

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): August 4, 2022

PRESTIGE CONSUMER HEALTHCARE INC.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-32433
(Commission File Number)

20-1297589
(IRS Employer Identification No.)

660 White Plains Road, Tarrytown, New York 10591
(Address of Principal Executive Offices) (Zip Code)

(914) 524-6800
(Registrant's telephone number, including area code)

(Former Name or Former Address, if Changed Since Last Report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	PBH	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).
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.

Item 2.02 Results of Operations and Financial Condition.

On August 4, 2022, Prestige Consumer Healthcare Inc. (the "Company") announced financial results for the fiscal quarter ended June 30, 2022. A copy of the press release announcing the Company's earnings results for the fiscal quarter ended June 30, 2022 is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On August 4, 2022, representatives of the Company began making presentations to investors regarding the Company's financial results for the quarter ended June 30, 2022 using slides attached to this Current Report on Form 8-K as Exhibit 99.2 (the "Investor Presentation") and incorporated herein by reference. The Company expects to use the Investor Presentation, in whole or in part, and possibly with modifications, in connection with presentations to investors, analysts and others during the fiscal year ended March 31, 2023.

By filing this Current Report on Form 8-K and furnishing the information contained herein, the Company makes no admission as to the materiality of any information in this report that is required to be disclosed solely by reason of Regulation FD.

The information contained in the Investor Presentation is summary information that is intended to be considered in the context of the Company's Securities and Exchange Commission ("SEC") filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in this report, although it may do so from time to time as its management believes is warranted. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

The information presented in Items 2.02 and 7.01 of this Current Report on Form 8-K and Exhibits 99.1 and 99.2 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, unless the Company specifically states that the information is to be considered "filed" under the Exchange Act or specifically incorporates it by reference into a filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

See Exhibit Index immediately following the signature page.

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release dated August 4, 2022 announcing the Company's financial results for the fiscal quarter ended June 30, 2022 (furnished only).
99.2	Investor Presentation in use beginning August 4, 2022 (furnished only).

Prestige Consumer Healthcare Inc. Reports Results for First Quarter Fiscal 2023

- Revenue of \$277.1 Million in Q1 fiscal 2023 increased 2.9% versus Prior Year
- Diluted EPS of \$1.09 for Q1, ahead of expectations
- Net Cash Provided by Operating Activities of \$58.2 Million and Non-GAAP Free Cash Flow of \$57.2 Million
- Reaffirming Full-Year Fiscal 2023 Revenue and Earnings Outlooks

TARRYTOWN, N.Y.--(GLOBE NEWSWIRE)--August 4, 2022-- Prestige Consumer Healthcare Inc. (NYSE:PBH) today reported financial results for its first fiscal quarter ended June 30, 2022.

“We are pleased with our first quarter performance that delivered a solid start to the year, with financial metrics slightly ahead of our expectations. We continued to use our strong and consistent cash flow strategically to reduce debt, finishing Q1 at 3.8x leverage while enhancing shareholder value by executing a portion of our authorized share repurchase program. Our proven business strategy and the benefits of our leading portfolio of brands have enabled this success against the backdrop of a dynamic operating environment. Following this solid Q1 start, we are reaffirming our fiscal year outlook for revenue and earnings and believe we are well positioned for the remainder of the year,” said Ron Lombardi, Chief Executive Officer of Prestige Consumer Healthcare.

First Fiscal Quarter Ended June 30, 2022

Reported revenues in the first quarter of fiscal 2023 of \$277.1 million increased 2.9% versus \$269.2 million in the first quarter of fiscal 2022. Revenues decreased 1.2% excluding the impact of foreign currency and a \$12.6 million contribution from the acquisition of Akorn. The revenue performance for the quarter was driven by continued strong performance across many of the Company’s key brands but offset, as anticipated, by comparing to the prior year Q1 which experienced significantly increased demand for certain brands, categories and channels that had previously been impacted by the COVID-19 virus.

Reported net income for the first quarter of fiscal 2023 totaled \$55.3 million, compared to the prior year first quarter’s net income of \$57.8 million. Diluted earnings per share of \$1.09 for the first quarter of fiscal 2023 compared to \$1.14 in the prior year comparable period.

Free Cash Flow and Balance Sheet

The Company’s net cash provided by operating activities for first quarter fiscal 2023 was \$58.2 million, compared to \$69.3 million during the prior year comparable period. Non-GAAP free cash flow in the first quarter of fiscal 2023 was \$57.2 million compared to \$67.8 million in the prior year first quarter attributable to the timing of working capital.

In the first quarter fiscal 2023, the Company repurchased approximately 0.7 million shares at a total investment of \$37.7 million.

The Company’s net debt position as of June 30, 2022 was approximately \$1.5 billion, resulting in a covenant-defined leverage ratio of 3.8x.

Segment Review

North American OTC Healthcare: Segment revenues of \$242.5 million for the first quarter fiscal 2023 was approximately flat to the prior year comparable quarter's segment revenues of \$242.4 million. The revenue performance for the quarter was driven by continued strong performance across many of the Company's key brands but offset, as anticipated, by comparing to the prior year Q1 which experienced significantly increased demand for certain brands, categories and channels that had previously been impacted by the COVID-19 virus, most notably motion sickness. The first quarter fiscal 2023 revenue performance also included an approximate \$12.4 million contribution from the acquisition of Akorn.

International OTC Healthcare: Record segment fiscal first quarter 2023 revenues of \$34.5 million increased 28.9% from \$26.8 million reported in the prior year comparable period. The revenue increase versus the prior year first quarter related primarily to an increase in consumer demand for *Hydralyte*, partially offset by an approximate \$1 million currency headwind.

Commentary and Updated Outlook for Fiscal 2023

Ron Lombardi, Chief Executive Officer, stated, "Our start to fiscal 2023 exceeded our expectations. Our top line delivered revenue growth of approximately 3% compared to the prior year where we experienced a surge in demand from consumers returning to certain COVID-19 impacted categories like motion sickness. This resulted in strong cash flows that enabled us to continue investing in our brands, reduce debt, and repurchase shares during Q1."

"Following these results, we are reaffirming our fiscal 2023 outlook for revenue and earnings growth. We continue to maintain this outlook in a dynamic supply chain and inflationary environment thanks to the makeup of our portfolio and our strong three-pillar business strategy of brand-building, maintaining a strong financial profile, and optimizing capital allocation efficiency," Mr. Lombardi concluded.

	Reaffirmed Fiscal 2023
Revenue	\$1,120 to 1,130 million
Organic Revenue Growth	2% to 3%
Diluted E.P.S.	\$4.18 to \$4.23
Free Cash Flow	\$260 million or more

Fiscal First Quarter 2023 Conference Call, Accompanying Slide Presentation and Replay

The Company will host a conference call to review its first quarter results today, August 4, 2022 at 8:30 a.m. ET. The Company provides a live Internet webcast, a slide presentation to accompany the call, as well as an archived replay, all of which can be accessed from the Investor Relations page of the Company's website at www.prestigeconsumerhealthcare.com. The toll-free dial-in numbers are 833-634-2598 for the U.S. & Canada and 412-902-4108 internationally and callers can reference joining the Prestige Consumer Healthcare earnings call. The slide presentation can be accessed from the Investor Relations page of the website by clicking on Webcasts and Presentations.

A conference call replay will be available for approximately one week following completion of the live call and can be accessed on the Company's Investor Relations page or at 877-344-7529 within the U.S., 855-669-9658 in Canada, and 412-317-0088 internationally using the conference ID is 9498360.

Non-GAAP and Other Financial Information

In addition to financial results reported in accordance with generally accepted accounting principles (GAAP), we have provided certain non-GAAP financial information in this release to aid investors in understanding the Company's performance. Each non-GAAP financial measure is defined and reconciled to its most closely related GAAP financial measure in the "About Non-GAAP Financial Measures" section at the end of this earnings release.

Note Regarding Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the federal securities laws that are intended to qualify for the Safe Harbor from liability established by the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" generally can be identified by the use of forward-looking terminology such as "guidance," "strategy," "outlook," "projection," "plan," "may," "will," "would," "expect," "anticipate," "believe," "consistent," or "continue" (or the negative or other derivatives of each of these terms) or similar terminology. The "forward-looking statements" include, without limitation, statements regarding the Company's future operating results including revenues, organic growth, diluted earnings per share, and free cash flow, the impact of supply chain issues and inflation on the Company's performance, the Company's ability to execute on its brand-building and capital allocation strategy, and the Company's ability to enhance shareholder value. These statements are based on management's estimates and assumptions with respect to future events and financial performance and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results could differ materially from those expected as a result of a variety of factors, including the impact of business and economic conditions, including as a result of COVID-19 and geopolitical instability, consumer trends, the impact of the Company's advertising and marketing and new product development initiatives, customer inventory management initiatives, fluctuating foreign exchange rates, competitive pressures, and the ability of the Company's manufacturing operations and third party manufacturers and logistics providers and suppliers to meet demand for its products and to avoid inflationary cost increases and disruption as a result of labor shortages. A discussion of other factors that could cause results to vary is included in the Company's Annual Report on Form 10-K for the year ended March 31, 2022 and other periodic reports filed with the Securities and Exchange Commission.

About Prestige Consumer Healthcare Inc.

Prestige Consumer Healthcare is a leading consumer healthcare products company with sales throughout the U.S. and Canada, Australia, and in certain other international markets. The Company's diverse portfolio of brands include Monistat® and Summer's Eve® women's health products, BC® and Goody's® pain relievers, Clear Eyes® and TheraTears® eye care products, DenTek® specialty oral care products, Dramamine® motion sickness treatments, Fleet® enemas and glycerin suppositories, Chloraseptic® and Luden's® sore throat treatments and drops, Compound W® wart treatments, Little Remedies® pediatric over-the-counter products, Boudreaux's Butt Paste® diaper rash ointments, Nix® lice treatment, Debrox® earwax remover, Gaviscon® antacid in Canada, and Hydralyte® rehydration products and the Fess® line of nasal and sinus care products in Australia. Visit the Company's website at www.prestigeconsumerhealthcare.com.

Prestige Consumer Healthcare Inc.
Condensed Consolidated Statements of Income and Comprehensive Income
(Unaudited)

<i>(In thousands, except per share data)</i>	Three Months Ended June 30,	
	2022	2021
Total Revenues	\$ 277,059	\$ 269,181
Cost of Sales		
Cost of sales excluding depreciation	114,996	108,335
Cost of sales depreciation	1,944	1,834
Cost of sales	116,940	110,169
Gross profit	160,119	159,012
Operating Expenses		
Advertising and marketing	39,951	39,439
General and administrative	26,714	22,471
Depreciation and amortization	6,440	5,760
Total operating expenses	73,105	67,670
Operating income	87,014	91,342
Other expense (income)		
Interest expense, net	15,292	15,077
Other expense (income), net	825	(105)
Total other expense, net	16,117	14,972
Income before income taxes	70,897	76,370
Provision for income taxes	15,625	18,615
Net income	\$ 55,272	\$ 57,755
Earnings per share:		
Basic	\$ 1.10	\$ 1.15
Diluted	\$ 1.09	\$ 1.14
Weighted average shares outstanding:		
Basic	50,264	50,139
Diluted	50,730	50,671
Comprehensive income, net of tax:		
Currency translation adjustments	(9,519)	(1,492)
Unrecognized gain on interest rate swaps	—	520
Net loss on termination of pension plan	(790)	—
Total other comprehensive loss	(10,309)	(972)
Comprehensive income	\$ 44,963	\$ 56,783

Prestige Consumer Healthcare Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

<i>(In thousands)</i>	June 30, 2022	March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	\$ 35,869	\$ 27,185
Accounts receivable, net of allowance of \$18,335 and \$19,720, respectively	145,451	139,330
Inventories	133,768	120,342
Prepaid expenses and other current assets	9,527	6,410
Total current assets	324,615	293,267
Property, plant and equipment, net	70,393	71,300
Operating lease right-of-use assets	18,885	20,372
Finance lease right-of-use assets, net	6,193	6,858
Goodwill	576,794	578,976
Intangible assets, net	2,682,611	2,696,635
Other long-term assets	2,743	3,273
Total Assets	\$ 3,682,234	\$ 3,670,681
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	58,110	55,760
Accrued interest payable	15,182	4,437
Operating lease liabilities, current portion	6,548	6,360
Finance lease liabilities, current portion	2,772	2,752
Other accrued liabilities	72,737	74,113
Total current liabilities	155,349	143,422
Long-term debt, net	1,472,427	1,476,658
Deferred income tax liabilities	442,537	444,917
Long-term operating lease liabilities, net of current portion	14,460	16,088
Long-term finance lease liabilities, net of current portion	3,800	4,501
Other long-term liabilities	8,918	7,484
Total Liabilities	2,097,491	2,093,070
Total Stockholders' Equity	1,584,743	1,577,611
Total Liabilities and Stockholders' Equity	\$ 3,682,234	\$ 3,670,681

Prestige Consumer Healthcare Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

<i>(In thousands)</i>	Three Months Ended June 30,	
	2022	2021
Operating Activities		
Net income	\$ 55,272	\$ 57,755
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	8,384	7,594
Loss on disposal of property and equipment	13	26
Deferred income taxes	1,213	5,876
Amortization of debt origination costs	828	759
Stock-based compensation costs	3,857	1,878
Non-cash operating lease cost	1,493	1,691
Other	446	—
Changes in operating assets and liabilities, net of effects from acquisition:		
Accounts receivable	(7,079)	(15,879)
Inventories	(14,415)	9,384
Prepaid expenses and other current assets	(3,227)	(1,049)
Accounts payable	2,542	(15,551)
Accrued liabilities	10,524	18,439
Operating lease liabilities	(1,602)	(1,578)
Other	(2)	(40)
Net cash provided by operating activities	58,247	69,305
Investing Activities		
Purchases of property, plant and equipment	(1,047)	(1,500)
Other	—	177
Net cash used in investing activities	(1,047)	(1,323)
Financing Activities		
Term loan repayments	(15,000)	(20,000)
Borrowings under revolving credit agreement	20,000	85,000
Repayments under revolving credit agreement	(10,000)	—
Payments of finance leases	(686)	(638)
Proceeds from exercise of stock options	1,489	2,204
Fair value of shares surrendered as payment of tax withholding	(5,450)	(2,916)
Repurchase of common stock	(37,727)	—
Net cash (used in) provided by financing activities	(47,374)	63,650
Effects of exchange rate changes on cash and cash equivalents	(1,142)	(310)
Increase in cash and cash equivalents	8,684	131,322
Cash and cash equivalents - beginning of period	27,185	32,302
Cash and cash equivalents - end of period	\$ 35,869	\$ 163,624
Interest paid	\$ 3,562	\$ 3,389
Income taxes paid	\$ 1,799	\$ 2,388

Prestige Consumer Healthcare Inc.
Condensed Consolidated Statements of Income
Business Segments
(Unaudited)

Three Months Ended June 30, 2022

<i>(In thousands)</i>	North American OTC Healthcare	International OTC Healthcare	Consolidated
Total segment revenues*	\$ 242,518	\$ 34,541	\$ 277,059
Cost of sales	102,921	14,019	116,940
Gross profit	139,597	20,522	160,119
Advertising and marketing	35,412	4,539	39,951
Contribution margin	\$ 104,185	\$ 15,983	\$ 120,168
Other operating expenses			33,154
Operating income			\$ 87,014

* Intersegment revenues of \$0.5 million were eliminated from the North American OTC Healthcare segment.

Three Months Ended June 30, 2021

<i>(In thousands)</i>	North American OTC Healthcare	International OTC Healthcare	Consolidated
Total segment revenues*	\$ 242,393	\$ 26,788	\$ 269,181
Cost of sales	99,404	10,765	110,169
Gross profit	142,989	16,023	159,012
Advertising and marketing	35,230	4,209	39,439
Contribution margin	\$ 107,759	\$ 11,814	\$ 119,573
Other operating expenses			28,231
Operating income			\$ 91,342

* Intersegment revenues of \$1.0 million were eliminated from the North American OTC Healthcare segment.

About Non-GAAP Financial Measures

In addition to financial results reported in accordance with GAAP, we disclose certain Non-GAAP financial measures ("NGFMs"), including, but not limited to, Non-GAAP Organic Revenues, Non-GAAP Organic Revenue Change Percentage, Non-GAAP EBITDA, Non-GAAP EBITDA Margin, Non-GAAP Free Cash Flow, and Net Debt.

We use these NGFMs internally, along with GAAP information, in evaluating our operating performance and in making financial and operational decisions. We believe that the presentation of these NGFMs provides investors with greater transparency, and provides a more complete understanding of our business than could be obtained absent these disclosures, because the supplemental data relating to our financial condition and results of operations provides additional ways to view our operation when considered with both our GAAP results and the reconciliations below. In addition, we believe that the presentation of each of these NGFMs is useful to investors for period-to-period comparisons of results in assessing shareholder value, and we use these NGFMs internally to evaluate the performance of our personnel and also to evaluate our operating performance and compare our performance to that of our competitors.

These NGFMs are not in accordance with GAAP, should not be considered as a measure of profitability or liquidity, and may not be directly comparable to similarly titled NGFMs reported by other companies. These NGFMs have limitations and they should not be considered in isolation from or as an alternative to their most closely related GAAP measures reconciled below. Investors should not rely on any single financial measure when evaluating our business. We recommend investors review the GAAP financial measures included in this earnings release. When viewed in conjunction with our GAAP results and the reconciliations below, we believe these NGFMs provide greater transparency and a more complete understanding of factors affecting our business than GAAP measures alone.

NGFMs Defined

We define our NGFMs presented herein as follows:

- *Non-GAAP Organic Revenues*: GAAP Total Revenues excluding revenues associated with products acquired in the current period and the impact of foreign currency exchange rates in the periods presented.
- *Non-GAAP Organic Revenue Change Percentage*: Calculated as the change in Non-GAAP Organic Revenues from prior year divided by prior year Non-GAAP Organic Revenues.
- *Non-GAAP EBITDA*: GAAP Net Income before interest expense, net, provision for income taxes, and depreciation and amortization.
- *Non-GAAP EBITDA Margin*: Calculated as Non-GAAP EBITDA divided by GAAP Total Revenues.
- *Non-GAAP Free Cash Flow*: Calculated as GAAP Net cash provided by operating activities less cash paid for capital expenditures.
- *Net Debt*: Calculated as total principal amount of debt outstanding (\$1,490,000 at June 30, 2022) less cash and cash equivalents (\$35,869 at June 30, 2022). Amounts in thousands.

The following tables set forth the reconciliations of each of our NGFMs (other than Net Debt, which is reconciled above) to their most directly comparable financial measures presented in accordance with GAAP.

Reconciliation of GAAP Total Revenues to Non-GAAP Organic Revenues and related Non-GAAP Organic Revenue Change percentage:

	Three Months Ended June 30,	
	2022	2021
<i>(In thousands)</i>		
GAAP Total Revenues	\$ 277,059	\$ 269,181
Revenue Change	<u>2.9 %</u>	
Adjustments:		
Revenues associated with acquisition ⁽¹⁾	(12,624)	—
Impact of foreign currency exchange rates	—	(1,563)
Total adjustments	<u>(12,624)</u>	<u>(1,563)</u>
Non-GAAP Organic Revenues	\$ 264,435	\$ 267,618
Non-GAAP Organic Revenue Change	<u>(1.2)%</u>	

(1) Revenues of our Akorn acquisition are excluded for purposes of calculating Non-GAAP organic revenues.

Reconciliation of GAAP Net Income to Non-GAAP EBITDA and related Non-GAAP EBITDA Margin:

	Three Months Ended June 30,	
	2022	2021
<i>(In thousands)</i>		
GAAP Net Income	\$ 55,272	\$ 57,755
Interest expense, net	15,292	15,077
Provision for income taxes	15,625	18,615
Depreciation and amortization	8,384	7,594
Non-GAAP EBITDA	<u>\$ 94,573</u>	<u>\$ 99,041</u>
Non-GAAP EBITDA Margin	<u>34.1 %</u>	<u>36.8 %</u>

Reconciliation of GAAP Net Income to Non-GAAP Free Cash Flow:

	Three Months Ended June 30,	
	2022	2021
<i>(In thousands)</i>		
GAAP Net Income	\$ 55,272	\$ 57,755
Adjustments:		
Adjustments to reconcile net income to net cash provided by operating activities as shown in the Statement of Cash Flows	16,234	17,824
Changes in operating assets and liabilities as shown in the Statement of Cash Flows	(13,259)	(6,274)
Total adjustments	<u>2,975</u>	<u>11,550</u>
GAAP Net cash provided by operating activities	58,247	69,305
Purchases of property and equipment	(1,047)	(1,500)
Non-GAAP Free Cash Flow	<u>\$ 57,200</u>	<u>\$ 67,805</u>

Outlook for Fiscal Year 2023:

Reconciliation of Projected GAAP Net cash provided by operating activities to Projected Non-GAAP Free Cash Flow:

(In millions)

Projected FY'23 GAAP Net cash provided by operating activities	\$	270
Additions to property and equipment for cash		(10)
Projected FY'23 Non-GAAP Free Cash Flow	\$	<u>260</u>



PrestigeConsumer
HEALTHCARE

First Quarter FY 2023 Results
August 4th, 2022

Safe Harbor Disclosure

This presentation contains certain “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements regarding the Company’s expected financial performance, including revenues, diluted EPS, EBITDA, free cash flow, and organic revenue growth; the impact of branded POS on the market share of Hydralyte; the Company’s ability to execute on its brand-building strategy, including through new product development; the Company’s ability to address rising costs with pricing strategies; the expected market share and consumption trends for the Company’s brands; and the Company’s ability to execute on its disciplined capital allocation strategy, including debt reduction. Words such as “trend,” “continue,” “will,” “expect,” “project,” “may,” “should,” “could,” “would,” and similar expressions identify forward-looking statements. Such forward-looking statements represent the Company’s expectations and beliefs and involve a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include, among others, the impact of the COVID-19 pandemic and geopolitical instability, including on economic and business conditions, consumer trends, retail management initiatives, and disruptions to the manufacturing, distribution and supply chain and related price increases; labor shortages; competitive pressures; the impact of the Company’s advertising and promotional and new product development initiatives; customer inventory management initiatives; the ability to pass along rising costs to customers without impacting sales; fluctuating foreign exchange rates; and other risks set forth in Part I, Item 1A. Risk Factors in the Company’s Annual Report on Form 10-K for the year ended March 31, 2022. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date this presentation. Except to the extent required by applicable law, the Company undertakes no obligation to update any forward-looking statement contained in this presentation, whether as a result of new information, future events, or otherwise.

All adjusted GAAP numbers presented are footnoted and reconciled to their closest GAAP measurement in the attached reconciliation schedule or in our August 4, 2022 earnings release in the “About Non-GAAP Financial Measures” section.

Agenda for Today's Discussion

I. Performance Update

II. Financial Overview

III. FY 23 Outlook



I. Performance Update

Business Momentum Continued in First Quarter FY 23

Q1 FY 23 Sales Drivers

- Solid quarterly Revenue of \$277.1 million, up 2.9% vs. PY
- Consistent consumer behavior as they continue to seek trusted brands
- Strong growth led by international portfolio

Superior Earnings and FCF

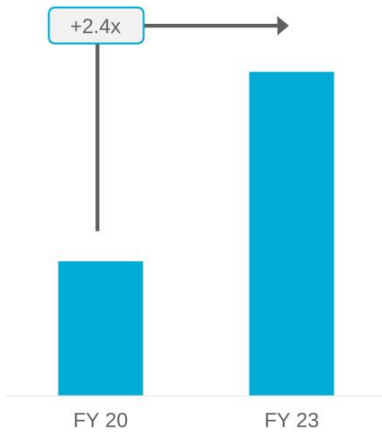
- Gross Margin as expected in dynamic supply chain environment
- Revenues translated into consistent EBITDA⁽²⁾ margin
- Solid financial profile and resulting Free Cash Flow⁽²⁾ generation

Disciplined Capital Allocation

- Continued focus on disciplined capital allocation resulting in leverage of 3.8x⁽³⁾
- Repurchased ~700k shares in Q1
- Debt reduction remains a key part of capital allocation strategy

Continued Momentum Building on **Hydralyte's** History of Success

Q1 Sales Growth



PrestigeConsumer
HEALTHCARE

Hydralyte Turns 20!

In-Store



Online



Omnichannel Campaign Celebrating 20 Years of Hydralyte

Household Penetration of 8.9%*, with Branded POS Driving Future Share Growth

*TTM as of 05/22/22

New Product Development: An Important Brand-Building Pillar



Summer's Eve Spa



Clear Eyes Allergy



Product Extensions that Grow Share & Market Opportunity

Provide Consumers with Superior Experience

Proven Omnichannel Marketing Strategy Drives Awareness & Long-Term Success

Expanded Offerings Across Portfolio Lead to Increased Usage Occasions



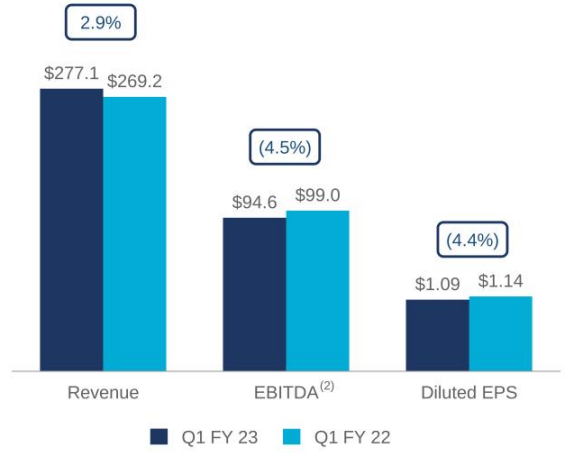
II. Financial Overview

Q1 FY 23 Performance Highlights

Revenue of \$277.1 million, up 2.9% vs. PY

EBITDA⁽²⁾ of \$94.6 million, down 4.5% vs. PY

Diluted EPS of \$1.09, down 4.4% vs. PY



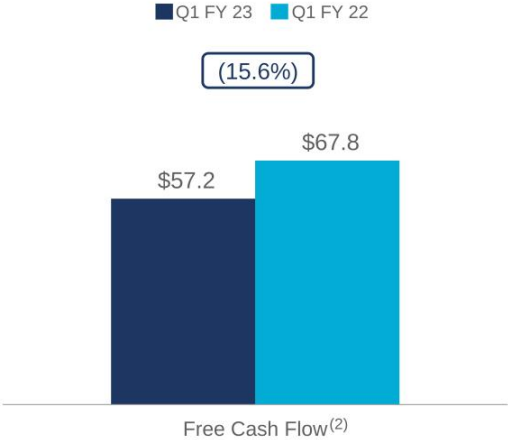
Dollar values in millions, except per share data.

FY 23 First Quarter Consolidated Financial Summary

3 Months Ended				Comments
	Q1 FY 23	Q1 FY 22	% Chg	
Total Revenue	\$ 277.1	\$ 269.2	2.9%	■ Organic Revenue ⁽¹⁾ down slightly vs. PY
Gross Profit	160.1	159.0	0.7%	■ Gross Margin of 57.8%, as expected due to timing
% Gross Margin	57.8%	59.1%		— Anticipate ~56% for remainder of FY 23
A&M	40.0	39.4	1.3%	— Continue to successfully implement pricing to offset cost inflation
% Total Revenue	14.4%	14.7%		■ A&M of 14.4% of Revenue
G&A	26.7	22.5	18.9%	■ G&A of 9.6% of Revenue
% Total Revenue	9.6%	8.3%		■ Diluted EPS of \$1.09
D&A (excl. COGS)	6.4	5.8	11.8%	
Operating Income	\$ 87.0	\$ 91.3	(4.7%)	
% Margin	31.4%	33.9%		
Diluted EPS	\$ 1.09	\$ 1.14	(4.4%)	
EBITDA ⁽²⁾	\$ 94.6	\$ 99.0	(4.5%)	
% Margin	34.1%	36.8%		

Dollar values in millions, except per share data

Industry Leading Free Cash Flow Trends

Free Cash Flow	Comments
 <p>■ Q1 FY 23 ■ Q1 FY 22</p> <p>(15.6%)</p> <p>\$57.2 \$67.8</p> <p>Free Cash Flow⁽²⁾</p> <p>Dollar values in millions</p> <p>PrestigeConsumer HEALTHCARE</p>	<ul style="list-style-type: none"> ■ Q1 Free Cash Flow⁽²⁾ of \$57.2 million down vs. PY, affected by timing <ul style="list-style-type: none"> – Maintaining full-year outlook ■ Net Debt at June 30 of \$1.5 billion⁽²⁾; leverage ratio⁽³⁾ of 3.8x at end of Q1 <ul style="list-style-type: none"> – Executed \$38mm of the \$50mm authorized share repurchase program



III. FY 23 Outlook

Outlook: Staying the Strategic Course to Create Value

Top Line Trends

- Strategy delivering with growing and well-positioned business
- Agile brand-building enables portfolio for further market share gains
- Revenue outlook of \$1,120 Million to \$1,130 Million (~3% to 4% growth)
 - Organic growth of 2% to 3%

EPS

- EBITDA dollars expected to grow in-line with Revenue
- Anticipate FY 23 Diluted EPS of \$4.18 to \$4.23

Free Cash Flow & Allocation

- Anticipate FY 23 Free Cash Flow⁽⁴⁾ of \$260 or more
- Continue to execute disciplined capital allocation strategy
- Anticipate leverage⁽³⁾ below 3.5x at year-end FY23



Q&A

Appendix

- (1) Organic Revenue is a Non-GAAP financial measure and is reconciled to the most closely related GAAP financial measure in the attached Reconciliation Schedules and / or our earnings release dated August 4, 2022 in the "About Non-GAAP Financial Measures" section.
- (2) EBITDA & EBITDA Margin, Free Cash Flow, and Net Debt are Non GAAP financial measures and are reconciled to their most closely related GAAP financial measures in the attached Reconciliation Schedules and / or in our earnings release dated August 4, 2022 in the "About Non GAAP Financial Measures" section.
- (3) Leverage ratio reflects Net Debt / covenant defined EBITDA.
- (4) Free Cash Flow for FY 23 is a projected Non-GAAP financial measure, is reconciled to projected GAAP Net Cash Provided by Operating Activities in the attached Reconciliation Schedules and / or in our earnings release in the "About Non-GAAP Financial Measures" section and is calculated based on projected Net Cash Provided by Operating Activities less projected capital expenditures plus cash payments associated with discrete items.

Reconciliation Schedules

Organic Revenue Change

(In Thousands)	Three Months Ended June 30,	
	2022	2021
GAAP Total Revenues	\$ 277,059	\$ 269,181
Revenue Change	2.9%	
Adjustments:		
Revenues associated with acquisition ^(a)	(12,624)	-
Impact of foreign currency exchange rates	-	(1,563)
Total adjustments	\$ (12,624)	\$ (1,563)
Non-GAAP Organic Revenues	\$ 264,435	\$ 267,618
Non-GAAP Organic Revenue Change	(1.2%)	

a) Revenues of our Akorn acquisition are excluded for purposes of calculating Non-GAAP organic revenues.

EBITDA Margin

(In Thousands)	Three Months Ended June 30,	
	2022	2021
GAAP Net Income	\$ 55,272	\$ 57,755
Interest expense, net	15,292	15,077
Provision for income taxes	15,625	18,615
Depreciation and amortization	8,384	7,594
Non-GAAP EBITDA	\$ 94,573	\$ 99,041
Non-GAAP EBITDA Margin	34.1%	36.8%

Reconciliation Schedules (Continued)

Free Cash Flow

(In Thousands)	Three Months Ended June 30,	
	2022	2021
GAAP Net Income	\$ 55,272	\$ 57,755
<u>Adjustments:</u>		
Adjustments to reconcile net income to net cash provided by operating activities as shown in the Statement of Cash Flows	16,234	17,824
Changes in operating assets and liabilities as shown in the Statement of Cash Flows	(13,259)	(6,274)
Total adjustments	2,975	11,550
GAAP Net cash provided by operating activities	58,247	69,305
Purchase of property and equipment	(1,047)	(1,500)
Non-GAAP Free Cash Flow	\$ 57,200	\$ 67,805

Projected Free Cash Flow

(In millions)	
Projected FY'23 GAAP Net Cash provided by operating activities	\$ 270
Additions to property and equipment for cash	(10)
Projected Non-GAAP Free Cash Flow	\$ 260

