair values of the reporting units to fall below their respective carrying values, resulting in impairment charges, which could have a material adverse effect on our results of operations.

Some of the inherent estimates and assumptions used in determining the fair value of our reporting units are outside of the control of management, including interest rates, cost of capital, tax rates, tariff rates, strength of retail economies and industry growth. While we believe that the estimates and assumptions we use are reasonable at the time made, it is possible changes could occur. The recoverability of our goodwill is dependent upon discretionary consumer demand and execution of our strategic plan, which includes investing in our brands, growing internationally, new product introductions and expanded distribution to drive revenue growth and profitability and achieve our projections, and our tariff mitigation plans. The net sales revenue and profitability rates used in our projections are management's estimate of the most likely results over time, given a wide range of potential outcomes. Actual results may differ from those assumed in forecasts, which could result in material impairment charges. We will continue to monitor our reporting units for any triggering events or other signs of impairment including consideration of changes in tariff rates and the macroeconomic environment, significant declines in operating results, further significant sustained decline in market capitalization from current levels and other factors, which could result in impairment charges in the future.

Impairment of Intangible Assets
We review our indefinite-lived intangible assets for impairment on an annual basis or more frequently whenever events or changes in circumstances indicate that their carrying value may not be recoverable. If such circumstances or conditions exist, we perform a qualitative assessment to determine whether it is more likely than not that the assets are impaired. If the results of the qualitative assessment indicate that it is more likely than not that the assets are impaired, further steps are required in order to determine whether the carrying values of the indefinite-lived intangible assets exceeds their fair values. We perform our annual impairment testing for our indefinite-lived intangible assets as of the beginning of the fourth quarter. We review our definite-lived intangible assets for impairment whenever a triggering event occurs that indicates their carrying value may not be recoverable. If such circumstances or conditions exist, we assess recoverability based on estimated future pre-tax undiscounted cash flows. If the carrying value exceeds the estimated future pre-tax undiscounted cash flows, further steps are required in order to determine whether the carrying value of each of the individual assets exceeds its fair value.

As described above, during the first, second and third quarters of fiscal 2026, we concluded that an impairment triggering event had occurred and concluded to perform quantitative impairment analyses on our indefinite-lived intangible assets, which include trademark licenses and trade names, our definite-lived trademark licenses, trade names and certain other intangible assets, which were determined not to be recoverable. Our intangible asset impairment test compares the fair value of our intangible assets with their carrying value, and an impairment loss is recognized for the amount by which the carrying value exceeds the fair value.

Our indefinite-lived intangible asset testing resulted in total impairment charges of $24.0 million during the three months ended November 30, 2025, which includes $15.0 million related to our Hydro Flask trade name and $9.0 million related to our Osprey trade name, and $97.0 million during the nine months ended November 30, 2025, which includes $55.0 million related to our Hydro Flask trade name, $35.0 million related to our Osprey trade name and $7.0 million related to our PUR trade name. The remaining carrying values of the Hydro Flask, Osprey and PUR trade names as of November 30, 2025 were $4.0 million, $135.0 million and $47.0 million, respectively. As of November 30, 2025, the remaining carrying value of the Hydro Flask trade name was reclassified to a definite-lived trade name and assigned a useful life of 10 years.

Our definite-lived trademark license and trade name testing resulted in total impairment charges of $2.9 million during the three months ended November 30, 2025 related to our Drybar trade name and $38.0 million during the nine months ended November 30, 2025, which includes $23.5 million related to our Revlon trademark license, $7.8 million related to our Curlsmith trade name and $6.7 million related to our Drybar trade name. The remaining carrying values of the Revlon trademark license and Curlsmith trade name as of November 30, 2025 were $40.4 million and $9.6 million, respectively. The impairment charge recognized for the Drybar trade name reduced its carrying value to zero. In connection with the impairment testing, the remaining useful life of the Revlon trademark license was revised from 35 years to 10 years as of November 30, 2025, which will increase annual amortization expense by approximately $2.9 million.

During the first quarter of fiscal 2026, our definite-lived customer relationships and lists assessment resulted in a total impairment charge of $19.5 million, which includes $10.7 million and $8.8 million related to our Drybar and Hydro Flask customer relationships, respectively, which reduced the carrying values of these assets to zero. No impairment charges were recognized during the second or third quarters of fiscal 2026 related to our customer relationships and lists.

During the first quarter of fiscal 2026, our other intangible assets assessment resulted in a total impairment charge of $3.6 million, which includes $2.8 million and $0.8 million related to Drybar and Hydro Flask other intangibles, respectively, which reduced the carrying values of these assets to zero. No impairment charges were recognized during the second or third quarters of fiscal 2026 related to our other intangible assets.

Our Hydro Flask and Osprey intangible assets are included within our Home & Outdoor segment. Our Revlon, Curlsmith, Drybar and PUR intangible assets are included within our Beauty & Wellness segment. During the first quarter of fiscal 2026, in connection with our annual budgeting and forecasting process, management reduced its forecasts for net sales revenue, gross margin and earnings before interest and taxes to reflect the tariff policies in effect and the related macroeconomic environment at the end of our first quarter of fiscal 2026, including the corresponding impact on consumer spending and retailer orders, as applicable. The revised forecasts also resulted in management selecting lower residual growth rates, which were also reflective of revised long-term industry growth expectations, and royalty rates, as applicable. During the second and third quarters of fiscal 2026, management further reduced its forecasts for net sales revenue, gross margin and earnings before interest and taxes to reflect the tariff policies in effect, timing of corresponding price increases and the related macroeconomic environment at the end of our second and third quarters of fiscal 2026, including the impact on consumer spending, retailer orders and China cross border ecommerce due to a shift to localized distribution, as applicable. An inability to achieve expected revenue and profitability in line with our internal projections could result in further declines in the fair value that may result in additional impairment charges to these intangible assets.

As of November 30, 2025, all of our other indefinite-lived trademark licenses and trade names had a fair value that exceeded their carrying value by at least 10% except for our PUR trade name. The fair value of our PUR indefinite-lived trade name, within our Beauty & Wellness reportable segment, represented 104% of its carrying value as of November 30, 2025. We performed a sensitivity analysis on key assumptions used in the valuation. A hypothetical adverse change of 10% in the forecasted sales used to estimate the fair value of the PUR trade name would have resulted in an impairment charge of approximately $3.0 million against its carrying value of $47.0 million as of November 30, 2025.

The assumptions and estimates used in determining the fair value of our intangible assets involve significant elements of subjective judgment and analysis by management. Certain future events and circumstances, including higher tariffs, deterioration of retail economic conditions, higher cost of capital, or a decline in actual and expected consumer demand, could result in changes to these assumptions and judgments. A revision of these estimates and assumptions could cause the fair values of the intangible assets to fall below their respective carrying values, resulting in impairment charges, which could have a material adverse effect on our results of operations.

The estimates and assumptions inherent in determining the fair value of our intangible assets are subject to the same risks described above for determining the fair value of our goodwill. Further declines in anticipated consumer spending or an inability to achieve expected revenue and profitability in line with our strategic long-term plans, including our tariff mitigation plans, could result in declines in the fair value that may result in impairment charges to our intangible assets. We will continue to monitor our intangible assets for any triggering events or other signs of impairment including consideration of changes in tariff rates and the macroeconomic environment, significant declines in sales or operating results and other factors, which could result in impairment charges in the future. For additional information, refer to Note 5 and Note 11 to the accompanying condensed consolidated financial statements.

Information Regarding Forward-Looking Statements

Certain statements in this report, including those in documents and our other filings with the SEC referenced herein, may constitute "forward-looking statements" as defined under the Private Securities Litigation Reform Act of 1995. Generally, the words "anticipates", "assumes", "believes", "expects", "plans", "may", "will", "might", "would", "should", "seeks", "estimates", "project", "predict", "potential", "currently", "continue", "intends", "outlook", "forecasts", "targets", "reflects", "could", and other similar words identify forward-looking statements. All statements that address operating results, events or developments that we expect or anticipate may occur in the future, including statements related to sales, expenses, including cost reduction measures, earnings per share results, and statements expressing general expectations about future operating results, are forward-looking statements and are based upon our current expectations and various assumptions. We currently believe there is a reasonable basis for our expectations and assumptions, but there can be no assurance that we will realize our expectations or that our assumptions will prove correct. Forward-looking statements are only as of the date they are made and are subject to risks, many of which are beyond our control, that could cause them to differ materially from actual results. Accordingly, we caution readers not to place undue reliance on forward-looking statements. We believe that these risks include but are not limited to the risks described or referenced in this report and that are otherwise described from time to time in our SEC reports as filed. We undertake no obligation to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise.

Such risks are not limited to, but may include:

- the geographic concentration of certain U.S. distribution facilities which increases our risk to disruptions that could affect our ability to deliver products in a timely manner;
- the occurrence of cyber incidents or failure by us or our third-party service providers to maintain cybersecurity and the integrity of confidential internal or customer data;
- a cybersecurity breach, obsolescence or interruptions in the operation of our central global Enterprise Resource Planning systems and other peripheral information systems;
- our ability to develop and introduce a continuing stream of innovative new products to meet changing consumer preferences;
- actions taken by large customers that may adversely affect our gross profit and operating results;
- our dependence on sales to several large customers and the risks associated with any loss of, or substantial decline in, sales to top customers;
- our dependence on third-party manufacturers, most of which are located in Asia, and any inability to obtain products from such manufacturers or diversify production to other regions or source the same product in multiple regions or implement potential tariff mitigation plans;
- our ability to deliver products to our customers in a timely manner and according to their fulfillment standards;
- the risks associated with trade barriers, exchange controls, expropriations, and other risks associated with domestic and foreign operations including uncertainty and business interruptions resulting from political changes and events in the U.S. and abroad, and volatility in the global credit and financial markets and economy;
- our dependence on the strength of retail economies and vulnerabilities to any prolonged economic downturn, including a downturn from the effects of macroeconomic conditions, any public health crises or similar conditions;
- the risks associated with weather conditions, the duration and severity of the cold and flu season and other related factors;
- our reliance on our CEO and a limited number of other key senior officers to operate our business;
- the risks associated with the use of licensed trademarks from or to third parties;
- our ability to execute and realize expected synergies from strategic business initiatives such as acquisitions, including Olive & June, divestitures and global restructuring plans, including Project Pegasus;

- the risks of significant tariffs or other restrictions continuing to be placed on imports from China, Mexico or Vietnam, including by the current U.S. presidential administration which has promoted and implemented plans to raise tariffs and pursue other trade policies intended to restrict imports, or any retaliatory trade measures taken by China, Mexico or Vietnam;
- the risks of potential changes in laws and regulations, including environmental, employment and health and safety and tax laws, and the costs and complexities of compliance with such laws;
- the risks associated with increased focus and expectations on climate change and other sustainability matters;
- the risks associated with significant changes in or our compliance with regulations, interpretations or product certification requirements;
- the risks associated with global legal developments regarding privacy and data security that could result in changes to our business practices, penalties, increased cost of operations, or otherwise harm our business;
- our dependence on whether we are classified as a “controlled foreign corporation” for U.S. federal income tax purposes which impacts the tax treatment of our non-U.S. income;
- the risks associated with legislation enacted in Bermuda and Barbados in response to the European Union’s review of harmful tax competition and additional focus on compliance with economic substance requirements by Bermuda and Barbados;
- the risks associated with accounting for tax positions and the resolution of tax disputes;
- the risks associated with product recalls, product liability and other claims against us;
- associated financial risks including but not limited to, increased costs of raw materials, energy and transportation;
- significant additional impairment of our goodwill, indefinite-lived and definite-lived intangible assets or other long-lived assets;
- the risks associated with foreign currency exchange rate fluctuations;
- the risks to our liquidity or cost of capital which may be materially adversely affected by constraints or changes in the capital and credit markets, interest rates and limitations under our financing arrangements; and
- projections of product demand, sales and net income, which are highly subjective in nature, and from which future sales and net income could vary by a material amount.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in the information provided in the section entitled "Quantitative and Qualitative Disclosures About Market Risk" in our Form 10-K. Additional information regarding our risk management activities can be found in Notes 10, 11 and 12 to the accompanying condensed consolidated financial statements.

ITEM 4. CONTROLS AND PROCEDURES

Based on their evaluation, as of the end of the period covered by this Quarterly Report on Form 10-Q, our Company's Chief Executive Officer and Chief Financial Officer have concluded that our Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) are effective at the reasonable assurance level. During the period covered by this Quarterly Report on Form 10-Q, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are involved in various legal claims and proceedings in the normal course of operations. We believe the outcome of these matters will not have a material adverse effect on our consolidated financial position, results of operations or liquidity, except as described in Part I, Item 3., "Legal Proceedings" of our Form 10-K. Since the filing of our Form 10-K, there have been no material changes in our legal proceedings from those disclosed therein, except as updated herein in the discussion in Note 9 to the accompanying condensed consolidated financial statements.

ITEM 1A. RISK FACTORS

The ownership of our common stock involves a number of risks and uncertainties. When evaluating the Company and our business before making an investment decision regarding our securities, potential investors should carefully consider the risk factors and uncertainties described in Part I, Item 1A., "Risk Factors" of our Form 10-K. Since the filing of our Form 10-K, there have been no material changes in our risk factors from those disclosed therein.

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

In August 2024, our Board of Directors authorized the repurchase of up to $500 million of our outstanding common stock. The authorization became effective August 20, 2024, for a period of three years, and replaced our former repurchase authorization. These repurchases may include open market purchases, privately negotiated transactions, block trades, accelerated stock repurchase transactions, or any combination of such methods. The number of shares purchased and the timing of the purchases will depend on a number of factors, including share price, trading volume and general market conditions, working capital requirements, general business conditions, financial conditions, any applicable contractual limitations, and other factors, including alternative investment opportunities. See Note 7 to the accompanying condensed consolidated financial statements for additional information.

Our current equity-based compensation plans include provisions that allow for the “net exercise” of share-settled awards by all plan participants. In a net exercise, any required payroll taxes, federal withholding taxes and exercise price of the shares due from the option or other share-based award holders are settled by having the holder tender back to us a number of shares at fair value equal to the amounts due. Net exercises are treated as repurchases of shares.

The following table summarizes our share repurchase activity for the periods shown:

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs (in thousands) (2)
September 1 through September 30, 2025	2,366	$ 25.36	2,366	$ 498,387
October 1 through October 31, 2025	329	26.32	329	498,378
November 1 through November 30, 2025	8,330	18.63	8,330	498,222
Total	11,025	$ 20.30	11,025	

(1) The number of shares includes shares of common stock acquired from associates who tendered shares to satisfy the tax withholding on equity awards as part of our long-term incentive plans. For the periods presented, there were no common stock open market repurchases.
(2) Reflects the remaining dollar value of shares that could be purchased under our current stock repurchase authorization through the expiration or termination of the plan. For additional information, see Note 7 to the accompanying condensed consolidated financial statements.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Plans

During the three months ended November 30, 2025, none of our officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.”

ITEM 6. EXHIBITS

(a) Exhibits

10.1	First Amendment to Credit Agreement dated November 25, 2025, by and among Helen of Troy Texas Corporation, Helen of Troy Limited, Bank of America, N.A., as administrative agent, and the other lenders party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 25, 2025).
31.1*	Certification of the Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32**	Joint certification of the Chief Executive Officer and the 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	Financial statements from the Quarterly Report on Form 10-Q of the Company for the quarter ended November 30, 2025, formatted in Inline eXtensible Business Reporting Language ("iXBRL"): (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of (Loss) Income, (iii) Condensed Consolidated Statements of Comprehensive (Loss) Income, (iv) Condensed Consolidated Statements of Stockholders' Equity, (v) Condensed Consolidated Statements of Cash Flows and (vi) Notes to the Condensed Consolidated Financial Statements.
104	Cover Page, Interactive Data File formatted in iXBRL and contained in Exhibit 101.

* Filed herewith.

** Furnished herewith.

† Management contract or compensatory plan or arrangement.

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.

	HELEN OF TROY LIMITED
	(Registrant)
Date: January 8, 2026	/s/ G. Scott Uzzell
	G. Scott Uzzell
	Chief Executive Officer, Director and Principal Executive Officer
Date: January 8, 2026	/s/ Brian L. Grass
	Brian L. Grass
	Chief Financial Officer, Principal Financial Officer and Principal Accounting Officer

EXHIBIT 31.1

CERTIFICATION

I, G. Scott Uzzell, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the fiscal quarter ended November 30, 2025 of Helen of Troy Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 8, 2026

/s/ G. Scott Uzzell

G. Scott Uzzell
Chief Executive Officer,
Director and Principal Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Brian L. Grass, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the fiscal quarter ended November 30, 2025 of Helen of Troy Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 8, 2026

/s/ Brian L. Grass

Brian L. Grass
Chief Financial Officer, Principal Financial
Officer and Principal Accounting Officer

EXHIBIT 32

CERTIFICATION

In connection with the quarterly report of Helen of Troy Limited (the "Company") on Form 10-Q for the fiscal quarter ended November 30, 2025, as filed with the Securities and Exchange Commission (the "Report"), and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned, the Chief Executive Officer and Chief Financial Officer of the Company, hereby certifies that to the best of their knowledge:

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

Dated: January 8, 2026

/s/ G. Scott Uzzell

G. Scott Uzzell
Chief Executive Officer,
Director and Principal Executive Officer

/s/ Brian L. Grass

Brian L. Grass
Chief Financial Officer, Principal Financial Officer
and Principal Accounting Officer

This certification is not deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section. This certification is not deemed to be incorporated by reference into any filing under the Securities Act of 1933 or Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates it by reference.