



Fourth Quarter ended September 30, 2025 Quarterly Earnings Report

Supplemental Financial Presentation

November 5, 2025



Please view this presentation in conjunction with our Q4 2025 earnings release, which is furnished on Form 8-K, our related pre-recorded remarks and additional information regarding our non-GAAP financial measures, including GAAP to non-GAAP reconciliations, available on our website at <https://investor.scotts.com>.

Safe Harbor Disclosure

Statements contained in this presentation, which address activities, events and developments that the Company expects or anticipates will or may occur in the future, including, but not limited to, information regarding the future economic performance and financial condition of the Company, the plans and objectives of the Company's management, and the Company's assumptions regarding such performance and plans are "forward-looking statements" within the meaning of the U.S. federal securities laws that are subject to risks and uncertainties.

Additional detailed information concerning a number of the important factors that could cause actual results to differ materially from the forward-looking information contained in this presentation is readily available in the Company's publicly filed annual, quarterly and other reports. The Company disclaims any obligation to update developments of these factors or to announce publicly any revision to any of the forward-looking statements contained in this presentation, or to make updates to reflect future events or developments.

This presentation contains certain non-GAAP financial measures. For a reconciliation of GAAP to non-GAAP financial measures, please see the Appendix of this presentation.



Today's speakers



Jim Hagedorn
Chairman and
Chief Executive Officer



Mark Scheiwer
Chief Financial Officer and
Chief Accounting Officer

Q&A

A Q&A session will follow the earnings webcast at approximately 9:30 a.m. ET



Jim Hagedorn
Chairman & CEO



Nate Baxter
President & COO



Mark Scheiwer
EVP, CFO & CAO



Chris Hagedorn
EVP, Chief of Staff

Review the press release for registration details.

- To listen to the Q&A, please remain on the [webcast link](#) following our video.
- To ask a question, please pre-register via the [audio link](#) for call-in details and a unique PIN.

Q4 2025 Business Update

PRESENTED BY

Jim Hagedorn

Chairman and Chief Executive Officer



Fiscal 2025 Full Year Highlights

-  **Met or exceeded all financial guidance previously provided**
-  Two year average annualized net sales growth rate within U.S. Consumer for fiscal 2024 and 2025 **in line with long term target of at least 3%**
-  Our **share of the total Lawn & Garden category increased by 1%**
-  **U.S. Consumer POS units +8.5% and dollars +1.4%** led by grass seed, spreaders and soils
-  Continued execution of our long term supply chain optimization and automation activities **delivering 490 bps of non-GAAP adjusted gross margin rate improvement**
-  **Non-GAAP adjusted EBITDA growth of \$71 million or 14%** to \$581 million
-  **Non-GAAP adjusted EPS growth of 63%** to \$3.74 per share
-  **Free cash flow of \$274 million** in excess of Non-GAAP adjusted earnings
-  **Continued debt paydown of \$120 million** driving interest expense down by \$30 million and our leverage ratio to 4.1x

Internal and external transformation initiatives will drive cost advantages and propel growth



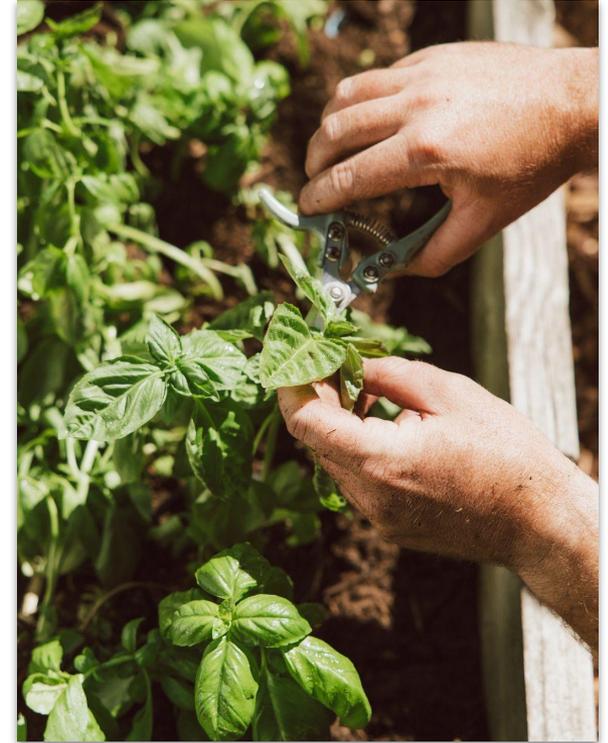
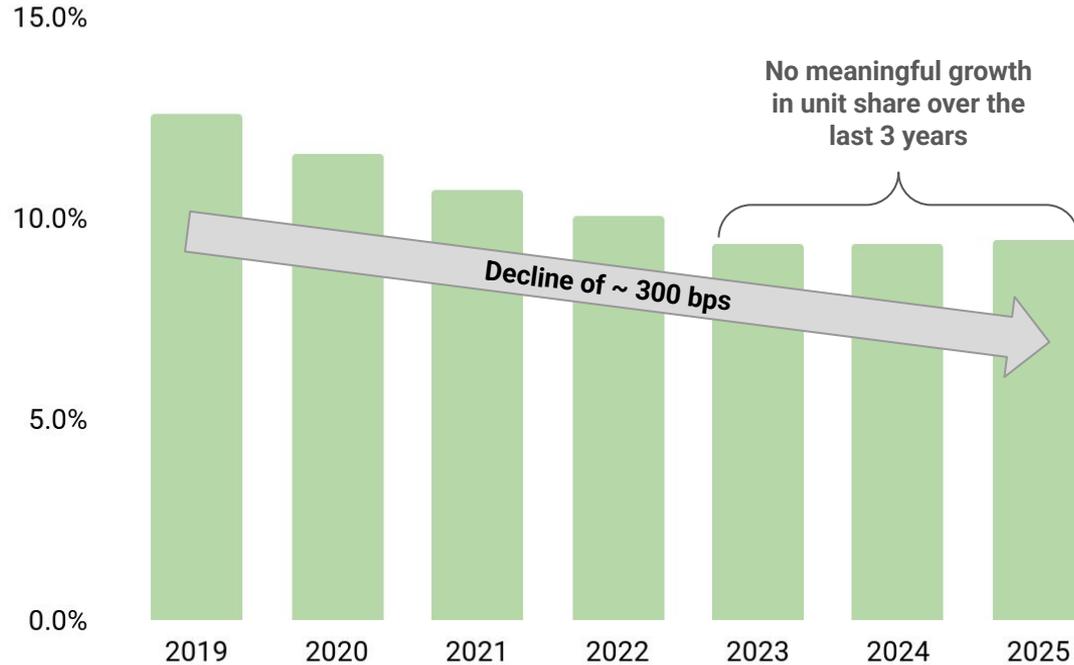
Our brand portfolio, in total, increased it's leading share position of the \$11 billion Consumer DIY Lawn & Garden by 1% in fiscal 2025



Source: Yipit and internal data. Includes retailers HD,LO, WM, Ace, Amz, Menards, Costco, Sam's, TSC, Target, Meijer, Dollar General for FY2025
¹Includes Lawns, Gardens and Controls POS dollars. Excludes categories that SMG doesn't participate in.

Lawn & Garden industry has low exposure to private label

Private Label Unit Share of Lawn & Garden Industry



Our Super Powers give us competitive advantages

Brands/Marketing

Most powerful brands with low private label pressure



Marketing Agent

50% ownership in joint venture with Alabama Farmers Cooperative, Inc.

Innovation

Industry-leading R&D with science-backed product development



Supply Chain

Integrated manufacturing and distribution network within 150 miles on average of customers



Sales

Unparalleled in-store activation coupled with ecomm expansion



The Lawns segment will focus on multi-bag feeding to drive frequency and target new consumers



FY26 Focus Areas

Drive feeding frequency with current category users while still offering solution-type products

Target new DIY lawn care consumers with a focus on the younger generation

Invest in new innovation and renewed advertising to drive growth in our grass seed business

Consumer Activation



Innovation





The Gardens segment continues to be the biggest growth engine for the company; branded POS units up double digits each of the last 2 years

FY26 Focus Areas

Attract emerging & pre-emerging consumers

with accessible, modern solutions including indoor & organics

Create products and programs to reach consumers where they shop & learn

Champion the Growing Lifestyle with products and marketing that redefine Miracle-Gro's brand relevance

Consumer Activation



Innovation



The Controls segment is growing ecommerce and expanding into new segments with the launch of several new innovative products



FY26 Focus Areas

Launch of 10 new innovative products

under the Ortho brand

Grow digital presence

across ecommerce channels via focused advertising and programs

Continue to **build relevance with emerging consumers** through marketing

Consumer Activation



Innovation

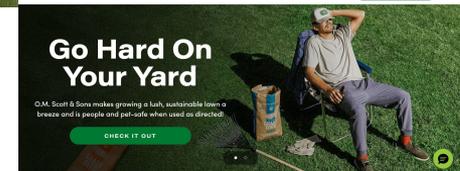
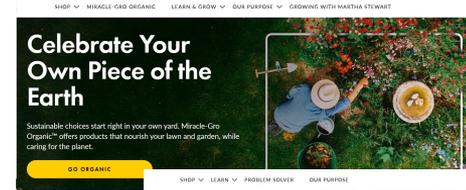
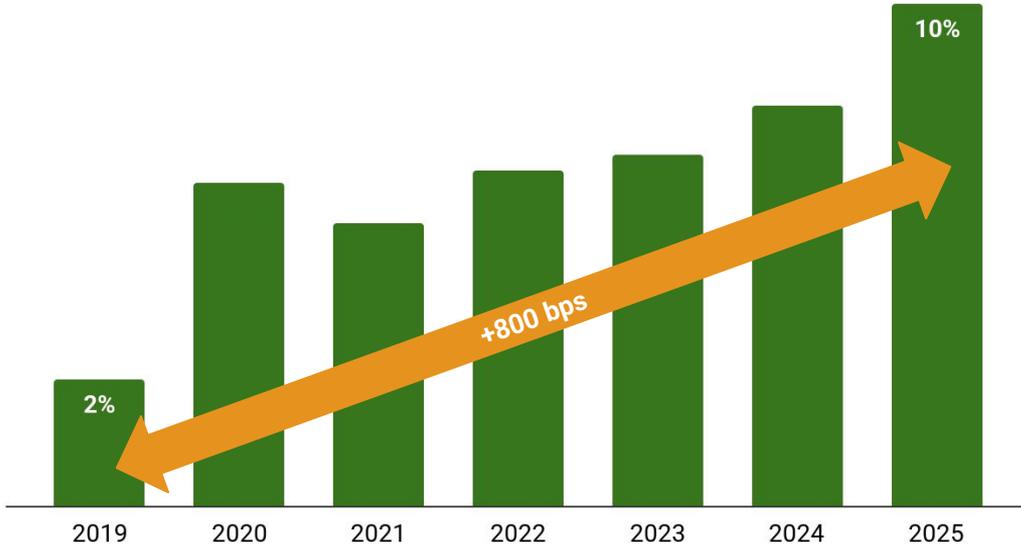


Continued expansion in ecommerce after strong POS gains in fiscal '25

POS dollars **+23%** and units **+51%** in fiscal 2025

Growth primarily driven by retailer ecomm sites

Ecommerce¹ Penetration of POS Dollars



¹E-commerce is defined as retail.com, Amazon and SMG direct sites

Strong line of sight to savings in FY26; on track to achieve FY27 targets

Out
performed

our fiscal '25 supply
chain savings target

“

Our supply chain team is doing an outstanding job **delivering on cost savings initiatives...\$75 million of cost savings [in FY25].** And we have **another \$75 million to go over '26 & '27.**

- Mark Scheiwer, CFO & CAO
2Q25 Earnings Call

”

“

Over the past 18 months, we've **harnessed the power of technology to optimize processes** with IoT, advanced robotics, automation and real-time data analytics - including AI - for more informed decision-making and operational efficiency. **This transformation is ongoing.**

- Nate Baxter, President & COO
March '25 American Manufacturing Summit

”



Q4 2025 Financial Update

PRESENTED BY

Mark Scheiwer

Chief Financial Officer and Chief Accounting Officer



Fourth Quarter Performance Summary

Total Company Non-GAAP Results vs. Q4 2024

Net Sales	\$387.4 million	-7%
Adjusted Gross Margin Rate	7.2%	+1,030 bps
SG&A	\$136.9 million	+16%
Adjusted Net Loss	\$(113.1) million	vs. \$(131.5M)
Interest Expense	\$26.8 million	-19%
Adjusted Effective Tax Rate	24%	vs. 24.9%
Adjusted Diluted EPS	\$(1.96)	vs. \$(2.31)
Adjusted EBITDA	\$(81.6) million	vs. \$(97.2M)
Leverage	4.1x	vs. 4.86x



Fiscal 2025 Performance Summary

Total Company Non-GAAP Results vs. Fiscal 2024

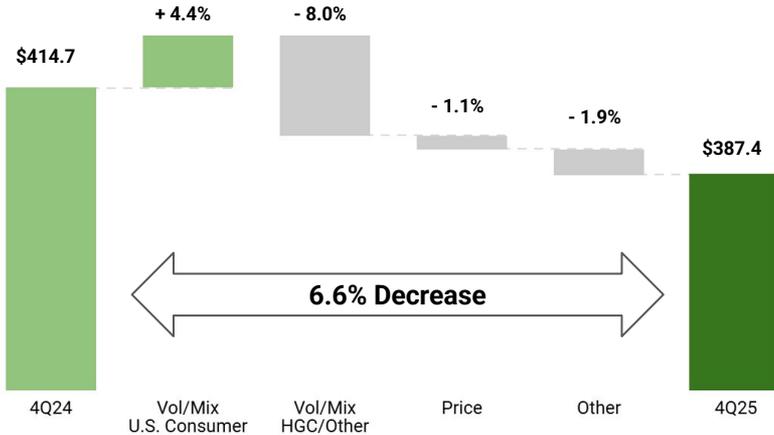
Net Sales	\$3.41 billion	-4%
Adjusted Gross Margin Rate	31.2%	+490 bps
SG&A	\$603.4 million	+8%
Adjusted Net Income	\$219.6 million	vs. \$132M
Interest Expense	\$128.8 million	-19%
Adjusted Effective Tax Rate	29%	vs. 28.5%
Adjusted Diluted EPS	\$3.74	vs. \$2.29
Adjusted EBITDA	\$581.1 million	vs. \$510.1M
Leverage	4.1x	vs. 4.86x



Net sales performance for the quarter and year-to-date

Total Company 4Q25 Net Sales

In millions



Total Company Fiscal 2025 Net Sales

In millions



Quarter Drivers

- **Vol/Mix** - Expected Hawthorne (“HGC”) declines partially offset by organic volume growth in U.S. Consumer segment and Canada
- **Price** - Reflects the impact of market-wide price increases on targeted U.S. Consumer SKUs offset by investments in consumer activation & other programs to drive volume
- **Other** - Non-repeating FY24 North American sales of AeroGarden products and U.S. Consumer bulk raw materials

Full Year Drivers

- **Vol/Mix** - Expected Hawthorne (“HGC”) declines partially offset by organic volume growth in U.S. Consumer segment and Canada
- **Price** - Reflects the impact of market-wide price increases on targeted U.S. Consumer SKUs offset by investments in consumer activation & other programs to drive volume
- **Other** - Non-repeating FY24 North American sales of AeroGarden products, U.S. Consumer bulk raw materials and Hawthorne’s exit of distributed brand sales

Net sales performance for the quarter and year-to-date by segment

Fiscal Fourth Quarter (July - September 2025)

Net Sales Drivers ⁽¹⁾	Volume & Mix	Foreign Exchange	Price ⁽²⁾	Other ⁽³⁾	Net Sales
U.S. Consumer	4.4%	–%	(1.7)%	(2.4)%	0.5%
Hawthorne	(38.5)%	1.2%	(0.6)%	–%	(38.0)%
Other	9.2%	(1.1)%	1.1%	(1.8)%	7.4%
Total SMG	(3.6)%	0.2%	(1.3)%	(1.9)%	(6.6)%

Fiscal 2025 (October 2024 - September 2025)

Net Sales Drivers ⁽¹⁾	Volume & Mix	Foreign Exchange	Price ⁽²⁾	Other ⁽³⁾	Net Sales
U.S. Consumer	1.4%	–%	(0.6)%	(1.4)%	(0.7)%
Hawthorne	(32.8)%	0.3%	(1.4)%	(9.9)%	(43.7)%
Other	6.5%	(2.5)%	0.3%	(0.6)%	3.8%
Total SMG	(1.0)%	(0.1)%	(0.6)%	(2.2)%	(3.9)%

(1) Net Sales percentage changes are approximations based on quantitative formulas that are consistently applied.

(2) Price represents changes to the invoiced price charged to customers, net of investment in customer promotional activities such as seasonal and yearly promotions, customer incentives and rebate programs.

(3) Other represents the impact of rounding and nonrecurring sales from the prior year which mainly include U.S. Consumer's bulk raw material and AeroGarden sales, Hawthorne's third party distributed sales, and Canada's AeroGarden sales.

POS dollars and units performance for the quarter and full year

POS dollars **+3.6%** and units **+11%** for the quarter;
POS dollars **+1.4%** and units **+8.5%** for the year

LAWNS:
FERTILIZERS, GRASS SEED,
SPREADERS



POS Units¹
+4.2%

Led by Grass Seed &
Spreaders

GARDENS:
SOILS & PLANT FOOD



POS Units¹
+10%

Strength in Soils
units¹ **+11.4%**

CONTROLS:
WEED, INSECT, RODENT

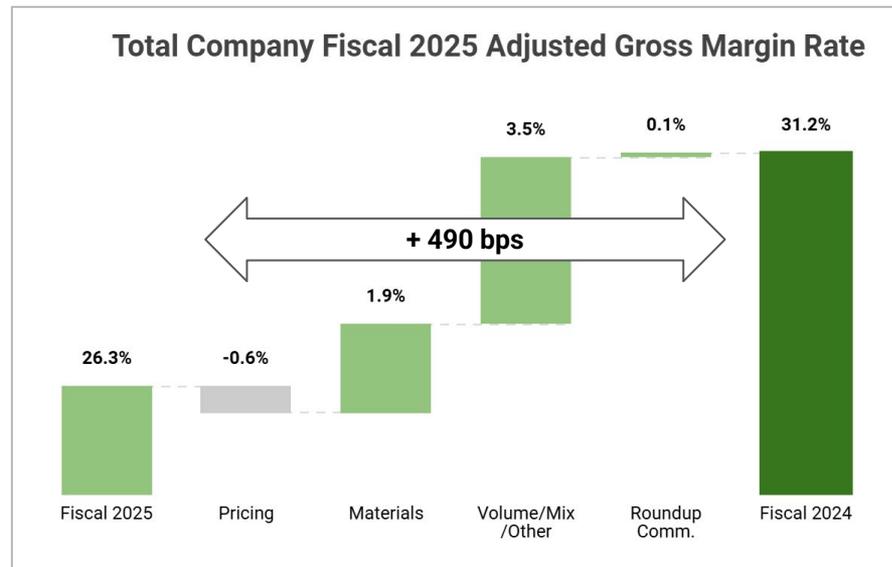
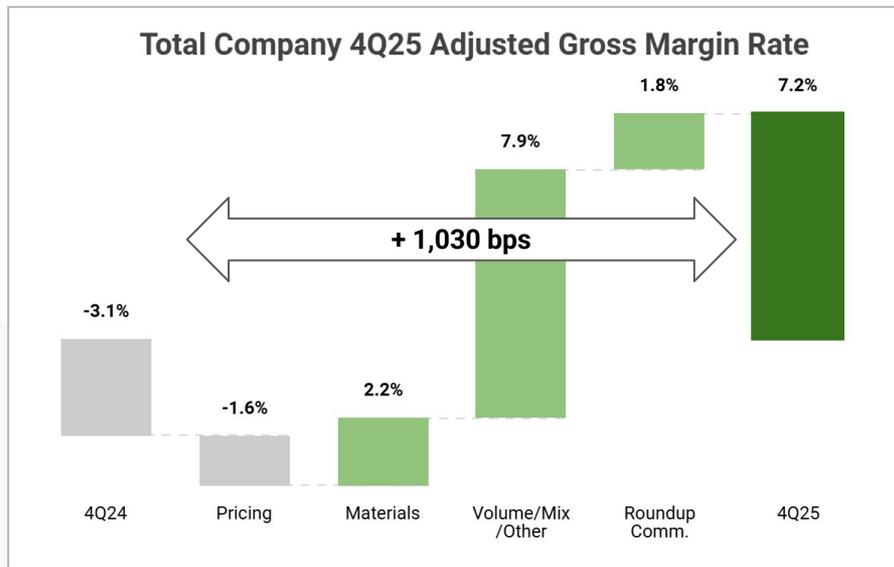


POS Units¹
Flat

Momentum at the
end of the year

¹Refers to the fiscal year results

Drive margin expansion through cost savings and material cost deflation



Quarter Drivers

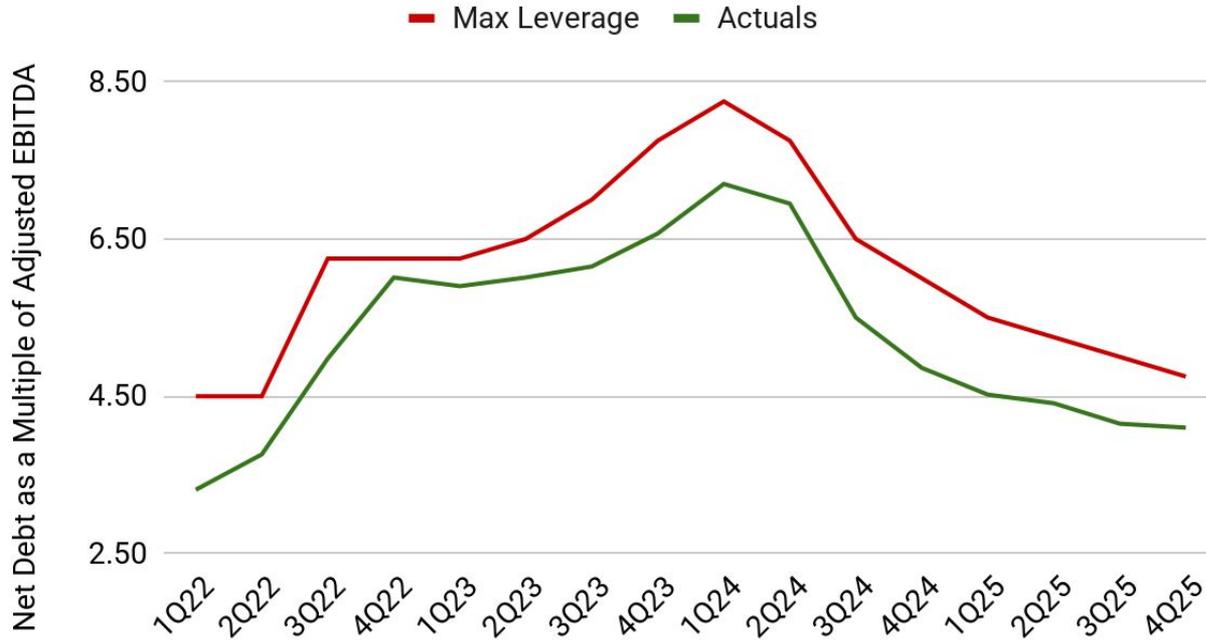
- Benefit from not repeating a one-time inventory write off of \$29M from 4Q24
- Continued execution of U.S. Consumer supply chain savings
- Favorable mix from U.S. Consumer non-repeating bulk raw material & AeroGarden sales

Full Year Drivers

- Over delivered on the expected \$75 million of U.S. Consumer supply chain savings
- Distribution savings related to network optimization efforts in both segments
- Favorable mix from Hawthorne's exit of distributed brand sales and U.S. Consumer non-repeating bulk raw material & AeroGarden sales

Strengthen balance sheet and reduce leverage ratio

Covenant Compliance - Leverage Ratio



FY 2026 Financial Update

PRESENTED BY

Mark Scheiwer

Chief Financial Officer and Chief Accounting Officer



Financial objectives for fiscal 2026

Drive Sales Growth

- Maintain and build upon listing gains, ecommerce penetration and consumer engagement with our branded products to drive low single-digit sales growth in FY26
- Continue to support our own consumer advertising, brand support and ecommerce activities to drive long-term brand health
- Launch new innovation centered around consumer preferences across our categories

Continued Margin Expansion

- \$150 million of supply chain cost savings over 3 years; approximately 2/3 achieved in FY25
- Limited exposure to tariffs, ~5% of total COGS is exposed, due to exemptions under existing agricultural trade agreements and domestic sourcing capabilities
- Non-GAAP adjusted gross margin rate of at least 32 percent in FY26; targeting mid-30s percent by FY27

Strengthen Balance Sheet

- \$275 million expected free cash flow
- Strategic utilization of our accounts receivable sale facility
- Maintain quarterly dividend with remainder of free cash flow targeted to debt paydown
- Leverage ratio in to the high 3's by end of FY26; below 3.5x by end of FY27 positioning us for more balanced capital allocation

Our Fiscal 2026 Guidance

Net Sales	<ul style="list-style-type: none">● US Consumer: Low single-digit growth
Adjusted Gross Margin Rate	<ul style="list-style-type: none">● At least 32%
Adjusted EPS	<ul style="list-style-type: none">● \$4.15 to \$4.35 per share
Adjusted EBITDA	<ul style="list-style-type: none">● Mid single-digit growth
Free Cash Flow	<ul style="list-style-type: none">● \$275 million
Leverage Ratio	<ul style="list-style-type: none">● High 3's



Reconciliation of Non-GAAP Financial Measures



Reconciliation of Non-GAAP Financial Measures

Use of Non-GAAP Measures

To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), the Company uses non-GAAP financial measures. The reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are shown in the tables above. These non-GAAP financial measures should not be considered in isolation from, or as a substitute for or superior to, financial measures reported in accordance with GAAP. Moreover, these non-GAAP financial measures have limitations in that they do not reflect all the items associated with the operations of the business as determined in accordance with GAAP. Other companies may calculate similarly titled non-GAAP financial measures differently than the Company, limiting the usefulness of those measures for comparative purposes.

In addition to GAAP measures, management uses these non-GAAP financial measures to evaluate the Company’s performance, engage in financial and operational planning, determine incentive compensation and monitor compliance with the financial covenants contained in the Company’s borrowing agreements because it believes that these non-GAAP financial measures provide additional perspective on and, in some circumstances are more closely correlated to, the performance of the Company’s underlying, ongoing business.

Management believes that these non-GAAP financial measures are useful to investors in their assessment of operating performance and the valuation of the Company. In addition, these non-GAAP financial measures address questions routinely received from analysts and investors and, in order to ensure that all investors have access to the same data, management has determined that it is appropriate to make this data available to all investors. Non-GAAP financial measures exclude the impact of certain items (as further described below) and provide supplemental information regarding operating performance. By disclosing these non-GAAP financial measures, management intends to provide investors with a supplemental comparison of operating results and trends for the periods presented. Management believes these non-GAAP financial measures are also useful to investors as such measures allow investors to evaluate performance using the same metrics that management uses to evaluate past performance and prospects for future performance. Management views free cash flow as an important measure because it is one factor used in determining the amount of cash available for dividends and discretionary investment.

Reconciliation of Non-GAAP Financial Measures

Definitions of Non-GAAP Financial Measures

The reconciliations of non-GAAP disclosure items include the following financial measures that are not calculated in accordance with GAAP:

- Adjusted gross margin: Gross margin excluding impairment, restructuring and other charges / recoveries.
- Adjusted income (loss) before income taxes: Income (loss) before income taxes excluding impairment, restructuring and other charges / recoveries, costs related to refinancing and certain other non-operating income / expense items.
- Adjusted income tax expense (benefit): Income tax expense (benefit) excluding the tax effect of impairment, restructuring and other charges / recoveries, costs related to refinancing and certain other non-operating income / expense items.
- Adjusted net income (loss): Net income (loss) excluding impairment, restructuring and other charges / recoveries, costs related to refinancing and certain other non-operating income / expense items, each net of tax.
- Adjusted diluted net income (loss) per common share: Diluted net income (loss) per common share excluding impairment, restructuring and other charges / recoveries, costs related to refinancing and certain other non-operating income / expense items, each net of tax.
- Adjusted EBITDA: Net income (loss) before interest, taxes, depreciation and amortization as well as certain other items such as the impact of the cumulative effect of changes in accounting, costs associated with debt refinancing and other non-recurring or non-cash items affecting net income (loss). A form of Adjusted EBITDA is used in agreements governing the Company's outstanding indebtedness for debt covenant compliance purposes. Adjusted EBITDA as used in those agreements includes additional adjustments to the Adjusted EBITDA presented in the reconciliations above which may decrease or increase Adjusted EBITDA for purposes of the Company's financial covenants.
- Free cash flow: Net cash provided by (used in) operating activities reduced by investments in property, plant and equipment.

Forward Looking Non-GAAP Measures

In this presentation, the Company presents certain forward-looking non-GAAP measures. The Company does not provide outlook on a GAAP basis because changes in the items that the Company excludes from GAAP to calculate the comparable non-GAAP measure, described above, can be dependent on future events that are less capable of being controlled or reliably predicted by management and are not part of the Company's routine operating activities. Additionally, due to their unpredictability, management does not forecast many of the excluded items for internal use and therefore cannot create or rely on a GAAP outlook without unreasonable efforts. The occurrence, timing and amount of any of the items excluded from GAAP to calculate non-GAAP could significantly impact the Company's GAAP results. As a result, the Company does not provide a reconciliation of forward-looking non-GAAP measures to GAAP measures, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K.

Reconciliation of Non-GAAP Financial Measures

(In millions, except per share data)
(Unaudited)

	Three Months Ended September 30, 2025			Three Months Ended September 30, 2024		
	As Reported (GAAP)	Impairment, Restructuring and Other	Adjusted (Non-GAAP)	As Reported (GAAP)	Impairment, Restructuring and Other	Adjusted (Non-GAAP)
Gross margin	\$ 23.5	\$ (4.2)	\$ 27.7	\$ (29.6)	\$ (16.8)	\$ (12.7)
Gross margin as a % of sales	6.1%		7.2%	(7.1)%		(3.1)%
Loss before income taxes	(190.6)	(41.8)	(148.8)	(312.1)	(137.0)	(175.2)
Income tax benefit	(38.8)	(3.0)	(35.7)	(68.1)	(24.5)	(43.7)
Effective tax rate	20.4%		24.0%	21.8%		24.9%
Net loss	(151.8)	(38.8)	(113.1)	(244.0)	(112.4)	(131.5)
Diluted net loss per common share	(2.63)	(0.67)	(1.96)	(4.29)	(1.98)	(2.31)

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024
Calculation of Adjusted EBITDA:		
Net loss (GAAP)	\$ (151.8)	\$ (244.0)
Income tax benefit	(38.8)	(68.1)
Interest expense	26.8	33.1
Depreciation	15.6	16.1
Amortization	2.9	3.9
Impairment, restructuring and other charges	38.0	85.5
Equity in loss of unconsolidated affiliates	12.3	61.6
Interest income	0.0	(0.1)
Share-based compensation	13.4	14.8
Adjusted EBITDA (Non-GAAP)	\$ (81.6)	\$ (97.2)

Note: See accompanying footnotes.

The sum of the components may not equal due to rounding.

Reconciliation of Non-GAAP Financial Measures

(In millions, except per share data)
(Unaudited)

	Twelve Months Ended September 30, 2025			Twelve Months Ended September 30, 2024		
	As Reported (GAAP)	Impairment, Restructuring and Other	Adjusted (Non-GAAP)	As Reported (GAAP)	Impairment, Restructuring and Other	Adjusted (Non-GAAP)
Gross margin	\$ 1,044.2	\$ (20.3)	\$ 1,064.5	\$ 850.5	\$ (83.5)	\$ 933.9
Gross margin as a % of sales	30.6%		31.2%	23.9%		26.3%
Income (loss) before income taxes	221.7	(87.6)	309.3	(23.6)	(208.2)	184.6
Income tax expense	76.5	(13.2)	89.7	11.3	(41.3)	52.6
Effective tax rate	34.5%		29.0%	(47.9%)		28.5%
Net income (loss)	145.2	(74.4)	219.6	(34.9)	(166.9)	132.0
Diluted net income (loss) per common share	2.47	(1.27)	3.74	(0.61)	(2.89)	2.29

	Twelve Months Ended September 30, 2025	Twelve Months Ended September 30, 2024
Calculation of Adjusted EBITDA:		
Net income (loss) (GAAP)	\$ 145.2	\$ (34.9)
Income tax expense	76.5	11.3
Interest expense	128.8	158.8
Depreciation	62.7	64.9
Amortization	12.3	15.7
Impairment, restructuring and other charges	83.8	146.3
Equity in loss of unconsolidated affiliates	2.8	68.1
Interest income	0.0	(0.5)
Share-based compensation expense	69.0	80.4
Adjusted EBITDA (Non-GAAP)	\$ 581.1	\$ 510.1

Note: See accompanying footnotes.

The sum of the components may not equal due to rounding.

4Q 2025 - 12 Months ended September 30, 2025

Reconciliation of Non-GAAP Financial Measures

(In millions)	Year Ended September 30,	
	2025	
Net cash provided by operating activities (GAAP)	\$	371.3
Investments in property, plant and equipment		(97.4)
Free cash flow (Non-GAAP)	\$	273.9

Reconciliation of Non-GAAP Financial Measures

For the three and twelve months ended September 30, 2025, the following items were adjusted, in accordance with the definitions above, to arrive at the non-GAAP financial measures:

- During the three and twelve months ended September 30, 2025, the Company incurred a non tax-deductible loss of \$17.7 million in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations related to the divestiture of its Hawthorne professional horticulture business based in the Netherlands.
- During the three and twelve months ended September 30, 2025, the Company incurred employee and executive severance charges of \$1.1 million and \$7.3 million, respectively, in the “Cost of sales—impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations and \$1.7 million and \$17.9 million, respectively, in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations.
- During the three and twelve months ended September 30, 2025, the Company incurred a charge of \$7.5 million in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations associated with a settlement agreement to resolve litigation with the former shareholders of a business that was acquired in fiscal 2021.
- During the three and twelve months ended September 30, 2025, the Company incurred a non-cash loss of \$0.0 million and \$7.0 million, respectively, in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations related to the exchange of its convertible debt investment in RIV Capital Inc. for non-voting exchangeable shares of Fluent Corp. (formerly Cansortium Inc.).
- During the three and twelve months ended September 30, 2025, the Company incurred intangible asset impairment charges of \$3.6 million in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations.
- During fiscal 2022, the Company began implementing a series of Company-wide organizational changes and initiatives intended to create operational and management-level efficiencies. As part of this restructuring initiative, the Company reduced the size of its supply chain network, reduced staffing levels and implemented other cost-reduction initiatives. During the three and twelve months ended September 30, 2025, the Company incurred costs of \$3.1 million and \$13.0 million, respectively, in the “Cost of sales—impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations associated with this restructuring initiative.
- During the three and twelve months ended September 30, 2025, the Company recorded an impairment charge of \$3.8 million associated with an equity method investment in the “Equity in loss of unconsolidated affiliates” line in the Condensed Consolidated Statements of Operations.

The tax effect for each of the items listed above is determined using the tax rate and other tax attributes applicable to the item and the jurisdiction(s) in which the item is recorded.

Reconciliation of Non-GAAP Financial Measures

For the three and twelve months ended September 30, 2024, the following items were adjusted, in accordance with the definitions above, to arrive at the non-GAAP financial measures:

- During fiscal 2022, the Company began implementing a series of Company-wide organizational changes and initiatives intended to create operational and management-level efficiencies. During the three months ended September 30, 2024, the Company incurred costs of \$16.8 million in the “Cost of sales—impairment, restructuring and other” line and \$2.9 million in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations associated with this restructuring initiative primarily related to facility closure costs and impairment of right-of-use assets, intangible assets, property, plant and equipment and software. During the twelve months ended September 30, 2024, the Company incurred costs of \$83.5 million in the “Cost of sales—impairment, restructuring and other” line and \$5.9 million in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations associated with this restructuring initiative primarily related to inventory write-down charges, employee termination benefits, facility closure costs and impairment of right-of-use assets, intangible assets, property, plant and equipment and software.
- During the three and twelve months ended September 30, 2024, the Company recognized a non-cash, pre-tax other-than-temporary impairment charge related to its convertible debt investments of \$64.6 million in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations.
- During the three and twelve months ended September 30, 2024, the Company recorded pre-tax impairment charges of \$51.5 million and \$61.9 million, respectively, associated with its investment in Bonnie Plants, LLC in the “Equity in loss of unconsolidated affiliates” line in the Condensed Consolidated Statements of Operations.
- During the three and twelve months ended September 30, 2024, the Company established a valuation allowance against certain deferred tax assets associated with non-cash impairment charges, which resulted in the recognition of additional tax expense of \$15.6 million in the “Income tax expense (benefit)” line in the Condensed Consolidated Statements of Operations.
- During the three and twelve months ended September 30, 2024, the Company recorded a gain of \$0.0 million and \$12.1 million, respectively, in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations associated with a payment received in resolution of a dispute with the former ownership group of a business that was acquired in fiscal 2022.

The tax effect for each of the items listed above is determined using the tax rate and other tax attributes applicable to the item and the jurisdiction(s) in which the item is recorded.