Elevate for Growth

Helen of Troy

Q3 Fiscal 2025 Earnings Results

Forward-Looking Statements and Reconciliation of Non-GAAP Financial Measures

Forward-Looking Statements:

Certain written and oral statements made by the Company and subsidiaries of the Company may constitute "forward-looking statements" as defined under the Private Securities Litigation Reform Act of 1995. This includes statements made in this presentation, in other filings with the SEC, and in certain other oral and written presentations. 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 the Company expects or anticipates may occur in the future, including statements related to sales, expenses, EPS results, and statements expressing general expectations about future operating results, are forward-looking statements and are based upon its current expectations and various assumptions. The Company believes there is a reasonable basis for these expectations and assumptions, but there can be no assurance that the Company will realize these expectations or that these assumptions will prove correct. Forward-looking statements are only as of the date they are made and are subject to risks that could cause them to differ materially from actual results. Accordingly, the Company cautions readers not to place undue reliance on forward-looking statements. The forward-looking statements contained in this press release should be read in conjunction with, and are subject to and qualified by, the risks described in the Company's Form 10-K for the year ended February 29, 2024, and in the Company's other filings with the SEC. Investors are urged to refer to the risk factors referred to above for a description of these risks. Such risks include, among others, the geographic concentration of certain United States ("U.S.") distribution facilities which increases its risk to disruptions that could affect the Company's ability to deliver products in a timely manner, the occurrence of cyber incidents or failure by the Company or its 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 the Company's central global Enterprise Resource Planning systems and other peripheral information systems, the Company's 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 the Company's gross profit and operating results, the Company's dependence on sales to several large customers and the risks associated with any loss of, or substantial decline in, sales to top customers, the Company's dependence on third-party manufacturers, most of which are located in Asia, and any inability to obtain products from such manufacturers, the Company's ability to deliver products to its 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, the Company's 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, risks associated with weather conditions, the duration and severity of the cold and flu season and other related factors, the Company's reliance on its Chief Executive Officer and a limited number of other key senior officers to operate its business, risks associated with the use of licensed trademarks from or to third parties, the Company's 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 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 environmental, social and governance matters, the risks associated with significant changes in or the Company's 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 its business practices, penalties, increased cost of operations, or otherwise harm the business, the risks of significant tariffs or other restrictions being placed on imports from China, Mexico or Vietnam or any retaliatory trade measures taken by China, Mexico or Vietnam, the Company's dependence on whether it is classified as a "controlled foreign corporation" for U.S. federal income tax purposes which impacts the tax treatment of its 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, 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 the Company, and associated financial risks including but not limited to, increased costs of raw materials, energy and transportation, significant impairment of the Company's goodwill, indefinite-lived and definite-lived intangible assets or other long-lived assets, risks associated with foreign currency exchange rate fluctuations, the risks to the Company's 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 its 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. The Company undertakes no obligation to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise.

Reconciliation of Non-GAAP Financial Measures:

This presentation includes non-GAAP financial measures. Adjusted Operating Income, Adjusted Operating Margin, Adjusted Effective Tax Rate, Adjusted Income, Adjusted Diluted EPS, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow and Net Leverage Ratio ("Non-GAAP Financial Measures") that are discussed in this presentation or in the accompanying tables may be considered non-GAAP financial measures as defined by SEC Regulation G, Rule 100. Accordingly, the Company is providing the tables within this presentation that reconcile these measures to their corresponding GAAP-based financial measures. The Company is unable to present a quantitative reconciliation of certain forward-looking expected measures to their most directly comparable forward-looking GAAP financial measure, because such information is not available, and management cannot reliably predict all of the necessary components of such GAAP financial measure without unreasonable effort or expense. In addition, the Company believes such reconciliation would imply a degree of precision that would be confusing or misleading to investors. The Company believes that these Non-GAAP Financial Measures provide useful information to management and investors regarding financial and business trends relating to its financial condition and results of operations. The Company believes that these Non-GAAP Financial Measures, in combination with the Company's financial results calculated in accordance with GAAP, provide investors with additional perspective regarding the impact of certain charges and benefits on applicable income, margin and earnings per share measures. The Company also believes that these Non-GAAP Financial Measures facilitate a more direct comparison of the Company's performance with its competitors. The Company further believes that including the excluded charges and benefits would not accurately reflect the underlying performance of the Company's operations for the period in which the charges and benefits were incurred and reflected in the Company's GAAP financial results. The material limitation associated with the use of the Non-GAAP Financial Measures is that the Non-GAAP Financial Measures do not reflect the full economic impact of the Company's activities. These Non-GAAP Financial Measures 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.

Helen of Troy Elevate for Growth

Key Messages

- Q3 consolidated net sales and adjusted EPS within Outlook range despite weak cough, cold, flu season globally
- Fiscal year to date, seven of our key categories are growing or maintaining share; combined weighted distribution growth of 11%
- Home & Outdoor grew net sales more than +4% with YOY growth in all three brands
- Continued strength in International with YOY growth in net sales of +7.5% in Q3
- Wellness was negatively impacted by a weak illness season globally, including the weakest in the U.S. in the past eight years (excluding the COVID anomaly year of 2020-2021). Vicks and Braun maintain leading market positions
- Beauty requires more work to stabilize, but progress made on key brands with holiday merchandising and incremental marketing investment
- Preserved growth investment dollars for the long-term health of our business; translates to a YOY increase of 120 to 130 bps for FY25
- Strong Gross Margin improvement of 90 bps YOY
- Subsequent to end of Q3, closed accretive acquisition of Olive & June, a high growth nail care brand that fits our *Better Together* M&A strategy
- We remain committed to our strategic choices:
    - Grow our core portfolio through consumer obsession
    - Be and win where the shopper shops
    - Embrace next-level data and analytics
    - Leverage our operational scale and assets

Q3 Fiscal 2025 Results

Key Financial Metrics

Net Sales Revenue ($M)	$530.7	-3.4% YOY
Gross Margin	48.9%	+90 bps vs. LY
Adjusted Operating Margin	16.6%	+30 bps vs. LY
Adjusted EBITDA Margin	18.2%	+40 bps vs. LY
Adjusted Diluted EPS	$2.67	Vs. $2.79 LY
Free Cash Flow ($M) Year to Date	$56.1	Vs. $202.8 LY

Quarter Highlights

- Consolidated net sales and adjusted EPS within Outlook range despite weak cough, cold, flu season globally
- Gross margin increased by 90 basis points YOY to 48.9% primarily due to:
  - favorable inventory obsolescence expense YOY and lower commodity and product costs, partly driven by Project Pegasus initiatives
  - partially offset by a less favorable customer mix within Home & Outdoor and higher inbound freight costs
- Adjusted EBITDA margin increased 40 basis points to 18.2% primarily due to:
  - higher gross profit margin
  - lower overall personnel expense, primarily driven by lower annual incentive compensation expense
  - partially offset by incremental growth investment of 140 basis points YOY and the impact of unfavorable operating leverage
- Announced agreement to acquire Olive & June, LLC
- After the end of the fiscal third quarter, on December 16, 2024, we completed the acquisition of Olive & June:
  - borrowed a principal amount of $235.0 million on our revolver to pay the initial cash consideration of $229.4 million, net of cash acquired
  - inclusive of these borrowings, we swapped an aggregate amount of $550.0 million, or 56.0% of our outstanding floating rate borrowings to an average fixed SOFR rate of 3.9% through February 2026
  - HELE pro forma net leverage ratio was 3 times at the time of closing

FY25: Reset and Revitalize Plan

Actions

- Implement revitalized, data-centric brand strategies
- Rebuild brand relevance and the innovation pipeline
- Significant increase to growth investment spend
- Invest in our infrastructure and core capabilities
- Drive operational rigor across the organization
- Continue to identify efficiencies

Building Blocks

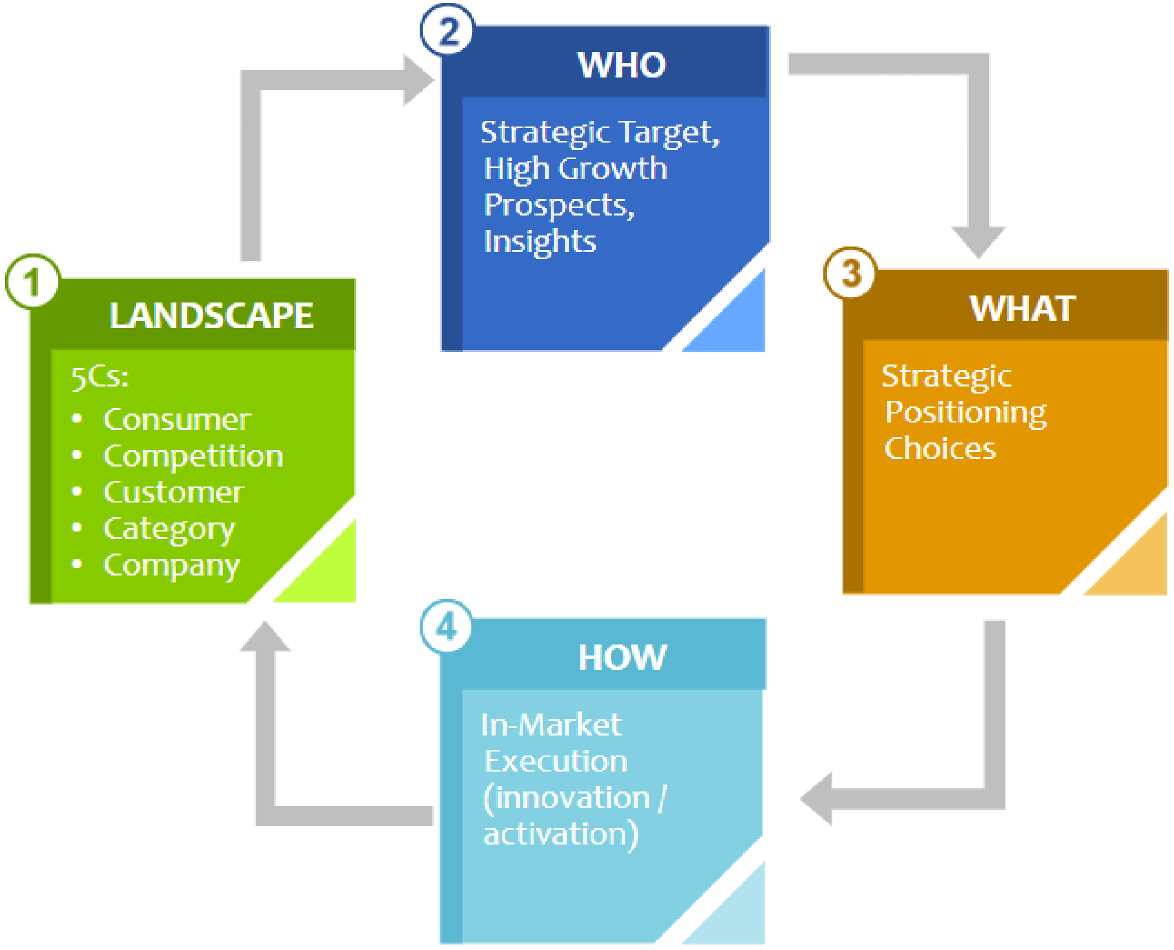
- Pegasus fuel reinvested in our brands
- FY25 additional profit improvement actions
- Incremental whitespace distribution
- Consumer-obsessed product innovation
- Portfolio classification for strategic resource allocation
- Next level data and analytics

Rebuilding Brand Relevance and Innovation

Proven Brand Building Framework

Key premise of approach is that strong brand foundations are rooted in an outstanding understanding of:

1. **LANDSCAPE** in which we are playing
2. **WHO** the brand is targeting
3. **WHAT** the brand stands for
4. **HOW** best to connect with the target consumer



Helen of Troy

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Continued *Better Together* M&A – Olive & June

- Broadens Helen of Troy's customer reach within Beauty beyond hair care into the $2.3B at-home nail category* that saw and maintained step-change growth during COVID
- Adds a distinct, modern, consumer-obsessed *Insurgent Brand* with clear growth potential
- Leverages Helen of Troy's capabilities and scale to help Olive & June deliver more value to customers and drive category growth
- Strengthens and complements Helen of Troy's reach to an appealing, digitally-driven consumer base, over-indexing with Gen Z and Millennials
- Brings digital engagement expertise that can enhance Helen of Troy's digital reach and expertise
- Retains a committed leadership team who are enthusiastic about staying with the brand and driving growth
- Requires minimal and achievable support with potential for synergies down the road across Marketing COE, Supply Chain and other Shared Services

2015	2016	2017	2020	2020	2021	2021	2022	2024
Vapo Steam	Hydro Flask	Divest Healthy Directions	REVLON Amended 100 Year License	drybar	Divest Personal Care	OSPREY	CURLSMITH	OLIVE & JUNE

*Source: 3rd Party Syndicated Data, 2024

Nail Care: An Expansive Growth Category

Digitally Transforming

Digitally savvy customers are driving new interest to the category and helping to drive the category adoption and expansion.

Highly Resilient & Robust

Nail Care is a resilient sector that has shown YOY growth in all recent economic recessions. Both time and money savings vs. going to the salon are particularly relevant to today's stretched consumer.

Exciting Growth Driver

Nail Care has been a fast-growing beauty category over the past five years. Artificial nails are a disproportionate driver of category growth and are expected to overtake nail polish.

Product Innovation: Gel Polish Launched October 24

Olive & June

SKIP THE SALON

$2 A MANI
10+ manis in each box

1. **5 Finger LED Gel Lamp** - cures your gel mani in minutes
2. **Peel Off Base Coat** - effortless, acetone-free gel removal
3. **Gel Polish Base Coat** - creates the perfect gel base
4. **Gel Polish Color** - plumpy, high gloss color
5. **Gel Polish Top Coat** - protects and makes your mani last
6. **Poppy** - helps you paint neatly with your non-dominant hand
7. **Mani Cuticle Pusher** - gently pushes back your cuticles
8. **Nail File** - smooths and perfects the nail shape
9. **Nail Clipper** - creates your perfect nail shape
10. **Nail Buffer** - smooths and preps the nail plate
11. **Cuticle Serum** - hydrates dry cuticles and skin
12. **Cuticle Remover** - removes stubborn, dry cuticles
13. **Clean-Up Brush** - creates precise, neat polish lines
14. **Acetone Remover Pot** - preps nails and helps with clean up

marie claire

By Samantha Holender Published October 24, 2024 In News

BEAUTY

Olive & June's New Gel Mani System Is a Game-Changer for My Nail Health

The "zero damage" base coat is a game changer.

Helen of Troy

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Olive & June: Awards, Awards, Awards…

2021

Allure Best of Beauty Award for Nail Polish

Cosmopolitan Holy Grail for the Pedi System

Glossy Beauty Award – Best Digital Event Series for Olive & June Mani Bootcamp

InStyle Best Beauty Buys Award for the Long-Lasting Polish

2022

Allure Best of Beauty Award for Press-on System and Long-Lasting Nail Polish

Elle Green Beauty Stars Awards for Instant Mani Press-Ons

InStyle Best Beauty Buys for the Cuticle Serum

2023

Allure Best of Beauty Award for Quick Dry Topcoat and Nail Polish Remover Pot

Best Nail Product at the CEW Beauty Awards

InStyle Best Beauty Buys for the Instant Mani Press-on Nails

Glam Beauty Best Overall Nail Polish

2024

Allure Best of Beauty Award for Super Stick Mani & Nail Polish Remover Pot; OTW – Gel Polish

Byrdie Beauty Award for the Penny Nail Art Tool

Fast Company's Most Innovative Companies in Beauty

Forbes Best Product for the Instant Mani Press-on Nails; Oprah Beauty Award for Super Stick Mani

THE BEAUTY INC AWARDS 2024

Breakthrough Brand Mass
Olive & June

Newest 2024 Awards

GLOSSY

Beauty Brand of the Year
Olive & June

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Consumer Obsessed Innovation: Expanded Offerings
OXO Brew

Rapid Brewer - #1 New Release in Coffee Machines on Amazon During the Thanksgiving Week

Conical Burr Coffee Grinder

Rapid Brewer

12-Cup Coffee Maker with Podless Single Serve Function

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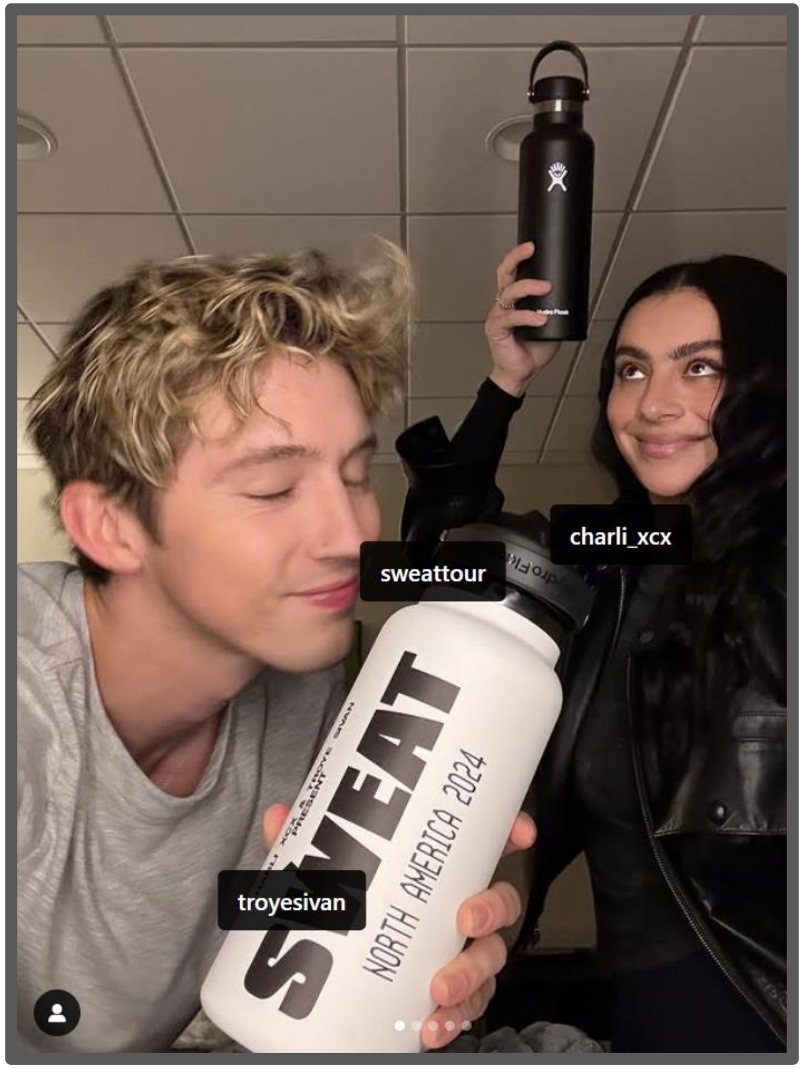
Consumer Obsessed: Agile, Culturally Relevant & Trend Right

Hydro Flask



"Every detail matters. Our rigorously tested leakproof technology is designed to keep up with your every move."

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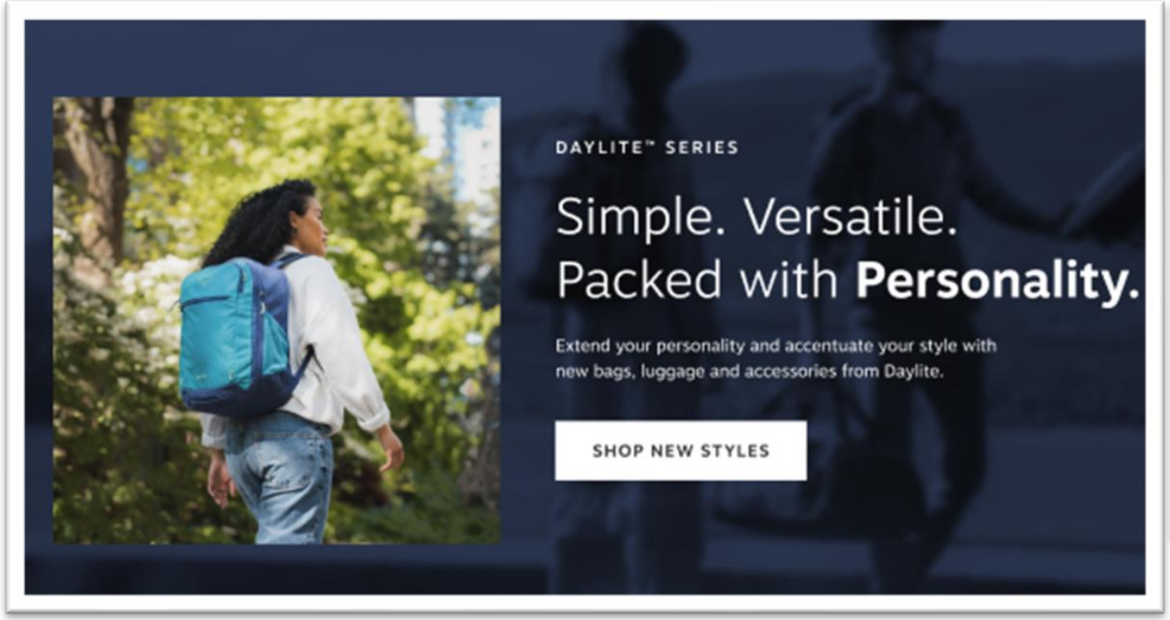
New Product Launches: Daylite Travel Line

Osprey



From wheeled duffels to carry-on travel packs, the Daylite Travel Collection is made for life on the go. Whether exploring around town, getting away for the weekend or setting off on an extended road trip, these versatile travel and luggage pieces are along for the ride. Accessibly priced, sustainably designed and backed, as always, by our All Mighty Guarantee™.

Consumer Obsessed: Product Launch and Holiday Bundles
Drybar

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Consumer Obsessed: New Product PR
Curlsmith

Helen of Troy

Elevate for Growth

Consumer Obsessed: Holiday Promotions
Revlon

Wal-Mart Holiday Pallet: 10/1 - 12/31/2024

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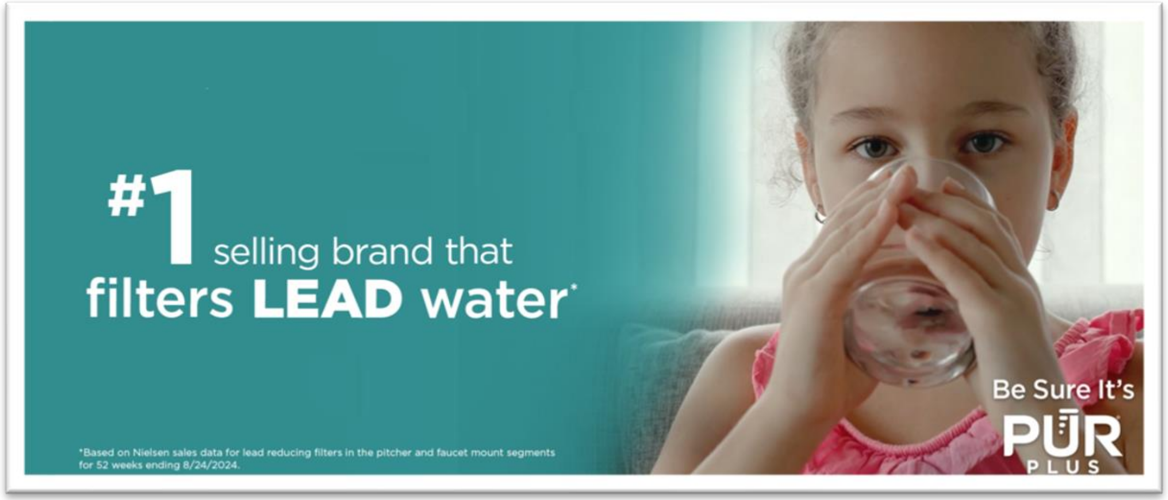
Consumer Obsessed: Value Reframing

PUR



**Based on comparing a year's worth of bottled water (6.9oz) to a PUR system and 5 filters. Based on Nielsen US Scantrak sales.

Be Where The Shopper Shops: Distribution Gains

Braun and Vicks

BRAUN

New Distribution in Costco and Walmart

VICKS

As of September 2024, Vicks Is The Only National Brand of Humidifiers On Shelf

Walmart

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Be Consumer Obsessed: Brand Recognition
Beauty

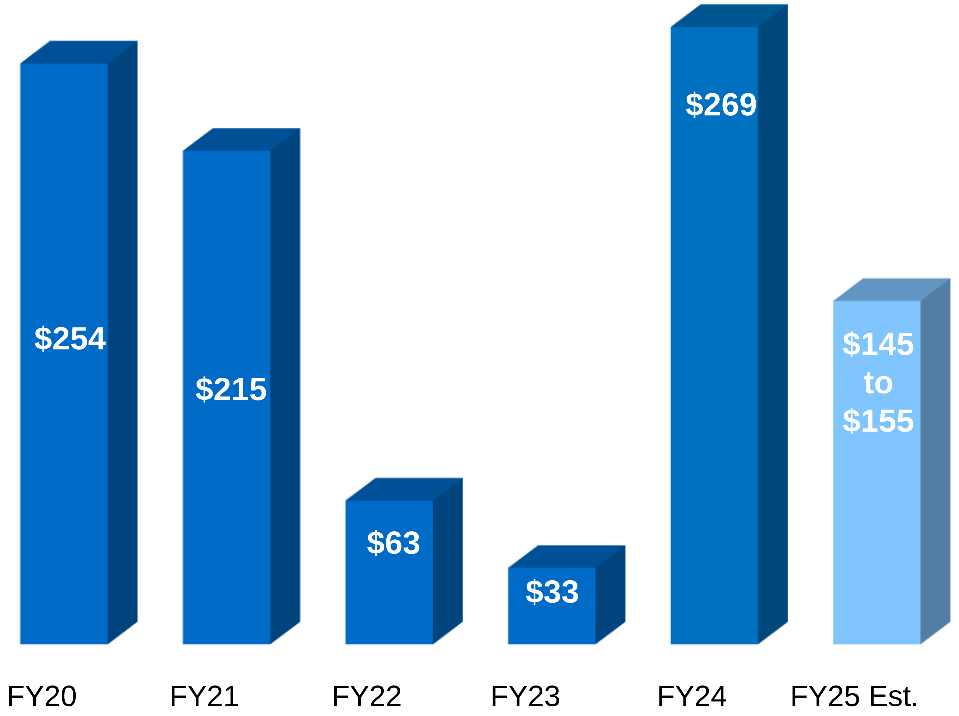
Foster a Winning Culture

Helen of Troy Awarded one of “America’s Most Responsible Companies 2025” by Newsweek

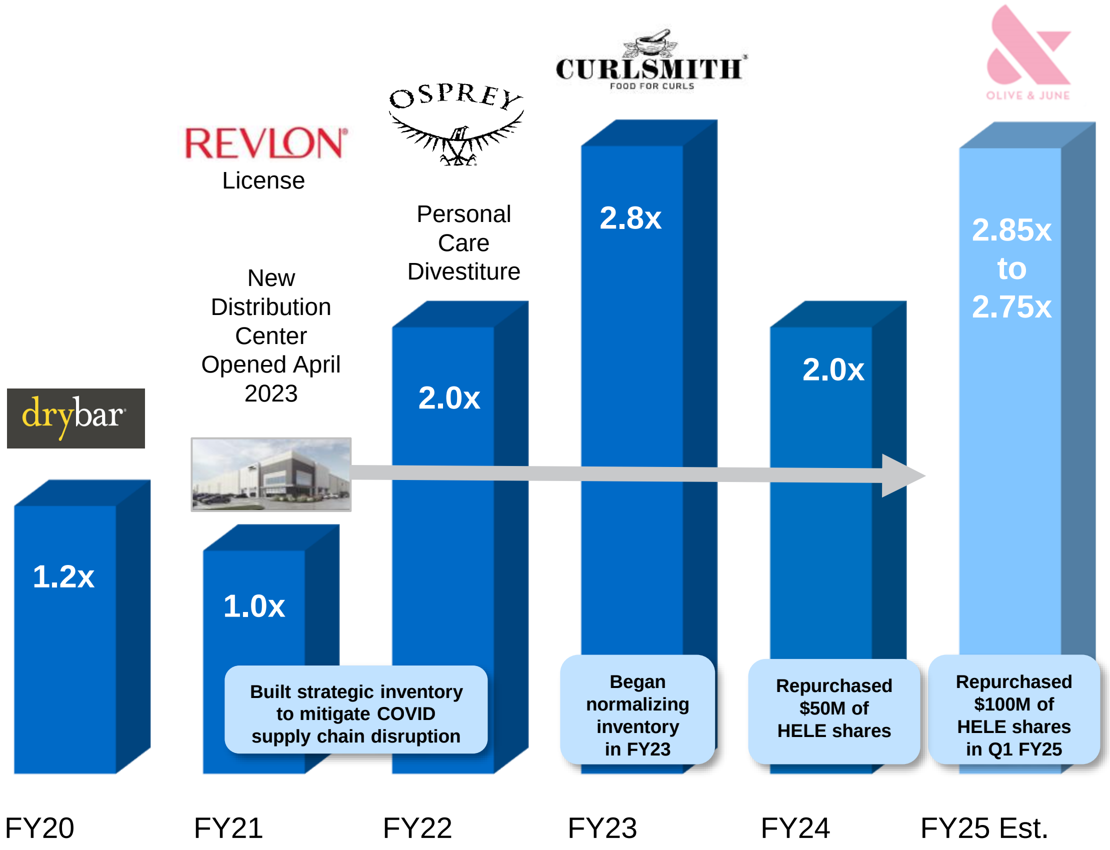
Helen of Troy Jumped to #16 in the "2024 Healthiest 100 Workplaces in America"

Return of Strong Free Cash Flow Provides Capital Allocation Optionality

Free Cash Flow (Millions)#



Leverage Ratio#*



Free cash flow and net leverage ratio estimates do not include any additional potential fiscal 2025 acquisitions, divestitures, or share repurchases.

* Fiscal 2020 and Fiscal 2021 represents Leverage Ratio, and Fiscal 2022 to Fiscal 2025 estimate represent Net Leverage Ratio as defined in our debt agreements for each respective time period.

Revised Fiscal 2025 Annual Outlook

	Expected Consolidated Growth / (Decline)
Net sales revenue	(5.8)% to (4.6)%
Home & Outdoor net sales	(0.7)% to +0.6%
Beauty & Wellness net sales	(10.3)% to (9.0)%
Adjusted diluted EPS (non-GAAP)	(19.8)% to (16.9)%
Adjusted EBITDA (non-GAAP)	(13.2)% to (12.3)%

Free Cash Flow (non-GAAP)	$145 to $155 million
Net leverage ratio (non-GAAP)* (by end FY25)	2.85x to 2.75x

High Level Assumptions

- Continued headwinds:
  - impact from system execution challenges in first half fiscal 2025;
  - lingering inflation and continued consumer spending softness, especially in certain discretionary categories;
  - macro uncertainty;
  - weaker than expected cough, cold, and flu season globally, impacting our Wellness business;
  - an increasingly stretched consumer;
  - a more promotional environment; and
  - retailers even more closely managing their inventory levels
- Continues to include:
  - YOY headwind of approximately 50 basis points from the expiration of an out-license relationship in Wellness; and
  - Project Pegasus savings that are reinvested for growth:
    - incremental growth investments in marketing and innovation of 120-130 bps YOY
- Now includes:
  - contribution of $17 million to $18 million of net sales revenue, approximately $0.05 to $0.07 of adjusted diluted EPS, and adjusted EBITDA of $3 million to $4 million in Q4 from the acquisition of Olive & June, LLC; and
  - adverse impact of $25 million to $30 million to net sales in FY25 due to the expectation of a weak global winter and illness season (including $15 million to $20 million in Q4)
- Expected interest expense in the range of $50.3 million to $51.7 million
- GAAP effective tax rate range of 25.8% to 27.6% and a Non-GAAP adjusted effective tax rate range of 18.6% to 19.4%
- Weighted average diluted shares outstanding of 23.1 million for the full year

Note: Please refer to the Company's most recent earnings release for full Outlook and Assumptions.
* As defined in our credit agreement; see Glossary.

Why Invest – Helen of Troy Flywheel Creates the Next Virtuous Cycle

Accretive Capital Deployment

- Even more *Better Together* M&A
- Amplify the *Invest to Grow* portfolio
- Improve M&A Platform, Process & Capability
- Balanced share repurchase and debt paydown

Balance Sheet Productivity

- Further working capital efficiency through distribution network consolidation, SKU rationalization, diversified geographic sourcing, and portfolio enhancement
- Long-term asset productivity driven by facility rationalization, consolidation and operating company integration, and portfolio enhancement

Structural Financial Advantages

- Sustainable tax advantage supplements free cash flow and gains efficiency as pre-tax income grows
- Capex and employee light model allows for greater scale and free cash flow
- Product sourcing model and expertise provides a tangible cost advantage

State-Of-The-Art Distribution Network

- Iron Giant highly automated state-of-the-art distribution capability creates leverage and scale for years to come
- Unlocks opportunity to fully leverage ecommerce upside
- Opportunity to fully streamline network by FY26

Next-Level Growth Strategy and Investment

- Greater focus on higher growth and higher margin brands
- Significantly more brand and product investment fueled by Pegasus
- Improve and shape the core with commercial innovation and portfolio enhancement

Improved Go-To-Market Structure

- Consolidation of the North American sales organization allows for deeper retailer relationships and helps maximize opportunities across the retail customer base
- Allows segment leadership to focus on new product development and brand building
- Centralized marketing leadership leverages best practices and scale across the Company

Best in Class Gross Margin

- Best in class margin fueled by Pegasus operating efficiency, supply chain reset and SKU rationalization
- Allows for amplification of brand re-investment *and* robust earnings growth
- Portfolio enhancement and ongoing productivity initiatives to build off platform established by Pegasus

Further Operating Company Integration

- Next level operating company integration in place as part of Pegasus
- Implementation of North American RMO
- Consolidation of Beauty & Wellness
- Further centralization of supply chain and finance
- Centralized marketing, consumer insights, and business intelligence leadership

Elevating Lives, Soaring Together

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Glossary of Terms

Acquisition-related Expenses – Expenses associated with the definitive agreement to acquire Curlsmith and Olive & June

Adjusted Diluted Earnings per Share (Adjusted Diluted EPS or Adjusted EPS) – Non-GAAP Adjusted Income divided by diluted shares outstanding

Adjusted EBITDA - Earnings before interest, taxes, depreciation, acquisition-related expenses, asset impairment charges, restructuring charges, non-cash share-based compensation expense, intangible asset amortization expense, EPA compliance costs, gain from insurance recoveries, gain on sale of distribution and office facilities, and the Bed, Bath & Beyond and The Container Store bankruptcies (as applicable)

Adjusted EBITDA Margin – Non-GAAP Adjusted EBITDA divided by net sales

Adjusted Income - GAAP net income excluding acquisition-related expenses, tax reform, asset impairment charges, restructuring charges, non-cash share-based compensation expense, intangible asset amortization expense, EPA compliance costs, gain from insurance recoveries, gain on sale of distribution and office facilities, Bed, Bath & Beyond and The Container Store bankruptcies, and Barbados tax reform (as applicable)

Adjusted Operating Income – GAAP operating income excluding acquisition-related expenses, restructuring charges, non-cash share-based compensation expense, intangible asset amortization expense, EPA compliance costs, gain from insurance recoveries, gain on sale of distribution and office facilities, and Bed, Bath & Beyond and The Container Store bankruptcies (as applicable)

Adjusted Operating Margin – Non-GAAP Adjusted Operating Income divided by net sales

Barbados tax reform – Represents a discrete tax charge to revalue existing deferred tax liabilities as a result of Barbados enacting a domestic corporate income tax rate of 9%, effective beginning with the Company's fiscal year 2025

Bed, Bath, & Beyond bankruptcy – Represents a charge for uncollectible receivables due to the bankruptcy of Bed, Bath & Beyond

Capital Deployment – Combination of capital used to repurchase shares of common stock and capital used in acquisitions, capital expenditures and in some cases working capital

E or Est. – Represents an estimate

EBITDA – Earnings before interest, taxes, depreciation and amortization expense, as reported

EPA – U.S. Environmental Protection Agency

EPA Compliance Costs – Charges incurred in conjunction with EPA packaging compliance for certain products in the air filtration, water filtration and humidification categories within the Beauty & Wellness segment

Free Cash Flow (FCF) – Net cash provided by operating activities less capital and intangible asset expenditures

FY – Fiscal year ending on the last day of February of the respective year

Gain from insurance recoveries – Gain from insurance recoveries on damaged inventory resulting from a severe weather-related incident that impacted a third-party warehouse facility that the Company used for the Beauty & Wellness segment

Glossary of Terms

Gain on sale of distribution and office facilities – Gain on the sale of distribution and office facilities in El Paso, Texas during the third quarter of fiscal year 2024

Growth Investment % of Sales – The percentage of revenue used for growth investments

Net Leverage Ratio - Calculated as (a) total borrowings under the Company's credit agreement plus outstanding letters of credit, net of unrestricted cash and cash equivalents at the end of the current period, divided by (b) Adjusted EBITDA per the Company's credit agreement (calculated as EBITDA plus non-cash charges and certain allowed addbacks, less certain non-cash income, plus the pro forma effect of acquisitions and certain pro forma run-rate cost savings for acquisitions and dispositions, as applicable for the trailing twelve months ended as of the current period)

Organic Revenue – 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

Regional Marketing Organization (RMO) – Organizations within the Company responsible for sales and go to market strategies for all categories and channels within specific geographic region

Restructuring Charges - Charges in connection with the Company's current restructuring plan, Project Pegasus

Return on Invested Capital (ROIC) – Net operating profit after tax (NOPAT) divided by average invested capital. NOPAT is defined as annual operating income, as reported, less the effective income tax expense, excluding the tax impact from other income/(loss). Average invested capital is the average of the current and prior fiscal years' ending balances of debt and stockholders' equity, less the average of the current and prior fiscal years' ending balances of cash and cash equivalents.

The Container Store bankruptcy - Represents a charge for uncollectible receivables due to the bankruptcy of The Container Store

Weighted Distribution Growth – An estimate based on the analysis of third-party market data for the specified period that includes data from Nielsen, Circana, & other various sources. The percent change in the weighted points of distribution for market-brand-category based on combined category revenue.

Reconciliation of Non-GAAP Financial Measures – GAAP Operating Income and Operating Margin to Adjusted Operating Income and Adjusted Operating Margin (Non-GAAP) (Unaudited) (in thousands)

	Three Months Ended November 30, 2024					
	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 %

	Three Months Ended November 30, 2023					
	Home & Outdoor		Beauty & Wellness		Total	
Operating income, as reported (GAAP)	$ 49,514	21.0 %	$ 57,413	18.3 %	$ 106,927	19.5 %
Gain on sale of distribution and office facilities	(16,175)	(6.9)%	(18,015)	(5.7)%	(34,190)	(6.2)%
Restructuring charges	583	0.2 %	3,307	1.1 %	3,890	0.7 %
Subtotal	33,922	14.4 %	42,705	13.6 %	76,627	13.9 %
Amortization of intangible assets	1,781	0.8 %	2,827	0.9 %	4,608	0.8 %
Non-cash share-based compensation	4,061	1.7 %	4,518	1.4 %	8,579	1.6 %
Adjusted operating income (non-GAAP)	$ 39,764	16.9 %	$ 50,050	16.0 %	$ 89,814	16.3 %

Reconciliation of Non-GAAP Financial Measures - GAAP Net Income to EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization), Adjusted EBITDA and Adjusted EBITDA Margin (Non-GAAP) (Unaudited) (in thousands)

	Three Months Ended November 30,			
	2024		2023	
Net income, as reported (GAAP)	$ 49,616	9.3 %	$ 75,898	13.8 %
Interest expense	12,164	2.3 %	12,859	2.3 %
Income tax expense	13,536	2.6 %	18,350	3.3 %
Depreciation and amortization	13,222	2.5 %	12,431	2.3 %
EBITDA (non-GAAP)	88,538	16.7 %	119,538	21.7 %
Add: Gain on sale of distribution and office facilities	—	— %	(34,190)	(6.2)%
Restructuring charges	3,518	0.7 %	3,890	0.7 %
Non-cash share-based compensation	4,730	0.9 %	8,579	1.6 %
Adjusted EBITDA (non-GAAP)	$ 96,786	18.2 %	$ 97,817	17.8 %

Reconciliation of Non-GAAP Financial Measures - GAAP Income and Diluted EPS to Adjusted Income and Adjusted Diluted EPS (Non-GAAP) (Unaudited)
(in thousands, except per share data)

	Three Months Ended November 30, 2024					
	Income			Diluted EPS		
	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 diluted EPS						22,882

	Three Months Ended November 30, 2023					
	Income			Diluted EPS		
	Before Tax	Tax	Net of Tax	Before Tax	Tax	Net of Tax
As reported (GAAP)	$ 94,248	$ 18,350	$ 75,898	$ 3.96	$ 0.77	$ 3.19
Gain on sale of distribution and office facilities	(34,190)	(8,787)	(25,403)	(1.44)	(0.37)	(1.07)
Restructuring charges	3,890	49	3,841	0.16	—	0.16
Subtotal	63,948	9,612	54,336	2.69	0.40	2.28
Amortization of intangible assets	4,608	606	4,002	0.19	0.03	0.17
Non-cash share-based compensation	8,579	532	8,047	0.36	0.02	0.34
Adjusted (non-GAAP)	$ 77,135	$ 10,750	$ 66,385	$ 3.24	$ 0.45	$ 2.79
Weighted average shares of common stock used in computing diluted EPS						23,813

Reconciliation of Non-GAAP Financial Measures - GAAP Net Cash Provided by Operating Activities to Free Cash Flow (Non-GAAP) (Unaudited) (in thousands)

	Nine Months Ended November 30,	
	2024	2023
Net cash provided by operating activities (GAAP)	$ 78,236	$ 232,459
Less: Capital and intangible asset expenditures	(22,155)	(29,681)
Free cash flow (non-GAAP)	$ 56,081	$ 202,778

Reconciliation of Non-GAAP Financial Measures – GAAP Net Cash Provided by Operating Activities to Free Cash Flow (Non-GAAP) (Unaudited) (in thousands)

	Fiscal Years Ended Last Day of February,				
	2024	2023	2022	2021	2020
Net cash provided by operating activities (GAAP)	$ 306,067	$ 208,242	$ 140,823	$ 314,106	$ 271,293
Less: Capital and intangible asset expenditures	(36,644)	(174,864)	(78,039)	(98,668)	(17,759)
Free cash flow (non-GAAP)	$ 269,423	$ 33,378	$ 62,784	$ 215,438	$ 253,534

Fiscal 2025 Outlook for Net Sales Revenue (Unaudited)
(in thousands)

Consolidated:	Fiscal 2024	Outlook Fiscal 2025		
Net sales revenue	$ 2,005,050	$ 1,888,000	—	$ 1,913,000
Net sales revenue decline		(5.8)%	—	(4.6)%

Reconciliation of Non-GAAP Financial Measures – Fiscal 2025 Outlook for GAAP Net Income to EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization), Adjusted EBITDA and Adjusted EBITDA Margin (Non-GAAP) (Unaudited) (in thousands)

	Nine Months Ended November 30, 2024	Outlook for the Balance of the Fiscal Year (Three Months)			Outlook Fiscal 2025		
Net income, as reported (GAAP)	$ 72,834	$ 33,299	—	$ 43,106	$ 106,133	—	$ 115,940
Interest expense	37,923	13,808	—	12,410	51,731	—	50,333
Income tax expense	30,444	10,108	—	9,689	40,552	—	40,133
Depreciation and amortization	40,850	13,825	—	12,835	54,675	—	53,685
EBITDA (non-GAAP)	182,051	71,040	—	78,040	253,091	—	260,091
Add: Acquisition-related expenses	—	2,975	—	2,975	2,975	—	2,975
Container Store bankruptcy	—	5,000	—	4,000	5,000	—	4,000
Restructuring charges	6,879	2,047	—	47	8,926	—	6,926
Non-cash share-based compensation	16,050	5,958	—	4,958	22,008	—	21,008
Adjusted EBITDA (non-GAAP)	$ 204,980	$ 87,020	—	$ 90,020	$ 292,000	—	$ 295,000
Adjusted EBITDA margin (non-GAAP)					15.5 %	—	15.4 %

Reconciliation of Non-GAAP Financial Measures – Fiscal 2025 Outlook for GAAP Diluted EPS to Adjusted Diluted EPS (Non-GAAP) and GAAP Effective Tax Rate to Adjusted Effective Tax Rate (Non-GAAP) (Unaudited)

	Nine Months Ended November 30, 2024	Outlook for the Balance of the Fiscal Year (Three Months)			Outlook Fiscal 2025			Tax Rate Outlook Fiscal 2025		
Diluted EPS, as reported (GAAP)	$ 3.15	$ 1.45	—	$ 1.87	$ 4.60	—	$ 5.02	27.6 %	—	25.8 %
Acquisition-related expenses	—	0.13	—	0.13	0.13	—	0.13			
Container Store bankruptcy	—	0.22	—	0.17	0.22	—	0.17			
Restructuring charges	0.30	0.09	—	—	0.39	—	0.30			
Amortization of intangible assets	0.59	0.23	—	0.23	0.82	—	0.82			
Non-cash share-based compensation	0.69	0.26	—	0.22	0.95	—	0.91			
Income tax effect of adjustments (1)	0.11	(0.07)	—	(0.06)	0.04	—	0.05	(8.2)%	—	(7.2)%
Adjusted diluted EPS (non-GAAP)	$ 4.84	$ 2.31	—	$ 2.56	$ 7.15	—	$ 7.40	19.4 %	—	18.6 %

(1) Income tax effect of adjustments is inclusive of the Barbados tax reform income tax adjustment.

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Elevate for Growth

Reconciliation of Non-GAAP Financial Measures – Fiscal 2025 Outlook for GAAP Net Cash Provided by Operating Activities to Free Cash Flow (Non-GAAP) (Unaudited) (in thousands)

	Nine Months Ended November 30, 2024	Outlook for the Balance of the Fiscal Year (Three Months)			Outlook Fiscal 2025		
Net cash provided by operating activities (GAAP)	$ 78,236	$ 102,764	—	$ 109,764	$ 181,000	—	$ 188,000
Less: Capital and intangible asset expenditures	(22,155)	(13,845)	—	(10,845)	(36,000)	—	(33,000)
Free cash flow (non-GAAP)	$ 56,081	$ 88,919	—	$ 98,919	$ 145,000	—	$ 155,000

Reconciliation of Non-GAAP Financial Measures – GAAP Net Income to EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization), Adjusted EBITDA and Adjusted EBITDA Margin (Non-GAAP) (Unaudited) (in thousands)

	Fiscal Years Ended Last Day of February,	
	2024	**2023**
Net income, as reported (GAAP)	$ 168,594	$ 143,273
Interest expense	53,065	40,751
Income tax expense	40,448	28,016
Depreciation and amortization	51,499	44,683
EBITDA (non-GAAP)	313,606	256,723
Add: Acquisition-related expenses	—	2,784
Bed, Bath & Beyond bankruptcy	4,213	—
EPA compliance costs	—	23,573
Gain from insurance recoveries	—	(9,676)
Gain on sale of distribution and office facilities	(34,190)	—
Restructuring charges	18,712	27,362
Non-cash share-based compensation	33,872	26,753
Adjusted EBITDA (non-GAAP)	$ 336,213	$ 327,519
Adjusted EBITDA margin (non-GAAP)	16.8 %	15.8 %

Helen of Troy Elevate for Growth

Reconciliation of Non-GAAP Financial Measures – Net Leverage Ratio (Non-GAAP) (Unaudited) (in thousands)

	Fiscal Year Ended February 29, 2024
Adjusted EBITDA (non-GAAP)	$ 336,213
Bed, Bath & Beyond bankruptcy	(4,213)
Adjusted EBITDA per the credit agreement	$ 332,000
Total borrowings under the credit agreement, as reported (GAAP)	$ 671,950
Add: Outstanding letters of credit	15,485
Less: Unrestricted cash and cash equivalents	(23,481)
Net debt	$ 663,954
Net leverage ratio (non-GAAP)	2.00

	Fiscal Year Ended February 28, 2023
Adjusted EBITDA (non-GAAP)	$ 327,519
Plus: Pro forma effect of acquisitions	1,985
Adjusted EBITDA per the credit agreement	$ 329,504
Total borrowings under the credit agreement, as reported (GAAP)	$ 936,875
Add: Outstanding letters of credit	18,176
Less: Unrestricted cash and cash equivalents	(28,797)
Net debt	$ 926,254
Net leverage ratio (non-GAAP)	2.81