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 June 27, 2026

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: 001-11593

The Scotts Miracle-Gro Company

(Exact name of registrant as specified in its charter)

Ohio	**31-1414921**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

14111 Scottslawn Road, Marysville, Ohio 43041
(Address of principal executive offices) (Zip Code)

(937) 644-0011
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, $0.01 stated value	SMG	NYSE

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 ☒

As of July 31, 2026, there were 58,220,274 Common Shares outstanding.

THE SCOTTS MIRACLE-GRO COMPANY
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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

THE SCOTTS MIRACLE-GRO COMPANY
Condensed Consolidated Statements of Operations
(In millions, except per share data)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Net sales	$ 1,172.1	$ 1,159.3	$ 2,986.1	$ 2,915.7
Cost of sales	805.0	784.6	1,918.5	1,903.8
Cost of sales—impairment, restructuring and other	1.2	2.0	2.5	8.6
Gross margin	365.9	372.7	1,065.1	1,003.3
Operating expenses:				
Selling, general and administrative	145.6	144.8	450.7	436.2
Impairment, restructuring and other	47.0	(1.0)	51.0	25.9
Other expense, net	3.7	7.1	13.7	15.5
Income from operations	169.6	221.8	549.7	525.7
Equity in income of unconsolidated affiliates	(29.2)	(25.3)	(11.6)	(9.5)
Interest expense	28.0	31.8	86.5	102.2
Other non-operating expense, net	15.6	1.3	17.9	3.9
Income from continuing operations before income taxes	155.2	214.0	456.9	429.1
Income tax expense from continuing operations	51.6	59.3	137.8	119.7
Net income from continuing operations	103.6	154.7	319.1	309.4
Income (loss) from discontinued operations, net of tax	8.6	(5.6)	(93.3)	(12.3)
Net income	$ 112.2	$ 149.1	$ 225.8	$ 297.1
Basic net income (loss) per common share:				
Continuing operations	$ 1.78	$ 2.68	$ 5.49	$ 5.38
Discontinued operations	0.15	(0.10)	(1.60)	(0.21)
Basic net income per common share	$ 1.93	$ 2.58	$ 3.89	$ 5.17
Diluted net income (loss) per common share:				
Continuing operations	$ 1.75	$ 2.64	$ 5.40	$ 5.28
Discontinued operations	0.15	(0.10)	(1.58)	(0.21)
Diluted net income per common share	$ 1.90	$ 2.54	$ 3.82	$ 5.07
Weighted-average common shares outstanding during the period	58.2	57.7	58.1	57.5
Weighted-average common shares outstanding during the period plus dilutive potential common shares	59.2	58.6	59.1	58.6

See Notes to Condensed Consolidated Financial Statements.

THE SCOTTS MIRACLE-GRO COMPANY
Condensed Consolidated Statements of Comprehensive Income (Loss)
(In millions)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Net income	$ 112.2	$ 149.1	$ 225.8	$ 297.1
Other comprehensive income (loss):				
Net foreign currency translation adjustment	(4.1)	6.2	(3.8)	1.3
Net unrealized gain (loss) on derivative instruments, net of tax	(2.7)	0.1	(0.4)	4.4
Reclassification of net unrealized gain on derivative instruments to net income, net of tax	(0.8)	(1.5)	(2.3)	(5.3)
Net unrealized loss on securities, net of tax	(2.3)	(0.6)	(2.7)	(0.6)
Reclassification of net unrealized loss on securities to net income, net of tax	7.9	—	7.9	—
Pension and other post-retirement benefit adjustments, net of tax	1.0	(3.0)	4.9	—
Total other comprehensive income (loss)	(1.0)	1.2	3.6	(0.2)
Comprehensive income	$ 111.2	$ 150.3	$ 229.4	$ 296.9

See Notes to Condensed Consolidated Financial Statements.

THE SCOTTS MIRACLE-GRO COMPANY
Condensed Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

	Nine Months Ended	
	June 27, 2026	June 28, 2025
OPERATING ACTIVITIES		
Net income	$ 225.8	$ 297.1
Adjustments to reconcile net income to net cash provided by operating activities:		
Impairment, restructuring and other	15.7	16.0
Share-based compensation expense	38.3	55.6
Depreciation	47.0	47.1
Amortization	4.2	9.4
Deferred taxes	115.3	76.5
Loss on sale of business	101.8	—
Unrealized loss on investments	15.7	—
Equity in income of unconsolidated affiliates	(11.6)	(9.5)
Changes in assets and liabilities, net of acquisitions and dispositions:		
Accounts receivable	(552.1)	(395.2)
Inventories	61.1	42.5
Prepaid and other current assets	(2.6)	12.6
Accounts payable	83.7	14.7
Other current liabilities	39.6	38.7
Other non-current items	20.0	(6.1)
Other, net	(6.7)	(2.2)
Net cash provided by operating activities	195.2	197.2
INVESTING ACTIVITIES		
Investments in property, plant and equipment	(63.1)	(54.5)
Net cash disposed of on sale of business	(35.0)	—
Other investing, net	(4.0)	(5.5)
Net cash used in investing activities	(102.1)	(60.0)
FINANCING ACTIVITIES		
Borrowings under revolving and bank lines of credit and term loans	1,243.5	695.6
Repayments under revolving and bank lines of credit and term loans	(1,237.8)	(734.9)
Financing and issuance fees	(8.9)	—
Dividends paid	(116.3)	(116.2)
Purchase of Common Shares	(12.1)	(18.4)
Cash received from exercise of stock options	3.9	11.2
Other financing, net	25.9	4.5
Net cash used in financing activities	(101.8)	(158.2)
Effect of exchange rate changes on cash	(0.2)	0.5
Net decrease in cash and cash equivalents, including cash and cash equivalents classified within current assets held for sale	(8.9)	(20.5)
Less: Net increase (decrease) in cash and cash equivalents classified within current assets held for sale	(3.8)	2.3
Net decrease in cash and cash equivalents	(5.1)	(22.8)
Cash and cash equivalents at beginning of period	32.8	62.4
Cash and cash equivalents at end of period	$ 27.7	$ 39.6

See Notes to Condensed Consolidated Financial Statements.

THE SCOTTS MIRACLE-GRO COMPANY
Condensed Consolidated Balance Sheets
(In millions, except per share data)
(Unaudited)

	June 27, 2026	June 28, 2025	September 30, 2025
ASSETS			
Current assets:			
Cash and cash equivalents	$ 27.7	$ 39.6	$ 32.8
Accounts receivable, less allowances of $15.6, $13.3 and $10.5, respectively	713.0	545.7	160.8
Inventories	481.4	485.4	542.7
Current assets held for sale	—	108.6	84.8
Prepaid and other current assets	127.0	104.0	119.2
Total current assets	1,349.1	1,283.3	940.3
Investment in unconsolidated affiliates	65.2	65.9	53.6
Property, plant and equipment, net of accumulated depreciation of $864.9, $817.3 and $819.7, respectively	635.1	580.9	607.6
Goodwill	243.9	243.9	243.9
Intangible assets, net	350.1	352.6	352.0
Noncurrent assets held for sale	—	105.7	91.9
Other assets	524.0	458.3	452.7
Total assets	$ 3,167.4	$ 3,090.6	$ 2,742.0
LIABILITIES AND EQUITY (DEFICIT)			
Current liabilities:			
Current portion of debt	$ 277.0	$ 52.1	$ 57.2
Accounts payable	310.3	246.3	221.4
Current liabilities held for sale	—	36.2	24.3
Other current liabilities	523.5	464.0	436.8
Total current liabilities	1,110.8	798.6	739.7
Long-term debt	1,836.3	2,136.2	2,049.2
Noncurrent liabilities held for sale	—	11.6	9.6
Other liabilities	429.0	315.1	301.0
Total liabilities	3,376.1	3,261.5	3,099.5
Commitments and contingencies (Note 11)			
Equity (deficit):			
Common shares and capital in excess of $0.01 stated value per share; shares outstanding of 58.2, 57.7 and 57.8, respectively	350.1	347.3	351.6
Retained earnings	404.3	485.2	294.7
Treasury shares, at cost; 10.0, 10.4 and 10.4 shares, respectively	(857.1)	(895.9)	(894.1)
Accumulated other comprehensive loss	(106.0)	(107.5)	(109.7)
Total equity (deficit)	(208.7)	(170.9)	(357.5)
Total liabilities and equity (deficit)	$ 3,167.4	$ 3,090.6	$ 2,742.0

See Notes to Condensed Consolidated Financial Statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Scotts Miracle-Gro Company ("Scotts Miracle-Gro") and its subsidiaries (collectively, with Scotts Miracle-Gro, the "Company") are engaged in the manufacturing, marketing and sale of products for lawn and garden care. The Company's products are primarily sold in North America. The Company's North America consumer lawn and garden business is highly seasonal, with more than 75% of its annual net sales occurring in the second and third fiscal quarters.

Prior to April 8, 2026, the Company operated the Hawthorne segment, which provided nutrients, lighting and other materials used for indoor and hydroponic gardening. The Company completed the divestitures of its Hawthorne business in North America on April 8, 2026 and its Hawthorne business based in the Netherlands on September 30, 2025. During the three months ended December 27, 2025, the Company determined that the Hawthorne business met the criteria to be classified as held for sale, and classified the related assets and liabilities as held for sale in the Condensed Consolidated Balance Sheets for all periods presented. The Company determined this represented a strategic shift, and therefore, effective in the first quarter of fiscal 2026, the Company classified its results of operations for all periods presented to reflect the Hawthorne business as a discontinued operation. See "NOTE 2. DISCONTINUED OPERATIONS" for further details.

Organization and Basis of Presentation

The Company's unaudited condensed consolidated financial statements for the three and nine months ended June 27, 2026 and June 28, 2025 are presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The condensed consolidated financial statements include the accounts of Scotts Miracle-Gro and its consolidated subsidiaries. All intercompany transactions and accounts have been eliminated in consolidation. The Company consolidates all majority-owned subsidiaries and variable interest entities where the Company has been determined to be the primary beneficiary. The results of businesses acquired or disposed of are included in the condensed consolidated financial statements from the date of each acquisition or up to the date of disposal, respectively. In the opinion of management, interim results reflect all normal and recurring adjustments and are not necessarily indicative of results for a full year.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been omitted or condensed pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, this Quarterly Report on Form 10-Q for the fiscal quarter ended June 27, 2026 (this "Form 10-Q") should be read in conjunction with Scotts Miracle-Gro's Annual Report on Form 10-K for the fiscal year ended September 30, 2025 (the "2025 Annual Report"), which includes a complete set of footnote disclosures, including the Company's significant accounting policies.

The Company's Condensed Consolidated Balance Sheet at September 30, 2025 has been derived from the Company's audited Consolidated Balance Sheet at that date, but does not include all of the information and footnotes required by GAAP for complete financial statements.

On March 14, 2025, the Company sold all of the issued and outstanding shares of capital stock of its formerly wholly-owned subsidiary The Hawthorne Collective, Inc. (“THC”) to Bad Dog Holdings LLC (“BDH”) in exchange for a promissory note with a principal amount of $39.0. BDH was formed to hold and manage the investments held by THC and is owned and controlled by a strategic partner of the Company. At the time of the sale, THC held non-voting exchangeable shares of FLUENT Corp. (formerly Cansortium Inc.) (“FLUENT”) (CSE: FNT.U) (OTCQB: CNTMF), a vertically-integrated, multi-state cannabis company, and other minority non-equity investments, with a total book value of $39.0. BDH granted the Company a call option that enables the Company to reacquire all of the issued and outstanding shares of capital stock of THC in exchange for canceling the principal amount of the promissory note and making an additional payment to BDH equal to 5% of any appreciation in the fair value of THC. The Company may, subject to certain restrictions, exercise the call option in its sole and absolute discretion until the earlier of (i) March 14, 2035 and (ii) the date of the consummation of a merger, change in control or consolidation of BDH or a sale, lease, transfer, exclusive license or other disposition of all or substantially all of the assets of BDH. The Company also granted BDH a put option providing BDH with the right to cause the Company to reacquire all the issued and outstanding shares of capital stock of THC in exchange for canceling the principal amount of the promissory note. The Company has determined that it has a variable interest in BDH and that BDH is a variable interest entity. Additionally, based on its assessment of the characteristics of its variable interest in BDH, including the involvement of its de facto agents, the Company has determined it is the primary beneficiary of BDH and, as a result, is required to consolidate BDH in its condensed consolidated financial statements. As of June 27, 2026, BDH had assets of $21.9 that were recorded in the “Other assets” line in the Condensed Consolidated Balance Sheets. BDH also had a $41.4 liability as of June 27, 2026 related to the promissory note due to the Company, which was eliminated in consolidation.

Assets and Liabilities Held for Sale

Assets and liabilities related to a business classified as held for sale are segregated in the Condensed Consolidated Balance Sheets for all periods presented. Upon classification as held for sale, the Company ceases depreciation and amortization and measures the assets (or disposal group) at the lower of carrying amount or fair value less cost to sell. Any resulting loss is recognized in the period in which the held for sale criteria are met. This valuation adjustment (allowance) is adjusted based on subsequent changes in estimates of fair value less cost to sell. During the three months ended December 27, 2025, the Company determined that the Hawthorne business met the criteria to be classified as held for sale, and classified the related assets and liabilities as held for sale in the Condensed Consolidated Balance Sheets for all periods presented.

Accounts Receivable

The Company is party to a Master Receivables Purchase Agreement, which is uncommitted and expires on September 1, 2026, under which the Company may sell up to $750.0 of available and eligible outstanding customer accounts receivable generated by sales to five specified customers. The receivable sales are non-recourse to the Company, other than with respect to (i) repurchase and indemnification obligations arising from any violations by the Company of its representations or obligations as seller or servicer and (ii) certain repurchase and payment obligations arising from any dilution of, or dispute with respect to, any purchased receivables. Such dilution or dispute obligations apply only to matters that arise after the sale of the applicable receivables to the purchaser that were not contemplated in the applicable purchase price of the applicable purchased receivable. The recourse obligations of the Company that may arise from time to time are supported by standby letters of credit of $75.0. Transactions under the Master Receivables Purchase Agreement are accounted for as sales of accounts receivable, and the receivables sold are removed from the Condensed Consolidated Balance Sheets at the time of the sales transaction. Proceeds received from the sales of accounts receivable are classified as operating cash flows and collections of previously sold accounts receivable not yet submitted to the buyer are classified as financing cash flows in the Condensed Consolidated Statements of Cash Flows. The Company records the discount on sales in the “Other expense, net” line in the Condensed Consolidated Statements of Operations. At June 27, 2026, June 28, 2025 and September 30, 2025, net receivables derecognized were $312.1, $418.8 and $163.3, respectively. During the three months ended June 27, 2026 and June 28, 2025, proceeds from the sale of receivables under the Master Receivables Purchase Agreement totaled $592.9 and $686.7, respectively, and the total discount recorded on sales was $5.2 and $7.3, respectively. During the nine months ended June 27, 2026 and June 28, 2025, proceeds from the sale of receivables under the Master Receivables Purchase Agreement totaled $1,661.4 and $1,708.9, respectively, and the total discount recorded on sales was $16.5 and $18.5, respectively.

(Dollars in millions, except per share data)

Supplier Finance Program

The Company maintains a supplier finance program which facilitates participating suppliers' ability to finance payment obligations of the Company with a designated third-party financial institution. Participating suppliers may, at their sole discretion, elect to finance payment obligations of the Company prior to their scheduled due dates at a discounted price to the participating financial institution. The Company's obligations to its suppliers, including amounts due and scheduled payment dates, are not impacted by suppliers' decisions to finance amounts under this arrangement. The payment terms that the Company negotiates with its suppliers are consistent, regardless of whether a supplier participates in the program. The Company's current payment terms with a majority of its suppliers generally range from 30 to 60 days, which the Company deems to be commercially reasonable. The Company's outstanding payment obligations under its supplier finance program were $23.7, $18.8 and $13.9 at June 27, 2026, June 28, 2025 and September 30, 2025, respectively, and are recorded within accounts payable in the Condensed Consolidated Balance Sheets. The associated payments were $239.9 and $208.9 for the nine months ended June 27, 2026 and June 28, 2025, respectively, and are classified as operating activities in the Condensed Consolidated Statements of Cash Flows.

Investment in Unconsolidated Affiliates

Equity investments in which the Company has the ability to exercise significant influence, but does not control, are accounted for using either the equity method of accounting or the fair value option. For investments accounted for using the equity method of accounting, the Company's proportionate share of the earnings and losses of these entities is reflected in the "Equity in income of unconsolidated affiliates" line in the Condensed Consolidated Statements of Operations. The Company evaluates its equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may be impaired. If a decline in the value of an equity method investment is determined to be other than temporary, an impairment loss is recognized in earnings for the amount by which the carrying amount of the investment exceeds its estimated fair value. Investments accounted for using the fair value option are recorded at fair value in the Condensed Consolidated Balance Sheets, and all changes in fair value are recorded in earnings.

Long-Lived Assets

The Company had non-cash investing activities of $12.6 and $8.4 during the nine months ended June 27, 2026 and June 28, 2025, respectively, representing unpaid liabilities to acquire property, plant and equipment.

Statements of Cash Flows

Supplemental cash flow information was as follows:

	Nine Months Ended	
	June 27, 2026	June 28, 2025
Interest paid	$ 96.3	$ 110.3
Income taxes paid, net	5.6	12.3

Cash and cash equivalents held by the Hawthorne business of $11.6 and $3.8 at June 28, 2025 and September 30, 2025, respectively, are classified as held for sale and are not included in cash and cash equivalents in the Condensed Consolidated Balance Sheets.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." This ASU primarily requires enhanced disclosures and disaggregation of income tax information by jurisdiction in the annual income tax reconciliation and quantitative and qualitative disclosures regarding income taxes paid. The new disclosure requirements are to be applied prospectively, with the option to apply retrospectively, and will be included in the Company's Annual Report on Form 10-K for the fiscal year ending September 30, 2026. The Company is currently evaluating the impact that the adoption of this guidance will have on the Company's disclosures.

In November 2024, the FASB issued ASU No. 2024-03, “Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses.” This ASU requires disaggregated disclosures on an annual and interim basis, in the notes to the financial statements, of certain categories of expenses that are included in expense line items on the face of the statement of operations. ASU No. 2024-03 is to be applied prospectively, with the option to apply the standard retrospectively, effective for the Company’s fiscal year ending September 30, 2028, and interim periods within the fiscal year ending September 30, 2029. The Company is currently evaluating the impact that the adoption of this guidance will have on the Company’s disclosures.

In September 2025, the FASB issued ASU No. 2025-06, “Intangibles — Goodwill and Other — Internal-Use Software: Targeted Improvements to the Accounting for Internal-Use Software.” This ASU amends the accounting for and disclosure of software costs. ASU No. 2025-06 is effective for the Company’s fiscal year ending September 30, 2029 and interim periods within that fiscal year, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this guidance will have on the Company’s consolidated financial statements and disclosures.

NOTE 2. DISCONTINUED OPERATIONS

During the three months ended December 27, 2025, the Company determined that the Hawthorne business met the criteria to be classified as held for sale, and classified the related assets and liabilities as held for sale in the Condensed Consolidated Balance Sheets for all periods presented. The Company determined this represented a strategic shift, and therefore, effective in the first quarter of fiscal 2026, the Company classified its results of operations for all periods presented to reflect the Hawthorne business as a discontinued operation.

On April 8, 2026, the Company completed the sale of its Hawthorne business in North America to Vireo Growth Inc. (“Vireo”) (CSE: VREO; OTCQX: VREOF) in exchange for non-cash consideration with an initial fair value of $97.0, consisting of 213.0 million common shares of Vireo, which represented approximately 14% of Vireo’s total outstanding common shares as of the closing date, and a warrant with a five-year term to acquire 80.0 million additional common shares of Vireo at a strike price of $0.85 per share (collectively, the “Vireo Equity Securities”). The sale proceeds are subject to post-closing adjustments that are expected to be finalized during fiscal 2026. On the closing date, the Hawthorne business held cash and cash equivalents of $35.0 that was transferred to Vireo as part of the sale, which was classified as an investing activity in the “Net cash disposed of on sale of business” line in the Condensed Consolidated Statements of Cash Flows. Additionally, in connection with the transaction, the Company entered into a contract manufacturing agreement and agreed to provide Vireo with up to $20.0 of manufacturing services over a two-year period for no cost. The obligations associated with this agreement have been accrued in the “Other current liabilities” and “Other liabilities” lines in the Condensed Consolidated Balance Sheets.

Pursuant to an agreement executed on April 8, 2026, the Company transferred the sale consideration received to Good Dog Holdings LLC (“GDH”) in exchange for a promissory note. GDH was formed to hold and manage the investments transferred to it by the Company and is owned and controlled by a strategic partner of the Company. GDH granted the Company a call option that enables the Company to reacquire all of the investments held by GDH in exchange for canceling the principal amount of the promissory note. The Company may, subject to certain restrictions, exercise the call option in its sole and absolute discretion until April 8, 2036. The Company also granted GDH a put option providing GDH with the right to cause the Company to reacquire the investments held by GDH in exchange for canceling the principal amount of the promissory note. The Company has determined that it has a variable interest in GDH and that GDH is a variable interest entity. Additionally, based on its assessment of the characteristics of its variable interest in GDH, including the involvement of its de facto agents, the Company has determined it is the primary beneficiary of GDH and, as a result, is required to consolidate GDH in its condensed consolidated financial statements. As of June 27, 2026, the only assets held by GDH were the Vireo Equity Securities, which are recorded in the “Other assets” line in the Condensed Consolidated Balance Sheets, and its only liability was the promissory note due to the Company, which was eliminated in consolidation.

GDH and Vireo are also parties to an investor rights agreement executed on April 8, 2026 which allows GDH to nominate one member to the Vireo board of directors. Pursuant to this right, Christopher J. Hagedorn, Executive Vice President of the Company, has been elected to Vireo’s board of directors.

For the nine months ended June 27, 2026, the Company recorded a loss of $101.8 related to the sale of the Hawthorne business in North America. During the three months ended June 27, 2026, the Company recorded a $32.6 reduction to the cumulative pre-tax loss driven by the closing date valuation of the non-cash sale consideration. Income tax expense from discontinued operations was $24.8 for the three months ended June 27, 2026 and includes the impact of a valuation allowance recognized against certain deferred tax assets associated with the former Hawthorne business in Canada.

(Dollars in millions, except per share data)

The following represents the major components of the financial results of the Hawthorne business for each of the periods presented:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Net sales	$ 1.7	$ 31.2	$ 51.2	$ 115.9
Cost of sales	0.6	(24.1)	(37.1)	(91.0)
Cost of sales — impairment, restructuring and other	(0.8)	(1.8)	(0.8)	(7.5)
Selling, general and administrative	—	(8.5)	(10.4)	(30.3)
Impairment, restructuring and other	(0.7)	(3.5)	(5.2)	(3.7)
Other income (expense), net	—	(0.5)	—	(0.5)
Income (loss) from discontinued operations before income taxes	0.8	(7.2)	(2.3)	(17.1)
(Loss) on sale of business	32.6	—	(101.8)	—
Income tax (expense) benefit from discontinued operations	(24.8)	1.6	10.8	4.8
Income (loss) from discontinued operations, net of tax	$ 8.6	$ (5.6)	$ (93.3)	$ (12.3)

The following represents the major classes of assets and liabilities that have been classified as held for sale in the Condensed Consolidated Balance Sheets for each of the periods presented:

	June 28, 2025	September 30, 2025
Cash and cash equivalents	$ 11.6	$ 3.8
Accounts receivable, net	28.1	26.1
Inventories	58.9	50.1
Prepaid and other current assets	10.0	4.8
Property, plant and equipment, net	28.5	24.0
Intangible assets, net	57.0	49.8
Other assets	20.2	18.1
Total assets held for sale	$ 214.3	$ 176.7
Accounts payable	$ 15.4	$ 7.8
Other current liabilities	20.8	16.5
Other liabilities	11.6	9.6
Total liabilities held for sale	$ 47.8	$ 33.9

The Condensed Consolidated Statements of Cash Flows do not present the cash flows from discontinued operations separately from cash flows from continuing operations. Cash provided by (used in) operating activities related to discontinued operations was not material for the nine months ended June 27, 2026 and June 28, 2025. Cash used in investing activities related to discontinued operations totaled $35.0 for the nine months ended June 27, 2026 and was not material for the nine months ended June 28, 2025.

NOTE 3. INVESTMENT IN UNCONSOLIDATED AFFILIATES

Bonnie Plants

The Company holds a 50% equity interest in Bonnie Plants, LLC, a joint venture with Alabama Farmers Cooperative, Inc. (“AFC”) focused on planting, growing, developing, distributing, marketing and selling live plants. The Company’s interest is accounted for using the equity method of accounting, with the Company’s proportionate share of Bonnie Plants, LLC earnings reflected in the Condensed Consolidated Statements of Operations. During the three and nine months ended June 27, 2026, the Company recorded equity in income of unconsolidated affiliates associated with Bonnie Plants, LLC of $29.2 and $14.2, respectively, compared to $27.2 and $11.4 during the three and nine months ended June 28, 2025, respectively.

(Dollars in millions, except per share data)

FLUENT

During the three months ended December 28, 2024, THC exchanged its existing convertible debt investment in RIV Capital Inc. ("RIV Capital") for an investment in FLUENT. This exchange, a non-cash investing and financing activity, resulted in a loss of $7.0 that was recorded in the "Impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations during the three months ended December 28, 2024. As of June 27, 2026, THC holds 153.1 million common shares of FLUENT, which represents approximately 25% of FLUENT's total outstanding common shares. THC and FLUENT are also parties to an investor rights agreement which allows THC to nominate up to two members to the FLUENT board of directors. This investment was previously accounted for using the equity method of accounting, with THC's proportionate share of FLUENT earnings subsequent to December 18, 2024 reflected in the Condensed Consolidated Statements of Operations on a one quarter lag. During the three months ended December 27, 2025, the Company's investment balance in FLUENT was reduced to zero, and the Company discontinued equity method recognition of its proportionate share of FLUENT losses. The Company does not have any contractual obligations or other commitments to fund losses of FLUENT. On April 30, 2026, FLUENT announced that it entered into a definitive agreement pursuant to which Vireo will acquire all of the issued and outstanding common shares of FLUENT in exchange for common shares of Vireo. Pursuant to the terms of the agreement and as adjusted for the Vireo 30-for-1 share consolidation completed effective June 5, 2026, THC expects to receive approximately 0.4 million common shares of Vireo upon closing of the transaction. The closing of the transaction is subject to various conditions, including shareholder, court and regulatory approvals.

Refer to "NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES" for further details related to the Company's sale of THC to BDH on March 14, 2025. BDH is a variable interest entity that is consolidated by the Company.

NOTE 4. IMPAIRMENT, RESTRUCTURING AND OTHER

Activity described herein is classified within the "Cost of sales—impairment, restructuring and other" and "Impairment, restructuring and other" lines in the Condensed Consolidated Statements of Operations. The following table details impairment, restructuring and other charges for each of the periods presented:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Cost of sales—impairment, restructuring and other:				
Restructuring and other charges, net	$ 1.2	$ 2.0	$ 2.5	$ 6.1
Right-of-use asset impairments	—	—	—	2.5
Operating expenses—impairment, restructuring and other:				
Restructuring and other charges, net	30.4	(1.0)	34.4	18.9
Credit loss on convertible debt and other investments	16.6	—	16.6	—
Loss on exchange of convertible debt investment	—	—	—	7.0
Total impairment, restructuring and other charges, net	$ 48.2	$ 1.0	$ 53.5	$ 34.5

The following table summarizes the activity related to liabilities associated with restructuring activities during the nine months ended June 27, 2026:

Amounts accrued at September 30, 2025	$ 18.8
Restructuring charges	25.3
Payments	(11.5)
Amounts accrued at June 27, 2026	$ 32.6

As of June 27, 2026, restructuring accruals include $2.8 that is classified as long-term.

(Dollars in millions, except per share data)

During the three and nine months ended June 27, 2026, the Company recorded employee and executive severance charges of $1.0 and $1.7, respectively, in the “Cost of sales—impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations primarily related to its U.S. Consumer segment; and $21.5 and $21.7, respectively, in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations primarily related to Corporate. During the three and nine months ended June 28, 2025, the Company recorded employee and executive severance charges of $2.0 and $5.0, respectively, in the “Cost of sales—impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations primarily related to its U.S. Consumer segment. During the three months ended June 28, 2025, employee and executive severance charges recorded in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations were not material. During the nine months ended June 28, 2025, the Company recorded employee and executive severance charges of $13.5 in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations, including charges of $1.9 in its U.S. Consumer segment and $11.6 at Corporate.

During the three and nine months ended June 27, 2026, the Company recorded a non-cash charge of $8.7 for expected credit losses related to a seller financing loan in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations.

During the three and nine months ended June 27, 2026, the Company recorded a non-cash charge of $7.9 for expected credit losses related to a convertible debt investment in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations.

During the three and nine months ended June 27, 2026, the Company recorded a charge of $4.0 in the “Impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations associated with a settlement agreement to resolve a dispute with former shareholders of a business that was acquired in fiscal 2021.

During the three and nine months ended June 28, 2025, the Company recorded a non-cash loss of $0.0 and $7.0, 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 for an investment in FLUENT. Refer to “NOTE 3. INVESTMENT IN UNCONSOLIDATED AFFILIATES” for further details.

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 months ended June 28, 2025, costs associated with this restructuring initiative were not material. During the nine months ended June 28, 2025, the Company recorded costs of $3.6 in the “Cost of sales—impairment, restructuring and other” line in the Condensed Consolidated Statements of Operations associated with this restructuring initiative.

NOTE 5. INVENTORIES

Inventories consisted of the following for each of the periods presented:

	June 27, 2026	June 28, 2025	September 30, 2025
Finished goods	$ 255.5	$ 231.7	$ 246.3
Raw materials	166.5	190.1	217.6
Work-in-process	59.4	63.6	78.8
Total	$ 481.4	$ 485.4	$ 542.7

(Dollars in millions, except per share data)

NOTE 6. MARKETING AGREEMENT

The Scotts Company LLC is the exclusive agent of Monsanto Company, a subsidiary of Bayer AG ("Monsanto"), for the marketing and distribution of certain of Monsanto's consumer Roundup® branded products in the United States and certain other specified countries. The annual commission payable under the Third Amended and Restated Exclusive Agency and Marketing Agreement (the "Third Restated Agreement") is equal to 50% of the actual earnings before interest and income taxes of Monsanto's consumer Roundup® business for each program year in the markets covered by the Third Restated Agreement ("Program EBIT"). The Third Restated Agreement also requires the Company to make annual payments of $18.0 to Monsanto as a contribution against the overall expenses of its consumer Roundup® business, subject to reduction pursuant to the Third Restated Agreement for any program year in which the Program EBIT does not equal or exceed $36.0.

Unless Monsanto terminates the Third Restated Agreement due to an event of default by the Company, termination rights under the Third Restated Agreement include the following:

- The Company may terminate the Third Restated Agreement upon the insolvency or bankruptcy of Monsanto;
- Monsanto may terminate the Third Restated Agreement in the event that Monsanto decides to decommission the permits, licenses and registrations needed for, and the trademarks, trade names, packages, copyrights and designs used in, the sale of the Roundup® products in the lawn and garden market (a "Brand Decommissioning Termination"); and
- Each party may terminate the Third Restated Agreement if Program EBIT falls below $50.0 and, in such case, no termination fee would be payable to either party.

The termination fee structure requires Monsanto to pay a termination fee to the Company in an amount equal to (i) $375.0 upon a Brand Decommissioning Termination, and (ii) the greater of $175.0 or four times an amount equal to the average of the Program EBIT for the three program years before the year of termination, minus $186.4, if Monsanto or its successor terminates the Third Restated Agreement as a result of a Roundup Sale or Change of Control of Monsanto (each, as defined in the Third Restated Agreement).

The elements of the net commission and reimbursements earned under the Third Restated Agreement and included in the "Net sales" line in the Condensed Consolidated Statements of Operations are as follows:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Gross commission	$ 26.3	$ 23.7	$ 93.3	$ 75.0
Contribution expenses	(4.5)	(4.5)	(13.5)	(13.5)
Net commission	21.8	19.2	79.8	61.5
Reimbursements associated with Roundup® marketing agreement	21.9	24.0	73.8	73.1
Total net sales associated with Roundup® marketing agreement	$ 43.7	$ 43.2	$ 153.6	$ 134.6

(Dollars in millions, except per share data)

NOTE 7. DEBT

The components of debt are as follows:

	June 27, 2026	June 28, 2025	September 30, 2025
Credit Facilities:			
Revolving loans	$ 25.0	$ —	$ —
Term loans	487.5	587.5	500.0
Senior Notes due 2031 – 4.000%	500.0	500.0	500.0
Senior Notes due 2032 – 4.375%	400.0	400.0	400.0
Senior Notes due 2029 – 4.500%	450.0	450.0	450.0
Senior Notes due 2026 – 5.250%	250.0	250.0	250.0
Finance lease obligations	13.1	15.1	14.5
Other	—	—	5.2
Total debt	2,125.6	2,202.6	2,119.7
Less current portions	277.0	52.1	57.2
Less unamortized debt issuance costs	12.3	14.3	13.3
Long-term debt	$ 1,836.3	$ 2,136.2	$ 2,049.2

Credit Facilities

On November 21, 2025, the Company entered into a Seventh Amended and Restated Credit Agreement (the "Seventh A&R Credit Agreement"), providing the Company and certain of its subsidiaries with five-year senior secured loan facilities in the aggregate principal amount of $2,000.0, comprised of a revolving credit facility of $1,500.0 and a term loan in the original principal amount of $500.0. The Seventh A&R Credit Agreement also provides the Company with the right to seek additional committed credit under the agreement in an aggregate amount of up to $500.0 plus an unlimited additional amount, subject to certain specified financial and other conditions. The Seventh A&R Credit Agreement provides for the issuance of letters of credit up to $100.0 and will terminate on November 21, 2030. The terms of the Seventh A&R Credit Agreement include customary representations and warranties, affirmative and negative covenants, financial covenants and events of default.

Borrowings under the Seventh A&R Credit Agreement bear interest at variable rates derived from the prevailing U.S. Prime Rate, Federal Reserve Bank of New York Rate, Secured Overnight Financing Rate, Euro Interbank Offered Rate, Canadian Prime Rate or Canadian Overnight Repo Rate Average (all as defined in the Seventh A&R Credit Agreement), based on the Company's election, plus a spread that depends on the Company's quarterly-tested leverage ratio.

At June 27, 2026, the Company had letters of credit outstanding in the aggregate principal amount of $93.2, and had $1,381.8 of borrowing availability under the Seventh A&R Credit Agreement. The weighted average interest rates on average borrowings under the credit facilities, excluding the impact of interest rate swaps, were 6.4% and 7.7% for the nine months ended June 27, 2026 and June 28, 2025, respectively.

The Seventh A&R Credit Agreement contains, among other obligations, an affirmative covenant regarding the Company's leverage ratio determined as of the end of each of its fiscal quarters, calculated as average total indebtedness divided by the Company's earnings before interest, taxes, depreciation and amortization, as adjusted pursuant to the terms of the Seventh A&R Credit Agreement ("Adjusted EBITDA"). The maximum permitted leverage ratio is 5.00. The Company's leverage ratio was 3.78 at June 27, 2026. The Seventh A&R Credit Agreement also contains an affirmative covenant regarding the Company's interest coverage ratio determined as of the end of each of its fiscal quarters, calculated as Adjusted EBITDA divided by interest expense, as described in the Seventh A&R Credit Agreement. The minimum required interest coverage ratio is (i) 3.00 for each of the fiscal quarters within fiscal 2026, (ii) 3.25 for each of the fiscal quarters within fiscal 2027 and (iii) 3.50 for fiscal quarters thereafter. The Company's interest coverage ratio was 5.67 at June 27, 2026.

The Seventh A&R Credit Agreement allows the Company to make unlimited restricted payments (as defined in the Seventh A&R Credit Agreement), including dividend payments on, and repurchases of, Common Shares, as long as the leverage ratio resulting from the making of such restricted payments is 4.00 or less. Otherwise, the Company is limited to restricted payments in an aggregate amount for each fiscal year not to exceed $225.0.

(Dollars in millions, except per share data)

Senior Notes

On December 15, 2016, Scotts Miracle-Gro issued $250.0 aggregate principal amount of 5.250% Senior Notes with a maturity date of December 15, 2026 (the “5.250% Senior Notes”). The 5.250% Senior Notes represent general unsecured senior obligations and rank equal in right of payment with the Company’s existing and future unsecured senior debt. The 5.250% Senior Notes have interest payment dates of June 15 and December 15 of each year. At June 27, 2026, the $250.0 aggregate principal amount of the 5.250% Senior Notes is classified in the “Current portion of debt” line in the Condensed Consolidated Balance Sheets as it is payable within one year.

On October 22, 2019, Scotts Miracle-Gro issued $450.0 aggregate principal amount of 4.500% Senior Notes due 2029 (the “4.500% Senior Notes”). The 4.500% Senior Notes represent general unsecured senior obligations and rank equal in right of payment with the Company’s existing and future unsecured senior debt. The 4.500% Senior Notes have interest payment dates of April 15 and October 15 of each year.

On March 17, 2021, Scotts Miracle-Gro issued $500.0 aggregate principal amount of 4.000% Senior Notes due 2031 (the “4.000% Senior Notes”). The 4.000% Senior Notes represent general unsecured senior obligations and rank equal in right of payment with the Company’s existing and future unsecured senior debt. The 4.000% Senior Notes have interest payment dates of April 1 and October 1 of each year.

On August 13, 2021, Scotts Miracle-Gro issued $400.0 aggregate principal amount of 4.375% Senior Notes due 2032 (the “4.375% Senior Notes”). The 4.375% Senior Notes represent general unsecured senior obligations and rank equal in right of payment with the Company’s existing and future unsecured senior debt. The 4.375% Senior Notes have interest payment dates of February 1 and August 1 of each year.

Substantially all of Scotts Miracle-Gro’s directly and indirectly owned domestic subsidiaries serve as guarantors of the 5.250% Senior Notes, the 4.500% Senior Notes, the 4.000% Senior Notes and the 4.375% Senior Notes (collectively, the “Senior Notes”).

Interest Rate Swap Agreements

The Company enters into interest rate swap agreements with major financial institutions that effectively convert a portion of the Company’s variable-rate debt to a fixed rate. Interest payments made between the effective date and expiration date are hedged by the swap agreements. Swap agreements that were hedging interest payments as of June 27, 2026, June 28, 2025 and September 30, 2025 had a maximum total U.S. dollar equivalent notional amount of $450.0. The notional amount, effective date, expiration date and rate of each of the swap agreements outstanding at June 27, 2026 are shown in the table below:

Notional Amount ($)	Effective Date (a)	Expiration Date	Fixed Rate
150	6/7/2023	4/7/2027	3.37 %
50	6/7/2023	4/7/2027	3.34 %
100 (b)	11/20/2023	3/22/2027	4.74 %
150 (b)	9/20/2024	9/20/2029	4.25 %
100	4/8/2027	4/8/2030	3.40 %

(a) The effective date refers to the date on which interest payments are first hedged by the applicable swap agreement.
(b) Notional amount adjusts in accordance with a specified seasonal schedule. This represents the maximum notional amount at any point in time.

Weighted Average Interest Rate

The weighted average interest rates on the Company’s debt, including the impact of interest rate swaps, were 4.9% and 5.4% for the nine months ended June 27, 2026 and June 28, 2025, respectively.

(Dollars in millions, except per share data)

NOTE 8. EQUITY (DEFICIT)

The following tables provide a summary of the changes in equity (deficit) for each of the periods indicated:

	Common Shares and Capital in Excess of Stated Value	Retained Earnings	Treasury Shares	Accumulated Other Comprehensive Loss	Total Equity (Deficit)
Balance at September 30, 2025	$ 351.6	$ 294.7	$ (894.1)	$ (109.7)	$ (357.5)
Net income (loss)	—	(125.0)	—	—	(125.0)
Other comprehensive income (loss)	—	—	—	3.5	3.5
Share-based compensation	24.3	—	—	—	24.3
Dividends declared ($0.66 per share)	—	(38.5)	—	—	(38.5)
Treasury share purchases	—	—	(8.3)	—	(8.3)
Treasury share issuances	(29.0)	—	29.9	—	0.9
Balance at December 27, 2025	346.9	131.2	(872.5)	(106.2)	(500.6)
Net income (loss)	—	238.6	—	—	238.6
Other comprehensive income (loss)	—	—	—	1.2	1.2
Share-based compensation	13.8	—	—	—	13.8
Dividends declared ($0.66 per share)	—	(38.8)	—	—	(38.8)
Treasury share purchases	—	—	(3.3)	—	(3.3)
Treasury share issuances	(14.4)	—	17.0	—	2.6
Balance at March 28, 2026	346.3	331.0	(858.8)	(105.0)	(286.5)
Net income (loss)	—	112.2	—	—	112.2
Other comprehensive income (loss)	—	—	—	(1.0)	(1.0)
Share-based compensation	5.3	—	—	—	5.3
Dividends declared ($0.66 per share)	—	(38.9)	—	—	(38.9)
Treasury share purchases	—	—	(0.5)	—	(0.5)
Treasury share issuances	(1.5)	—	2.2	—	0.7
Balance at June 27, 2026	$ 350.1	$ 404.3	$ (857.1)	$ (106.0)	$ (208.7)

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

(Dollars in millions, except per share data)

	Common Shares and Capital in Excess of Stated Value	Retained Earnings	Treasury Shares	Accumulated Other Comprehensive Loss	Total Equity (Deficit)
Balance at September 30, 2024	$ 362.0	$ 303.8	$ (949.1)	$ (107.3)	$ (390.6)
Net income (loss)	—	(69.5)	—	—	(69.5)
Other comprehensive income (loss)	—	—	—	2.5	2.5
Share-based compensation	31.4	—	—	—	31.4
Dividends declared ($0.66 per share)	—	(38.5)	—	—	(38.5)
Treasury share purchases	—	—	(15.6)	—	(15.6)
Treasury share issuances	(44.3)	—	45.1	—	0.8
Balance at December 28, 2024	349.1	195.8	(919.6)	(104.8)	(479.5)
Net income (loss)	—	217.5	—	—	217.5
Other comprehensive income (loss)	—	—	—	(4.0)	(4.0)
Share-based compensation	8.7	—	—	—	8.7
Dividends declared ($0.66 per share)	—	(39.6)	—	—	(39.6)
Treasury share purchases	—	—	(2.7)	—	(2.7)
Treasury share issuances	(14.5)	—	23.9	—	9.4
Balance at March 29, 2025	343.4	373.7	(898.4)	(108.8)	(290.1)
Net income (loss)	—	149.1	—	—	149.1
Other comprehensive income (loss)	—	—	—	1.2	1.2
Share-based compensation	5.3	—	—	—	5.3
Dividends declared ($0.66 per share)	—	(37.5)	—	—	(37.5)
Treasury share issuances	(1.4)	—	2.5	—	1.1
Balance at June 28, 2025	$ 347.3	$ 485.2	$ (895.9)	$ (107.5)	$ (170.9)

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

(Dollars in millions, except per share data)

Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss (“AOCL”) by component were as follows for each of the periods indicated:

	Three Months Ended				
	Foreign Currency Translation Adjustments	Net Unrealized Gain (Loss) On Derivative Instruments	Net Unrealized Gain (Loss) On Securities	Pension and Other Post-Retirement Benefit Adjustments	Accumulated Other Comprehensive Income (Loss)
Balance at March 28, 2026	$ (11.9)	$ 1.1	$ (18.2)	$ (76.0)	$ (105.0)
Other comprehensive income (loss) before reclassifications	(4.1)	(3.6)	(2.3)	—	(10.0)
Amounts reclassified from accumulated other comprehensive net income (loss)	—	(1.1)	7.9	1.7	8.5
Income tax benefit (expense)	—	1.2	—	(0.7)	0.5
Net current period other comprehensive income (loss)	(4.1)	(3.5)	5.6	1.0	(1.0)
Balance at June 27, 2026	$ (16.0)	$ (2.3)	$ (12.7)	$ (75.0)	$ (106.0)
Balance at March 29, 2025	$ (26.1)	$ 5.3	$ (14.4)	$ (73.6)	$ (108.8)
Other comprehensive income (loss) before reclassifications	6.2	0.1	(0.6)	—	5.7
Amounts reclassified from accumulated other comprehensive net income (loss)	—	(2.0)	—	(6.0)	(8.0)
Income tax benefit (expense)	—	0.5	—	3.0	3.5
Net current period other comprehensive income (loss)	6.2	(1.4)	(0.6)	(3.0)	1.2
Balance at June 28, 2025	$ (19.9)	$ 3.9	$ (15.0)	$ (76.5)	$ (107.5)

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

	Nine Months Ended				
	Foreign Currency Translation Adjustments	Net Unrealized Gain (Loss) On Derivative Instruments	Net Unrealized Gain (Loss) On Securities	Pension and Other Post-Retirement Benefit Adjustments	Accumulated Other Comprehensive Income (Loss)
Balance at September 30, 2025	$ (12.2)	$ 0.3	$ (17.9)	$ (79.9)	$ (109.7)
Other comprehensive income (loss) before reclassifications	(3.8)	(0.5)	(2.7)	—	(7.0)
Amounts reclassified from accumulated other comprehensive net income (loss)	—	(3.1)	7.9	9.2	14.0
Income tax benefit (expense)	—	0.9	—	(4.3)	(3.4)
Net current period other comprehensive income (loss)	(3.8)	(2.7)	5.2	4.9	3.6
Balance at June 27, 2026	$ (16.0)	$ (2.3)	$ (12.7)	$ (75.0)	$ (106.0)
Balance at September 30, 2024	$ (21.3)	$ 4.9	$ (14.4)	$ (76.5)	$ (107.3)
Other comprehensive income (loss) before reclassifications	1.3	5.9	(0.6)	—	6.6
Amounts reclassified from accumulated other comprehensive net income (loss)	—	(7.1)	—	(0.6)	(7.7)
Income tax benefit (expense)	—	0.3	—	0.6	0.9
Net current period other comprehensive income (loss)	1.3	(0.9)	(0.6)	—	(0.2)
Balance at June 28, 2025	$ (19.9)	$ 3.9	$ (15.0)	$ (76.5)	$ (107.5)

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

(Dollars in millions, except per share data)

Share Repurchases

On December 19, 2025, the Company's Board of Directors authorized a share repurchase program, with no expiration date, for the repurchase of up to $500.0 of Common Shares. There have been no share repurchases under this authorization as of June 27, 2026.

Share-Based Awards

On January 26, 2026, the shareholders of Scotts Miracle-Gro approved an amendment and restatement of The Scotts Miracle-Gro Company Long-Term Incentive Plan which, among other changes, increased the maximum number of Common Shares available for grant to participants under the Plan by 2.75 million Common Shares.

Total compensation cost and the related income tax benefit associated with share-based awards included within net income from continuing operations was as follows for each of the periods indicated:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Share-based compensation	$ 10.2	$ 16.9	$ 36.1	$ 55.3
Related tax benefit recognized	1.7	3.6	5.0	10.2

Restricted share-based awards

For fiscal 2026, the Company is granting short-term equity incentive compensation awards to certain associates in the form of restricted share-based award units in lieu of cash-based annual incentive awards. The program is structured so the fiscal 2026 incentive grant, if any, will be made on or near the incentive payout date, subject to certain performance conditions and a service requirement. The number of restricted share-based award units ultimately issued to participating associates will be based on each associate's incentive payout amount converted into a variable number of restricted share-based award units based on the fair value of the Common Shares on the grant date. The awards are classified as liability awards and, as of June 27, 2026, the Company had accrued $12.0 in the "Other current liabilities" line in the Condensed Consolidated Balance Sheets associated with these awards. As of June 27, 2026, there was $4.8 of total unrecognized pre-tax compensation cost related to these nonvested restricted share-based award units that is expected to be recognized over the remainder of fiscal 2026.

(Dollars in millions, except per share data)

NOTE 9. EARNINGS PER COMMON SHARE

The following table presents information necessary to calculate basic and diluted net income (loss) per common share for the periods indicated:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Net income from continuing operations	$ 103.6	$ 154.7	$ 319.1	$ 309.4
Income (loss) from discontinued operations, net of tax	8.6	(5.6)	(93.3)	(12.3)
Net income	$ 112.2	$ 149.1	$ 225.8	$ 297.1
Basic net income (loss) per common share:				
Continuing operations	$ 1.78	$ 2.68	$ 5.49	$ 5.38
Discontinued operations	0.15	(0.10)	(1.60)	(0.21)
Basic net income per common share	$ 1.93	$ 2.58	$ 3.89	$ 5.17
Weighted-average common shares outstanding during the period	58.2	57.7	58.1	57.5
Diluted net income (loss) per common share:				
Continuing operations	$ 1.75	$ 2.64	$ 5.40	$ 5.28
Discontinued operations	0.15	(0.10)	(1.58)	(0.21)
Diluted net income per common share	$ 1.90	$ 2.54	$ 3.82	$ 5.07
Weighted-average common shares outstanding during the period	58.2	57.7	58.1	57.5
Dilutive potential common shares	1.0	0.9	1.0	1.1
Weighted-average common shares outstanding during the period plus dilutive potential common shares	59.2	58.6	59.1	58.6
Antidilutive stock options outstanding	1.0	0.9	0.8	0.5

NOTE 10. INCOME TAXES

The effective tax rates related to continuing operations for the nine months ended June 27, 2026 and June 28, 2025 were 30.2% and 27.9%, respectively. The effective tax rate used for interim reporting purposes is based on management's best estimate of factors impacting the effective tax rate for the full fiscal year and includes the impact of discrete items recognized in the period. There can be no assurance that the effective tax rate estimated for interim financial reporting purposes will approximate the effective tax rate determined at fiscal year-end.

The completion of the sale of the Hawthorne business during the three months ended June 27, 2026 resulted in an ordinary taxable loss that will allow the realization of deferred tax assets to reduce cash taxes paid over the next several fiscal years, and resulted in a decrease in net deferred tax assets recorded in the Condensed Consolidated Balance Sheets.

Scotts Miracle-Gro or one of its subsidiaries files income tax returns in the U.S. federal jurisdiction and various state, local and foreign jurisdictions. Subject to the following exceptions, the Company is no longer subject to examination by these tax authorities for fiscal years prior to 2022. There are currently no ongoing audits with respect to the U.S. federal jurisdiction. With respect to foreign jurisdictions, a Canadian audit covering fiscal years 2020 through 2021 is in process. The Company is currently under examination by certain U.S. state and local tax authorities covering various periods from fiscal years 2018 through 2019. In addition to the aforementioned audits, certain other tax deficiency notices and refund claims for previous years remain unresolved.

The Company currently anticipates that few of its open and active audits will be resolved within the next twelve months. The Company is unable to make a reasonably reliable estimate as to when or if cash settlements with taxing authorities may occur. Although the outcomes of such examinations and the timing of any payments required upon the conclusion of such examinations are subject to significant uncertainty, the Company does not anticipate that the resolution of these tax matters or any events related thereto will result in a material change to its consolidated financial position, results of operations or cash flows.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act (“OBBBA”). The OBBBA includes, among other provisions, changes related to bonus depreciation, the deductibility of domestic research and experimental expenditures and the calculation of the limitation on deductible business interest expense. The legislation has multiple effective dates, with certain provisions effective in fiscal year 2025 and others implemented through fiscal year 2027. The Company does not anticipate that these tax law changes will have a material impact on its condensed consolidated financial statements.

NOTE 11. CONTINGENCIES

Management regularly evaluates the Company’s contingencies, including various judicial and administrative proceedings and claims arising in the ordinary course of business, relating to, among other things, product and general liabilities, workers’ compensation, property losses and other liabilities for which the Company is self-insured or retains a high exposure limit. Self-insurance accruals are established based on actuarial loss estimates for specific individual claims plus actuarially estimated amounts for incurred but not reported claims and adverse development factors applied to existing claims. Legal costs incurred in connection with the resolution of claims, lawsuits and other contingencies generally are expensed as incurred. In the opinion of management, the assessment of contingencies is reasonable and related accruals are adequate, both individually and in the aggregate; however, there can be no assurance that final resolution of these matters will not have a material effect on the Company’s financial condition, results of operations or cash flows.

Regulatory Matters

At June 27, 2026, the Company had recorded liabilities of $2.4 for environmental actions, the majority of which are for site remediation. The Company believes that the amounts accrued are adequate to cover such known environmental exposures based on current facts and estimates of likely outcomes. Although it is reasonably possible that the costs to resolve such known environmental exposures will exceed the amounts accrued, any variation from accrued amounts is not expected to be material.

Other

The Company has been named as a defendant in a number of cases alleging injuries that the lawsuits claim resulted from exposure to asbestos-containing products, apparently based on the Company’s historic use of vermiculite in certain of its products. In many of these cases, the complaints are not specific about the plaintiffs’ contacts with the Company or its products. The complaints vary but generally seek unspecified monetary damages (actual, compensatory, consequential and punitive) from multiple defendants. The Company believes that the claims against it are without merit and is vigorously defending against them. The Company has not recorded any accruals in its condensed consolidated financial statements as the likelihood of a loss from these cases is not probable at this time. The Company does not believe a reasonably possible loss would be material to the Company’s financial condition, results of operations or cash flows. In addition, the Company does not believe the ultimate resolution of these cases will have a material adverse effect on the Company’s financial condition, results of operations or cash flows. There can be no assurance that future developments related to pending claims or claims filed in the future, whether as a result of adverse outcomes or as a result of significant defense costs, will not have a material effect on the Company’s financial condition, results of operations or cash flows.

Beginning in June 2024, purported shareholders filed lawsuits in the United States District Court for the Southern District of Ohio on behalf of proposed classes of purchasers of Common Shares. The lawsuits were consolidated by the court as *In re The Scotts Miracle-Gro Company Securities Litigation* (Case No. 2:24-cv-03132). The amended consolidated complaint was filed on May 9, 2025 on behalf of a proposed class of purchasers of Common Shares between May 5, 2021, and August 1, 2023, and asserts claims under Section 10(b), Rule 10b-5 and Section 20(a) of the Exchange Act against the Company and certain of its current and former officers based on alleged misstatements about the Company’s inventories, sales and business prospects. The action seeks, among other things, unspecified monetary damages, reasonable costs and expenses and equitable/injunctive or other relief as deemed appropriate by the Court. The Company believes that the claims asserted are without merit and intends to vigorously defend the action. On April 22, 2026, the Court granted in part and denied in part the defendants’ motion to dismiss.

Beginning in July 2024, purported shareholders filed a series of shareholder derivative lawsuits in state and federal courts in Ohio against certain of the Company’s current and former directors and officers. The lawsuits include allegations that generally mirror those asserted in the securities lawsuits described above and assert claims for breach of fiduciary duties, unjust enrichment, abuse of control, gross mismanagement and waste of corporate assets. The federal lawsuits also assert claims under the Exchange Act. The actions seek a judgment in favor of the Company for unspecified damages, disgorgement, interest and costs and expenses, including attorneys’ and experts’ fees.

(Dollars in millions, except per share data)

The Company is involved in other lawsuits and claims which arise in the normal course of business relating to advertising claims, securities matters, employment disputes, product complaints and the enforcement and defense of intellectual property rights. These claims individually and in the aggregate are not expected to have a material effect on the Company's financial condition, results of operations or cash flows.

NOTE 12. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company is exposed to market risks, such as changes in interest rates, currency exchange rates and commodity prices. To manage a portion of the volatility related to these exposures, the Company enters into various financial transactions. The utilization of these financial transactions is governed by policies covering acceptable counterparty exposure, instrument types and other hedging practices. The Company does not hold or issue derivative financial instruments for speculative trading purposes.

The fair values and amounts of gains and losses recognized in earnings and AOCL associated with derivative instruments did not have a material impact on the Company's condensed consolidated financial statements for the three and nine months ended June 27, 2026 and June 28, 2025.

Exchange Rate Risk Management

The Company uses currency forward contracts to manage the exchange rate risk associated with intercompany loans and certain other balances denominated in foreign currencies. Currency forward contracts are valued using observable forward rates in commonly quoted intervals for the full term of the contracts. The notional amount of outstanding currency forward contracts was $139.3, $146.1 and $100.4 at June 27, 2026, June 28, 2025 and September 30, 2025, respectively. Contracts outstanding at June 27, 2026 will mature over the next fiscal quarter.

Interest Rate Risk Management

The Company enters into interest rate swap agreements as a means to hedge its variable interest rate risk on debt instruments. Net amounts to be received or paid under the swap agreements are reflected as adjustments to interest expense. The Company has outstanding interest rate swap agreements with major financial institutions that effectively convert a portion of the Company's variable-rate debt to a fixed rate. Interest rate swap agreements are valued based on the present value of the estimated future net cash flows using implied rates in the applicable yield curve as of the valuation date. Swap agreements that were hedging interest payments as of June 27, 2026, June 28, 2025 and September 30, 2025 had a maximum total U.S. dollar equivalent notional amount of $450.0. Refer to "NOTE 7. DEBT" for the terms of the swap agreements outstanding at June 27, 2026. Gains and losses included in the AOCL balance at June 27, 2026 related to interest rate swap agreements that are expected to be reclassified to earnings during the next twelve months are not material.

Commodity Price Risk Management

The Company enters into hedging arrangements designed to fix the price of a portion of its projected future urea and diesel requirements. Commodity contracts are valued using observable commodity exchange prices in active markets. Gains and losses included in the AOCL balance at June 27, 2026 related to commodity hedges that are expected to be reclassified to earnings during the next twelve months are not material.

The Company had the following outstanding commodity contracts that were entered into to hedge forecasted purchases:

Commodity	June 27, 2026	June 28, 2025	September 30, 2025
Urea	60,000 tons	34,500 tons	49,500 tons
Diesel	84,000 gallons	756,000 gallons	2,478,000 gallons
Heating Oil	—	84,000 gallons	1,050,000 gallons

(Dollars in millions, except per share data)

NOTE 13. FAIR VALUE MEASUREMENTS

The following table summarizes the fair value of the Company's assets and liabilities for which disclosure of fair value is required:

	Fair Value Hierarchy Level	June 27, 2026		June 28, 2025		September 30, 2025	
		Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets							
Cash equivalents	Level 1	$ 5.2	$ 5.2	$ 22.8	$ 22.8	$ 25.3	$ 25.3
Other							
Investment securities in non-qualified retirement plan assets	Level 1	33.2	33.2	32.6	32.6	32.6	32.6
Vireo equity securities – common shares	Level 1	70.9	70.9	—	—	—	—
Vireo equity securities – warrant	Level 3	10.5	10.5	—	—	—	—
Convertible debt investments	Level 3	23.9	23.9	27.5	27.5	24.6	24.6
Liabilities							
Debt instruments							
Credit facilities – revolving loans	Level 2	25.0	25.0	—	—	—	—
Credit facilities – term loans	Level 2	487.5	487.5	587.5	587.5	500.0	500.0
Senior Notes due 2031 – 4.000%	Level 2	500.0	467.5	500.0	455.0	500.0	459.4
Senior Notes due 2032 – 4.375%	Level 2	400.0	372.5	400.0	365.0	400.0	367.0
Senior Notes due 2029 – 4.500%	Level 2	450.0	439.9	450.0	434.3	450.0	437.1
Senior Notes due 2026 – 5.250%	Level 2	250.0	249.4	250.0	248.8	250.0	249.4
Other debt	Level 2	—	—	—	—	5.2	5.2

Changes in the balance of Level 3 investments carried at fair value are presented below. There were no transfers into or out of Level 3.

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Fair value at beginning of period	$ 26.2	$ 28.1	$ 24.6	$ 45.8
Purchases	—	—	2.0	—
Securities received as consideration for sale of business	13.0	—	13.0	—
Total realized / unrealized gains (losses) included in net earnings	(10.4)	—	(10.4)	(7.0)
Total realized / unrealized gains (losses) included in / reclassified from OCI	5.6	(0.6)	5.2	(0.6)
Exchange	—	—	—	(10.7)
Fair value at end of period	$ 34.4	$ 27.5	$ 34.4	$ 27.5

On December 18, 2024, THC exchanged its convertible debt investment in RIV Capital for an investment in FLUENT. Refer to "NOTE 3. INVESTMENT IN UNCONSOLIDATED AFFILIATES" for further details.

The amortized cost basis of convertible debt investments was $46.5, $44.4 and $44.4 at June 27, 2026, June 28, 2025 and September 30, 2025, respectively. At June 27, 2026, June 28, 2025 and September 30, 2025, gross unrealized losses on convertible debt investments were $22.5, $16.9 and $19.8, respectively, and there were no gross unrealized gains. These investments have been in a continuous unrealized loss position for greater than 12 months as of June 27, 2026. The allowance for expected credit losses was $9.8 at June 27, 2026, and was $1.9 at June 28, 2025 and September 30, 2025. At June 27, 2026, the weighted-average period until scheduled maturity of the Company's convertible debt investments was 3.1 years.

(Dollars in millions, except per share data)

On April 8, 2026, the Company completed the sale of its Hawthorne business in North America to Vireo in exchange for the Vireo Equity Securities, which had an initial fair value of $97.0 on the April 8, 2026 closing date of the sale. Concurrent with the closing date, the Company elected the fair value option to measure the Vireo Equity Securities at fair value on a recurring basis. The Vireo Equity Securities are recorded in the "Other assets" line in the Condensed Consolidated Balance Sheets and all changes in fair value are recognized in the "Other non-operating expense, net" line in the Condensed Consolidated Statements of Operations. Management elected the fair value option because these investments are non-core to the Company's continuing operations and are managed to maximize eventual realization value, with fair value measurement best reflecting the economic reality of the asset's performance and liquidity profile.

The fair value of the warrant to purchase additional common shares of Vireo is estimated using a Black-Scholes model. Expected market price volatility is based on an analysis of the historical volatility of the common shares of Vireo and other comparable companies. The risk-free rate is based on the U.S. Treasury yield curve. The valuation model and related assumptions require significant judgment. The assumptions are impacted by economic conditions and may change in the future based on period specific facts and circumstances.

Vireo completed a 30-for-1 share consolidation effective June 5, 2026. As of June 27, 2026, after adjusting for this share consolidation, the Company, through GDH, holds 7.1 million common shares of Vireo and a warrant to acquire 2.7 million additional common shares of Vireo at a strike price of $25.50 per share. As of June 27, 2026, the fair value of the Vireo Equity Securities was $81.3. During the three and nine months ended June 27, 2026, the Company recorded unrealized losses on the Vireo Equity Securities of $15.7 in the "Other non-operating expense, net" line in the Condensed Consolidated Statements of Operations. Refer to "NOTE 2. DISCONTINUED OPERATIONS" for further details related to the sale of the Hawthorne business, as well as further details related to GDH, which is a variable interest entity that is consolidated by the Company.

Credit losses on convertible debt and other investments are measured based on the present value of expected future cash flows compared to amortized cost. Credit impairment losses are recognized through an allowance and recoveries of previously impaired amounts are recorded as an immediate reversal of all or a portion of the allowance. In addition, the allowance for expected credit losses cannot cause the amortized cost net of the allowance to be below fair value. A progression of the allowance for expected credit losses on convertible debt and other investments is shown below:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Balance at beginning of period	$ 3.8	$ 1.9	$ 3.8	$ 1.9
Additions to previously recognized expected credit losses	16.6	—	16.6	—
Balance at end of period	$ 20.4	$ 1.9	$ 20.4	$ 1.9

(Dollars in millions, except per share data)

NOTE 14. LEASES

The Company leases certain property and equipment from third parties under various non-cancelable lease agreements, including industrial, commercial and office properties and equipment that support the management, manufacturing, distribution and research and development of products marketed and sold by the Company. The lease agreements generally require that the Company pay taxes, insurance and maintenance expenses related to the leased assets. At June 27, 2026, there were no material operating leases that the Company had entered into that were yet to commence. From time to time, the Company will sublease portions of its facilities, resulting in sublease income. Sublease income and the related cash flows were not material to the condensed consolidated financial statements for the three and nine months ended June 27, 2026 and June 28, 2025.

Supplemental balance sheet information related to the Company's leases was as follows:

	Balance Sheet Location	June 27, 2026	June 28, 2025	September 30, 2025
Operating leases:				
Right-of-use assets	Other assets	$ 342.5	$ 249.3	$ 243.9
Current lease liabilities	Other current liabilities	59.6	69.2	67.5
Non-current lease liabilities	Other liabilities	317.2	198.1	192.6
Total operating lease liabilities		$ 376.8	$ 267.3	$ 260.1
Finance leases:				
Right-of-use assets	Property, plant and equipment, net	$ 10.2	$ 12.3	$ 11.7
Current lease liabilities	Current portion of debt	2.0	2.1	2.0
Non-current lease liabilities	Long-term debt	11.1	13.0	12.5
Total finance lease liabilities		$ 13.1	$ 15.1	$ 14.5

Components of lease cost were as follows:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Operating lease cost (a)	$ 23.0	$ 20.8	$ 66.8	$ 60.9
Variable lease cost	5.4	6.0	16.3	16.9
Finance lease cost				
Amortization of right-of-use assets	0.5	0.7	1.6	2.0
Interest on lease liabilities	0.2	0.2	0.5	0.6
Total finance lease cost	$ 0.7	$ 0.9	$ 2.1	$ 2.6

(a) Operating lease cost includes amortization of right-of-use assets of $16.9 and $50.2 for the three and nine months ended June 27, 2026, respectively; and $16.4 and $48.4 for the three and nine months ended June 28, 2025, respectively. Short-term lease expense is excluded from operating lease cost and is not material.

(Dollars in millions, except per share data)

Supplemental cash flow information and non-cash activity related to the Company's leases were as follows:

	Nine Months Ended	
	June 27, 2026	June 28, 2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases, net	$ 69.0	$ 68.4
Operating cash flows from finance leases	0.5	0.6
Financing cash flows from finance leases	1.5	1.8
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	$ 169.1	$ 43.1
Finance leases	—	0.4

Weighted-average remaining lease term and discount rate for the Company's leases were as follows:

	June 27, 2026	June 28, 2025	September 30, 2025
Weighted-average remaining lease term (in years):			
Operating leases	8.1	5.0	5.2
Finance leases	7.4	8.0	7.8
Weighted-average discount rate:			
Operating leases	7.5 %	6.9 %	7.0 %
Finance leases	4.6 %	4.6 %	4.6 %

Maturities of lease liabilities by fiscal year for the Company's leases as of June 27, 2026 were as follows:

Year	Operating Leases	Finance Leases
2026 (remainder of the year)	$ 24.1	$ 0.7
2027	81.4	2.5
2028	72.4	2.1
2029	60.0	1.7
2030	47.6	1.7
Thereafter	235.3	7.0
Total lease payments	520.8	15.7
Less: Imputed interest	(144.0)	(2.6)
Total lease liabilities	$ 376.8	$ 13.1

NOTE 15. SEGMENT INFORMATION

As a result of the classification of the Hawthorne business as a discontinued operation, the Company's reportable segments for the three and nine months ended June 27, 2026 differ from prior periods. The prior period amounts have been reclassified to reflect the removal of Hawthorne as a reportable segment and from results of continuing operations. The Company has two operating segments: U.S. Consumer and Other; and one reportable segment: U.S. Consumer. Management has chosen to organize the entity primarily around differences in geographic areas. U.S. Consumer consists of the Company's consumer lawn and garden business in the United States. Other primarily consists of the Company's consumer lawn and garden business in Canada and does not meet any of the quantitative thresholds requiring separate reportable segment disclosures. This identification of operating segments is consistent with how the segments are managed by the Chief Executive Officer, who has been determined to be the chief operating decision maker ("CODM") of the Company. The Company is not managed on a consolidated basis. In addition, Corporate consists of general and administrative expenses and certain other income and expense items not allocated to the Company's operating segments. The accounting policies of the segments are the same as those described in the Company's summary of significant accounting policies.

(Dollars in millions, except per share data)

The CODM uses Segment Profit (Loss), which is defined as income (loss) from continuing operations before income taxes, amortization, impairment, restructuring and other charges ("Segment Profit (Loss)"), to evaluate segment performance, monitor actual results as compared to plan and inform resource allocation decisions. The Company believes this measure is indicative of performance trends and the overall earnings potential of each segment. Asset information and capital expenditures by segment are not provided to the CODM and they are not utilized for the purposes of assessing performance or allocating resources, and therefore such information has not been presented.

The following table presents net sales by segment and a reconciliation to the Company's consolidated net sales for the periods indicated:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
U.S. Consumer reportable segment	$ 1,032.9	$ 1,030.2	$ 2,738.4	$ 2,682.6
Other non-reportable operating segment	139.2	129.1	247.7	233.1
Consolidated	$ 1,172.1	$ 1,159.3	$ 2,986.1	$ 2,915.7

The following table presents Segment Profit (Loss), including the significant segment expenses provided to the CODM, and a reconciliation to income from continuing operations before income taxes for the periods indicated:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
U.S. Consumer reportable segment				
Net sales	$ 1,032.9	$ 1,030.2	$ 2,738.4	$ 2,682.6
Adjusted cost of sales [(a)]	694.7	682.3	1,722.9	1,716.9
Adjusted selling, general and administrative [(b)]	104.0	105.0	324.6	311.5
Other segment items [(c)]	4.4	7.6	14.8	17.0
Segment Profit	229.8	235.2	676.1	637.2
Other non-reportable operating segment profit	18.6	16.9	29.0	22.8
Corporate [(d)]	(29.9)	(28.7)	(99.9)	(97.7)
Intangible asset amortization	(0.7)	(0.7)	(2.0)	(2.0)
Total impairment, restructuring and other [(e)]	(48.2)	(0.9)	(53.5)	(34.6)
Equity in income of unconsolidated affiliates	29.2	25.3	11.6	9.5
Interest expense	(28.0)	(31.8)	(86.5)	(102.2)
Other non-operating expense, net	(15.6)	(1.3)	(17.9)	(3.9)
Income from continuing operations before income taxes	$ 155.2	$ 214.0	$ 456.9	$ 429.1

(a) "Adjusted cost of sales" is defined as cost of sales excluding intangible asset amortization, and does not include activity classified as impairment, restructuring and other.

(b) "Adjusted selling, general and administrative" is defined as selling, general and administrative expenses excluding intangible asset amortization, and does not include activity classified as impairment, restructuring and other.

(c) Other segment items consist of activities such as the discount on sales of accounts receivable under the Master Receivables Purchase Agreement, royalty income from the licensing of certain of the Company's brand names and foreign exchange transaction gains and losses.

(d) The Company incurs costs attributable to corporate functions such as corporate finance, human resources, legal, communications, corporate affairs, corporate travel and corporate executive costs which are considered corporate costs of the Company and not allocated to the segments.

(e) Total impairment, restructuring and other is comprised of the activity classified within the "Cost of sales—impairment, restructuring and other" and "Impairment, restructuring and other" lines in the Condensed Consolidated Statements of Operations. Refer to "NOTE 4. IMPAIRMENT, RESTRUCTURING AND OTHER" for further details.

(Dollars in millions, except per share data)

The following table presents certain other segment disclosures for the periods indicated:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Depreciation and amortization:				
U.S. Consumer	$ 14.8	$ 13.5	$ 43.2	$ 40.7
Share-based compensation:				
U.S. Consumer [(a)]	$ 4.3	$ 11.3	$ 13.1	$ 31.0

(a) Includes certain advertising expenses paid for in Common Shares for the three and nine months ended June 28, 2025.

The following table presents net sales by product category for the periods indicated:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
U.S. Consumer:				
Growing media and mulch	$ 589.5	$ 601.2	$ 1,262.3	$ 1,290.7
Lawn care	216.6	227.6	831.6	804.3
Controls	136.0	113.1	345.9	305.4
Roundup® marketing agreement	43.1	42.1	151.8	132.9
Other, primarily gardening	47.7	46.2	146.8	149.3
Other:				
Growing media	56.3	51.2	92.4	87.0
Lawn care	48.6	42.0	84.4	72.7
Other, primarily gardening and controls	34.3	35.9	70.9	73.4
Total net sales	$ 1,172.1	$ 1,159.3	$ 2,986.1	$ 2,915.7

(Dollars in millions, except per share data)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The purpose of this Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is to provide an understanding of our financial condition and results of operations by focusing on changes in certain key measures from year-to-year. This MD&A includes the following sections:

- Executive summary
- Results of operations
- Segment results
- Liquidity and capital resources
- Regulatory matters
- Critical accounting estimates

This MD&A should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Scotts Miracle-Gro's Annual Report on Form 10-K for the fiscal year ended September 30, 2025 (the "2025 Annual Report") and our condensed consolidated financial statements included in this Form 10-Q.

EXECUTIVE SUMMARY

U.S. Consumer consists of our consumer lawn and garden business in the United States. Other primarily consists of our consumer lawn and garden business in Canada. Corporate consists of general and administrative expenses and certain other income and expense items not allocated to the operating segments. See "SEGMENT RESULTS" below for additional information regarding our evaluation of segment performance.

Through our U.S. Consumer and Other segments, we are the leading marketer of branded consumer lawn and garden products in North America. Our products are marketed under some of the most recognized brand names in the industry. Our key consumer lawn and garden brands include Scotts® Turf Builder® lawn fertilizer and Scotts® grass seed products; Miracle-Gro® soil, plant food and gardening products; Ortho® herbicide and pesticide products; and Tomcat® rodent control and animal repellent products. We are the exclusive agent of Monsanto for the marketing and distribution of certain of Monsanto's consumer Roundup® branded products within the United States and certain other specified countries. In addition, we have an equity interest in Bonnie Plants, LLC, a joint venture with AFC, focused on planting, growing, developing, distributing, marketing and selling live plants.

Due to the seasonal nature of the consumer lawn and garden business, significant portions of our U.S. Consumer and Other segment net sales ship to our retail customers during our second and third fiscal quarters, as noted in the following table. Our annual net sales are further concentrated in the second and third fiscal quarters by retailers who rely on our ability to deliver products closer to when consumers buy our products.

	Percent of Net Sales from Continuing Operations by Quarter		
	2025	2024	2023
First Quarter	11.3 %	10.2 %	12.8 %
Second Quarter	42.7 %	44.7 %	46.7 %
Third Quarter	35.6 %	34.8 %	33.2 %
Fourth Quarter	10.4 %	10.3 %	7.3 %

(Dollars in millions, except per share data)

Recent Events and Trends Affecting our Business

On June 29, 2026, the Company announced that its Board of Directors had named Nathan E. Baxter as President & Chief Executive Officer of the Company effective June 26, 2026. In addition, the Board elected Mr. Baxter to the Board of Directors. Mr. Baxter succeeds James Hagedorn, who served as Chief Executive Officer of the Company since 2001. Mr. Hagedorn, who served as Chairman of the Board since 2003, also resigned from the Board, and the Board elected Lead Independent Director Peter Shumlin as Chairman.

During the three months ended December 27, 2025, we determined that the Hawthorne business met the criteria to be classified as held for sale, and classified the related assets and liabilities as held for sale in the Condensed Consolidated Balance Sheets for all periods presented. We determined this represented a strategic shift, and therefore, effective in the first quarter of fiscal 2026, we classified our results of operations for all periods presented to reflect the Hawthorne business as a discontinued operation. On April 8, 2026, we completed the sale of the Hawthorne business in North America to Vireo in exchange for 213.0 million common shares of Vireo, which represented approximately 14% of Vireo's total outstanding common shares as of the closing date, and a warrant with a five-year term to acquire 80.0 million additional common shares of Vireo at a strike price of $0.85 per share. On the closing date, the Hawthorne business held cash and cash equivalents of $35.0 that was transferred to Vireo as part of the sale. Additionally, in connection with the transaction, we entered into a contract manufacturing agreement and agreed to provide Vireo with up to $20.0 of manufacturing services over a two-year period for no cost. For the nine months ended June 27, 2026, we recorded a loss of $101.8 related to the sale of the Hawthorne business in North America. The completion of the divestiture during the three months ended June 27, 2026 resulted in an ordinary taxable loss that will allow the realization of deferred tax assets to reduce cash taxes paid over the next several fiscal years.

We continue to monitor the impacts of macroeconomic conditions, including elevated interest rates and inflationary pressures on input costs and consumer behavior, as well as geopolitical uncertainty, including the duration and resolution of ongoing conflicts, potential escalation of tensions and global supply chain disruptions, and ongoing changes to global trade policies, including the imposition of tariffs. The impact that these events and conditions will have on our operational and financial performance will depend on future developments, which are difficult to predict. For more information about factors that could impact our business, refer to "ITEM 1A. RISK FACTORS" in the 2025 Annual Report.

RESULTS OF OPERATIONS

Unless specifically stated, all discussion herein refers to results from our continuing operations. The following table sets forth the components of earnings as a percentage of net sales for the three months ended June 27, 2026 and June 28, 2025:

	June 27, 2026	% Of Net Sales	June 28, 2025	% Of Net Sales
Net sales	$ 1,172.1	100.0 %	$ 1,159.3	100.0 %
Cost of sales	805.0	68.7	784.6	67.7
Cost of sales—impairment, restructuring and other	1.2	0.1	2.0	0.2
Gross margin	365.9	31.2	372.7	32.1
Operating expenses:				
Selling, general and administrative	145.6	12.4	144.8	12.5
Impairment, restructuring and other	47.0	4.0	(1.0)	(0.1)
Other expense, net	3.7	0.3	7.1	0.6
Income from operations	169.6	14.5	221.8	19.1
Equity in income of unconsolidated affiliates	(29.2)	(2.5)	(25.3)	(2.2)
Interest expense	28.0	2.4	31.8	2.7
Other non-operating expense, net	15.6	1.3	1.3	0.1
Income from continuing operations before income taxes	155.2	13.2	214.0	18.5
Income tax expense from continuing operations	51.6	4.4	59.3	5.1
Net income from continuing operations	103.6	8.8	154.7	13.3
Income (loss) from discontinued operations, net of tax	8.6	0.7	(5.6)	(0.5)
Net income	$ 112.2	9.6 %	$ 149.1	12.9 %

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

(Dollars in millions, except per share data)

The following table sets forth the components of earnings as a percentage of net sales for the nine months ended June 27, 2026 and June 28, 2025:

	June 27, 2026	% Of Net Sales	June 28, 2025	% Of Net Sales
Net sales	$ 2,986.1	100.0 %	$ 2,915.7	100.0 %
Cost of sales	1,918.5	64.2	1,903.8	65.3
Cost of sales—impairment, restructuring and other	2.5	0.1	8.6	0.3
Gross margin	1,065.1	35.7	1,003.3	34.4
Operating expenses:				
Selling, general and administrative	450.7	15.1	436.2	15.0
Impairment, restructuring and other	51.0	1.7	25.9	0.9
Other expense, net	13.7	0.5	15.5	0.5
Income from operations	549.7	18.4	525.7	18.0
Equity in income of unconsolidated affiliates	(11.6)	(0.4)	(9.5)	(0.3)
Interest expense	86.5	2.9	102.2	3.5
Other non-operating expense, net	17.9	0.6	3.9	0.1
Income from continuing operations before income taxes	456.9	15.3	429.1	14.7
Income tax expense from continuing operations	137.8	4.6	119.7	4.1
Net income from continuing operations	319.1	10.7	309.4	10.6
Income (loss) from discontinued operations, net of tax	(93.3)	(3.1)	(12.3)	(0.4)
Net income	$ 225.8	7.6 %	$ 297.1	10.2 %

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

Net Sales

Net sales for the three months ended June 27, 2026 were $1,172.1, an increase of 1.1% from net sales of $1,159.3 for the three months ended June 28, 2025. Net sales for the nine months ended June 27, 2026 were $2,986.1, an increase of 2.4% from net sales of $2,915.7 for the nine months ended June 28, 2025. Factors contributing to the change in net sales are outlined in the following table:

	Three Months Ended June 27, 2026	Nine Months Ended June 27, 2026
Volume and mix	1.3 %	2.0 %
Pricing	(0.1)	0.4
Foreign exchange rates	(0.1)	—
Change in net sales	1.1 %	2.4 %

The increase in net sales for the three months ended June 27, 2026 as compared to the three months ended June 28, 2025 was primarily driven by:

- favorable mix in our U.S. Consumer segment driven by higher sales of branded products, partially offset by lower sales of mulch products;
- higher sales volume in our Other segment; and
- higher net sales associated with the Roundup® marketing agreement.

The increase in net sales for the nine months ended June 27, 2026 as compared to the nine months ended June 28, 2025 was primarily driven by:

- favorable mix in our U.S. Consumer segment driven by higher sales of branded products including soils, grass seed, controls and fertilizer products, partially offset by lower sales of mulch products;
- higher net sales associated with the Roundup® marketing agreement; and
- increased pricing in our U.S. Consumer and Other segments.

(Dollars in millions, except per share data)

Cost of Sales

The following table shows the major components of cost of sales:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Materials	$ 404.8	$ 395.9	$ 978.0	$ 955.6
Manufacturing labor and overhead	202.9	206.6	459.9	483.1
Distribution and warehousing	175.4	158.1	406.8	392.0
Costs associated with Roundup® marketing agreement	21.9	24.0	73.8	73.1
Cost of sales	805.0	784.6	1,918.5	1,903.8
Cost of sales—impairment, restructuring and other	1.2	2.0	2.5	8.6
	$ 806.2	$ 786.6	$ 1,921.0	$ 1,912.4

Factors contributing to the change in cost of sales are outlined in the following table:

	Three Months Ended June 27, 2026	Nine Months Ended June 27, 2026
Volume, mix and other	$ 30.3	$ 16.4
Foreign exchange rates	(0.7)	1.5
Costs associated with Roundup® marketing agreement	(2.1)	0.7
Material cost changes	(7.1)	(3.9)
	20.4	14.7
Impairment, restructuring and other	(0.8)	(6.1)
Change in cost of sales	$ 19.6	$ 8.6

The increase in cost of sales for the three months ended June 27, 2026 as compared to the three months ended June 28, 2025 was primarily driven by:

- sales mix in our U.S. Consumer segment driven by higher sales of branded products, partially offset by lower sales of mulch products;
- higher sales volume in our Other segment; and
- higher transportation costs included within "volume, mix and other" in our U.S. Consumer segment;
- partially offset by favorable material costs driven by supply chain savings initiatives in our U.S. Consumer segment, net of the impact of higher commodity costs.

The increase in cost of sales for the nine months ended June 27, 2026 as compared to the nine months ended June 28, 2025 was primarily driven by:

- sales mix in our U.S. Consumer segment driven by higher sales of branded products, partially offset by lower sales of mulch products; and
- higher transportation costs included within "volume, mix and other" in our U.S. Consumer segment;
- partially offset by favorable material costs driven by supply chain savings initiatives in our U.S. Consumer segment, net of the impact of higher commodity costs; and
- a decrease in impairment, restructuring and other charges.

(Dollars in millions, except per share data)

Gross Margin

As a percentage of net sales, our gross margin rate was 31.2% and 32.1% for the three months ended June 27, 2026 and June 28, 2025, respectively, and was 35.7% and 34.4% for the nine months ended June 27, 2026 and June 28, 2025, respectively. Factors contributing to the change in gross margin rate are outlined in the following table:

	Three Months Ended June 27, 2026	Nine Months Ended June 27, 2026
Volume, mix and other	(1.7)%	0.4 %
Roundup® commissions and reimbursements	0.2	0.4
Pricing	(0.1)	0.2
Material costs	0.6	0.1
	(1.0)%	1.1 %
Impairment, restructuring and other	0.1	0.2
Change in gross margin rate	(0.9)%	1.3 %

The decrease in gross margin rate for the three months ended June 27, 2026 as compared to the three months ended June 28, 2025 was primarily driven by:

- higher transportation costs included within “volume, mix and other” in our U.S. Consumer segment;
- partially offset by favorable mix associated with our U.S. Consumer segment;
- favorable material costs driven by supply chain savings initiatives in our U.S. Consumer segment, net of the impact of higher commodity costs; and
- higher commission associated with the Roundup® marketing agreement.

The increase in gross margin rate for the nine months ended June 27, 2026 as compared to the nine months ended June 28, 2025 was primarily driven by:

- favorable mix associated with our U.S. Consumer segment;
- higher commission associated with the Roundup® marketing agreement;
- increased pricing in our U.S. Consumer and Other segments;
- favorable material costs driven by supply chain savings initiatives in our U.S. Consumer segment, net of the impact of higher commodity costs; and
- a decrease in impairment, restructuring and other charges;
- partially offset by higher transportation costs included within “volume, mix and other” in our U.S. Consumer segment.

Selling, General and Administrative Expenses

The following table sets forth the components of selling, general and administrative expenses (“SG&A”):

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Advertising	$ 46.7	$ 49.7	$ 148.9	$ 128.9
Other marketing	18.0	16.1	47.9	41.7
Share-based compensation	11.5	9.7	36.2	34.3
Research and development	8.0	7.9	25.2	22.4
Amortization of intangibles	0.7	0.7	2.0	2.0
Other selling, general and administrative	60.7	60.7	190.5	206.9
	$ 145.6	$ 144.8	$ 450.7	$ 436.2

(Dollars in millions, except per share data)

SG&A increased $0.8, or 0.6%, during the three months ended June 27, 2026 compared to the three months ended June 28, 2025. Advertising expense decreased $3.0, or 6.0%, driven by the timing of media spending in our U.S. Consumer segment.

SG&A increased $14.5, or 3.3%, during the nine months ended June 27, 2026 compared to the nine months ended June 28, 2025. Advertising expense increased $20.0, or 15.5%, and other marketing expense increased $6.2, or 14.9%, driven by planned higher spending in our U.S. Consumer segment. Other SG&A decreased $16.4, or 7.9%, driven by lower short-term variable cash incentive compensation expense.

Impairment, Restructuring and Other

Activity described herein is classified within the "Cost of sales—impairment, restructuring and other" and "Impairment, restructuring and other" lines in the Condensed Consolidated Statements of Operations. The following table details impairment, restructuring and other charges for each of the periods presented:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Cost of sales—impairment, restructuring and other:				
Restructuring and other charges, net	$ 1.2	$ 2.0	$ 2.5	$ 6.1
Right-of-use asset impairments	—	—	—	2.5
Operating expenses—impairment, restructuring and other:				
Restructuring and other charges, net	30.4	(1.0)	34.4	18.9
Credit loss on convertible debt and other investments	16.6	—	16.6	—
Loss on exchange of convertible debt investment	—	—	—	7.0
Total impairment, restructuring and other charges, net	$ 48.2	$ 1.0	$ 53.5	$ 34.5

During the three and nine months ended June 27, 2026, we recorded employee and executive severance charges of $1.0 and $1.7, respectively, in the "Cost of sales—impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations primarily related to our U.S. Consumer segment; and $21.5 and $21.7, respectively, in the "Impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations primarily related to Corporate. During the three and nine months ended June 28, 2025, we recorded employee and executive severance charges of $2.0 and $5.0, respectively, in the "Cost of sales—impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations primarily related to our U.S. Consumer segment. During the three months ended June 28, 2025, employee and executive severance charges recorded in the "Impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations were not material. During the nine months ended June 28, 2025, we recorded employee and executive severance charges of $13.5 in the "Impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations, including charges of $1.9 in our U.S. Consumer segment and $11.6 at Corporate.

During the three and nine months ended June 27, 2026, we recorded a non-cash charge of $8.7 for expected credit losses related to a seller financing loan in the "Impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations.

During the three and nine months ended June 27, 2026, we recorded a non-cash charge of $7.9 for expected credit losses related to a convertible debt investment in the "Impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations.

During the three and nine months ended June 27, 2026, we recorded a charge of $4.0 in the "Impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations associated with a settlement agreement to resolve a dispute with former shareholders of a business that was acquired in fiscal 2021.

During the three and nine months ended June 28, 2025, we recorded a non-cash loss of $0.0 and $7.0, respectively, in the "Impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations related to the exchange of our convertible debt investment in RIV Capital for an investment in FLUENT.

During fiscal 2022, we 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, we reduced the size of our supply chain network, reduced staffing levels and implemented other cost-reduction initiatives. During the three months ended June 28, 2025, costs associated with this restructuring initiative were not material. During the nine months ended June 28, 2025, we recorded costs of $3.6 in the "Cost of sales—impairment, restructuring and other" line in the Condensed Consolidated Statements of Operations associated with this restructuring initiative.

Other Expense, net

Other expense is comprised of activities such as the discount on sales of accounts receivable under the Master Receivables Purchase Agreement, royalty income from the licensing of certain of our brand names and foreign exchange transaction gains and losses. Other expense was $3.7 and $7.1 for the three months ended June 27, 2026 and June 28, 2025, respectively; and was $13.7 and $15.5 for the nine months ended June 27, 2026 and June 28, 2025, respectively.

Income from Operations

Income from operations was $169.6 for the three months ended June 27, 2026, a decrease of 23.5% compared to $221.8 for the three months ended June 28, 2025; and was $549.7 for the nine months ended June 27, 2026, an increase of 4.6% compared to $525.7 for the nine months ended June 28, 2025. For the three months ended June 27, 2026, the decrease was primarily driven by higher impairment, restructuring and other charges and a lower gross margin rate, partially offset by higher net sales. For the nine months ended June 27, 2026, the increase was primarily driven by higher net sales and a higher gross margin rate, partially offset by higher SG&A and higher impairment, restructuring and other charges.

Equity in Income of Unconsolidated Affiliates

Equity in income of unconsolidated affiliates was $29.2 and $25.3 for the three months ended June 27, 2026 and June 28, 2025, respectively; and was $11.6 and $9.5 for the nine months ended June 27, 2026 and June 28, 2025, respectively. Equity in income of unconsolidated affiliates associated with Bonnie Plants, LLC was $29.2 and $27.2 for the three months ended June 27, 2026 and June 28, 2025, respectively; and was $14.2 and $11.4 for the nine months ended June 27, 2026 and June 28, 2025, respectively. During the three months ended December 27, 2025, our investment balance in FLUENT was reduced to zero, and we discontinued equity method recognition of our proportionate share of FLUENT losses.

Interest Expense

Interest expense was $28.0 for the three months ended June 27, 2026, a decrease of 11.9% compared to $31.8 for the three months ended June 28, 2025; and was $86.5 for the nine months ended June 27, 2026, a decrease of 15.4% compared to $102.2 for the nine months ended June 28, 2025. For the three months ended June 27, 2026, the decrease was driven by lower average borrowings of $113.3 and a decrease in our weighted average interest rate, net of the impact of interest rate swaps, of 40 basis points. For the nine months ended June 27, 2026, the decrease was driven by lower average borrowings of $149.0 and a decrease in our weighted average interest rate, net of the impact of interest rate swaps, of 50 basis points. The decrease in average borrowings was driven by our focus on using available cash flow to reduce our debt. The decrease in our weighted average interest rate was primarily driven by lower borrowing rates under the Seventh A&R Credit Agreement.

Other Non-Operating Expense, net

Other non-operating expense, net was $15.6 and $1.3 for the three months ended June 27, 2026 and June 28, 2025, respectively; and was $17.9 and $3.9 for the nine months ended June 27, 2026 and June 28, 2025, respectively. The increase was driven by unrealized losses associated with the Vireo Equity Securities of $15.7.

Income Tax Expense from Continuing Operations

The effective tax rates related to continuing operations for the nine months ended June 27, 2026 and June 28, 2025 were 30.2% and 27.9%, respectively. The effective tax rate used for interim purposes is based on our best estimate of factors impacting the effective tax rate for the full fiscal year. Factors affecting the estimated effective tax rate include assumptions as to income by jurisdiction (domestic and foreign), the availability and utilization of tax credits and the existence of elements of income and expense that may not be taxable or deductible. The estimated effective tax rate is subject to revision in later interim periods and at fiscal year-end as facts and circumstances change during the course of the fiscal year. There can be no assurance that the effective tax rate estimated for interim financial reporting purposes will approximate the effective tax rate determined at fiscal year-end.

(Dollars in millions, except per share data)

Net Income from Continuing Operations

Net income from continuing operations was $103.6, or $1.75 per diluted share, for the three months ended June 27, 2026 compared to $154.7, or $2.64 per diluted share, for the three months ended June 28, 2025. The decrease was driven by higher impairment, restructuring and other charges, higher other non-operating expense and a lower gross margin rate, partially offset by higher net sales, higher equity in income of unconsolidated affiliates, lower interest expense and lower income tax expense.

Diluted average common shares used in the diluted net income per common share from continuing operations calculation for the three months ended June 27, 2026 and June 28, 2025 were 59.2 million and 58.6 million, respectively, which included potential common shares of 1.0 million and 0.9 million, respectively. The increase in diluted average common shares was primarily the result of the exercise and issuance of share-based compensation awards.

Net income from continuing operations was $319.1, or $5.40 per diluted share, for the nine months ended June 27, 2026 compared to $309.4, or $5.28 per diluted share, for the nine months ended June 28, 2025. The increase was driven by higher net sales, a higher gross margin rate and lower interest expense, partially offset by higher impairment, restructuring and other charges, higher other non-operating expense, higher income tax expense and higher SG&A.

Diluted average common shares used in the diluted net income per common share from continuing operations calculation for the nine months ended June 27, 2026 and June 28, 2025 were 59.1 million and 58.6 million, respectively, which included potential common shares of 1.0 million and 1.1 million, respectively. The increase in diluted average common shares was primarily the result of the exercise and issuance of share-based compensation awards.

Income (Loss) from Discontinued Operations, net of tax

Income (loss) from discontinued operations, net of tax, associated with our Hawthorne business was $8.6 and $(5.6) for the three months ended June 27, 2026 and June 28, 2025, respectively; and was $(93.3) and $(12.3) for the nine months ended June 27, 2026 and June 28, 2025, respectively. During the nine months ended June 27, 2026, we recorded a loss of $101.8 related to the sale of the Hawthorne business in North America. During the three months ended June 27, 2026, we recorded a $32.6 reduction to the cumulative pre-tax loss driven by the closing date valuation of the non-cash sale consideration. Income tax expense from discontinued operations was $24.8 for the three months ended June 27, 2026 and includes the impact of a valuation allowance recognized against certain deferred tax assets associated with the former Hawthorne business in Canada.

SEGMENT RESULTS

As a result of the classification of the Hawthorne business as a discontinued operation, our reportable segments for the three and nine months ended June 27, 2026 differ from prior periods. The prior period amounts have been reclassified to reflect the removal of Hawthorne as a reportable segment. Segment performance is evaluated based on several factors, including income (loss) from continuing operations before income taxes, amortization, impairment, restructuring and other charges ("Segment Profit (Loss)"), which is a non-GAAP financial measure. We believe this measure is indicative of performance trends and the overall earnings potential of each segment.

The following table sets forth net sales by segment:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
U.S. Consumer reportable segment	$ 1,032.9	$ 1,030.2	$ 2,738.4	$ 2,682.6
Other non-reportable operating segment	139.2	129.1	247.7	233.1
Consolidated	$ 1,172.1	$ 1,159.3	$ 2,986.1	$ 2,915.7

(Dollars in millions, except per share data)

The following table sets forth Segment Profit (Loss) as well as a reconciliation to income from continuing operations before income taxes, the most directly comparable measure prepared in accordance with GAAP:

	Three Months Ended		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
U.S. Consumer Segment Profit (Non-GAAP)	$ 229.8	$ 235.2	$ 676.1	$ 637.2
Other non-reportable operating segment profit	18.6	16.9	29.0	22.8
Corporate	(29.9)	(28.7)	(99.9)	(97.7)
Intangible asset amortization	(0.7)	(0.7)	(2.0)	(2.0)
Impairment, restructuring and other	(48.2)	(0.9)	(53.5)	(34.6)
Equity in income of unconsolidated affiliates	29.2	25.3	11.6	9.5
Interest expense	(28.0)	(31.8)	(86.5)	(102.2)
Other non-operating expense, net	(15.6)	(1.3)	(17.9)	(3.9)
Income from continuing operations before income taxes (GAAP)	$ 155.2	$ 214.0	$ 456.9	$ 429.1

U.S. Consumer

U.S. Consumer segment net sales were $1,032.9 in the third quarter of fiscal 2026, an increase of 0.3% from third quarter of fiscal 2025 net sales of $1,030.2; and were $2,738.4 for the first nine months of fiscal 2026, an increase of 2.1% from the first nine months of fiscal 2025 net sales of $2,682.6. For the third quarter of fiscal 2026, the increase was driven by favorable volume and mix of 0.5%, partially offset by decreased pricing of 0.2%. For the nine months ended June 27, 2026, the increase was driven by favorable volume and mix of 1.8% and increased pricing of 0.3%. Favorable mix for the three months ended June 27, 2026 was driven by higher sales of branded products, partially offset by lower sales of mulch products. Favorable mix for the nine months ended June 27, 2026 was driven by higher sales of branded products including soils, grass seed, controls and fertilizer products, partially offset by lower sales of mulch products.

U.S. Consumer Segment Profit was $229.8 in the third quarter of fiscal 2026, a decrease of 2.3% from third quarter of fiscal 2025 Segment Profit of $235.2; and was $676.1 for the first nine months of fiscal 2026, an increase of 6.1% from the first nine months of fiscal 2025 Segment Profit of $637.2. For the three months ended June 27, 2026, the decrease was primarily due to a lower gross margin rate. For the nine months ended June 27, 2026, the increase was primarily due to higher net sales and a higher gross margin rate, partially offset by higher SG&A.

Other

Other segment net sales were $139.2 in the third quarter of fiscal 2026, an increase of 7.8% from third quarter of fiscal 2025 net sales of $129.1; and were $247.7 for the first nine months of fiscal 2026, an increase of 6.3% from the first nine months of fiscal 2025 net sales of $233.1. For the third quarter of fiscal 2026, the increase was driven by higher sales volume of 7.8% and increased pricing of 0.6%, partially offset by unfavorable foreign exchange rates of 0.6%. For the nine months ended June 27, 2026, the increase was driven by higher sales volume of 4.1%, increased pricing of 1.3% and favorable foreign exchange rates of 0.9%.

Other Segment Profit was $18.6 in the third quarter of fiscal 2026, an increase of 10.1% from third quarter of fiscal 2025 Segment Profit of $16.9; and was $29.0 for the first nine months of fiscal 2026, an increase of 27.2% from the first nine months of fiscal 2025 Segment Profit of $22.8. For the three and nine months ended June 27, 2026, the increase was driven by higher net sales and a higher gross margin rate.

Corporate

Corporate expenses were $29.9 in the third quarter of fiscal 2026, an increase of 4.2% from third quarter of fiscal 2025 expenses of $28.7; and were $99.9 for the first nine months of fiscal 2026, an increase of 2.3% from the first nine months of fiscal 2025 expenses of $97.7.

(Dollars in millions, except per share data)

LIQUIDITY AND CAPITAL RESOURCES

The following table summarizes cash activities:

	Nine Months Ended	
	June 27, 2026	June 28, 2025
Net cash provided by operating activities	$ 195.2	$ 197.2
Net cash used in investing activities	(102.1)	(60.0)
Net cash used in financing activities	(101.8)	(158.2)

Operating Activities

Cash provided by operating activities totaled $195.2 for the nine months ended June 27, 2026 compared to $197.2 for the nine months ended June 28, 2025. The decrease was driven by lower accounts receivable sales under the Master Receivables Purchase Agreement, higher SG&A and higher short-term variable cash incentive compensation payments, partially offset by accounts payable timing, higher gross margin and the timing of inventory production.

Investing Activities

Cash used in investing activities totaled $102.1 for the nine months ended June 27, 2026 compared to $60.0 for the nine months ended June 28, 2025. Cash used for investments in property, plant and equipment during the first nine months of fiscal 2026 and 2025 was $63.1 and $54.5, respectively. On April 8, 2026, we completed the sale of our Hawthorne business in North America to Vireo in exchange for non-cash consideration. On the closing date, the Hawthorne business held cash and cash equivalents of $35.0 that was transferred to Vireo as part of the sale, which was classified as an investing activity in the "Net cash disposed of on sale of business" line in the Condensed Consolidated Statements of Cash Flows. During the nine months ended June 27, 2026 and June 28, 2025, we had net other investing cash outflows of $4.0 and $5.5, respectively.

Financing Activities

Cash used in financing activities totaled $101.8 for the nine months ended June 27, 2026 compared to $158.2 for the nine months ended June 28, 2025. During the nine months ended June 27, 2026, we had net borrowings on our debt instruments of $5.7. We also paid dividends of $116.3, financing and issuance fees of $8.9 and received cash from the exercise of stock options of $3.9 (which also includes amounts received from employee purchases under the employee stock purchase plan). During the nine months ended June 28, 2025, we had net repayments on our debt instruments of $39.3, paid dividends of $116.2 and received cash from the exercise of stock options of $11.2 (which also includes amounts received from employee purchases under the employee stock purchase plan). During the nine months ended June 27, 2026 and June 28, 2025, we repurchased Common Shares for $12.1 and $18.4, respectively (which includes cash paid to tax authorities to satisfy statutory income tax withholding obligations related to share-based compensation). In addition, during the nine months ended June 27, 2026 and June 28, 2025, we had other financing cash inflows of $25.9 and $4.5, respectively, primarily related to collections of previously sold accounts receivable not yet submitted to the buyer.

Share Repurchases

On December 19, 2025, our Board of Directors authorized a share repurchase program, with no expiration date, for the repurchase of up to $500.0 of Common Shares. There have been no share repurchases under this authorization as of June 27, 2026.

Accounts Receivable Sales

We are party to a Master Receivables Purchase Agreement, which is uncommitted and expires on September 1, 2026, under which we may sell up to $750.0 of available and eligible outstanding customer accounts receivable generated by sales to five specified customers. Transactions under the Master Receivables Purchase Agreement are accounted for as sales of accounts receivable, and the receivables sold are removed from the Condensed Consolidated Balance Sheets at the time of the sales transaction. Proceeds received from the sales of accounts receivable are classified as operating cash flows and collections of previously sold accounts receivable not yet submitted to the buyer are classified as financing cash flows in the Condensed Consolidated Statements of Cash Flows. We record the discount on sales in the “Other expense, net” line in the Condensed Consolidated Statements of Operations. At June 27, 2026, June 28, 2025 and September 30, 2025, net receivables derecognized were $312.1, $418.8 and $163.3, respectively. During the three months ended June 27, 2026 and June 28, 2025, proceeds from the sale of receivables under the Master Receivables Purchase Agreement totaled $592.9 and $686.7, respectively, and the total discount recorded on sales was $5.2 and $7.3, respectively. During the nine months ended June 27, 2026 and June 28, 2025, proceeds from the sale of receivables under the Master Receivables Purchase Agreement totaled $1,661.4 and $1,708.9, respectively, and the total discount recorded on sales was $16.5 and $18.5, respectively.

Supplier Finance Program

We maintain a supplier finance program which facilitates participating suppliers’ ability to finance our payment obligations with a designated third-party financial institution. Participating suppliers may, at their sole discretion, elect to finance our payment obligations prior to their scheduled due dates at a discounted price to the participating financial institution. Our obligations to our suppliers, including amounts due and scheduled payment dates, are not impacted by suppliers’ decisions to finance amounts under this arrangement. The payment terms that we negotiate with our suppliers are consistent, regardless of whether a supplier participates in the program. Our current payment terms with a majority of our suppliers generally range from 30 to 60 days, which we deem to be commercially reasonable. Our outstanding payment obligations under our supplier finance program were $23.7, $18.8 and $13.9 at June 27, 2026, June 28, 2025 and September 30, 2025, respectively, and are recorded within accounts payable in the Condensed Consolidated Balance Sheets. The associated payments were $239.9 and $208.9 for the nine months ended June 27, 2026 and June 28, 2025, respectively, and are classified as operating activities in the Condensed Consolidated Statements of Cash Flows.

Cash and Cash Equivalents

Our cash and cash equivalents were held in cash depository accounts with major financial institutions around the world or invested in high-quality, short-term liquid investments having original maturities of three months or less. The cash and cash equivalents balances, including cash and cash equivalents classified within current assets held for sale, of $27.7, $51.1 and $36.6 as of June 27, 2026, June 28, 2025 and September 30, 2025, respectively, included $18.0, $20.1 and $4.2, respectively, held by controlled foreign corporations. As of June 27, 2026, we maintain our assertion of indefinite reinvestment of the earnings of all material foreign subsidiaries.

Borrowing Agreements

Credit Facilities

Our primary sources of liquidity are cash generated by operations and borrowings under our credit facilities, which are guaranteed by substantially all of Scotts Miracle-Gro’s domestic subsidiaries. On November 21, 2025, we entered into the Seventh A&R Credit Agreement, providing the Company and certain of its subsidiaries with five-year senior secured loan facilities in the aggregate principal amount of $2,000.0, comprised of a revolving credit facility of $1,500.0 and a term loan in the original principal amount of $500.0. The Seventh A&R Credit Agreement also provides us with the right to seek additional committed credit under the agreement in an aggregate amount of up to $500.0 plus an unlimited additional amount, subject to certain specified financial and other conditions. The Seventh A&R Credit Agreement provides for the issuance of letters of credit up to $100.0 and will terminate on November 21, 2030. The terms of the Seventh A&R Credit Agreement include customary representations and warranties, affirmative and negative covenants, financial covenants and events of default.

Borrowings under the Seventh A&R Credit Agreement bear interest at variable rates derived from the prevailing U.S. Prime Rate, Federal Reserve Bank of New York Rate, Secured Overnight Financing Rate, Euro Interbank Offered Rate, Canadian Prime Rate or Canadian Overnight Repo Rate Average (all as defined in the Seventh A&R Credit Agreement), based on our election, plus a spread that depends on our quarterly-tested leverage ratio.

At June 27, 2026, we had letters of credit outstanding in the aggregate principal amount of $93.2, and had $1,381.8 of borrowing availability under the Seventh A&R Credit Agreement. The weighted average interest rates on average borrowings under the credit facilities, excluding the impact of interest rate swaps, were 6.4% and 7.7% for the nine months ended June 27, 2026 and June 28, 2025, respectively.

The Seventh A&R Credit Agreement contains, among other obligations, an affirmative covenant regarding our leverage ratio determined as of the end of each of our fiscal quarters, calculated as average total indebtedness divided by our Adjusted EBITDA. The maximum permitted leverage ratio is 5.00. Our leverage ratio was 3.78 at June 27, 2026. The Seventh A&R Credit Agreement also contains an affirmative covenant regarding our interest coverage ratio determined as of the end of each of our fiscal quarters, calculated as Adjusted EBITDA divided by interest expense, as described in the Seventh A&R Credit Agreement. The minimum required interest coverage ratio is (i) 3.00 for each of the fiscal quarters within fiscal 2026, (ii) 3.25 for each of the fiscal quarters within fiscal 2027 and (iii) 3.50 for fiscal quarters thereafter. Our interest coverage ratio was 5.67 at June 27, 2026.

The Seventh A&R Credit Agreement allows us to make unlimited restricted payments (as defined in the Seventh A&R Credit Agreement), including dividend payments on, and repurchases of, Common Shares, as long as the leverage ratio resulting from the making of such restricted payments is 4.00 or less. Otherwise, we are limited to restricted payments in an aggregate amount for each fiscal year not to exceed $225.0.

Senior Notes

On December 15, 2016, Scotts Miracle-Gro issued $250.0 aggregate principal amount of 5.250% Senior Notes with a maturity date of December 15, 2026. The 5.250% Senior Notes represent general unsecured senior obligations and rank equal in right of payment with our existing and future unsecured senior debt. The 5.250% Senior Notes have interest payment dates of June 15 and December 15 of each year. At June 27, 2026, the $250.0 aggregate principal amount of the 5.250% Senior Notes is classified in the “Current portion of debt” line in the Condensed Consolidated Balance Sheets as it is payable within one year. We intend to repay the 5.250% Senior Notes during fiscal 2026 using a combination of cash flow from operations and available borrowing capacity under the Seventh A&R Credit Agreement.

On October 22, 2019, Scotts Miracle-Gro issued $450.0 aggregate principal amount of 4.500% Senior Notes due 2029. The 4.500% Senior Notes represent general unsecured senior obligations and rank equal in right of payment with our existing and future unsecured senior debt. The 4.500% Senior Notes have interest payment dates of April 15 and October 15 of each year.

On March 17, 2021, Scotts Miracle-Gro issued $500.0 aggregate principal amount of 4.000% Senior Notes due 2031. The 4.000% Senior Notes represent general unsecured senior obligations and rank equal in right of payment with our existing and future unsecured senior debt. The 4.000% Senior Notes have interest payment dates of April 1 and October 1 of each year.

On August 13, 2021, Scotts Miracle-Gro issued $400.0 aggregate principal amount of 4.375% Senior Notes due 2032. The 4.375% Senior Notes represent general unsecured senior obligations and rank equal in right of payment with our existing and future unsecured senior debt. The 4.375% Senior Notes have interest payment dates of February 1 and August 1 of each year.

Substantially all of Scotts Miracle-Gro’s directly and indirectly owned domestic subsidiaries serve as guarantors of the 5.250% Senior Notes, the 4.500% Senior Notes, the 4.000% Senior Notes and the 4.375% Senior Notes.

(Dollars in millions, except per share data)

Interest Rate Swap Agreements

We enter into interest rate swap agreements with major financial institutions that effectively convert a portion of our variable-rate debt to a fixed rate. Interest payments made between the effective date and expiration date are hedged by the swap agreements. Swap agreements that were hedging interest payments as of June 27, 2026, June 28, 2025 and September 30, 2025 had a maximum total U.S. dollar equivalent notional amount of $450.0. The notional amount, effective date, expiration date and rate of each of the swap agreements outstanding at June 27, 2026 are shown in the table below:

Notional Amount ($)	Effective Date (a)	Expiration Date	Fixed Rate
150	6/7/2023	4/7/2027	3.37 %
50	6/7/2023	4/7/2027	3.34 %
100 (b)	11/20/2023	3/22/2027	4.74 %
150 (b)	9/20/2024	9/20/2029	4.25 %
100	4/8/2027	4/8/2030	3.40 %

(a) The effective date refers to the date on which interest payments are first hedged by the applicable swap agreement.

(b) Notional amount adjusts in accordance with a specified seasonal schedule. This represents the maximum notional amount at any point in time.

Availability and Use of Cash

We believe that our cash flows from operations and borrowings under our agreements described herein will be sufficient to meet debt service, capital expenditures and working capital needs for the foreseeable future. However, we cannot ensure that our business will generate sufficient cash flow from operations or that future borrowings will be available under our borrowing agreements in amounts sufficient to pay indebtedness or fund other liquidity needs. Actual results of operations will depend on numerous factors, many of which are beyond our control as further discussed in the 2025 Annual Report, under "ITEM 1A. RISK FACTORS — Risks Related to Our M&A, Lending and Financing Activities — Our indebtedness could limit our flexibility and adversely affect our financial condition."

Financial Disclosures About Guarantors and Issuers of Guaranteed Securities

The 5.250% Senior Notes, 4.500% Senior Notes, 4.000% Senior Notes and 4.375% Senior Notes were issued by Scotts Miracle-Gro on December 15, 2016, October 22, 2019, March 17, 2021 and August 13, 2021, respectively. The Senior Notes are guaranteed by certain consolidated domestic subsidiaries of Scotts Miracle-Gro (collectively, the "Guarantors") and, therefore, we report summarized financial information in accordance with SEC Regulation S-X, Rule 13-01, "Guarantors and Issuers of Guaranteed Securities Registered or Being Registered."

The guarantees are "full and unconditional," as those terms are used in Regulation S-X, Rule 3-10(b)(3), except that a Guarantor's guarantee will be released in certain circumstances set forth in the indentures governing the Senior Notes, such as: (i) upon any sale or other disposition of all or substantially all of the assets of the Guarantor (including by way of merger or consolidation) to any person other than Scotts Miracle-Gro or any "restricted subsidiary" under the applicable indenture; (ii) if the Guarantor merges with and into Scotts Miracle-Gro, with Scotts Miracle-Gro surviving such merger; (iii) if the Guarantor is designated an "unrestricted subsidiary" in accordance with the applicable indenture or otherwise ceases to be a "restricted subsidiary" (including by way of liquidation or dissolution) in a transaction permitted by such indenture; (iv) upon legal or covenant defeasance; (v) at the election of Scotts Miracle-Gro following the Guarantor's release as a guarantor under the Seventh A&R Credit Agreement, except a release by or as a result of the repayment of the Seventh A&R Credit Agreement; or (vi) if the Guarantor ceases to be a "restricted subsidiary" and the Guarantor is not otherwise required to provide a guarantee of the Senior Notes pursuant to the applicable indenture.

Our foreign subsidiaries and certain of our domestic subsidiaries are not guarantors (collectively, the "Non-Guarantors") of the Senior Notes. Payments on the Senior Notes are only required to be made by Scotts Miracle-Gro and the Guarantors. As a result, no payments are required to be made from the assets of the Non-Guarantors, unless those assets are transferred by dividend or otherwise to Scotts Miracle-Gro or a Guarantor. In the event of a bankruptcy, insolvency, liquidation or reorganization of any of the Non-Guarantors, holders of their indebtedness, including their trade creditors and other obligations, will be entitled to payment of their claims from the assets of the Non-Guarantors before any assets are made available for distribution to Scotts Miracle-Gro or the Guarantors. As a result, the Senior Notes are effectively subordinated to all the liabilities of the Non-Guarantors.

(Dollars in millions, except per share data)

The guarantees may be subject to review under federal bankruptcy laws or relevant state fraudulent conveyance or fraudulent transfer laws. In certain circumstances, the court could void the guarantee, subordinate the amounts owing under the guarantee, or take other actions detrimental to the holders of the Senior Notes.

As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or a valid antecedent debt is satisfied. A court would likely find that a Guarantor did not receive reasonably equivalent value or fair consideration for its guarantee to the extent such Guarantor did not obtain a reasonably equivalent benefit from the issuance of the Senior Notes.

The measure of insolvency varies depending upon the law of the jurisdiction that is being applied. Regardless of the measure being applied, a court could determine that a Guarantor was insolvent on the date the guarantee was issued, so that payments to the holders of the Senior Notes would constitute a preference, fraudulent transfer or conveyances on other grounds. If a guarantee is voided as a fraudulent conveyance or is found to be unenforceable for any other reason, the holders of the Senior Notes will not have a claim against the Guarantor.

Each guarantee contains a provision intended to limit the Guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent conveyance. However, there can be no assurance as to what standard a court will apply in making a determination of the maximum liability of each Guarantor. Moreover, this provision may not be effective to protect the guarantees from being voided under fraudulent conveyance laws. There is a possibility that the entire guarantee may be set aside, in which case the entire liability may be extinguished.

The following tables present summarized financial information on a combined basis for Scotts Miracle-Gro and the Guarantors. Transactions between Scotts Miracle-Gro and the Guarantors have been eliminated and the summarized financial information does not reflect investments by Scotts Miracle-Gro and the Guarantors in the Non-Guarantor subsidiaries.

	June 27, 2026	September 30, 2025
Current assets	$ 1,160.2	$ 831.9
Non-current assets [(a)]	1,745.3	1,657.4
Current liabilities	1,000.0	640.9
Non-current liabilities	2,234.7	2,297.4

(a) Includes amounts due from Non-Guarantor subsidiaries of $54.4 and $11.4, respectively.

	Nine Months Ended June 27, 2026	Year Ended September 30, 2025
Net sales	$ 2,755.7	$ 3,018.5
Gross margin	1,014.9	980.0
Net income from continuing operations	325.5	196.3
Net income [(a)]	245.9	180.4

(a) Includes intercompany income from Non-Guarantor subsidiaries of $9.9 and $5.9, respectively.

Judicial and Administrative Proceedings

We are party to various pending judicial and administrative proceedings and claims arising in the ordinary course of business relating to, among others, product and general liabilities, workers' compensation, property losses and other liabilities for which we are self-insured or retain a high exposure limit. We have reviewed these pending judicial and administrative proceedings, including the probable outcomes, reasonably anticipated costs and expenses, and the availability and limits of our insurance coverage, and have established what we believe to be appropriate accruals. We believe that our assessment of contingencies is reasonable and related accruals are adequate, both individually and in the aggregate; however, there can be no assurance that final resolution of these matters will not have a material effect on our financial condition, results of operations or cash flows.

REGULATORY MATTERS

We are subject to local, state, federal and foreign environmental protection laws and regulations with respect to our business operations and believe we are operating in substantial compliance, or taking actions aimed at ensuring compliance, with such laws and regulations. We are involved in several legal actions with various governmental agencies related to environmental matters. While it is difficult to quantify the potential financial impact of actions involving these environmental matters, particularly remediation costs at waste disposal sites and future capital expenditures for environmental control equipment, in the opinion of management, the ultimate liability arising from such environmental matters, taking into account established accruals, is not expected to have a material effect on our financial condition, results of operations or cash flows. However, there can be no assurance that the resolution of these matters will not materially affect our future quarterly or annual results of operations, financial condition or cash flows. Additional information on environmental matters affecting us is provided in the 2025 Annual Report, under "ITEM 1. BUSINESS — Regulatory Considerations" and "ITEM 3. LEGAL PROCEEDINGS."

CRITICAL ACCOUNTING ESTIMATES

Our unaudited condensed consolidated financial statements have been prepared in accordance with GAAP. The preparation of financial statements and related disclosures in accordance with GAAP requires management to use judgment and make estimates that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. We evaluate our estimates on an ongoing basis. By their nature, these judgments are subject to uncertainty. We base our estimates on historical experience, current trends and other factors that we believe to be relevant under the circumstances at the time the estimate was made. Certain accounting estimates are particularly significant, including those related to revenue recognition and promotional allowances, income taxes and goodwill and indefinite-lived intangible assets.

We believe that our estimates, assumptions, and judgments are reasonable in that they were based on information available when the estimates, assumptions and judgments were made. However, because future events and their effects cannot be determined with certainty, actual results could differ materially from those implied by our assumptions and estimates.

The Audit Committee of the Board of Directors of Scotts Miracle-Gro reviews our critical accounting estimates on an ongoing basis, including those related to revenue recognition and promotional allowances, income taxes and goodwill and indefinite-lived intangible assets. Our critical accounting estimates have not changed materially from those disclosed in the 2025 Annual Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Management believes that there are no material changes to our quantitative and qualitative disclosures about market risks during the nine months ended June 27, 2026 compared to those disclosed in the 2025 Annual Report.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Scotts Miracle-Gro Company (the "Registrant") maintains "disclosure controls and procedures," as defined in the Securities Exchange Act of 1934 (the "Exchange Act") Rule 13a-15(e), that are designed to ensure that information required to be disclosed in the Registrant's Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Registrant's management, including its principal executive officer and its principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

With the participation of the principal executive officer and the principal financial officer of the Registrant, the Registrant's management has evaluated the effectiveness of the Registrant's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act), as of the end of the fiscal quarter covered by this Form 10-Q. Based upon that evaluation, the Registrant's principal executive officer and principal financial officer have concluded that the Registrant's disclosure controls and procedures were effective as of June 27, 2026.

Changes in Internal Control Over Financial Reporting

No changes in the Registrant's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) occurred during the Registrant's fiscal quarter ended June 27, 2026 that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Reference is made to the legal proceedings that have been previously disclosed in Part I, Item 3 of the 2025 Annual Report. There have been no material developments to the pending legal proceedings set forth therein.

We are involved in other lawsuits and claims which arise in the normal course of our business relating to advertising claims, securities matters, employment disputes, product complaints and the enforcement and defense of intellectual property rights. In our opinion, these claims individually and in the aggregate are not expected to have a material adverse effect on our financial condition, results of operations or cash flows.

ITEM 1A. RISK FACTORS

The Company's risk factors, as of June 27, 2026, have not materially changed from those described in Part I, Item 1A of the 2025 Annual Report.

Cautionary Note Regarding Forward-Looking Statements

This Form 10-Q, including the exhibits hereto and the information incorporated by reference herein, contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act, which are subject to risks and uncertainties. Information regarding activities, events and developments that we expect or anticipate will or may occur in the future, including, but not limited to, information relating to our future growth and profitability targets and strategies designed to increase total shareholder value, are forward-looking statements based on management's estimates, assumptions and projections. Forward-looking statements also include, but are not limited to, statements regarding our future economic and financial condition and results of operations, the plans and objectives of management and our assumptions regarding our performance and such plans and objectives, as well as the amount and timing of dividends and repurchases of Common Shares or other uses of cash flows. Forward-looking statements generally can be identified through the use of words such as "guidance," "outlook," "projected," "believe," "target," "predict," "estimate," "forecast," "strategy," "may," "goal," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will," "should" and other similar words and variations.

Forward-looking statements in this Form 10-Q are predictions only and actual results could differ materially from management's expectations due to a variety of factors, including those described in "ITEM 1A. RISK FACTORS" in the 2025 Annual Report. All forward-looking statements attributable to us or persons working on our behalf are expressly qualified in their entirety by such risk factors and other cautionary statements that we make from time to time in our other SEC filings and public communications.

You should evaluate forward-looking statements in the context of these risks and uncertainties and are cautioned not to place undue reliance on such statements. The risk factors described may not identify all risks that could be material to investors. We cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our operations in the way we expect. The forward-looking statements that we make in this Form 10-Q are based on management's current views and assumptions regarding future events and speak only as of the date on which they are made. We disclaim any obligation to update these risk factors or any forward-looking statement or to announce publicly any revisions to any of the forward-looking statements that we make, or to make corrections to reflect future events or developments, except as required by law.

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

The payment of future dividends, if any, on the Common Shares will be determined by the Board of Directors in light of conditions then existing, including the Company’s earnings, financial condition and capital requirements, restrictions in financing agreements, business conditions and other factors. The Seventh A&R Credit Agreement allows the Company to make unlimited restricted payments (as defined in the Seventh A&R Credit Agreement), including dividend payments on, and repurchases of, Common Shares, as long as the leverage ratio resulting from the making of such restricted payments is 4.00 or less. Otherwise, the Company is limited to restricted payments in an aggregate amount for each fiscal year not to exceed $225.0 million.

The following table shows the purchases of Common Shares made by or on behalf of Scotts Miracle-Gro or any “affiliated purchaser” (as defined in Rule 10b-18(a)(3) under the Exchange Act) of Scotts Miracle-Gro for each of the three fiscal months in the quarter ended June 27, 2026:

Period	Total Number of Common Shares Purchased (1)	Average Price Paid per Common Share (2)	Total Number of Common Shares Purchased as Part of Publicly Announced Plans or Programs (3)	Approximate Dollar Value of Common Shares That May Yet be Purchased Under the Plans or Programs (3)
March 29, 2026 through April 25, 2026	—	$ —	—	$ 500,000,000
April 26, 2026 through May 23, 2026	1,237	$ 67.95	—	$ 500,000,000
May 24, 2026 through June 27, 2026	2,802	$ 65.01	—	$ 500,000,000
Total	4,039	$ 65.91	—	

(1) All of the Common Shares purchased during the third quarter of fiscal 2026 were purchased in open market transactions. The Common Shares purchased during the quarter consisted of 4,039 Common Shares purchased by the trustee of the rabbi trust established by the Company as permitted pursuant to the terms of The Scotts Company LLC Executive Retirement Plan.

(2) The average price paid per Common Share is calculated on a settlement basis and includes commissions.

(3) On December 19, 2025, the Company’s Board of Directors authorized a share repurchase program, with a commencement date of January 29, 2026 and no expiration date, for the repurchase of up to $500.0 million of Common Shares.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

During the third quarter of fiscal 2026, no director or officer (as defined under Rule 16a-1 of the Exchange Act) adopted, modified or terminated any Rule 10b5-1 trading arrangement or non Rule 10b5-1 trading arrangement (in each case, as defined in Item 408 of Regulation S-K).

ITEM 6. EXHIBITS

See Index to Exhibits at page 47 for a list of the exhibits included herewith.

INDEX TO EXHIBITS

		Incorporated by Reference			
Exhibit No.	Description	Form	Exhibit	Filing Date	Filed Herewith
10.1	Amendment No. 1, dated April 17, 2026, to Seventh Amended and Restated Guarantee and Collateral Agreement, dated as of November 21, 2025, made by The Scotts Miracle-Gro Company, each domestic Subsidiary Borrower under the Seventh Amended and Restated Credit Agreement, and certain of its and their domestic subsidiaries, in favor of JPMorgan Chase Bank, N.A., as Administrative Agent				X
10.2	Executive Severance Agreement, dated as of December 11, 2013, by and between The Scotts Company LLC and James Hagedorn	8-K	10.1	December 17, 2013	
10.3	Separation Agreement and Release of All Claims, dated as of June 26, 2026, by and between The Scotts Company LLC and James Hagedorn	8-K	10.2	July 1, 2026	
21	Subsidiaries of The Scotts Miracle-Gro Company				X
22	Guarantor Subsidiaries				X
31.1	Rule 13a-14(a)/15d-14(a) Certifications (Principal Executive Officer)				X
31.2	Rule 13a-14(a)/15d-14(a) Certifications (Principal Financial Officer)				X
32	Section 1350 Certifications (Principal Executive Officer and Principal Financial Officer)				X
101.SCH	XBRL Taxonomy Extension Schema				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase				X
101.LAB	XBRL Taxonomy Extension Label Linkbase				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase				X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				X

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE SCOTTS MIRACLE-GRO COMPANY

Date: August 5, 2026

/s/ MARK J. SCHEIWER

Printed Name: Mark J. Scheiwer

Title: Executive Vice President, Chief Financial Officer & Chief Accounting Officer

Exhibit 10.1

AMENDMENT NO. 1

Dated as of April 17, 2026

To

SEVENTH AMENDED AND RESTATED GUARANTEE AND COLLATERAL AGREEMENT

Dated as of November 21, 2025

THIS AMENDMENT NO. 1 (this "Amendment") is made as of April 17, 2026 by and among The Scotts Miracle-Gro Company, an Ohio corporation (the "Company"), each other Grantor party to the Existing Guarantee and Collateral Agreement (as defined below) and JPMorgan Chase Bank, N.A., as administrative agent (the "Administrative Agent"), under that certain Seventh Amended and Restated Guarantee and Collateral Agreement, dated as of November 21, 2025, by and among the Company, the other Grantors (as defined therein) from time to time party thereto and the Administrative Agent (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the date hereof, the "Existing Guarantee and Collateral Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Amended Guarantee and Collateral Agreement or the Credit Agreement (as defined in the Amended Guarantee and Collateral Agreement), as applicable.

WHEREAS, the Grantors and the Administrative Agent have agreed to amend the Existing Guarantee and Collateral Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantors and the Administrative Agent hereby agree to enter into this Amendment.

1. Amendments to the Existing Guarantee and Collateral Agreement. The parties hereto agree that, effective as of the Amendment Effective Date (as defined below), (a) the Existing Guarantee and Collateral Agreement (excluding all existing Schedules and Annexes thereto) is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Existing Guarantee and Collateral Agreement (excluding all existing Schedules and Annexes thereto) attached as Annex A hereto, (b) Schedule 2 to the Existing Guarantee and Collateral Agreement is hereby amended and restated in its entirety as set forth on Annex B hereto, and (c) Schedule 9 to the Existing Guarantee and Collateral Agreement is hereby amended and restated in its entirety as set forth on Annex C hereto (the Existing Guarantee and Collateral Agreement as so amended by clauses (a), (b), and (c), the "Amended Guarantee and Collateral Agreement").

2. Conditions of Effectiveness. The effectiveness of this Amendment is subject to the satisfaction of the condition precedent (the date of such satisfaction, the "Amendment Effective Date") that the Administrative Agent (or its counsel) shall have received counterparts (or written evidence reasonably satisfactory to the Administrative Agent that such party has signed a counterpart) of this Amendment duly executed by (a) each Grantor and (b) the Administrative Agent.

3. Representations and Warranties of the Grantors. Each Grantor hereby represents and warrants to the Administrative Agent, on and as of the Amendment Effective Date, that this Amendment and the Amended Guarantee and Collateral Agreement constitute legal, valid and binding obligations of such Grantor, enforceable against such Grantor in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

4. Grant, Consent and Reaffirmation. Each Grantor hereby assigns and transfers to the Administrative Agent, and hereby grants to the Administrative Agent, for the ratable benefit of the Secured Parties, a security interest in, all of the Collateral now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations. Without in any way establishing a course of dealing by the Administrative Agent or any Lender, each of the Grantors consents to this Amendment and reaffirms the terms and conditions of the Amended Guarantee and Collateral Agreement and any other Loan Document executed by such Grantor and acknowledges and agrees that the Amended Guarantee and Collateral Agreement and each and every such Loan Document executed by such Grantor in connection with the Amended Guarantee and Collateral Agreement remains in full force and effect and is hereby reaffirmed, ratified and confirmed.

5. Reference to and Effect on the Loan Documents.

(a) Upon and after the Amendment Effective Date, each reference to the Guarantee and Collateral Agreement in the Credit Agreement or any other Loan Document shall mean and be a reference to the Amended Guarantee and Collateral Agreement.

(b) Each Loan Document and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Amended Guarantee and Collateral Agreement, the Loan Documents or any other documents, instruments and agreements executed and/or delivered in connection therewith.

(d) This Amendment is a Loan Document under (and as defined in) the Credit Agreement.

6. Governing Law. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

7. Submission To Jurisdiction; Waivers. Each Borrower hereby irrevocably and unconditionally:

(a) submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Amendment and any Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Administrative Agent or any of its Related Parties may only) be heard and determined in such Federal (to the extent permitted by law) or New York State court;

(b) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Amendment or any other Loan Document in any court referred to in paragraph (a) of this Section. Each Borrower hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court;

(c) agrees that service of process in any such action or proceeding may be effected in accordance with Section 9.01 of the Credit Agreement; and

(d) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in Section 9.03(d) of the Credit Agreement any special, indirect, consequential or punitive damages.

8. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

9. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment and/or any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective authorized officers as of the day and year first above written.

THE SCOTTS MIRACLE-GRO COMPANY, as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

THE SCOTTS COMPANY LLC, as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

HYPONEX CORPORATION, as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

SCOTTS MANUFACTURING COMPANY, as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

SCOTTS TEMECULA OPERATIONS, LLC, as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

SMG GROWING MEDIA LLC, as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

MIRACLE-GRO LAWN PRODUCTS, INC., as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

OMS INVESTMENTS, INC., as a Grantor

By: /s/ KEVIN M. GROVE
Name: Kevin M. Grove
Title: Vice President

SCOTTS PRODUCTS CO., as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

SCOTTS PROFESSIONAL PRODUCTS CO., as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

SCOTTS-SIERRA INVESTMENTS LLC, as a Grantor

By: /s/ BRADFORD K. CHELTON
Name: Bradford K. Chelton
Title: President and Chief Executive Officer

SWISS FARMS PRODUCTS, INC., as a Grantor

By: /s/ KEVIN M. GROVE
Name: Kevin M. Grove
Title: Vice President

SANFORD SCIENTIFIC, INC., as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

ROD MCLELLAN COMPANY, as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

SMGM LLC, as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

GENSOURCE, INC., as a Grantor

By: /s/ BRADFORD K. CHELTON
Name: Bradford K. Chelton
Title: Secretary and Treasurer

SCOTTS LIVE GOODS HOLDINGS, INC., as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

AEROGROW INTERNATIONAL, INC., as a Grantor

By: /s/ MARK J. SCHEIWER
Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer and Chief Accounting Officer

JPMORGAN CHASE BANK, N.A., as Administrative Agent

By: /s/ RUPAM AGRAWAL
Name: Rupam Agrawal
Title: Vice President

Signature Page to Amendment No. 1 to
Seventh Amended and Restated Guarantee and Collateral Agreement dated as of November 21, 2025
The Scotts Miracle-Gro Company

ANNEX A

Amended Guarantee and Collateral Agreement

Attached

SEVENTH AMENDED AND RESTATED GUARANTEE AND COLLATERAL AGREEMENT

made by

THE SCOTTS MIRACLE-GRO COMPANY,

EACH DOMESTIC SUBSIDIARY BORROWER

and certain of their Domestic Subsidiaries

in favor of

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

Dated as of November 21, 2025

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SCHEDULES

ANNEXES

THIS SEVENTH AMENDED AND RESTATED GUARANTEE AND COLLATERAL AGREEMENT, dated as of November 21, 2025 made by each of the signatories hereto (together with any other entity that may become a party hereto as provided herein, the "Grantors"), in favor of JPMORGAN CHASE BANK, N.A., as Administrative Agent (in such capacity, the "Administrative Agent") for the banks and other financial institutions (the "Lenders") from time to time parties to the Seventh Amended and Restated Credit Agreement, dated as of November 21, 2025 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among THE SCOTTS MIRACLE-GRO COMPANY, an Ohio corporation (the "Company"), the Subsidiary Borrowers (as defined in the Credit Agreement) from time to time parties to the Credit Agreement, the Co-Syndication Agents and the Co-Documentation Agents named therein and the Administrative Agent.

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, the Lenders have severally agreed to make extensions of credit to the Company and the Subsidiary Borrowers upon the terms and subject to the conditions set forth therein;

WHEREAS, the Company and each Subsidiary Borrower is a member of an affiliated group of companies that includes each other Grantor;

WHEREAS, the proceeds of the extensions of credit under the Credit Agreement will be used in part to enable the Company and each Subsidiary Borrower to make valuable transfers to one or more of the other Grantors in connection with the operation of their respective businesses;

WHEREAS, the Company, each Subsidiary Borrower and the other Grantors are engaged in related businesses, and each Grantor will derive substantial direct and indirect benefit from the making of the extensions of credit under the Credit Agreement;

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Company and any Subsidiary Borrower under the Credit Agreement that the Grantors shall have executed and delivered this Agreement to the Administrative Agent for the ratable benefit of the Secured Parties; and

WHEREAS, it is acknowledged and agreed by each party hereto that (i) this Agreement hereby amends and restates in all respects that certain Sixth Amended and Restated Guarantee and Collateral Agreement (the "Existing Guarantee and Collateral Agreement") dated as of April 8, 2022, among the Company, the Grantors party thereto, the several banks and other financial institutions parties thereto and the Administrative Agent, in accordance with the terms and conditions set forth in this Agreement, (ii) from and after the date hereof, each reference to the "Agreement" or other reference originally applicable to the Existing Guarantee and Collateral Agreement contained in any Loan Document shall be a reference to this Agreement, as amended, supplemented, restated or otherwise modified from time to time and (iii) it is the intent of the parties hereto that this Agreement not constitute a novation of the obligations and liabilities of the parties under the Existing Guarantee and Collateral Agreement nor impair the liens and security interests created thereunder, but that this Agreement amend and restate in its entirety the Existing Guarantee and Collateral Agreement and re-evidence the obligations and liabilities of each Grantor outstanding thereunder and that such obligations and liabilities shall remain in full force and effect and to the fullest extent permitted by applicable law this Agreement shall not adversely affect the liens and security interests created under the Original Security Agreement or the priority thereof.

NOW, THEREFORE, in consideration of the premises and to induce the Administrative Agent and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective extensions of credit to the Company and each Subsidiary Borrower thereunder, each Grantor hereby agrees with the Administrative Agent, for the ratable benefit of the Secured Parties, as follows:

SECTION 1. DEFINED TERMS

1.1. Definitions

(a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement and the following terms are used herein as defined in the New York UCC: Accounts, Certificated Security, Chattel Paper, Equipment, Inventory, Instruments and Supporting Obligations.

(b) The following terms shall have the following meanings:

"After-Acquired Intellectual Property": as defined in Section 6.8(b).

"Agreement": this Seventh Amended and Restated Guarantee and Collateral Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"Amendment No. 1 Effective Date" means the Amendment Effective Date (as defined in that certain Amendment No. 1, dated as of April 17, 2026, to this Agreement, by and among each Grantor party thereto and the Administrative Agent).

"Collateral": as defined in Section 4.

"Copyright Licenses": all agreements, licenses and covenants providing for the grant to or from a Grantor of a license or other right to use or exploit any Copyright or otherwise providing for a covenant not to sue for infringement or other violation of any Copyright.

"Copyrights": with respect to any Grantor, all of such Grantor's right, title and interest in and to all works of authorship and all intellectual property rights therein, all copyrights (whether or not the underlying works of authorship have been published), including but not limited to copyrights in software and databases, all designs (including but not limited to all industrial designs, "Protected Designs" within the meaning of 17 U.S.C. 1301 et. Seq. and Community designs), and all "Mask Works" (as defined in 17 U.S.C. 901 of the U.S. Copyright Act), whether registered or unregistered, and with respect to any and all of the foregoing: (i) all registrations and applications for registration thereof including, without limitation, the registrations and applications in the United States Copyright Office listed on Schedule 6, (ii) all extensions, renewals, and restorations thereof, (iii) all rights to sue or otherwise recover for any past, present and future infringement or other violation thereof, (iv) all Proceeds of the foregoing, including, without limitation, license fees, royalties, income, payments, claims, damages and proceeds of suit now or hereafter due and/or payable with respect thereto, and (v) all other rights of any kind accruing thereunder or pertaining thereto; but excluding any Excluded IP.

"Excluded IP": (i) [reserved], (ii) the Intellectual Property listed on Schedule 8, (iii) any foreign Intellectual Property, (iv) any "intent-to-use" application for registration of a Trademark filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, prior to the filing and acceptance of a "Statement of Use" or an "Amendment to Allege Use" with respect thereto, solely to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of any registration that issues from such intent-to-use application under applicable federal law and (v) any Intellectual Property to the extent that, and for so long as, such Intellectual Property is excluded as Collateral pursuant to the penultimate paragraph of Section 4.

"Foreign Subsidiary": any Subsidiary organized under the laws of any jurisdiction outside the United States of America, except for any such Subsidiary which is a "check-the-box" entity under Regulation section 301.7701-3 of the Code.

"Foreign Subsidiary Voting Stock": the voting Capital Stock of any Foreign Subsidiary.

"Full Security Period": any period from and after the Effective Date other than any Unsecured Period.

"Guarantors": the collective reference to each Grantor other than the Company. For the avoidance of doubt, notwithstanding any other provision of this Agreement, the parties hereto expressly agree that no Foreign Subsidiary shall be a Guarantor.

"Intellectual Property": with respect to any Grantor, the collective reference to all rights, priorities and privileges relating to intellectual property, including, without limitation, Copyrights, Copyright Licenses, Patents, Patent Licenses, Trademarks, Trademark Licenses, Trade Secrets and Trade Secret Licenses, and all rights to sue or otherwise recover for any past, present and future infringement, dilution, misappropriation, or other violation or impairment thereof, including the right to receive all Proceeds therefrom, including without limitation license fees, royalties, income payments, claims, damages and proceeds of suit, now or hereafter due and/or payable with respect thereto; but excluding any Excluded IP.

"Intellectual Property Security Agreements": collectively, the Copyright Security Agreements, each substantially the form of Annex 2, the Patent Security Agreements, each substantially in the form of Annex 3 and the Trademark Security Agreements, each substantially in the form of Annex 4.

"Issuers": the collective reference to each issuer of any Pledged Stock.

"Material Intellectual Property": has the meaning provided in the Credit Agreement.

"New York UCC": the Uniform Commercial Code as from time to time in effect in the State of New York.

"Obligations": has the meaning provided in the Credit Agreement.

"Patent Licenses": all agreements, licenses and covenants providing for the grant to or from a Grantor of a license or other right to use or exploit any Patent or otherwise providing for a covenant not to sue for infringement or other violation of any Patent.

"Patents": with respect to any Grantor, all of such Grantor's right, title and interest in and to all patentable inventions and designs, all patents, certificates of invention, and similar industrial property rights, and applications for any of the foregoing, including, without limitation, (i) each patent and patent application in the United States Patent and Trademark Office listed on Schedule 6, (ii) all reissues, substitutes, divisions, continuations, continuations-in-part, extensions, renewals, and reexaminations thereof, (iii) all inventions and improvements described and claimed therein, (iv) all rights to sue or otherwise recover for any past, present and future infringement or other violation thereof, (v) all Proceeds of the foregoing, including, without limitation, license fees, royalties, income, payments, claims, damages, proceeds of suit and other payments now or hereafter due and/or payable with respect thereto, and (vi) all other rights accruing thereunder or pertaining thereto; but excluding any Excluded IP.

"Pledged Note": each promissory note described on Schedule 9 and shall include, without limitation, (i) the indebtedness now or hereafter represented thereby and all rights of any Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (ii) all rights of any Grantor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect thereto, (iii) all rights of any Grantor to damages arising thereunder, and (iv) all rights of any Grantor to terminate and to perform, compel performance and to exercise all remedies thereunder.

"Pledged Stock": the shares of Capital Stock listed on Schedule 2, together with any other shares, stock certificates, options or rights of any nature whatsoever in respect of the Capital Stock of any Subsidiary of the Company (to the extent required to be pledged under Section 5.11 of the Credit Agreement) that may be issued or granted to, or held by, any Grantor while this Agreement is in effect; provided that in no event shall the "Pledged Stock" include the Capital Stock of any of the Subsidiaries listed on Schedule 5 or more than 65% of the total outstanding Foreign Subsidiary Voting Stock of any Foreign Subsidiary be required to be pledged hereunder.

"Proceeds": all "proceeds" as such term is defined in Section 9-102(a)(64) of the New York UCC and, in any event, shall include, without limitation, all dividends, distributions or other income from the Pledged Stock and the Pledged Notes, collections thereon or distributions or payments with respect thereto.

"Qualified Keepwell Provider": in respect of any Swap Obligation, each Loan Party that, at the time the relevant guarantee (or grant of the relevant security interest, as applicable) becomes effective with respect to such Swap Obligation, has total assets exceeding $10,000,000 or otherwise constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" with respect to such Swap Obligation at such time by entering into a keepwell pursuant to section 1a(18)(A)(v)(II) of the Commodity Exchange Act."

"Ratings Release Date": as defined in Section 9.15(c).

"Receivable": shall mean any Account and any other right to payment for goods sold or leased or for services rendered, whether or not such right is evidenced by an Instrument or Chattel Paper and whether or not it has been earned by performance, other than Sold Receivables Assets.

"Secured Parties has the meaning provided in the Credit Agreement.

"Securities Act": the Securities Act of 1933, as amended.

"Specified Conditions" means, at any time of determination thereof, (a) no Incremental Term Loans in the form of an institutional term loan B facility have been issued and are outstanding pursuant to Section 2.20 of the Credit Agreement and (b) (i) the Company's "corporate credit rating" from S&P (or such other term as S&P may from time to time use to describe the Company's senior unsecured non-credit enhanced long term indebtedness, such rating, the "S&P Rating") shall be at least BBB- (with a stable outlook) and the Company's "corporate family rating" from Moody's (or such other term as Moody's may from time to time use to describe the Company's senior unsecured non-credit enhanced long term indebtedness, such rating, the "Moody's Rating") shall be at least Baa3 (with a stable outlook) or (ii) (x) the Company's S&P Rating shall be at least BBB- (with a stable outlook) or the Company's Moody's Rating shall be at least Baa3 (with a stable outlook) and (y) the Leverage Ratio is less than or equal to 2.50 to 1.00.

"Swap" shall mean any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"Swap Obligation" shall mean, with respect to any Person, any obligation to pay or perform under any Swap.

"Trademark Licenses": all agreements, licenses and covenants providing for the grant to or from a Grantor of a license or other right to use or exploit any Trademark or otherwise providing for a covenant not to sue for infringement, dilution, or other violation of any Trademark or permitting co-existence with respect to a Trademark (including, without limitation, those listed on Schedule 6).

"Trademarks": with respect to any Grantor, all of such Grantor's right, title and interest in and to all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade dress, trade styles, logos, Internet domain names, other indicia of origin or source identification, and general intangibles of a like nature, whether registered or unregistered, and, with respect to any and all of the foregoing, (i) all registrations and applications for registration thereof including, without limitation, the registrations and applications listed on Schedule 6, (ii) all extensions and renewals thereof, (iii) all of the goodwill of the business connected with the use of and symbolized by any of the foregoing, (iv) all rights to sue or otherwise recover for any past, present and future infringement, dilution, or other violation thereof, (v) all Proceeds of the foregoing, including, without limitation, license fees, royalties, income, payments, claims, damages, proceeds of suit and other payments now or hereafter due and/or payable with respect thereto, and (vi) all other rights of any kind accruing thereunder or pertaining thereto; but excluding any Excluded IP.

"Trade Secret Licenses": all agreements, licenses and covenants providing for the grant to or from a Grantor of a license or other right to use or exploit any Trade Secret or otherwise providing for a covenant not to sue for misappropriation or other violation of a Trade Secret.

"Trade Secrets": with respect to any Grantor, all of such Grantor's right, title and interest in and to (i) all trade secrets and all confidential and proprietary information, including know-how, manufacturing and production processes and techniques, inventions, research and development information, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information, and with respect to any and all of the foregoing, (ii) all rights to sue or otherwise recover for any past, present and future misappropriation or other violation thereof, (iii) all Proceeds of the foregoing, including, without limitation, license fees, royalties, income, payments, claims, damages, proceeds of suit and other payments now or hereafter due and/or payable with respect thereto, and (iv) all other rights of any kind accruing thereunder or pertaining thereto; but excluding any Excluded IP.

"Unsecured Period": as defined in Section 9.15(c).

1.2. Other Definitional Provisions (a) The words "hereof," "herein", "hereto" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(c) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant part thereof.

SECTION 2. BORROWER GUARANTEE

2.1. Company Guarantee (a) The Company hereby, unconditionally and irrevocably, guarantees to the Administrative Agent, for the ratable benefit of the Secured Parties and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance by each Subsidiary when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations (other than with respect to any Guarantor any Excluded Swap Obligations of such Guarantor).

(b) Anything herein or in any other Loan Document to the contrary notwithstanding, the maximum liability of the Company hereunder and under the other Loan Documents shall in no event exceed the amount which can be guaranteed by the Company under applicable federal and state laws relating to the insolvency of debtors.

(c) The guarantee contained in this Section 2 shall remain in full force and effect until all the Obligations and the obligations of the Company under the guarantee contained in this Section 2 shall have been satisfied by payment in full, no Letter of Credit shall be outstanding and the Commitments and Loans shall be terminated, notwithstanding that from time to time during the term of the Credit Agreement each applicable Subsidiary may be free from any Obligations.

(d) No payment made by any Subsidiary, any of the other Guarantors, any other guarantor or any other Person or received or collected by the Administrative Agent or any Lender from any Subsidiary, any of the other Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of the Company hereunder which shall, notwithstanding any such payment (other than any payment made by the Company in respect of the Obligations or any payment received or collected from the Company in respect of the Obligations), remain liable for the Obligations up to the maximum liability of the Company hereunder until the Obligations are paid in full, no Letter of Credit shall be outstanding and the Commitments and Loans are terminated.

2.2. No Subrogation. Notwithstanding any payment or payments made by the Company hereunder, or any set-off or application of funds of the Company by the Administrative Agent or any Lender, the Company shall not be entitled to be subrogated to any of the rights of the Administrative Agent or any Lender against the applicable Subsidiary or against any collateral security or guarantee or right of offset held by the Administrative Agent or any Lender for the payment of the Obligations, nor shall the Company seek or be entitled to seek any contribution or reimbursement from the Subsidiaries in respect of payments made by the Company hereunder, until all amounts owing to the Administrative Agent and the Lenders by the Subsidiaries on account of the Obligations are paid in full, no Letter of Credit shall be outstanding and the Commitments and Loans are terminated. If any amount shall be paid to the Company on account of such subrogation rights at any time when all of the Obligations shall not have been paid in full, such amount shall be held by the Company in trust for the Administrative Agent and the Lenders, segregated from other funds of the Company, and shall, forthwith upon receipt by the Company, be turned over to the Administrative Agent in the exact form received by the Company (duly indorsed by the Company to the Administrative Agent, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Administrative Agent may determine.

2.3. Amendments, Etc. with respect to the Obligations. The Company shall remain obligated hereunder notwithstanding that, without any reservation of rights against the Company and without notice to or further assent by the Company, any demand for payment of any of the Obligations made by the Administrative Agent or any Lender may be rescinded by the Administrative Agent or such Lender and any of the Obligations continued, and the Obligations, or the liability of any other Person upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Administrative Agent or any Lender, and the Credit Agreement and the other Loan Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as the Administrative Agent (or the Required Lenders or all Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Administrative Agent or any Lender for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. Neither the Administrative Agent nor any Lender shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Obligations or for the guarantee contained in this Section 2 or any property subject thereto.

2.4. Guarantee Absolute and Unconditional. The Company waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Administrative Agent or any Lender upon the guarantee contained in this Section 2 or acceptance of the guarantee contained in this Section 2; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guarantee contained in this Section 2; and all dealings between the Company and the Subsidiaries, on the one hand, and the Administrative Agent and the Lenders, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the guarantee contained in this Section 2. The Company waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Company or the applicable Subsidiary with respect to the Obligations. The Company understands and agrees that the guarantee contained in this Section 2 shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of the Credit Agreement or any other Loan Document, any of the Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Administrative Agent or any Lender, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by any Subsidiary or any other Person against the Administrative Agent or any Lender, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Company or any Subsidiary) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Subsidiaries for the Obligations, or of the Company under the guarantee contained in this Section 2, in bankruptcy or in any other instance. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against the Company, the Administrative Agent or any Lender may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against the Subsidiaries or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent or any Lender to make any such demand, to pursue such other rights or remedies or to collect any payments from the Company, any Subsidiary, or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Company, any Subsidiary or any other Person or any such collateral security, guarantee or right of offset, shall not relieve the Company of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent or any Lender against the Company. For the purposes hereof, "demand" shall include the commencement and continuance of any legal proceedings.

2.5. Reinstatement. The guarantee contained in this Section 2 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Company, any

Borrower or any other Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Company, any Borrower or any other Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

2.6. Payments. The Company hereby guarantees that payments hereunder will be paid to the Administrative Agent without set-off or counterclaim in the applicable Agreed Currency at the office of the Administrative Agent located at 500 Stanton Christiana Road, NCC5, Floor 01, Newark, Delaware 19713-2107 or at such other place and time specified by the Administrative Agent.

2.7. Keepwell. Each Qualified Keepwell Provider hereby jointly and severally absolutely, unconditionally, and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this guarantee in respect of any Swap Obligation (provided, however, that each Qualified Keepwell Provider shall only be liable under this Section 2.7 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 2.7, or otherwise under this guarantee, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified Keepwell Provider under this Section 2.7 shall remain in full force and effect until such time as the Loans, the Reimbursement Obligations and the other Obligations shall have been paid in full (other than unasserted contingent obligations not yet due and payable), the Commitments have been terminated and no Letters of Credit shall be outstanding. Each Qualified Keepwell Provider intends that this Section 2.7 constitute, and this Section 2.7 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Loan Party for all purposes of section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

SECTION 3. DOMESTIC SUBSIDIARY GUARANTEE

3.1. Domestic Subsidiary Guarantee

(a) Each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantees to the Administrative Agent, for the ratable benefit of the Secured Parties and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance by the Company and its Subsidiaries when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations (other than with respect to any Guarantor any Excluded Swap Obligations of such Guarantor).

(b) Anything herein or in any other Loan Document to the contrary notwithstanding, the maximum liability of each Guarantor hereunder and under the other Loan Documents shall in no event exceed the amount which can be guaranteed by such Guarantor under applicable federal and state laws relating to the insolvency of debtors (after giving effect to the right of contribution established in Section 3.2).

(c) Each Guarantor agrees that the Obligations either solely or collectively, may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing the guarantee contained in this Section 3 or affecting the rights and remedies of the Administrative Agent or any Lender hereunder.

(d) The guarantees contained in this Section 3 shall remain in full force and effect until all the Obligations and the obligations of each Guarantor under the guarantees contained in this Section 3 shall have been satisfied by payment in full, no Letter of Credit shall be outstanding and the Commitments and Loans shall be terminated, notwithstanding that from time to time during the term of the Credit Agreement, the Company and its Subsidiaries may be free from any Obligations.

(e) No payment made by the Company, any of the Guarantors, any other guarantor or any other Person or received or collected by the Administrative Agent or any Lender from the Company, any of the Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder which shall, notwithstanding any such payment (other than any payment made by such Guarantor in respect of the Obligations or any payment received or collected from such Guarantor in respect of the Obligations) remain liable for the Obligations up to the maximum liability of such Guarantor hereunder until the Obligations are paid in full, no Letter of Credit shall be outstanding and the Commitments and Loans are terminated.

3.2. Right of Contribution. Each Guarantor hereby agrees that to the extent that a Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder which has not paid its proportionate share of such payment. Each Guarantor's right of contribution shall be subject to the terms and conditions of Section 3.3. The provisions of this Section 3.2 shall in no respect limit the obligations and liabilities of any Guarantor to the Administrative Agent and the Lenders, and each Guarantor shall remain liable to the Administrative Agent and the Lenders for the full amount guaranteed by such Guarantor hereunder.

3.3. No Subrogation. Notwithstanding any payment made by any Guarantor hereunder or any set-off or application of funds of any Guarantor by the Administrative Agent or any Lender, no Guarantor shall be entitled to be subrogated to any of the rights of the Administrative Agent or any Lender against the Company or any other Guarantor or any collateral security or guarantee or right of offset held by the Administrative Agent or any Lender for the payment of the Obligations nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Company or any other Guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Administrative Agent and the Lenders by the Company or any Subsidiary on account of the Obligations are paid in full, no Letter of Credit shall be outstanding and the Commitments and Loans are terminated. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Obligations shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Administrative Agent and the Lenders, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Administrative Agent in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Administrative Agent, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Administrative Agent may determine.

3.4. Amendments, Etc. with respect to the Obligations. Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any of the Obligations made by the Administrative Agent or any Lender may be rescinded by the Administrative Agent or such Lender and any of the Obligations continued, and the Obligations or the liability of any other Person upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Administrative Agent or any Lender, and the Credit Agreement and the other Loan Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as the Administrative Agent (or the Required Lenders or all Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Administrative Agent or any Lender for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. Neither the Administrative Agent nor any Lender shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Obligations or for the guarantee contained in this Section 3 or any property subject thereto.

3.5. Guarantees Absolute and Unconditional. Each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Administrative Agent or any Lender upon any of the guarantees contained in this Section 3 or acceptance of the guarantees contained in this Section 3; the Obligations and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guarantee contained in this Section 3; and all dealings between the Company and any of the Guarantors, on the one hand, and the Administrative Agent and the Lenders, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the guarantee contained in this Section 3. Each Guarantor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Company or any of the Guarantors with respect to the Obligations. Each Guarantor understands and agrees that the guarantees contained in this Section 3 shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of the Credit Agreement or any other Loan Document, any of the Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Administrative Agent or any Lender, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by the Company or any other Person against the Administrative Agent or any Lender, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Company or such Guarantor) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Obligations, or of such Guarantor under the guarantee contained in this Section 3, in bankruptcy or in any other instance. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Guarantor, the Administrative Agent or any Lender may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against the Company, any other Guarantor or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent or any Lender to make any such demand, to pursue such other rights or remedies or to collect any payments from the Company, any other Guarantor or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Company, any other Guarantor or any other Person or any such collateral security, guarantee or right of offset, shall not relieve any Guarantor of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent or any Lender against any Guarantor. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

3.6. Reinstatement. The guarantees contained in this Section 3 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations, is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Company or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Company or any Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

3.7. Payments. Each Guarantor hereby guarantees that payments hereunder will be paid to the Administrative Agent without set-off or counterclaim in Dollars or the applicable Agreed Currency at the office of the Administrative Agent located at 500 Stanton Christiana Road, NCC5, Floor 01, Newark, Delaware 19713-2107 or at such other place and time specified by the Administrative Agent.

3.8. Keepwell. Each Qualified Keepwell Provider hereby jointly and severally absolutely, unconditionally, and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this guarantee in respect of any Swap Obligation (provided, however, that each Qualified Keepwell Provider shall only be liable under this Section 3.8 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 3.8, or otherwise under this guarantee, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified Keepwell Provider under this Section 3.8 shall remain in full force and effect until such time as the Loans, the Reimbursement Obligations and the other Obligations shall have been paid in full (other than unasserted contingent obligations not yet due and payable), the Commitments have been terminated and no Letters of Credit shall be outstanding. Each Qualified Keepwell Provider intends that this Section 3.8 constitute, and this Section 3.8 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Loan Party for all purposes of section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

SECTION 4. GRANT OF SECURITY INTEREST

Subject to Section 9.15, each Grantor hereby assigns and transfers to the Administrative Agent, and hereby grants to the Administrative Agent, for the ratable benefit of the Secured Parties, a security interest in, all of the following property now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations:

(a) all Receivables;

(b) all Equipment;

(c) all Inventory;

(d) all Pledged Stock;

(e) all Intellectual Property;

(f) the Pledged Notes;

(g) all books and records pertaining to the Collateral; and

(h) to the extent not otherwise included, all Proceeds, Supporting Obligations and products of any and all of the foregoing.

Notwithstanding any of the other provisions set forth in this Section 4, this Agreement shall not constitute a grant of a security interest in any property to the extent that such grant of a security interest is prohibited by any Requirements of Law of a Governmental Authority, requires a consent not obtained of any Governmental Authority pursuant to such Requirement of Law or is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, license, agreement, instrument or other document evidencing or giving rise to such property or, in the case of any Pledged Stock, any applicable shareholder or similar agreement, except to the extent that such Requirement of Law or the term in such contract, license, agreement, instrument or other document or shareholder or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law. For the avoidance of doubt, the grant of a security interest herein shall not be deemed to be an assignment of Intellectual Property rights owned by the Grantors.

Without limiting the foregoing, each of the Grantors that is a party to the Existing Guarantee and Collateral Agreement hereby regrants, confirms, ratifies and reaffirms the security interest granted to the Administrative Agent, for the benefit of the Secured Parties, pursuant to the Existing Guarantee and Collateral Agreement and agrees that such security interest (including, without limitation, any filings made in connection therewith) remains in full force and effect and is hereby ratified, reaffirmed and confirmed.

SECTION 5. REPRESENTATIONS AND WARRANTIES

To induce the Administrative Agent and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective extensions of credit to the Company and each Subsidiary Borrower thereunder, each Grantor hereby represents and warrants to the Administrative Agent and each Lender that other than during any Unsecured Period:

5.1. Title; No Other Liens. Except for the security interest granted to the Administrative Agent for the ratable benefit of the Secured Parties pursuant to this Agreement and the other Liens permitted to exist on the Collateral by the Credit Agreement, such Grantor owns each item of the Collateral free and clear of any and all Liens or claims of others. No financing statement or other public notice with respect to all or any part of the Collateral is on file or of record in any public office, except such as have been filed in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, pursuant to this Agreement or as are permitted by the Credit Agreement.

5.2. Perfected First Priority Liens. The security interests granted pursuant to this Agreement will constitute valid perfected security interests in all of the Collateral in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, as collateral security for the Obligations, enforceable in accordance with the terms hereof against all creditors of such Grantor and any Persons purporting to purchase any Collateral from such Grantor (other than Inventory sold by such Grantor in the ordinary course of business and except as otherwise permitted by the Credit Agreement), to the extent that perfection or enforceability against third parties is obtainable by completion of the filings and other actions set forth on Schedule 3 or any similar filings or other actions in other jurisdictions in the United States of America and are prior to all other Liens on the Collateral which have priority over the Liens on the Collateral by operation of law and other Liens on the Collateral permitted by the Credit Agreement.

5.3. Jurisdiction of Organization. On the Effective Date, such Grantor's jurisdiction of organization and identification number from the jurisdiction of organization (if any) are set forth on Schedule 3. Such Grantor has furnished to the Administrative Agent a certified charter, certificate of incorporation or other organizational document and good standing certificate as of a date which is recent to the Effective Date.

5.4. Domestic Subsidiaries. On the Effective Date, Schedule 4 sets forth a true and complete list of the Domestic Subsidiaries.

5.5. Pledged Stock.

(a) The shares of the Pledged Stock pledged by such Grantor hereunder constitute all the issued and outstanding shares of all classes of the Capital Stock of each Issuer owned by such Grantor or, in the case of Foreign Subsidiary Voting Stock, if less, 65% of the outstanding Foreign Subsidiary Voting Stock of each relevant Issuer.

(b) All the shares of the Pledged Stock have been duly and validly issued and are fully paid and nonassessable.

(c) Such Grantor is the record and beneficial owner of, and has good and marketable title to, the Pledged Stock pledged by it hereunder, free of any and all Liens or options in favor of, or claims of, any other Person, except the security interest created by this Agreement and except as permitted under Section 6.01 of the Credit Agreement.

5.6. Receivables. During any Full Security Period,

(a) None of the obligors on any Receivables (other than Receivables which, when taken together with all other Receivables of each Grantor, have an aggregate value less than or equal to $25,000,000) is a Governmental Authority.

(b) The amounts represented by such Grantor to the Lenders from time to time as owing to such Grantor in respect of the Receivables will at such times be accurate in all material respects.

5.7. Intellectual Property.

(a) Schedule 6 lists all of the following Intellectual Property as of the Effective Date, to the extent owned by such Grantor in its own name: (i) issued Patents and pending Patent applications, (ii) trademarks, service marks and trade dress registered with the United States Patent and Trademark Office, and applications for the registration thereof, and (iii) registered Copyrights, and applications to register Copyrights. All Material Intellectual Property is recorded or in the process of being recorded in the name of such Grantor. Except as set forth on Schedule 6, such Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to all Material Intellectual Property owned by such Grantor, in each case free and clear of all Liens other than Permitted Liens.

(b) Except as set forth on Schedule 6, all Material Intellectual Property of such Grantor is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and such Grantor has performed in all material respects all acts and has paid all renewal, maintenance, and other fees and taxes required to maintain each and every registration and application of Copyrights, Patents and Trademarks of such Grantor constituting Material Intellectual Property in full force and effect, unless, to the extent that such Intellectual Property no longer constitutes Material Intellectual Property, such Grantor has reasonably determined that the preservation thereof is no longer desirable in the conduct of such Grantor’s business.

(c) Except as could not reasonably be expected to have a Material Adverse Effect, (i) no action or proceeding is pending, or, to the knowledge of a Responsible Officer of such Grantor, threatened, alleging that such Grantor, or the conduct of such Grantor’s business, infringes, misappropriates, dilutes, or otherwise violates the intellectual property rights of any other Person, and (ii) to the knowledge of a Responsible Officer of such Grantor, no Person is engaging in any activity that infringes, misappropriates, dilutes or violates any Intellectual Property of such Grantor.

(d) Such Grantor controls the nature and quality of all products sold and all services rendered under or in connection with all Trademarks of such Grantor that constitute Material Intellectual Property, in each case consistent with industry standards, and has taken commercially reasonable measures to ensure that all licensees of all such Trademarks comply with such Grantor’s standards of quality.

(e) Such Grantor has been using appropriate statutory notice of registration in connection with its use of registered Trademarks, appropriate notice of its trademark rights in common law Trademarks, proper marking practices in connection with its Patents, and appropriate notice of copyright in connection with the publication of its Copyrights, in each case, to the extent such Trademarks, Patents or Copyrights constitute Material Intellectual Property.

(f) The consummation of the transactions contemplated by this Agreement will not result in the termination, limitation or other material impairment of any of such Grantor’s rights in its Material Intellectual Property.

(g) Such Grantor has taken commercially reasonable steps to protect the confidentiality of its Trade Secrets in accordance with industry standards. Except as could not reasonably be expected to have a Material Adverse Effect, (i) none of the Trade Secrets of such Grantor has been used, divulged, disclosed or misappropriated to the detriment of such Grantor for the benefit of any other Person, (ii) no employee, independent contractor or agent of such Grantor has misappropriated any trade secrets of any other Person in the course of the performance of his or her duties as an employee, independent contractor or agent of such Grantor and (iii) no employee, independent contractor or agent of such Grantor is in default or breach of any term of any employment agreement, non-disclosure agreement, assignment of inventions agreement or similar agreement or contract relating in any way to the protection, ownership, development, use or transfer of such Grantor's Intellectual Property.

5.8. Pledged Notes. Each Pledged Note has been, to the knowledge of the Company, duly authorized, authenticated, issued, and delivered and is the legal, valid and binding obligation of the issuer thereof enforceable in accordance with its terms and is not in default.

SECTION 6. COVENANTS

Each Grantor covenants and agrees with the Administrative Agent and the Lenders that, from and after the date of this Agreement until the Obligations shall have been paid in full, no Letter of Credit shall be outstanding and the Commitments and Loans shall have terminated (other than Unliquidated Obligations), other than during any Unsecured Period,

6.1. Delivery of Certificated Securities. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any Certificated Security, such Certificated Security shall be promptly delivered to the Administrative Agent, duly indorsed (including by delivery of related stock powers) in a manner satisfactory to the Administrative Agent, to be held as Collateral pursuant to this Agreement.

6.2. Maintenance of Insurance. During any Full Security Period,

(a) Such Grantor will maintain, with financially sound and reputable companies, insurance policies (i) insuring the Inventory and Equipment against loss by fire, explosion, theft and such other casualties as may be reasonably satisfactory to the Administrative Agent and (ii) to the extent requested by the Administrative Agent, insuring such Grantor, the Administrative Agent and the Lenders against liability for personal injury and property damage relating to such Inventory and Equipment, such policies to be in such form and amounts and having such coverage as may be reasonably satisfactory to the Administrative Agent and the Lenders.

(b) All such insurance shall name the Administrative Agent as insured party or loss payee.

(c) At the request of the Administrative Agent, the Company shall deliver to the Administrative Agent (for distribution to the Lenders) a certificate of insurance from a reputable insurance broker with respect to such insurance.

6.3. Payment of Obligations. Such Grantor will pay and discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all taxes, assessments and governmental charges or levies imposed upon a material portion of the Collateral or in respect of income or profits therefrom, as well as all claims of any kind against or with respect to the Collateral, except that no such charge need be paid if the amount or validity thereof is currently being contested in good faith by appropriate proceedings, reserves in conformity with GAAP with respect thereto have been provided on the books of such Grantor and such proceedings could not reasonably be expected to result in the sale, forfeiture or loss of any material portion of the Collateral or any interest therein.

6.4. Maintenance of Perfected Security Interest; Further Documentation. Such Grantor shall maintain the security interest created by this Agreement as a perfected security interest having at least the priority described in Section 5.2 and shall take commercially reasonable steps to defend such security interest against the claims and demands of all Persons whomsoever other than with respect to liens permitted by the Credit Agreement.

6.5. Notices. The Company will advise the Administrative Agent (who will advise the Lenders) promptly, in reasonable detail, of:

(a) any Lien (other than security interests created hereby or Liens permitted under the Credit Agreement) on any material portion of the Collateral which would materially and adversely affect the ability of the Administrative Agent to exercise any of its remedies hereunder; and

(b) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the security interests created hereby.

(c) At any time and from time to time, upon the written request of the Administrative Agent, and at the sole expense of such Grantor, such Grantor will promptly and duly execute and deliver, and have recorded, such further instruments and documents and take such further actions as the Administrative Agent may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, (i) filing any financing or continuation statements under the Uniform Commercial Code (or other similar laws) in effect in any jurisdiction with respect to the security interests created hereby and (ii) in the case of Pledged Stock and any other relevant Collateral, taking any actions necessary to enable the Administrative Agent to obtain "control" (within the meaning of the applicable Uniform Commercial Code) with respect thereto.

6.6. Pledged Stock.

(a) If such Grantor shall become entitled to receive or shall receive any stock certificate (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights in respect of the Capital Stock of any Issuer which is a direct or indirect Domestic Subsidiary of such Grantor and which is Pledged Stock, whether in addition to, in substitution of, as a conversion of, or in exchange for, any shares of the Pledged Stock, or otherwise in respect thereof, such Grantor shall accept the same as the agent of the Administrative Agent and the Lenders, hold the same in trust for the Administrative Agent and the Lenders and deliver the same forthwith to the Administrative Agent in the exact form received, duly indorsed (including by delivery of related stock or bond powers) by such Grantor to the Administrative Agent, if required by the Credit Agreement, together with an undated stock power covering such certificate duly executed in blank by such Grantor to be held by the Administrative Agent, subject to the terms hereof, as additional collateral security for the Obligations. Except as otherwise permitted by the Credit Agreement, after an Event of Default has occurred and any sums paid upon or in respect of the Collateral upon the liquidation or dissolution of any Issuer shall be paid over to the Administrative Agent to be held by it hereunder as additional collateral security for the Obligations, and in case any distribution of capital shall be made on or in respect of the Collateral or any property shall be distributed upon or with respect to the Collateral pursuant to the recapitalization or reclassification of the capital of any Issuer or pursuant to the reorganization thereof, the property so distributed shall, unless otherwise subject to a perfected security interest in favor of the Administrative Agent, be delivered to the Administrative Agent to be held by it hereunder as additional collateral security for such Obligations except to the extent permitted under Section 7.3. If any sums of money or property so paid or distributed in respect of the Collateral upon the liquidation or dissolution of any issuer not permitted by the Credit Agreement shall be received by such Grantor, such Grantor shall, until such money or property is paid or delivered to the Administrative

Agent, hold such money or property in trust for the Lenders, segregated from other funds of such Grantor, as additional collateral security for the Obligations.

Without the prior written consent of the Administrative Agent or unless not otherwise prohibited by the Credit Agreement, such Grantor will not (i) sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, the Collateral (except pursuant to a transaction not prohibited by the Credit Agreement), (ii) create, incur or permit to exist any Lien or option in favor of, or any claim of any Person with respect to, any of the Collateral, or any interest therein, except for the security interests created by this Agreement or otherwise permitted by the Credit Agreement or (iii) enter into any agreement or undertaking restricting the right or ability of such Grantor or the Administrative Agent to sell, assign or transfer any of the Collateral.

In the case of each Grantor which is an Issuer, such Issuer agrees that (i) it will be bound by the terms of this Agreement relating to the Pledged Stock issued by it and will comply with such terms insofar as such terms are applicable to it, (ii) it will notify the Administrative Agent promptly in writing of the occurrence of any of the events described in Section 6.5 with respect to the Pledged Stock issued by it and (iii) the terms of Sections 7.3(c) and 7.7 shall apply to it, mutatis mutandis, with respect to all actions that may be required of it pursuant to Section 7.3(c) or 7.7 with respect to the Pledged Stock issued by it.

6.7. Receivables. During any Full Security Period,

(a) Other than in the ordinary course of business, such Grantor will not (i) grant any extension of the time of payment of any Receivable, (ii) compromise or settle any Receivable for less than the full amount thereof, (iii) release, wholly or partially, any Person liable for the payment of any Receivable, (iv) allow any credit or discount whatsoever on any Receivable or (v) amend, supplement or modify any Receivable, in each case, in any manner that could materially adversely affect the value thereof.

(b) Anything contained in this Agreement to the contrary notwithstanding, the Grantors, or any of them, shall have the right to enter into one or more Receivables Purchase Facilities, as contemplated by the Credit Agreement, and the Administrative Agent shall execute any and all documents reasonably necessary to release its security interest in the Receivables which become Sold Receivables Assets upon the consummation of such Receivables Purchase Facility(ies).

6.8. Intellectual Property.

(a) Such Grantor will not do any act or omit to do any act whereby any Material Intellectual Property may lapse, become abandoned, cancelled, dedicated to the public, forfeited, or otherwise impaired, or abandon any application or any right to file an application for a Copyright, Patent, or Trademark constituting Material Intellectual Property; provided that no Grantor shall be required to preserve any Intellectual Property that no longer constitutes Material Intellectual Property if such Grantor reasonably determines that the preservation thereof is no longer desirable in the conduct of such Grantor's business.

(b) Such Grantor agrees that, should it hereafter (i) obtain an ownership interest in any item of Intellectual Property, (ii) file (either by itself or through any agent, employee, licensee, or designee) any application for the registration or issuance of any Intellectual Property with the United States Patent and Trademark Office or the United States Copyright Office or (iii) file an accepted Statement of Use or Amendment to Allege Use with respect to any "intent-to-use" Trademark application (the items in clauses (i), (ii) and (iii), collectively, the "After-Acquired Intellectual Property"), then the provisions of Section 4 shall automatically apply thereto, and any such After-Acquired Intellectual Property shall automatically become part of the Collateral, and such Grantor shall give prompt (and, in any event simultaneously with delivery of the compliance certificate required by Section 5.02(a) of the Credit Agreement for the fiscal quarter in which such Grantor acquires such ownership interest) written notice thereof to the Administrative Agent in accordance herewith, and shall promptly take the actions specified in Section 6.8(c) with respect thereto.

(c) Such Grantor shall execute Intellectual Property Security Agreements with respect to the Intellectual Property included in the Collateral as of the date hereof, as well as any After-Acquired Intellectual Property, in substantially the form of Annexes 2, 3 or 4, as applicable, in order to record the security interest granted herein to the Administrative Agent for the benefit of the Secured Parties with the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

(d) Such Grantor shall use commercially reasonable efforts so as not to permit the inclusion in any contract to which it hereafter becomes a party of any provision that could or may in any way materially impair or prevent the creation of a security interest in, or the assignment of, such Grantor's rights and interests in any property that constitutes Intellectual Property.

(e) Such Grantor shall promptly notify the Administrative Agent if a Responsible Officer of such Grantor knows that any item of Material Intellectual Property may become (i) abandoned or dedicated to the public or placed in the public domain, (ii) invalid or unenforceable, (iii) subject to any adverse determination or development regarding such Grantor's ownership, registration or use or the validity or enforceability of such item of Intellectual Property (including the institution of, or any adverse development with respect to, any action or proceeding in the United States Patent and Trademark Office or the United States Copyright Office, or any court) or (iv) the subject of any reversion or termination rights.

(f) Such Grantor shall (and shall require its licensees to) use proper notice of its Intellectual Property rights in connection with the use of any of its Material Intellectual Property.

(g) Such Grantor shall not infringe, misappropriate, dilute, or otherwise violate the Intellectual Property rights of any other Person in any manner which could reasonably be expected to have a Material Adverse Effect. In the event that any Person initiates, or threatens in writing to initiate, any action or proceeding alleging that such Grantor, or the conduct of such Grantor's business, infringes, misappropriates, dilutes, or otherwise violates the Intellectual Property of any other Person, and such action or proceeding could reasonably be expected to have a Material Adverse Effect, such Grantor shall promptly notify the Administrative Agent after a Responsible Officer of such Grantor has knowledge thereof.

(h) In the event that any Material Intellectual Property owned by or exclusively licensed to any Grantor is infringed, misappropriated, diluted or otherwise violated by another Person, such Grantor shall (i) promptly take all reasonable actions to protect and enforce its rights in such Intellectual Property and (ii) promptly notify the Administrative Agent after a Responsible Officer of such Grantor has knowledge thereof.

(i) Such Grantor shall take commercially reasonable steps to protect the confidentiality of all Trade Secrets constituting Material Intellectual Property.

(j) [Reserved].

(k) To the extent that any Grantor's ownership of any issued, registered or applied for Intellectual Property (other than any Intellectual Property listed under the heading "Copyrights" on <u>Schedule 6</u> and noted with an asterisk (*)) included in the Collateral is not accurately reflected in the public records of the United States Patent and Trademark Office or the United States Copyright Office, as applicable, or to the extent there are any gaps or other deficiencies in the chain of title of such Intellectual Property in the public records of the United States Patent and Trademark Office or the United States Copyright Office, such Grantor agrees to use commercially reasonable efforts to promptly (i) execute and record such documents or other instruments and (ii) take such other actions reasonably required by the Administrative Agent, in each case to clean up the chain of title and to accurately reflect such Grantor's ownership of such Intellectual Property in the public records of the United States Patent and Trademark Office and the United States Copyright Office. Each Grantor will use commercially reasonable efforts to complete the foregoing within 120 days following the Effective Date (or such later date as is agreed to by the Administrative Agent in its reasonable discretion).

6.9. Pledged Notes. Unless already delivered to the Administrative Agent prior to the Amendment No. 1 Effective Date, promptly (but in any event no later than ten (10) Business Days) following the Amendment No. 1 Effective Date, each Pledged Note shall be delivered to the Administrative Agent, duly endorsed in a manner reasonably satisfactory to the Administrative Agent, to be held as Collateral pursuant to this Agreement. Notwithstanding anything to the contrary set forth in any Loan Document, the Company and SMG Growing Media LLC, in each case, as the holder of the applicable Pledged Note listed on Schedule 9 hereto, covenants and agrees that it shall not sell, assign, convey, contribute, dispose of or otherwise transfer, or (other than pursuant to the terms of this Agreement) grant or suffer to exist any Lien upon, any of its right, title or interest in any Pledged Note to any other Grantor, any Subsidiary, any Affiliate or any other Person, in each case, without the prior written consent of the Administrative Agent (and any such sale, assignment, conveyance, contribution, disposal or other transfer or grant or suffering of a Lien on such Pledged Note without the prior written consent of the Administrative Agent shall be null and void).

SECTION 7. REMEDIAL PROVISIONS

7.1. Certain Matters Relating to Receivables. During any Full Security Period,

(a) The Administrative Agent shall have the right after the occurrence and during the continuance of an Event of Default to make test verifications of the Receivables in any manner and through any medium that it reasonably considers advisable, and each Grantor shall furnish all such assistance and information as the Administrative Agent may require in connection with such test verifications. At any time and from time to time, after the occurrence and during the continuance of an Event of Default, upon the Administrative Agent's request and at the expense of the relevant Grantor, such Grantor shall cause independent public accountants or others satisfactory to the Administrative Agent to furnish to the Administrative Agent reports showing reconciliations, aging and test verifications of, and trial balances for, the Receivables.

(b) The Administrative Agent hereby authorizes each Grantor to collect such Grantor's Receivables, and the Administrative Agent may curtail or terminate said authority at any time after the occurrence and during the continuance of an Event of Default. If required by the Administrative Agent at any time after the occurrence and during the continuance of an Event of Default, any payments of Receivables, when collected by any Grantor, (i) shall be forthwith (and, in any event, within two Business Days) deposited by such Grantor in the exact form received, duly indorsed by such Grantor to the Administrative Agent if required, in a Collateral Account maintained under the sole dominion and control of the Administrative Agent, subject to withdrawal by the Administrative Agent for the account of the Lenders only as provided in Section 7.5, and (ii) until so turned over, shall be held by such Grantor in trust for the Administrative Agent and the Lenders, segregated from other funds of such Grantor. Each such deposit of Proceeds of Receivables shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(c) At the Administrative Agent's request, after the occurrence and during the continuance of an Event of Default, each Grantor shall deliver to the Administrative Agent all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to the Receivables, including, without limitation, all original orders, invoices and shipping receipts.

7.2. Communications with Obligors; Grantors Remain Liable. During any Full Security Period,

(a) The Administrative Agent in its own name or in the name of others may at any time after the occurrence and during the continuance of an Event of Default communicate with obligors under the Receivables to verify with them to the Administrative Agent's satisfaction the existence, amount and terms of any Receivables.

(b) Upon the written request of the Administrative Agent at any time after the occurrence and during the continuance of an Event of Default, each Grantor shall notify obligors on its Receivables that the Receivables have been assigned to the Administrative Agent for the ratable benefit of the Secured Parties and that payments in respect thereof shall be made directly to the Administrative Agent.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of its Receivables to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Neither the Administrative Agent nor any Lender shall have any obligation or liability under any Receivable (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Administrative Agent or any Lender of any payment relating thereto, nor shall the Administrative Agent or any Lender be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Receivable (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

7.3. Pledged Stock

(a) Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have given notice to the relevant Grantor of the Administrative Agent's intent to exercise its corresponding rights pursuant to Section 7.3(b), each Grantor shall be permitted to receive all cash dividends paid in respect of the Pledged Stock, to the extent not prohibited by the Credit Agreement, to pay and declare dividends to the extent permitted by the Credit Agreement and to exercise all voting and corporate rights with respect to the Pledged Stock; provided, however, that no vote shall be cast or corporate right exercised or other action taken which would result in any violation of any provision of the Credit Agreement, this Agreement or any other Loan Document.

(b) If an Event of Default shall occur and be continuing and the Administrative Agent shall give written notice of its intent to exercise such rights to the relevant Grantor or Grantors, (i) the Administrative Agent shall have the right to receive any and all cash dividends, payments or other Proceeds paid in respect of the Pledged Stock and make application thereof to the Obligations in accordance with Section 7.5 below, and (ii) any or all of the Pledged Stock shall be registered in the name of the Administrative Agent or its nominee, and the Administrative Agent or its nominee may thereafter exercise (x) all voting, corporate and other rights pertaining to such Pledged Stock at any meeting of shareholders of the relevant Issuer or Issuers or otherwise and (y) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Pledged Stock as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Pledged Stock upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the corporate structure of any Issuer, or upon the exercise by any Grantor or the

Administrative Agent of any right, privilege or option pertaining to such Pledged Stock, and in connection therewith, the right to deposit and deliver any and all of the Pledged Stock with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as the Administrative Agent may determine), all without liability except to account for property actually received by it, but the Administrative Agent shall have no duty to any Grantor to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(c) Each Grantor hereby authorizes and instructs each Issuer of any Pledged Stock or Pledged Note pledged by such Grantor hereunder to (i) comply with any instruction received by it from the Administrative Agent in writing that (x) states that an Event of Default has occurred and is continuing and (y) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees that each Issuer shall be fully protected in so complying, and (ii) unless otherwise expressly permitted hereby, pay any dividends or other payments with respect to the Pledged Stock or any Pledged Note directly to the Administrative Agent.

7.4. Proceeds to be Turned Over To Administrative Agent. If an Event of Default shall occur and be continuing, all Proceeds received by any Grantor consisting of cash, checks and other near-cash items shall be held by such Grantor in trust for the Administrative Agent and the Lenders, segregated from other funds of such Grantor, and shall, forthwith upon receipt by such Grantor, be turned over to the Administrative Agent in the exact form received by such Grantor (duly indorsed by such Grantor to the Administrative Agent, if required). All Proceeds received by the Administrative Agent under this Section 7.4 shall be held by the Administrative Agent in a Collateral Account maintained under its sole dominion and control. All Proceeds while held by the Administrative Agent in a Collateral Account (or by such Grantor in trust for the Administrative Agent and the Lenders) shall continue to be held as collateral security for all the Obligations and shall not constitute payment thereof until applied as provided in Section 7.5.

7.5. Application of Proceeds. At such intervals as may be agreed upon by the Company and the Administrative Agent, or, if an Event of Default shall have occurred and be continuing, at any time at the Administrative Agent's election, the Administrative Agent may apply all or any part of Proceeds constituting Collateral, whether or not held in any Collateral Account, and any proceeds of the guarantee set forth in Section 2, in payment of the Obligations in the following order:

First, to pay incurred and unpaid fees and expenses of the Administrative Agent under the Loan Documents;

Second, to the Administrative Agent, for application by it towards payment of amounts then due and owing and remaining unpaid in respect of the Obligations, pro rata among the Secured Parties according to the amounts of the Obligations then due and owing and remaining unpaid to the Secured Parties;

Third, to the Administrative Agent, for application by it towards prepayment of the Obligations, pro rata among the Secured Parties according to the amounts of the Obligations then held by the Secured Parties; and

Fourth, any balance remaining after the Obligations shall have been paid in full, no Letters of Credit shall be outstanding and the Commitments shall have been terminated shall be paid over to the Company or to whomsoever may be lawfully entitled to receive the same.

Notwithstanding the foregoing, no amounts received from any Guarantor shall be applied to any Excluded Swap Obligations of such Guarantor.

7.6. Code and Other Remedies.

(a) If an Event of Default shall occur and be continuing, the Administrative Agent, on behalf of the Lenders, may exercise, in addition to all other rights and remedies granted to them in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the New York UCC or any other applicable law. Without limiting the generality of the foregoing, the Administrative Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Administrative Agent or any Lender or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Administrative Agent or any Lender shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Grantor, which right or equity is hereby waived and released. Each Grantor further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places which the Administrative Agent shall reasonably select, whether at such Grantor's premises or elsewhere. The Administrative Agent shall apply the net proceeds of any action taken by it pursuant to this Section 7.6, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Administrative Agent and the Lenders hereunder, including, without limitation, reasonable attorneys' fees and disbursements, in accordance with Section 7.5 of this Agreement, and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, including, without limitation, Section 9-615(a)(3) of the New York UCC, need the Administrative Agent account for the surplus, if any, to any Grantor. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against the Administrative Agent or any Lender arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

(b) In the event of any Disposition of any of the Intellectual Property, the goodwill of the business connected with and symbolized by any Trademarks subject to such Disposition shall be included, and the applicable Grantor shall supply the Administrative Agent or its designee with such Grantor's know-how and expertise, and with documents and things embodying the same, relating to the exploitation of such Intellectual Property, including the manufacture, distribution, advertising and sale of products or the provision of services under such Intellectual Property, and such Grantor's customer lists and other records and documents relating to such Intellectual Property and to the manufacture, distribution, advertising and sale of such products and services.

(c) For the purpose of enabling the Administrative Agent to exercise rights and remedies under this Section 7.6 (including in order to take possession of, collect, receive, assemble, process, appropriate, remove, realize upon, sell, assign, license out, convey, transfer or grant options to purchase any Collateral) at such time as the Administrative Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Administrative Agent, for the benefit of the Secured Parties, to the extent it has the right to do so (i) an irrevocable, nonexclusive, and assignable license (exercisable without payment of royalty or other compensation to such Grantor), subject, in the case of Trademarks, to sufficient rights to quality control and inspection in favor of such Grantor to avoid the risk of invalidation of such Trademarks, to use, practice, license, sublicense, and otherwise exploit any and all intellectual property now or hereafter owned or licensed by such Grantor (which license shall include access to all media in which any of the licensed items may be recorded or stored and to all software and programs used for the compilation or printout thereof) and (ii) an irrevocable license (without payment of rent or other compensation to such Grantor) to use, operate and occupy all real property owned, operated, leased, subleased, or otherwise occupied by such Grantor.

7.7. Registration Rights

(a) If the Administrative Agent shall determine to exercise its right to sell any or all of the Pledged Stock pursuant to Section 7.6, and if in the opinion of the Administrative Agent it is necessary or advisable to have the Pledged Stock, or that portion thereof to be sold, registered under the provisions of the Securities Act, the relevant Grantor will cause the Issuer thereof to (i) execute and deliver, and cause the directors and officers of such Issuer to execute and deliver, all such instruments and documents, and do or cause to be done all such other acts as may be, in the opinion of the Administrative Agent, necessary or advisable to register the Pledged Stock, or that portion thereof to be sold, under the provisions of the Securities Act, (ii) use its best efforts to cause the registration statement relating thereto to become effective and to remain effective for a period of one year from the date of the first public offering of the Pledged Stock, or that portion thereof to be sold, and (iii) make all amendments thereto and/or to the related prospectus which, in the opinion of the Administrative Agent, are necessary or advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto. Each Grantor agrees to cause such Issuer to comply with the provisions of the securities or "Blue Sky" laws of any and all jurisdictions which the Administrative Agent shall designate and to make available to its security holders, as soon as practicable, an earnings statement (which need not be audited) which will satisfy the provisions of Section 11(a) of the Securities Act.

(b) Each Grantor recognizes that the Administrative Agent may be unable to effect a public sale of any or all the Pledged Stock, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account, for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Administrative Agent shall be under no obligation to delay a sale of any of the Pledged Stock for the period of time necessary to permit the Issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so.

(c) Each Grantor agrees to use its best efforts to do or cause to be done all such other acts as may be necessary to make such sale or sales of all or any portion of the Pledged Stock pursuant to this Section 7.7 valid and binding and in compliance with any and all other applicable Requirements of Law. Each Grantor further agrees that a breach of any of the covenants contained in this Section 7.7 will cause irreparable injury to the Administrative Agent and the Lenders, that the Administrative Agent and the Lenders have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 7.7 shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no Event of Default has occurred under the Credit Agreement.

7.8. Deficiency. Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay its Obligations and the fees and disbursements of any attorneys employed by the Administrative Agent or any Lender to collect such deficiency.

SECTION 8. THE ADMINISTRATIVE AGENT

8.1. Administrative Agent's Appointment as Attorney-in-Fact, Etc.

(a) Each Grantor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, each Grantor hereby gives the Administrative Agent the power and right, on behalf of such Grantor, without notice to or assent by such Grantor, to do any or all of the following:

(i) in the name of such Grantor or its own name, or otherwise, take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Receivable or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Administrative Agent for the purpose of collecting any and all such moneys due under any Receivable or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Administrative Agent may request to evidence the Secured Parties' security interest in such Intellectual Property and the goodwill and general intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefor and the costs thereof;

(iv) execute, in connection with any sale provided for in Section 7.6 or 7.7, any indorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(v) (1) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct; (2) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (3) sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (4) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (5) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral; (6) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Administrative Agent may deem appropriate; ; (7) assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Copyright, Patent or Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Administrative Agent shall in its sole discretion determine; and (8) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes, and do, at the Administrative Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things which the Administrative Agent deems necessary to protect, preserve or realize upon the Collateral and the Administrative Agent's and the Lenders' security interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

Anything in this Section 8.1(a) to the contrary notwithstanding, the Administrative Agent agrees that it will not exercise any rights under the power of attorney provided for in this Section 8.1(a) unless an Event of Default shall have occurred and be continuing.

(b) If any Grantor fails to perform or comply with any of its agreements contained herein, the Administrative Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The expenses of the Administrative Agent incurred in connection with actions undertaken as provided in this Section 8.1, together with interest thereon at a rate per annum equal to the highest rate per annum at which interest would then be payable on any category of past due ABR Loans under the Credit Agreement, from the date of payment by the Administrative Agent to the date reimbursed by the relevant Grantor, shall be payable by such Grantor to the Administrative Agent on demand.

(d) All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

8.2. Duty of Administrative Agent. The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession is to comply with Section 9-207 of the New York UCC. Neither the Administrative Agent, any Lender nor any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Administrative Agent and the Lenders hereunder are solely to protect the Administrative Agent's and the Lenders' interests in the Collateral and shall not impose any duty upon the Administrative Agent or any Lender to exercise any such powers. The Administrative Agent and the Lenders shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

8.3. Execution of Financing Statements. Pursuant to any applicable law, each Grantor authorizes the Administrative Agent to file or record financing statements and other filing or recording documents or instruments with respect to the Collateral without the signature of such Grantor in such form and in such offices as the Administrative Agent determines appropriate to perfect the security interests of the Administrative Agent under this Agreement. Each Grantor hereby ratifies and authorizes the filing by the Administrative Agent of any financing statement solely with respect to the Collateral made prior to the Effective Date. A photographic or other reproduction of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction.

8.4. Further Assurances. Each Grantor agrees that from time to time, at the expense of such Grantor, it shall promptly execute and deliver all further instruments and documents and take all further action that may be necessary or desirable, or that the Administrative Agent may reasonably request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Administrative Agent to exercise and enforce its rights and remedies hereunder in respect of any Collateral. Without limiting the generality of the foregoing, each Grantor shall:

(a) file such financing or continuation statements, or amendments thereto, record security interests in Intellectual Property and execute and deliver such other agreements, instruments, endorsements, powers of attorney or notices, as may be necessary or desirable, or as the Administrative Agent may reasonably request, in order to effect, reflect, perfect and preserve the security interests granted or purported to be granted hereby; and

(b) take all actions necessary to ensure the recordation of appropriate evidence of the liens and security interest granted hereunder in any Intellectual Property with any intellectual property registry in which said Intellectual Property is registered or issued or in which an application for registration or issuance is pending, including, without limitation, the United States Patent and Trademark Office and the United States Copyright Office.

8.5. Authority of Administrative Agent. Each Grantor acknowledges that the rights and responsibilities of the Administrative Agent under this Agreement with respect to any action taken by the Administrative Agent or the exercise or non-exercise by the Administrative Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Administrative Agent and the Lenders, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Administrative Agent and the Grantors, the Administrative Agent shall be conclusively presumed to be acting as agent for the Lenders with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

SECTION 9. MISCELLANEOUS

9.1. Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 9.02 of the Credit Agreement.

9.2. Notices. All notices, requests and demands to or upon the Administrative Agent or any Grantor hereunder shall be effected in the manner provided for in Section 9.01 of the Credit Agreement; provided that any such notice, request or demand to or upon any Guarantor shall be addressed to such Guarantor at its notice address set forth on Schedule 1.

9.3. No Waiver by Course of Conduct; Cumulative Remedies. Neither the Administrative Agent nor any Lender shall by any act (except by a written instrument pursuant to Section 9.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of the Administrative Agent or any Lender, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Administrative Agent or any Lender of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Administrative Agent or such Lender would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

9.4. Expenses; Indemnity

(a) Each Grantor agrees to pay or reimburse each Lender and the Administrative Agent and its Affiliates for all its reasonable and documented out-of-pocket expenses incurred in collecting against such Grantor under the guarantees contained in Section 2 or 3, as applicable, or otherwise enforcing or preserving any rights under this Agreement and the other Loan Documents to which such Grantor is a party, including, without limitation, the reasonable and documented fees, charges and disbursements of one primary counsel (and specialist counsel as may reasonably be required by the Administrative Agent and one additional local counsel in each applicable jurisdiction) for the Administrative Agent (whether or not the transactions contemplated hereby shall be consummated).

(b) Each Grantor agrees to pay, and to save the Administrative Agent and the Lenders harmless from, any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, incurred by or asserted against any such Grantor arising out of, in connection with, or as a result the execution, delivery, enforcement, performance and administration of this Agreement to the extent the Company would be required to do so pursuant to Section 9.03 of the Credit Agreement.

(c) The agreements in this Section 9.4 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any other Loan Document or any provision hereof or thereof.

9.5. Successors and Assigns. This provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby or by the express terms of the Credit Agreement; provided that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Administrative Agent.

9.6. Right of Set-Off. If an Event of Default shall have occurred and be continuing, the Administrative Agent and each Lender and their Affiliates, is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set-off and apply any and all deposits (general or special, time or demand, provisional or final and in whatever currency denominated), at any time held and the other obligations at any time owing by the Administrative Agent or such Lender or their respective Affiliates to or for the credit or the account of such Grantor, or any part thereof in such amounts as the Administrative Agent or such Lender may elect, against and on account of the obligations and liabilities of such Grantor to the Administrative Agent or such Lender hereunder and claims of every nature and description of the Administrative Agent or such Lender against such Grantor, in any currency, whether arising hereunder, under the Credit Agreement, any other Loan Document or otherwise, as the Administrative Agent or such Lender may elect. The Administrative Agent and each Lender shall notify such Grantor promptly of any such set-off and the application made by the Administrative Agent or such Lender of the proceeds thereof, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Administrative Agent and each Lender under this Section 9.6 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Administrative Agent or such Lender may have; provided, that to the extent prohibited by applicable law as described in the definition of "Excluded Swap Obligation", no amounts received from , or set off with respect to, any Guarantor shall be applied to any Excluded Swap Obligations of such Guarantor.

9.7. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery by facsimile or electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record

9.8. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

9.9. Section Headings. The Section headings used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

9.10. Integration. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and thereof, and supersede any and all previous agreements and understandings, oral or written, relating to the matter hereof. There are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Loan Documents.

9.11. **GOVERNING LAW**. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

9.12. Submission To Jurisdiction; Waivers. Each Grantor hereby irrevocably and unconditionally:

(a) submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Administrative Agent or any of its Related Parties may only) be heard and determined in such Federal (to the extent permitted by law) or New York State court;

(b) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (a) of this Section. Each Grantor hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, return receipt requested, to such Grantor at its address referred to in Section 9.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, indirect, consequential or punitive damages.

9.13. Acknowledgments. Each Grantor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(b) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Grantors, on the one hand, and the Administrative Agent and Lenders, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Grantors and the Lenders.

9.14. Additional Guarantors and Grantors. Each Domestic Subsidiary that is required to become a party to this Agreement pursuant to Section 5.11(b) of the Credit Agreement shall become a Guarantor and Grantor for all purposes of this Agreement upon execution and delivery by such Domestic Subsidiary of an Assumption Agreement in the form of Annex 1 hereto.

9.15. Releases; Reinstatement.

(a) At such time as the Loans, the Reimbursement Obligations and the other Obligations shall have been paid in full (other than unasserted contingent obligations not yet due and payable), the Commitments have been terminated and no Letters of Credit shall be outstanding, the Collateral shall be released from the Liens created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent and each Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantors. At the request and sole expense of any Grantor following any such termination, the Administrative Agent shall deliver to such Grantor any Collateral held by the Administrative Agent hereunder, and execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.

(b) If any of the Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Credit Agreement, then such Collateral shall be sold free and clear of any liens created by this Agreement and the Administrative Agent, at the request and sole expense of such Grantor, shall execute and deliver to such Grantor all releases or other documents reasonably necessary or desirable for the release of the Liens created hereby on such Collateral. At the request and sole expense of the Company, a Subsidiary Guarantor shall be released from its obligations hereunder in the event that all the Capital Stock of such Subsidiary Guarantor shall be sold, transferred or otherwise disposed of in a transaction permitted by the Credit Agreement; provided that the Company shall have delivered to the Administrative Agent, at least ten Business Days prior to the date of the proposed release, a written request for release identifying the relevant Subsidiary Guarantor and the terms of the sale or other disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a certification by the Company stating that such transaction is in compliance with the Credit Agreement and the other Loan Documents.

(c) At such time as the Specified Conditions shall be in effect, the Company shall have the right by written notice to the Administrative Agent to require all Collateral be released from any security interest created hereby. On any such date (a "Ratings Release Date"), all rights to the Collateral shall transfer and revert to the Company and the Guarantors (the period from and after any such date (and prior to a reinstatement required pursuant to Section 9.15(d)), an "Unsecured Period"). On any such Ratings Release Date, the Grantors shall be authorized and the Administrative Agent hereby authorizes each Grantor, to prepare and record UCC termination statements with respect to any financing statements recorded by the Administrative Agent hereunder. At the request and sole expense of the Company following a Ratings Release Date, the Administrative Agent shall deliver to the Company any Collateral (including certificates representing the Pledged Stock) held by the Administrative Agent hereunder, and execute and deliver to the Company such documents as the Company shall reasonably request to evidence such termination.

(d) Notwithstanding clause (c) of this Section 9.15, in the event that the Specified Conditions shall no longer be in effect at any time during an Unsecured Period, the Collateral shall be reinstated in full within sixty days of such event, along with any necessary UCC filings, modifications to the Schedules hereto and such other actions requested by the Administrative Agent as are reasonably necessary to grant a first priority perfected security interest (subject to Liens otherwise permitted by this Agreement and the Credit Agreement) in such Collateral.

9.16. Conflict of Laws. Notwithstanding anything to the contrary herein, in the event that any provision of any pledge, charge or foreign equivalent executed by any Foreign Subsidiary and governed by the laws of the applicable foreign jurisdiction is inconsistent with any corresponding provision in this Agreement, the provision in such pledge, charge or foreign equivalent shall govern.

9.17. **WAIVER OF JURY TRIAL**. EACH GRANTOR HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

9.18 Amendment and Restatement. Each Grantor party to the Existing Guarantee and Collateral Agreement affirms its duties and obligations under the terms and conditions of the Existing Guarantee and Collateral Agreement, and agrees that its obligations outstanding under the Existing Guarantee and Collateral Agreement, as amended and restated as of the date hereof by this Agreement, remain in full force and effect and are hereby ratified, reaffirmed and confirmed. Each Grantor acknowledges and agrees with the Administrative Agent that the Existing Guarantee and Collateral Agreement is amended, restated, and superseded in its entirety pursuant to the terms hereof.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned has caused this Seventh Amended and Restated Guarantee and Collateral Agreement to be duly executed and delivered as of the date first above written.

JPMORGAN CHASE BANK, N.A., as Administrative Agent

By:
Name:
Title:

THE SCOTTS MIRACLE-GRO COMPANY

By:
Name:
Title:

[OTHER GRANTORS]

ASSUMPTION AGREEMENT, dated as of ________________, 20__, made by ______________________________, a ______________ corporation (the "Additional Grantor"), in favor of JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent") for the banks and other financial institutions (the "Lenders") parties to the Credit Agreement referred to below. All capitalized terms not defined herein shall have the meaning ascribed to them in such Credit Agreement.

W I T N E S S E T H:

WHEREAS, The Scotts Miracle-Gro Company, an Ohio corporation (the "Company"), the Subsidiary Borrowers, the Lenders, the Administrative Agent, the Documentation Agent and the Syndication Agent have entered into a Seventh Amended and Restated Credit Agreement, dated as of November 21, 2025 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, in connection with the Credit Agreement, the Company and certain of its Affiliates (other than the Additional Grantor) have entered into the Seventh Amended and Restated Guarantee and Collateral Agreement, dated as of November 21, 2025 (as amended, supplemented or otherwise modified from time to time, the "Guarantee and Collateral Agreement") in favor of the Administrative Agent for the ratable benefit of the Secured Parties;

WHEREAS, the Credit Agreement requires the Additional Grantor to become a party to the Guarantee and Collateral Agreement; and

WHEREAS, the Additional Grantor has agreed to execute and deliver this Assumption Agreement in order to become a party to the Guarantee and Collateral Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Guarantee and Collateral Agreement. By executing and delivering this Assumption Agreement, the Additional Grantor, as provided in Section 9.14 of the Guarantee and Collateral Agreement, hereby becomes a party to the Guarantee and Collateral Agreement as a Guarantor and as a Grantor thereunder with the same force and effect as if originally named therein as a as a Guarantor and Grantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Guarantor and a Grantor thereunder. The information set forth in Annex 1-A hereto is hereby added to the information set forth in the Schedules to the Guarantee and Collateral Agreement. The Additional Grantor hereby represents and warrants that each of the representations and warranties contained in Section 5 of the Guarantee and Collateral Agreement is true and correct on and as the date hereof (after giving effect to this Assumption Agreement) as if made on and as of such date.

2. Governing Law. THIS ASSUMPTION AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has caused this Assumption Agreement to be duly executed and delivered as of the date first above written.

[ADDITIONAL GRANTOR]

By:____________________________
Name:
Title:

Supplement to Schedule 1

Supplement to Schedule 2

Supplement to Schedule 3

Supplement to Schedule 4

Supplement to Schedule 5

Supplement to Schedule 6

Supplement to Schedule 7

Supplement to Schedule 8

Supplement to Schedule 9

Annex 2 to
Seventh Amended and Restated Guarantee and Collateral Agreement

[FORM OF] COPYRIGHT SECURITY AGREEMENT

This COPYRIGHT SECURITY AGREEMENT, dated as of [__], 202[_] (this "Agreement"), is made by each of the signatories hereto indicated as a "Grantor" (each, a "Grantor" and collectively, the "Grantors") in favor of JPMORGAN CHASE BANK, N.A., as administrative agent for the Secured Parties (in such capacity and together with its successors and assigns in such capacity, the "Administrative Agent").

WHEREAS, pursuant to that certain Seventh Amended and Restated Credit Agreement, dated as of November 21, 2025 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among THE SCOTTS MIRACLE-GRO COMPANY, an Ohio corporation, as a Borrower (as defined therein), the Subsidiary Borrowers (as defined therein) from time to time party thereto, the Lenders (as defined therein) from time to time party thereto, the Administrative Agent and the other parties party thereto, the Lenders have severally agreed to make extensions of credit, upon the terms and conditions set forth therein, to the Borrowers;

WHEREAS, as a condition precedent to the obligation of the Lenders to make their respective extension of credit to the Borrowers under the Credit Agreement, the Grantors entered into a Seventh Amended and Restated Guarantee and Collateral, dated as of November 21, 2025 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee and Collateral Agreement"), between each of the Grantors and the Administrative Agent, pursuant to which each of the Grantors assigned, transferred and granted to the Administrative Agent, for the benefit of the Secured Parties, a security interest in the Copyright Collateral (as defined below); and

WHEREAS, pursuant to the Guarantee and Collateral Agreement, each Grantor agreed to execute and this Agreement, in order to record the security interest granted to the Administrative Agent for the benefit of the Secured Parties with the United States Copyright Office.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantors hereby agree with the Administrative Agent as follows:

SECTION 1. Defined Terms

Capitalized terms used but not defined herein shall have the respective meanings given thereto in the Guarantee and Collateral Agreement, and if not defined therein, shall have the respective meanings given thereto in the Credit Agreement.

SECTION 2. Grant of Security Interest

Each Grantor hereby assigns and transfers to the Administrative Agent, and hereby grants to the Administrative Agent, for the benefit of the Secured Parties, a security interest in, all of the following property, in each case, wherever located and now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Copyright Collateral") as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:

(a) all works of authorship and all intellectual property rights therein, all copyrights (whether or not the underlying works of authorship have been published), including but not limited to copyrights in software and databases, all designs (including but not limited to all industrial designs, "Protected Designs" within the meaning of 17 U.S.C. 1301 et. Seq. and Community designs), and all "Mask Works" (as defined in 17 U.S.C. 901 of the U.S. Copyright Act), whether registered or unregistered, and with respect to any and all of the foregoing: (i) all registrations and applications for registration thereof including, without limitation, the registrations and applications in the United States Copyright Office listed in Schedule A attached hereto, (ii) all extensions, renewals, and restorations thereof, (iii) all rights to sue or otherwise recover for any past, present and future infringement or other violation thereof, (iv) all Proceeds of the foregoing, including, without limitation, license fees, royalties, income, payments, claims, damages and proceeds of suit now or hereafter due and/or payable with respect thereto, and (v) all other rights of any kind accruing thereunder or pertaining thereto; but excluding any Excluded IP.

SECTION 3. Guarantee and Collateral Agreement

The security interest granted pursuant to this Agreement is granted in conjunction with the security interest granted to the Administrative Agent for the Secured Parties pursuant to the Guarantee and Collateral Agreement, and the Grantors hereby acknowledge and affirm that the rights and remedies of the Administrative Agent with respect to the security interest in the Copyright Collateral made and granted hereby are more fully set forth in the Guarantee and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Agreement is deemed to conflict with the Guarantee and Collateral Agreement, the provisions of the Guarantee and Collateral Agreement shall control.

SECTION 4. Governing Law

THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

SECTION 5. Counterparts

This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery by facsimile or electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, each Grantor has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

[NAME OF GRANTOR],
as a Grantor

By: ____
Name:
Title:

Accepted and Agreed:

JPMORGAN CHASE BANK, N.A.
as Administrative Agent

By: ____________
Name:
Title:

SCHEDULE A
to
COPYRIGHT SECURITY AGREEMENT

COPYRIGHT REGISTRATIONS

Title	Registration No.	Registration Date

COPYRIGHT APPLICATIONS

Title	Application / Case No.	Filing Date

[FORM OF] PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT, dated as of [__], 202[_] (this "Agreement"), is made by each of the signatories hereto indicated as a Grantor (each, a "Grantor" and collectively, the "Grantors") in favor of JPMORGAN CHASE BANK, N.A., as administrative agent for the Secured Parties (in such capacity and together with its successors and assigns in such capacity, the "Administrative Agent").

WHEREAS, pursuant to that certain Seventh Amended and Restated Credit Agreement, dated as of November 21, 2025 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among THE SCOTTS MIRACLE-GRO COMPANY, an Ohio corporation, as a Borrower (as defined therein), the Subsidiary Borrowers (as defined therein) from time to time party thereto, the Lenders (as defined therein) from time to time party thereto, the Administrative Agent and the other parties party thereto, the Lenders have severally agreed to make extensions of credit, upon the terms and conditions set forth therein, to the Borrowers;

WHEREAS, as a condition precedent to the obligation of the Lenders to make their respective extension of credit to the Borrowers under the Credit Agreement, the Grantors entered into a Seventh Amended and Restated Guarantee and Collateral, dated as of November 21, 2025 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee and Collateral Agreement"), between each of the Grantors and the Administrative Agent, pursuant to which each of the Grantors assigned, transferred and granted to the Administrative Agent, for the benefit of the Secured Parties, a security interest in the Patent Collateral (as defined below); and

WHEREAS, pursuant to the Guarantee and Collateral Agreement, each Grantor agreed to execute and this Agreement, in order to record the security interest granted to the Administrative Agent for the benefit of the Secured Parties with the United States Patent and Trademark Office.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantors hereby agree with the Administrative Agent as follows:

SECTION 1. Defined Terms

Capitalized terms used but not defined herein shall have the respective meanings given thereto in the Guarantee and Collateral Agreement, and if not defined therein, shall have the respective meanings given thereto in the Credit Agreement.

SECTION 2. Grant of Security Interest

Each Grantor hereby assigns and transfers to the Administrative Agent, and hereby grants to the Administrative Agent, for the benefit of the Secured Parties, a security interest in, all of the following property, in each case, wherever located and now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Patent Collateral") as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:

(a) all patentable inventions and designs, all patents, certificates of invention, and similar industrial property rights, and applications for any of the foregoing, including without limitation: (i) each patent and patent application in the United States Patent and Trademark Office listed in Schedule A attached hereto, (ii) all reissues, substitutes, divisions, continuations, continuations-in-part, extensions, renewals, and reexaminations thereof, (iii) all inventions and improvements described and claimed therein, (iv) all rights to sue or otherwise recover for any past, present and future infringement or other violation thereof, (v) all Proceeds of the foregoing, including, without limitation, license fees, royalties, income, payments, claims, damages, and proceeds of suit now or hereafter due and/or payable with respect thereto, income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto, and (vi) all other rights of any accruing thereunder or pertaining thereto; but excluding any Excluded IP.

SECTION 3. Guarantee and Collateral Agreement

The security interest granted pursuant to this Agreement is granted in conjunction with the security interest granted to the Administrative Agent for the Secured Parties pursuant to the Guarantee and Collateral Agreement, and the Grantors hereby acknowledge and affirm that the rights and remedies of the Administrative Agent with respect to the security interest in the Copyright Collateral made and granted hereby are more fully set forth in the Guarantee and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Agreement is deemed to conflict with the Guarantee and Collateral Agreement, the provisions of the Guarantee and Collateral Agreement shall control.

SECTION 4. Governing Law

THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

SECTION 5. Counterparts

This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery by facsimile or electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, each Grantor has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

[NAME OF GRANTOR],
as a Grantor

By: ____
Name:
Title:

Accepted and Agreed:

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: __________
Name:
Title:

SCHEDULE A
to
PATENT SECURITY AGREEMENT

PATENTS AND PATENT APPLICATIONS

Title	Application No.	Filing Date	Patent No.	Issue Date

Annex 4 to
Seventh Amended and Restated Guarantee and Collateral Agreement

[FORM OF] TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT, dated as of [__], 202[_] (this "Agreement"), is made by each of the signatories hereto indicated as a Grantor (each, a "Grantor" and collectively, the "Grantors") in favor of JPMORGAN CHASE BANK, N.A., as administrative agent for the Secured Parties (in such capacity and together with its successors and assigns in such capacity, the "Administrative Agent").

WHEREAS, pursuant to that certain Seventh Amended and Restated Credit Agreement, dated as of November 21, 2025 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among THE SCOTTS MIRACLE-GRO COMPANY, an Ohio corporation, as a Borrower (as defined therein), the Subsidiary Borrowers (as defined therein) from time to time party thereto, the Lenders (as defined therein) from time to time party thereto, the Administrative Agent and the other parties party thereto, the Lenders have severally agreed to make extensions of credit, upon the terms and conditions set forth therein, to the Borrowers;

WHEREAS, as a condition precedent to the obligation of the Lenders to make their respective extension of credit to the Borrowers under the Credit Agreement, the Grantors entered into a Seventh Amended and Restated Guarantee and Collateral, dated as of November 21, 2025 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee and Collateral Agreement"), between each of the Grantors and the Administrative Agent, pursuant to which each of the Grantors assigned, transferred and granted to the Administrative Agent, for the benefit of the Secured Parties, a security interest in the Trademark Collateral (as defined below); and

WHEREAS, pursuant to the Guarantee and Collateral Agreement, each Grantor agreed to execute and this Agreement, in order to record the security interest granted to the Administrative Agent for the benefit of the Secured Parties with the United States Patent and Trademark Office.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantors hereby agree with the Administrative Agent as follows:

SECTION 1. Defined Terms

Capitalized terms used but not defined herein shall have the respective meanings given thereto in the Guarantee and Collateral Agreement, and if not defined therein, shall have the respective meanings given thereto in the Credit Agreement.

SECTION 2. Grant of Security Interest

SECTION 2.1 Grant of Security. Each Grantor hereby assigns and transfers to the Administrative Agent, and hereby grants to the Administrative Agent, for the benefit of the Secured Parties, a security interest in, all of the following property, in each case, wherever located and now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Trademark Collateral") as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:

(a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade dress, trade styles, logos, Internet domain names, other indicia of origin or source identification, and general intangibles of a like nature, whether registered or unregistered, and with respect to any and all of the foregoing: (i) all registrations and applications for registration thereof including, without limitation, the registrations and applications in the United States Patent and Trademark Office listed in Schedule A attached hereto, (ii) all extension and renewals thereof, (iii) all of the goodwill of the business connected with the use of and symbolized by any of the foregoing, (iv) all rights to sue or otherwise recover for any past, present and future infringement, dilution, or other violation thereof, (iv) all Proceeds of the foregoing, including, without limitation, license fees, royalties, income, payments, claims, damages and proceeds of suit now or hereafter due and/or payable with respect thereto, and (v) all other rights of any kind accruing thereunder or pertaining thereto throughout the world.

SECTION 2.2 Certain Limited Exclusions.

Notwithstanding anything herein to the contrary, in no event shall the Trademark Collateral include or the security interest granted under Section 2.1 hereof attach to (i) any "intent-to-use" application for registration of a Trademark filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, prior to the filing and acceptance of a "Statement of Use" or an "Amendment to Allege Use" with respect thereto, solely to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of any registration that issues from such intent-to-use application under applicable federal law, and (ii) any other Excluded IP.

SECTION 3. Guarantee and Collateral Agreement

The security interest granted pursuant to this Agreement is granted in conjunction with the security interest granted to the Administrative Agent for the Secured Parties pursuant to the Guarantee and Collateral Agreement, and the Grantors hereby acknowledge and affirm that the rights and remedies of the Administrative Agent with respect to the security interest in the Copyright Collateral made and granted hereby are more fully set forth in the Guarantee and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Agreement is deemed to conflict with the Guarantee and Collateral Agreement, the provisions of the Guarantee and Collateral Agreement shall control.

SECTION 4. Governing Law

THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

SECTION 5. Counterparts

This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery by facsimile or electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement and the transactions contemplated hereby shall be deemed to include Electronic

Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, each Grantor has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

[NAME OF GRANTOR],
as a Grantor

By: ______________
Name:
Title:

Accepted and Agreed:

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: __________
Name:
Title:

SCHEDULE A
to
TRADEMARK SECURITY AGREEMENT

TRADEMARK REGISTRATIONS AND APPLICATIONS

Mark	Serial No.	Filing Date	Registration No.	Registration Date

ANNEX B

SCHEDULE 2

DESCRIPTION OF PLEDGED STOCK

1. Pledged Stock of Domestic Subsidiaries

Issuer	**Owner**	**Class of Stock**	**Certificate No.**	**No. of Shares**
The Scotts Company LLC	The Scotts Miracle-Gro Company	Limited liability company interest (not certificated)	N/A	N/A
AeroGrow International, Inc.	SMG Growing Media LLC	Common stock, without par value	2	100
GenSource, Inc.	The Scotts Miracle-Gro Company	Common stock, without par value	1	100
Hyponex Corporation	SMG Growing Media LLC	Common stock, $.01 par value	6	100
Miracle-Gro Lawn Products, Inc.	Scotts Manufacturing Company	Voting common stock, without par value	V14	1,000
		Non-voting common stock, without par value	NV12	999.8
OMS Investments, Inc.	The Scotts Miracle-Gro Company	Common stock, $.01 par value	6	100
Rod McLellan Company	SMG Growing Media LLC	Common stock, $.01 par value	190	100

Sanford Scientific, Inc.	The Scotts Miracle-Gro Company	Common stock, without par value	9	99
Scotts Live Goods Holdings, Inc.	The Scotts Miracle-Gro Company	Common stock without par value	1	100
Scotts Manufacturing Company	The Scotts Miracle-Gro Company	Common shares, $.01 par value	3	1,000
Scotts Products Co.	The Scotts Miracle-Gro Company	Common stock without par value	4	100
Scotts Professional Products Co.	The Scotts Miracle-Gro Company	Common stock without par value	4	100
Scotts Temecula Operations, LLC	OMS Investments, Inc.	Limited liability company interest (not certificated)	N/A	N/A
Scotts-Sierra Investments LLC	SMGM LLC	Membership Units	1	100
SMG Growing Media LLC	The Scotts Miracle-Gro Company	Limited liability company interest (not certificated)	N/A	N/A

SMGM LLC	The Scotts Miracle-Gro Company	Limited liability company interest (not certificated)	N/A	N/A
Swiss Farms Products, Inc	The Scotts Miracle-Gro Company	Common stock, $1.00 par value	6	100

2. Pledged Stock of Foreign Subsidiaries

Issuer	**Owner**	**Percentage Pledged**
Scotts Canada Limited	Scotts-Sierra Investments LLC	65% of Voting Capital Stock, without par value

ANNEX C

Schedule 9

Pledged Note

Grantor	Issuer	Payee	Principal Amount
The Scotts Miracle-Gro Company	Bad Dog Holdings LLC, a Delaware limited liability company	The Scotts Miracle-Gro Company	$39,000,000.00
SMG Growing Media LLC	Good Dog Holdings LLC, a Delaware limited liability company	SMG Growing Media LLC	$67,000,000.00

Exhibit 21

DIRECT AND INDIRECT SUBSIDIARIES OF
THE SCOTTS MIRACLE-GRO COMPANY

Directly owned subsidiaries, as of June 27, 2026, are located at the left margin, each subsidiary tier thereunder is indented. Subsidiaries are listed under the names of their respective parent entities. Unless otherwise noted, the subsidiaries are wholly-owned.

NAME	**JURISDICTION OF FORMATION**
GenSource, Inc.	Ohio
OMS Investments, Inc.	Delaware
Scotts Temecula Operations, LLC	Delaware
Sanford Scientific, Inc.	New York
Scotts Global Services, Inc.	Ohio
Scotts Live Goods Holdings, Inc.	Ohio
Bonnie Plants, LLC[1]	Delaware
Scotts Manufacturing Company	Delaware
Miracle-Gro Lawn Products, Inc.	New York
Scotts Oregon Research Station LLC	Ohio
Scotts Products Co.	Ohio
Scotts Servicios, S.A. de C.V.[2]	Mexico
Miracle-Gro Tecnología & Servicios, S de R.L. de C.V.[2]	Mexico
Scotts Professional Products Co.	Ohio
Scotts Servicios, S.A. de C.V.2[2]	Mexico
Miracle-Gro Tecnología & Servicios, S de R.L. de C.V.[2]	Mexico
SMG Growing Media LLC	Ohio
AeroGrow International, Inc.	Nevada
Hyponex Corporation	Delaware
Rod McLellan Company	California
Hawthorne Gardening II B.V.	Netherlands
Agrolux Canada Limited	Canada
Hawthorne Canada Limited	Canada
SMGM LLC	Ohio
Scotts-Sierra Investments LLC	Delaware
Scotts Sierra (China) Co., Ltd.	China
Scotts Canada Ltd.	Canada
Laketon Peat Moss Inc.[3]	Canada
Scotts de Mexico SA de CV[4]	Mexico
SMG Germany GmbH	Germany
SMG Gardening (UK) Limited	United Kingdom
Swiss Farms Products, Inc.	Delaware
The Scotts Company LLC	Ohio
The Scotts Miracle-Gro Foundation[5]	Ohio

[1] Scotts Live Goods Holdings, Inc.'s ownership is 50.0%.
[2] Scotts Professional Products Co. owns 50% and Scotts Products Co. owns 50.0%.
[3] Scotts Canada Ltd.'s ownership is 50.0%.
[4] The Scotts Company LLC owns 0.5% and Scotts-Sierra Investments LLC owns the remaining 99.5%.
[5] The Scotts Miracle-Gro Foundation is a 501(c)(3) corporation.

Exhibit 22

LIST OF GUARANTOR SUBSIDIARIES

The following subsidiaries of The Scotts Miracle-Gro Company (the "Company") were, as of June 27, 2026, guarantors of the Company's 5.250% Senior Notes due 2026, 4.500% Senior Notes due 2029, 4.000% Senior Notes due 2031 and 4.375% Senior Notes due 2032:

NAME OF GUARANTOR SUBSIDIARY	JURISDICTION OF FORMATION
AeroGrow International, Inc.	Nevada
GenSource, Inc.	Ohio
Hyponex Corporation	Delaware
Miracle-Gro Lawn Products, Inc.	New York
OMS Investments, Inc.	Delaware
Rod McLellan Company	California
Sanford Scientific, Inc.	New York
Scotts Live Goods Holdings, Inc.	Ohio
Scotts Manufacturing Company	Delaware
Scotts Products Co.	Ohio
Scotts Professional Products Co.	Ohio
Scotts-Sierra Investments LLC	Delaware
Scotts Temecula Operations, LLC	Delaware
SMG Growing Media LLC	Ohio
SMGM LLC	Ohio
Swiss Farms Products, Inc.	Delaware
The Scotts Company LLC	Ohio

Exhibit 31.1

Rule 13a-14(a)/15d-14(a) Certifications
(Principal Executive Officer)
CERTIFICATIONS

I, Nathan E. Baxter, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Scotts Miracle-Gro Company for the fiscal quarter ended June 27, 2026;

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.

Date: August 5, 2026

By: /s/ NATHAN E. BAXTER
Printed Name: Nathan E. Baxter
Title: President & Chief Executive Officer

Exhibit 31.2

Rule 13a-14(a)/15d-14(a) Certifications
(Principal Financial Officer)
CERTIFICATIONS

I, Mark J. Scheiwer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Scotts Miracle-Gro Company for the fiscal quarter ended June 27, 2026;

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.

Date: August 5, 2026

By: /s/ MARK J. SCHEIWER
Printed Name: Mark J. Scheiwer
Title: Executive Vice President, Chief Financial Officer & Chief Accounting Officer

Exhibit 32

SECTION 1350 CERTIFICATIONS*

In connection with the Quarterly Report on Form 10-Q of The Scotts Miracle-Gro Company (the “Company”) for the fiscal quarter ended June 27, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned Nathan E. Baxter, President & Chief Executive Officer of the Company, and Mark J. Scheiwer, Executive Vice President, Chief Financial Officer & Chief Accounting Officer of the Company, certify, pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of their knowledge:

1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the consolidated financial condition and results of operations of the Company and its subsidiaries.

/s/ NATHAN E. BAXTER	/s/ MARK J. SCHEIWER
Printed Name: Nathan E. Baxter	Printed Name: Mark J. Scheiwer
Title: President & Chief Executive Officer	Title: Executive Vice President, Chief Financial Officer & Chief Accounting Officer
August 5, 2026	August 5, 2026

* THESE CERTIFICATIONS ARE BEING FURNISHED AS REQUIRED BY RULE 13a-14(b) UNDER THE SECURITIES EXCHANGE ACT OF 1934 (THE “EXCHANGE ACT”) AND SECTION 1350 OF CHAPTER 63 OF TITLE 18 OF THE UNITED STATES CODE, AND SHALL NOT BE DEEMED “FILED” FOR PURPOSES OF SECTION 18 OF THE EXCHANGE ACT OR OTHERWISE SUBJECT TO THE LIABILITY OF THAT SECTION. THESE CERTIFICATIONS SHALL NOT BE DEEMED TO BE INCORPORATED BY REFERENCE INTO ANY FILING UNDER THE SECURITIES ACT OF 1933 OR THE EXCHANGE ACT, EXCEPT TO THE EXTENT THAT THE COMPANY SPECIFICALLY INCORPORATES THESE CERTIFICATIONS BY REFERENCE.