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

Form10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 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 000-04065

The Marzetti Company

(Exact name of registrant as specified in its charter)

Ohio	**13-1955943**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
380 Polaris Parkway Suite 400 Westerville Ohio	
(Address of principal executive offices)	**43082 (Zip Code)**

(614) 224-7141
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, without par value	MZTI	NASDAQ Global Select Market

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 by Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 9, 2026, there were approximately 27,242,000 shares of Common Stock, without par value, outstanding.

THE MARZETTI COMPANY AND SUBSIDIARIES
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PART I – FINANCIAL INFORMATION

Item 1. ***Condensed Consolidated Financial Statements***

THE MARZETTI COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(Amounts in thousands, except share data)	September 30, 2026	June 30, 2026
ASSETS		
Current Assets:		
Cash and equivalents	**$ 17,521**	$ 25,096
Receivables	**110,370**	105,488
Inventories:		
Raw materials	**49,484**	44,623
Finished goods	**166,310**	160,439
Total inventories	**215,794**	205,062
Other current assets	**36,744**	25,315
Total current assets	**380,429**	360,961
Property, Plant and Equipment:		
Property, plant and equipment-gross	**1,048,674**	1,028,748
Less accumulated depreciation	**492,720**	477,194
Property, plant and equipment-net	**555,954**	551,554
Other Assets:		
Goodwill	**500,472**	500,472
Other intangible assets-net	**122,985**	125,394
Operating lease right-of-use assets	**39,724**	42,628
Other noncurrent assets	**24,563**	24,011
Total	**$ 1,624,127**	$ 1,605,020
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	**$ 180,893**	$ 156,785
Accrued liabilities	**57,035**	64,751
Current portion of long-term debt	**10,000**	10,000
Total current liabilities	**247,928**	231,536
Long-Term Debt	**186,813**	189,276
Noncurrent Operating Lease Liabilities	**33,402**	34,966
Other Noncurrent Liabilities	**19,114**	19,434
Deferred Income Taxes	**85,243**	76,658
Commitments and Contingencies		
Shareholders' Equity:		
Preferred stock-authorized 3,050,000 shares; outstanding-none		
Common stock-authorized 75,000,000 shares; outstanding-September 30, 2026-27,242,246 shares; June 30, 2026-27,291,221 shares	**171,402**	168,968
Retained earnings	**1,713,213**	1,711,330
Accumulated other comprehensive income	**946**	957
Common stock in treasury, at cost	**(833,934)**	(828,105)
Total shareholders' equity	**1,051,627**	1,053,150
Total	**$ 1,624,127**	$ 1,605,020

See accompanying notes to condensed consolidated financial statements.

THE MARZETTI COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(Amounts in thousands, except per share data)	Three Months Ended September 30, 2026	2025
Net Sales	**$ 481,522**	$ 493,472
Cost of Sales	**370,748**	374,653
Gross Profit	**110,774**	118,819
Selling, General and Administrative Expenses	**69,330**	58,416
Restructuring, Impairment and Other, Net	**—**	1,143
Operating Income	**41,444**	59,260
Interest Expense	**(2,797)**	—
Other, Net	**129**	1,529
Income Before Income Taxes	**38,776**	60,789
Taxes Based on Income	**9,476**	13,607
Net Income	**$ 29,300**	$ 47,182
Net Income Per Common Share:		
Basic	**$ 1.08**	$ 1.71
Diluted	**$ 1.07**	$ 1.71
Weighted Average Common Shares Outstanding:		
Basic	**27,226**	27,455
Diluted	**27,275**	27,494

See accompanying notes to condensed consolidated financial statements.

THE MARZETTI COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

(Amounts in thousands)	Three Months Ended September 30, 2026	2025
Net Income	**$ 29,300**	$ 47,182
Other Comprehensive Loss, Net of Tax - Postretirement Benefit Plans	**(11)**	(15)
Comprehensive Income	**$ 29,289**	$ 47,167

See accompanying notes to condensed consolidated financial statements.

THE MARZETTI COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(Amounts in thousands)	Three Months Ended September 30, 2026	2025
Cash Flows From Operating Activities:		
Net income	**$ 29,300**	$ 47,182
Adjustments to reconcile net income to net cash provided by operating activities:		
Impacts of noncash items:		
Depreciation and amortization	**20,471**	16,709
Deferred income taxes and other changes	**12,315**	22,963
Stock-based compensation expense	**2,848**	2,645
Restructuring and impairment charges	**—**	1,143
Changes in operating assets and liabilities:		
Receivables	**(4,882)**	(5,986)
Inventories	**(10,732)**	(4,733)
Other current assets	**(12,133)**	(24,597)
Accounts payable and accrued liabilities	**13,767**	14,184
Net cash provided by operating activities	**50,954**	69,510
Cash Flows From Investing Activities:		
Payments for property additions	**(17,834)**	(15,627)
Other-net	**(4,018)**	(3,187)
Net cash used in investing activities	**(21,852)**	(18,814)
Cash Flows From Financing Activities:		
Proceeds from debt	**35,000**	—
Repayments of debt	**(37,500)**	—
Payment of dividends	**(27,417)**	(26,318)
Purchase of treasury stock	**(5,829)**	(1,137)
Tax withholdings for stock-based compensation	**(414)**	(2,081)
Principal payments for finance leases	**(517)**	(485)
Net cash used in financing activities	**(36,677)**	(30,021)
Net change in cash and equivalents	**(7,575)**	20,675
Cash and equivalents at beginning of year	**25,096**	161,476
Cash and equivalents at end of period	**$ 17,521**	$ 182,151
Supplemental Disclosure of Operating Cash Flows:		
Net cash payments for income taxes	**$ 6,321**	$ 12,931

See accompanying notes to condensed consolidated financial statements.

THE MARZETTI COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(UNAUDITED)

(Amounts in thousands, except per share data)	Three Months Ended September 30, 2026					
	Common Stock Outstanding		Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Shareholders' Equity
	Shares	Amount				
Balance, June 30, 2026	27,291	$ 168,968	$ 1,711,330	$ 957	$ (828,105)	$ 1,053,150
Net income			**29,300**			**29,300**
Postretirement benefit losses, net of $(4) tax effect				**(11)**		**(11)**
Cash dividends - common stock ($1.00 per share)			**(27,417)**			**(27,417)**
Purchase of treasury stock	**(55)**				**(5,829)**	**(5,829)**
Stock-based plans	**6**	**(414)**				**(414)**
Stock-based compensation expense		**2,848**				**2,848**
Balance, September 30, 2026	**27,242**	**$ 171,402**	**$ 1,713,213**	**$ 946**	**$ (833,934)**	**$ 1,051,627**

(Amounts in thousands, except per share data)	Three Months Ended September 30, 2025					
	Common Stock Outstanding		Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Shareholders' Equity
	Shares	Amount				
Balance, June 30, 2025	27,534	$ 160,886	$ 1,628,487	$ 961	$ (791,839)	$ 998,495
Net income			47,182			47,182
Postretirement benefit losses, net of $(5) tax effect				(15)		(15)
Cash dividends - common stock ($0.95 per share)			(26,318)			(26,318)
Purchase of treasury stock	(6)				(1,137)	(1,137)
Stock-based plans	20	(2,081)				(2,081)
Stock-based compensation expense		2,645				2,645
Balance, September 30, 2025	27,548	$ 161,450	$ 1,649,351	$ 946	$ (792,976)	$ 1,018,771

See accompanying notes to condensed consolidated financial statements.

Note 1 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of The Marzetti Company and our wholly-owned subsidiaries, collectively referred to as "we," "us," "our," "registrant" or the "Company" and have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and SEC Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In our opinion, the interim condensed consolidated financial statements reflect all adjustments necessary for a fair presentation of the results of operations and financial position for such periods. All such adjustments reflected in the interim condensed consolidated financial statements are considered to be of a normal recurring nature. Intercompany transactions and accounts have been eliminated in consolidation. The results of operations for any interim period are not necessarily indicative of results for the full year. Accordingly, these condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in our 2026 Annual Report on Form 10-K. Unless otherwise noted, the term "year" and references to a particular year pertain to our fiscal year, which begins on July 1 and ends on June 30; for example, 2027 refers to fiscal 2027, which is the period from July 1, 2026 to June 30, 2027.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost, except for those acquired as part of a business combination, which are recorded at fair value at the time of purchase. We use the straight-line method of computing depreciation for financial reporting purposes based on the estimated useful lives of the corresponding assets. Purchases of property, plant and equipment included in Accounts Payable and excluded from the property additions and the change in accounts payable in the Condensed Consolidated Statements of Cash Flows were as follows:

	September 30,	
	2026	2025
Construction in progress in Accounts Payable	**$ 11,238**	$ 4,657

Accrued Compensation and Employee Benefits

Accrued compensation and employee benefits included in Accrued Liabilities was $22.4 million and $30.7 million at September 30, 2026 and June 30, 2026, respectively.

Earnings Per Share

Earnings per share ("EPS") is computed based on the weighted average number of shares of common stock and common stock equivalents (restricted stock awards, restricted stock units, stock-settled stock appreciation rights and performance units) outstanding during each period. Unvested shares of restricted stock awards granted to employees are considered participating securities since employees receive nonforfeitable dividends prior to vesting and, therefore, are included in the earnings allocation in computing EPS under the two-class method. Basic EPS excludes dilution and is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted EPS is computed by dividing income available to common shareholders by the diluted weighted average number of common shares outstanding during the period, which includes the dilutive potential common shares associated with nonparticipating restricted stock awards, restricted stock units, stock-settled stock appreciation rights and performance units.

Basic and diluted net income per common share were calculated as follows:

	Three Months Ended September 30,	
	2026	2025
Net income	**$ 29,300**	$ 47,182
Net income available to participating securities	**(29)**	(100)
Net income available to common shareholders	**$ 29,271**	$ 47,082
Weighted average common shares outstanding – basic	**27,226**	27,455
Incremental share effect from:		
Nonparticipating restricted stock awards	**—**	5
Restricted stock units	**36**	20
Stock-settled stock appreciation rights	**—**	1
Performance units	**13**	13
Weighted average common shares outstanding – diluted	**27,275**	27,494
Net income per common share – basic	**$ 1.08**	$ 1.71
Net income per common share – diluted	**$ 1.07**	$ 1.71

Significant Accounting Policies

There were no changes to our Significant Accounting Policies from those disclosed in our 2026 Annual Report on Form 10-K.

Recent Accounting Standards

In November 2024, the Financial Accounting Standards Board ("FASB") issued new accounting guidance requiring disclosure of disaggregated income statement expenses. For each relevant expense caption presented on the face of the income statement, the following expense components must be presented in a tabular format within the notes to the financial statements at each interim and annual reporting period: purchases of inventory, employee compensation, depreciation, intangible asset amortization and depletion expense. Certain amounts already required to be disclosed under current GAAP requirements must also be presented in the same disclosure as the new disaggregation requirements. The new guidance also requires disclosure of a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. Additionally, the total amount of selling expenses must be disclosed, and, in annual reporting periods, our definition of selling expenses must also be provided. The amendments should be applied either prospectively to financial statements issued for reporting periods after the effective date or retrospectively to any or all prior periods presented in the financial statements. This guidance will be effective for our annual disclosures in fiscal 2028 and for our interim-period disclosures in fiscal 2029. As the guidance only relates to disclosures, there will be no impact on our financial position or results of operations.

In July 2025, the FASB issued new accounting guidance related to the measurement of credit losses for accounts receivable and contract assets. In developing reasonable and supportable forecasts as part of estimating credit losses, all entities may elect a practical expedient to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. An entity that elects the practical expedient should apply the amendment on a prospective basis. We adopted this guidance in the first quarter of fiscal 2027, and there was no impact on our financial position or results of operations.

In December 2025, the FASB issued new accounting guidance related to the recognition, measurement and presentation of government grants. The amendments should be applied using a modified prospective approach, a modified retrospective approach or a full retrospective approach. This guidance will be effective for us in fiscal 2030, including interim periods. Early adoption is permitted. We are currently evaluating the impact of this guidance.

Note 2 – Acquisition

On May 1, 2026, we completed the acquisition of Bachan's, Inc. ("Bachan's"), the Japanese Barbecue Sauce brand known for its authentic, clean-label products. The transaction reinforces our expanding position in the sauce category and is expected to provide additional opportunities for growth through our retail and foodservice distribution network, supply chain capabilities, and culinary expertise. The purchase price of $399.3 million, net of cash acquired, was financed with cash on hand and a $200.0 million term loan. The results of operations for Bachan's have been included in our condensed consolidated financial statements from the date of acquisition.

The following table summarizes the preliminary purchase price allocation based on the fair value of the net assets acquired.

Preliminary Purchase Price Allocation		
Receivables	**$**	**8,836**
Inventories		**9,084**
Other current assets		**535**
Property, plant and equipment		**598**
Goodwill (not tax deductible)		**277,700**
Other intangible assets		**127,000**
Operating lease right-of-use assets		**1,082**
Other noncurrent assets		**119**
Current liabilities		**(4,754)**
Noncurrent operating lease liabilities		**(480)**
Deferred tax liabilities		**(20,435)**
Net assets acquired	**$**	**399,285**

Further adjustments may occur to the allocation above as certain aspects of the transaction, primarily related to income taxes, are finalized during the measurement period.

The goodwill recognized above arose because the purchase price for Bachan's reflected a number of factors including the future earnings and cash flow potential of Bachan's, as well as the potential to broaden distribution; realize cost synergies across procurement, manufacturing, and distribution; support product innovation; and extend the brand into new channels and adjacent categories in the future. A small amount of goodwill also resulted from the workforce acquired. As Bachan's is expected to primarily produce products for our Retail segment, all goodwill from this acquisition was recorded to the Retail segment.

We have determined values and lives of the other intangible assets listed in the allocation above as: $84.0 million for the customer relationships with a 12-year life; $29.0 million for the proprietary recipes with a 16-year life and $14.0 million for the tradename with a 17-year life.

Pro forma results of operations have not been presented herein as the acquisition was not material to our results of operations.

Note 3 – Long-Term Debt

At September 30, 2026 and June 30, 2026, the First Amendment to our Credit Agreement ("Credit Agreement") provided for the following:

- Revolving credit availability of $200 million with potential to expand the revolving credit availability to $400 million based on consent of the Administrative Agent and any incremental lenders and certain other conditions. All outstanding revolving loans are due and payable when the Credit Agreement expires on March 6, 2029. Revolving loans may be used for general corporate purposes.
- An additional $200 million term loan to finance our acquisition of Bachan's. On April 29, 2026, we closed on the funding of the term loan. The maturity date for the term loan is April 29, 2031; however, the Amendment provides for a springing maturity date of March 6, 2029 if, by December 6, 2028, the Facility Termination Date has not been extended to April 29, 2031 or later with an Aggregate Revolving Commitment equal to or greater than the outstanding principal balance of the term loan (as such capitalized terms are defined in the Credit Agreement).

Interest is variable based upon formulas tied to SOFR or an alternate base rate defined in the Credit Agreement. We must also pay facility fees that are tied to our then-applicable consolidated leverage ratio.

The Credit Agreement contains certain restrictive covenants, including limitations on liens, asset sales and acquisitions. There are two principal financial covenants: an interest expense test that requires us to maintain an interest coverage ratio not less than 2.5 to 1 at the end of each fiscal quarter; and an indebtedness test that requires us to maintain a consolidated net leverage ratio not greater than 3.5 to 1, subject to certain exceptions. The interest coverage ratio is calculated by dividing Consolidated EBIT by Consolidated Interest Expense, and the leverage ratio is calculated by dividing Consolidated Net Debt by Consolidated EBITDA. All financial terms used in the covenant calculations are defined more specifically in the Credit Agreement.

We had the following borrowings outstanding at September 30, 2026 and June 30, 2026:

	September 30, 2026	June 30, 2026
Term loan (effective rate of 5.0% at September 30, 2026 and 4.8% at June 30, 2026)	**$ 197,500**	$ 200,000
Less: unamortized debt issuance costs	**687**	724
	196,813	199,276
Current portion of long-term debt	**10,000**	10,000
Long-term debt, less current portion	**$ 186,813**	$ 189,276

The carrying value of the long-term debt approximates its fair value because the term loan bears interest at a variable rate that reprices periodically to reflect current market rates. The estimated fair value of the term loan is classified as Level 2 within the fair value hierarchy.

At September 30, 2026 and June 30, 2026, we had $2.5 million and $2.6 million, respectively, of standby letters of credit outstanding, which reduced the amount available for borrowing under the Credit Agreement. We paid interest of $2.8 million for the three months ended September 30, 2026. We paid no interest for the three months ended September 30, 2025.

At September 30, 2026, contractual maturities of long-term debt, excluding unamortized debt issuance costs, were as follows:

Remainder of 2027	**$ 7,500**
2028	**10,000**
2029	**10,000**
2030	**10,000**
2031	**160,000**
Total	**$ 197,500**

Note 4 – Commitments and Contingencies

At September 30, 2026, we were a party to various claims and litigation matters arising in the ordinary course of business. Such matters did not have a material effect on the current-year results of operations and, in our opinion, their ultimate disposition is not expected to have a material effect on our consolidated financial statements.

We have a lease commitment with fixed cash payments totaling approximately $159 million for a lease that had not commenced as of September 30, 2026. This lease has an initial term of 15 years for warehousing space in Columbus, Ohio. In accordance with accounting guidance for leases, this commitment is properly excluded from the Condensed Consolidated Balance Sheet as of September 30, 2026. A right-of-use asset and lease liability will be recorded based on the present value of the lease payments when the lease commences later in fiscal 2027.

Note 5 – Goodwill and Other Intangible Assets

At both September 30, 2026 and June 30, 2026, goodwill attributable to the Retail and Foodservice segments was $435.1 million and $65.4 million, respectively.

The following table summarizes our identifiable other intangible assets:

	September 30, 2026	June 30, 2026
Customer Relationships (12-year life)		
Gross carrying value	**$ 84,000**	$ 84,000
Accumulated amortization	**(2,917)**	(1,167)
Net carrying value	**$ 81,083**	$ 82,833
Proprietary Recipes (16-year life)		
Gross carrying value	**$ 29,000**	$ 29,000
Accumulated amortization	**(755)**	(302)
Net carrying value	**$ 28,245**	$ 28,698
Tradename (17-year life)		
Gross carrying value	**$ 14,000**	$ 14,000
Accumulated amortization	**(343)**	(137)
Net carrying value	**$ 13,657**	$ 13,863
Total net carrying value	**$ 122,985**	$ 125,394

Amortization expense for our other intangible assets, which is reflected in Selling, General and Administrative Expenses, was as follows:

	Three Months Ended September 30,	
	2026	2025
Amortization expense	**$ 2,409**	**$ —**

Total annual amortization expense for each of the next five years is estimated to be as follows:

2028	$ 9,636
2029	$ 9,636
2030	$ 9,636
2031	$ 9,636
2032	$ 9,636

Note 6 – Income Taxes

Prepaid federal income taxes of $10.0 million and $4.2 million were included in Other Current Assets at September 30, 2026 and June 30, 2026, respectively. Prepaid state and local income taxes of $0.4 million and $0.8 million were included in Other Current Assets at September 30, 2026 and June 30, 2026, respectively.

Note 7 – Business Segment Information

Our financial results are presented as two reportable segments: Retail and Foodservice. Costs that are directly attributable to either Retail or Foodservice are charged directly to the appropriate segment. Costs that are deemed to be indirect, excluding corporate expenses and other unusual significant transactions, are allocated to the two reportable segments using a reasonable methodology that is consistently applied.

Retail - The vast majority of the products we sell in the Retail segment are sold through sales personnel, food brokers and distributors in the United States. Our sauce products, which include both licensed sauces and our own branded sauces, are typically marketed in the shelf-stable section of the grocery store. Our dressings and dips, which include licensed dressings, as well as our own branded dressings, vegetable dips and fruit dips, are marketed in both the shelf-stable section and the produce department of the grocery store. Our breads and pasta products include yeast rolls, garlic breads and pasta within the frozen food section of the grocery store, as well as pasta and croutons within the shelf-stable section of the grocery store.

Foodservice - The vast majority of the products we sell in the Foodservice segment are sold through sales personnel, food brokers and distributors in the United States. Most of the products we sell in the Foodservice segment are custom-formulated sauces, dressings, pasta, frozen breads and yeast rolls. The majority of our Foodservice sales are products sold under private label to national chain restaurant accounts. We also manufacture and sell various branded Foodservice products to distributors. Finally, within this segment, we manufactured and sold certain salad dressing and sauce products under a temporary supply agreement ("TSA") resulting from our acquisition of a sauce and dressing production facility located in Atlanta, Georgia. The TSA sales commenced in March 2025 and concluded during the quarter ended March 31, 2026.

Our Chief Operating Decision Maker ("CODM") is our Chief Executive Officer. Our CODM evaluates segment performance based on net sales and operating income. On a monthly basis, our CODM reviews results in comparison to the annual operating plan ("AOP"), the latest forecast and prior-year results. Resource allocation decisions are primarily made through the forecasting process, including development of the AOP. As many of our products are similar between our two segments, our procurement, manufacturing, warehousing and distribution activities are substantially integrated across our operations in order to maximize efficiency and productivity. Consequently, we do not prepare, and our CODM does not review, separate balance sheets or property additions for the reportable segments. As such, our external reporting does not include the presentation of identifiable assets or depreciation and amortization separately by reportable segment.

The following table sets forth net sales disaggregated by class of similar products for the Retail and Foodservice segments. In fiscal 2027, we revised the product categories within each segment to better reflect how management views and manages our product portfolio. Prior-year data has been recast to conform to the current presentation. These changes had no impact on the determination of our reportable segments; the segment-level financial information regularly reviewed by our CODM; or our previously reported consolidated net sales, Retail segment net sales, or Foodservice segment net sales.

	Three Months Ended September 30,	
	2026	2025
Retail		
Sauces	**$ 64,476**	$ 47,939
Dressings and dips	**76,570**	89,578
Breads, pasta and other	**111,675**	110,328
Total Retail net sales	**$ 252,721**	$ 247,845
Foodservice		
Sauces	**$ 130,094**	$ 126,766
Dressings	**44,221**	48,352
Breads, pasta and other	**54,486**	59,818
Other dressings and sauces for TSA	**—**	10,691
Total Foodservice net sales	**$ 228,801**	$ 245,627
Total net sales	**$ 481,522**	$ 493,472

The following table provides an additional disaggregation of Foodservice net sales by type of customer:

	Three Months Ended September 30,	
	2026	2025
Foodservice		
National accounts	**$ 181,836**	$ 183,832
Branded and other	**46,965**	51,104
Other dressings and sauces for TSA	**—**	10,691
Total Foodservice net sales	**$ 228,801**	$ 245,627

The following tables provide financial information attributable to our reportable segments, including significant segment expenses, as well as certain amounts not allocated among our reportable segments. Net sales are predominately domestic. All intercompany transactions have been eliminated. Nonallocated corporate expenses include various expenses of a general corporate nature and costs related to certain divested or closed nonfood operations.

For The Three Months Ended September 30, 2026	**Retail**	**Foodservice**	**Total**
Net Sales	**$ 252,721**	**$ 228,801**	**$ 481,522**
Cost of Sales	**183,655**	**187,093**	
Selling, General and Administrative Expenses	**31,890**	**11,315**	
Total Segment Operating Income	**$ 37,176**	**$ 30,393**	**$ 67,569**
Nonallocated Corporate Expenses			**26,125**
Operating Income			**$ 41,444**
Interest Expense			**(2,797)**
Other, Net			**129**
Income Before Income Taxes			**$ 38,776**

For The Three Months Ended September 30, 2025	Retail	Foodservice	Total
Net Sales	$ 247,845	$ 245,627	$ 493,472
Cost of Sales	174,275	200,378	
Selling, General and Administrative Expenses	22,959	10,481	
Total Segment Operating Income	$ 50,611	$ 34,768	$ 85,379
Nonallocated Corporate Expenses			24,976
Nonallocated Restructuring, Impairment and Other [(1)]			1,143
Operating Income			$ 59,260
Other, Net			1,529
Income Before Income Taxes			$ 60,789

(1) Nonallocated restructuring, impairment and other in fiscal 2026 resulted from the closure of our Milpitas, California sauce and dressing manufacturing facility.

The following table sets forth reconciliations of our reportable segments' total identifiable assets to the consolidated totals and our reportable segments' total depreciation and amortization expenses to the consolidated totals:

	September 30, 2026	June 30, 2026
Identifiable Assets [1]		
Retail & Foodservice [2]	**$ 1,565,091**	$ 1,547,713
Corporate	**59,036**	57,307
Total	**$ 1,624,127**	$ 1,605,020

	Three Months Ended September 30,	
	2026	2025
Depreciation and Amortization		
Retail & Foodservice [2]	**$ 18,970**	$ 15,316
Corporate	**1,501**	1,393
Total	**$ 20,471**	$ 16,709

(1) Long-lived assets are predominately domestic. Retail and Foodservice identifiable assets include those assets used in our operations and other intangible assets allocated to purchased businesses. Corporate assets consist principally of cash and equivalents, deferred software costs and prepaid income taxes. The composition of our identifiable assets at September 30, 2026 is generally consistent with that of June 30, 2026.
(2) As discussed above, we do not present identifiable assets or depreciation and amortization separately by reportable segment.

Note 8 – Stock-Based Compensation

Our shareholders previously approved the Lancaster Colony Corporation 2015 Omnibus Incentive Plan (the "2015 Plan"). As the 2015 Plan expired in November 2025, we obtained shareholder approval of The Marzetti Company 2025 Omnibus Incentive Plan (the "2025 Plan") at our November 2025 Annual Meeting of Shareholders. The 2025 Plan did not affect any currently outstanding equity awards granted under the 2015 Plan. The 2025 Plan reserved 1,500,000 common shares for issuance to our employees and directors. All awards granted under these plans will be exercisable at prices not less than fair market value as of the date of the grant. The vesting period for awards granted under these plans varies as to the type of award granted, and the maximum term of these awards is seven years.

Our restricted stock units compensation expense was $0.9 million and $0.2 million for the three months ended September 30, 2026 and 2025, respectively. At September 30, 2026, there was $10.0 million of unrecognized compensation expense related to restricted stock units that we will recognize over a weighted-average period of 2 years.

Our restricted stock awards compensation expense was $0.8 million and $1.4 million for the three months ended September 30, 2026 and 2025, respectively. At September 30, 2026, there was $1.8 million of unrecognized compensation expense related to restricted stock awards that we will recognize over a weighted-average period of 1 year.

Our performance units compensation expense was $1.1 million and $1.0 million for the three months ended September 30, 2026 and 2025, respectively. At September 30, 2026, there was $9.1 million of unrecognized compensation expense related to performance units that we will recognize over a weighted-average period of 2 years.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

Our fiscal year begins on July 1 and ends on June 30. Unless otherwise noted, references to "year" pertain to our fiscal year; for example, 2027 refers to fiscal 2027, which is the period from July 1, 2026 to June 30, 2027.

The following discussion should be read in conjunction with our condensed consolidated financial statements and the notes thereto, all included elsewhere in this report, and our 2026 Annual Report on Form 10-K.

We prepare our consolidated financial statements in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). We have also presented Adjusted Consolidated Net Sales, Adjusted Foodservice Net Sales, Adjusted Cost of Sales, Adjusted Gross Profit, Adjusted Gross Margin, Adjusted Operating Income and Adjusted Net Income Per Diluted Share ("Adjusted Diluted EPS"), each of which is considered a non-GAAP financial measure, to supplement the financial information included in this report. Refer to the "Reconciliation of GAAP to non-GAAP Financial Measures" section below for additional information and reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures.

The forward-looking statements in this section and other parts of this report involve risks, uncertainties and other factors, including statements regarding our plans, objectives, goals, strategies, and financial performance. Our actual results could differ materially from the results anticipated in these forward-looking statements due to these factors. For more information, see the section below entitled "Forward-Looking Statements."

OVERVIEW

Business Overview

The Marzetti Company is a manufacturer and marketer of specialty food products for the retail and foodservice channels.

Our financial results are presented as two reportable segments: Retail and Foodservice. Costs that are directly attributable to either Retail or Foodservice are charged directly to the appropriate segment. Costs that are deemed to be indirect, excluding corporate expenses and other unusual significant transactions, are allocated to the two reportable segments using a reasonable methodology that is consistently applied.

Over 95% of our products are sold in the United States. Foreign operations and export sales have not been significant in the past and are not expected to be significant in the future based upon existing operations. We do not have any fixed assets located outside of the United States.

Our business has the potential to achieve future growth in sales and profitability due to attributes such as:

- leading Retail market positions in several product categories with a high-quality perception;
- recognized innovation in Retail products;
- a broad customer base in both Retail and Foodservice accounts;
- well-regarded culinary expertise among Foodservice customers;
- long-standing Foodservice customer relationships that help to support strategic licensing opportunities in Retail;
- demonstrated success with strategic licensing programs in Retail through both established relationships in the foodservice industry and new relationships;
- recognized leadership in Foodservice product development;
- experience in integrating complementary business acquisitions; and
- historically strong cash flow generation that supports growth opportunities.

Our goal is to grow both Retail and Foodservice segment sales over time by:

- introducing new products and expanding distribution;
- leveraging the strength of our Retail brands to increase current product sales;
- expanding Retail growth through strategic licensing agreements;
- continuing to rely upon the strength of our reputation in Foodservice product development and quality; and
- acquiring complementary businesses.

With respect to our long-term growth strategy, in addition to complementary acquisitions, we continually evaluate the future opportunities and needs for our business specific to our plant infrastructure, production capacity and IT platforms to support and strengthen our operations. Recent examples of resulting strategic actions include:

- the acquisition of Bachan's, Inc. ("Bachan's"), the rapidly growing Japanese Barbecue Sauce brand known for its authentic, clean-label products, in May 2026;
- the closure of our sauce and dressing production facility in Milpitas, California during the quarter ended September 30, 2025; and
- the acquisition of a sauce and dressing production facility in the Atlanta, Georgia area in February 2025.

RESULTS OF CONSOLIDATED OPERATIONS

(Dollars in thousands, except per share data)	Three Months Ended September 30, 2026	2025	Change	
Net Sales	**$ 481,522**	$ 493,472	**$ (11,950)**	**(2.4)%**
Cost of Sales	**370,748**	374,653	**(3,905)**	**(1.0)%**
Gross Profit	**110,774**	118,819	**(8,045)**	**(6.8)%**
Gross Margin	**23.0 %**	24.1 %		
Selling, General and Administrative Expenses	**69,330**	58,416	**10,914**	**18.7 %**
Restructuring, Impairment and Other, Net	**—**	1,143	**(1,143)**	**(100.0)%**
Operating Income	**41,444**	59,260	**(17,816)**	**(30.1)%**
Operating Margin	**8.6 %**	12.0 %		
Interest Expense	**(2,797)**	—	**(2,797)**	**N/M**
Other, Net	**129**	1,529	**(1,400)**	**(91.6)%**
Income Before Income Taxes	**38,776**	60,789	**(22,013)**	**(36.2)%**
Taxes Based on Income	**9,476**	13,607	**(4,131)**	**(30.4)%**
Effective Tax Rate	**24.4 %**	22.4 %		
Net Income	**$ 29,300**	$ 47,182	**$ (17,882)**	**(37.9)%**
Diluted Net Income Per Common Share	**$ 1.07**	$ 1.71	**$ (0.64)**	**(37.4)%**

Net Sales

Consolidated net sales for the three months ended September 30, 2026 decreased 2.4% to $481.5 million versus $493.5 million last year, reflecting higher net sales for the Retail segment, which were more than offset by lower net sales for the Foodservice segment. Retail segment net sales benefited from $17.8 million of incremental sales resulting from the acquisition of Bachan's that was completed on May 1, 2026, as partially offset by organic volume declines, which included the unfavorable impacts of the cyclospora outbreak on product demand and sales. The decline in Foodservice segment net sales was driven by the impact of prior-year sales attributed to a temporary supply agreement ("TSA") resulting from our February 2025 acquisition of a sauce and dressing production facility located in Atlanta, Georgia ("Atlanta plant"), as well as the unfavorable impact of the cyclospora outbreak. The TSA sales commenced in March 2025 and concluded during the quarter ended March 31, 2026. Foodservice segment net sales benefited from a modest level of inflationary pricing.

Breaking down the 2.4% decrease in consolidated net sales as summarized in the table below, lower organic volumes and product mix accounted for a decrease of approximately 460 basis points, the net pricing impact accounted for an increase of approximately 80 basis points, incremental sales from Bachan's contributed approximately 360 basis points, and lower sales attributed to the TSA accounted for a decline of approximately 220 basis points. Excluding all prior-year sales attributed to the TSA, Adjusted Consolidated Net Sales for the three months ended September 30, 2026 decreased 0.3%.

Breakdown of % Change in Consolidated Net Sales	Three Months Ended September 30, 2026	
Change in Organic Sales Volume / Mix	**$ (22,753)**	**(4.6)%**
Net Pricing Impact	**3,694**	**0.8**
Incremental Sales from Bachan's	**17,800**	**3.6**
Incremental Sales for Temporary Supply Agreement (TSA)	**(10,691)**	**(2.2)**
Total Change in Net Sales	**$ (11,950)**	**(2.4)%**

Consolidated sales volumes, measured in pounds shipped, decreased 4.7% for the three months ended September 30, 2026. Excluding the impact of all sales attributed to the TSA, consolidated sales volumes decreased 2.4%.

See discussion of net sales by segment following the discussion of "Earnings Per Share" below.

Gross Profit

Consolidated gross profit for the three months ended September 30, 2026 decreased $8.0 million to $110.8 million. The decline in consolidated gross profit reflects the unfavorable impacts of the reduced sales and associated effects of lower production volumes on our plant operations; higher freight costs; and costs for the addition of new production capacity at our sauce and dressing facility in Atlanta, Georgia, as partially offset by our cost savings programs. Reported gross margin decreased 110 basis points while Adjusted Gross Margin decreased 160 basis points.

Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses for the three months ended September 30, 2026 increased 18.7% to $69.3 million compared to $58.4 million in the prior-year period. In addition to incremental core SG&A expenses for Bachan's, the higher SG&A expenses in the current year also include $2.4 million in incremental noncash amortization expense for Bachan's intangible assets.

Restructuring, Impairment and Other, Net

In April 2025, we committed to a plan to close our sauce and dressing production facility in Milpitas, California as part of our ongoing strategic initiative to better optimize our manufacturing network. Production at the facility concluded in August 2025. In the three months ended September 30, 2025, we recorded restructuring and impairment charges of $1.1 million related to this closure. These charges consisted of one-time termination benefits and other closing costs. The operations of this facility were not classified as discontinued operations as the closure did not represent a strategic shift that would have a major effect on our operations or financial results.

Operating Income

Operating income decreased $17.8 million to $41.4 million for the three months ended September 30, 2026. The lower level of operating income primarily reflects the reduced gross profit and higher SG&A expenses. Excluding Bachan's current-year intangible asset amortization in SG&A and the prior-year charges in Restructuring, Impairment and Other, Adjusted Operating Income decreased $16.6 million to $43.9 million.

See discussion of operating results by segment following the discussion of "Earnings Per Share" below.

Interest Expense

For the three months ended September 30, 2026, interest expense totaled $2.8 million related to borrowings under the First Amendment to our Credit Agreement ("Credit Agreement"). See further discussion in Note 3 to the condensed consolidated financial statements.

Taxes Based on Income

Our effective tax rate was 24.4% and 22.4% for the three months ended September 30, 2026 and 2025, respectively. For the three months ended September 30, 2026 and 2025, our effective tax rate varied from the statutory federal income tax rate as a result of the following factors:

	Three Months Ended September 30,	
	2026	2025
Statutory rate	**21.0 %**	21.0 %
State and local income taxes, net of federal effect	**2.3**	1.8
Tax credits	**(1.0)**	(0.6)
Net shortfall (windfall) tax impact - stock-based compensation	**0.9**	(0.5)
Other	**1.2**	0.7
Effective rate	**24.4 %**	22.4 %

We include the tax consequences related to stock-based compensation within the computation of income tax expense. We may experience increased volatility to our income tax expense and resulting net income dependent upon, among other variables, the price of our common stock and the timing and volume of share-based payment award activity such as employee exercises of stock-settled stock appreciation rights and vestings of restricted stock awards, restricted stock units and performance units. For the three months ended September 30, 2026, the impact of net shortfalls from stock-based compensation increased our effective tax rate by 0.9%. For the three months ended September 30, 2025, the impact of net windfalls from stock-based compensation reduced our effective tax rate by 0.5%.

Earnings Per Share

As influenced by the factors discussed above, diluted net income per share for the first quarter of 2027 totaled $1.07, as compared to $1.71 per diluted share in the prior year. For the three months ended September 30, 2026, amortization of intangible assets reduced diluted earnings per share by $0.07. For the three months ended September 30, 2025, restructuring and impairment charges reduced diluted earnings per share by $0.03. The resulting Adjusted Diluted EPS was $1.14 in the current-year quarter versus $1.74 last year.

Diluted weighted average common shares outstanding have remained relatively stable for the current and prior-year periods ended September 30.

RESULTS OF OPERATIONS - SEGMENTS

Retail Segment

(Dollars in thousands)	Three Months Ended September 30, 2026	2025	Change	
Net Sales	**$ 252,721**	$ 247,845	**$ 4,876**	**2.0 %**
Operating Income	**$ 37,176**	$ 50,611	**$ (13,435)**	**(26.5)%**
Operating Margin	**14.7 %**	20.4 %		

For the three months ended September 30, 2026, Retail segment net sales increased 2.0% to $252.7 million from the prior-year total of $247.8 million. The increase in Retail segment net sales reflects $17.8 million of incremental sales from Bachan's, as partially offset by lower sales volumes for the remainder of the segment. The cyclospora outbreak had a notably unfavorable impact on Retail segment net sales, accounting for an estimated year-over-year net sales decline of approximately 4% due to lower demand for our dressing, dip and crouton products. Retail segment sales volumes, measured in pounds shipped, increased 0.4%. Excluding Bachan's, Retail segment sales volumes declined 7.1%.

For the three months ended September 30, 2026, Retail segment operating income decreased 26.5% to $37.2 million due to the lower organic sales volumes and associated unfavorable impacts on our plant operations along with increased freight costs, as partially offset by our cost savings programs.

Foodservice Segment

(Dollars in thousands)	Three Months Ended September 30, 2026	2025	Change	
Net Sales	**$ 228,801**	$ 245,627	**$ (16,826)**	**(6.9)%**
Operating Income	**$ 30,393**	$ 34,768	**$ (4,375)**	**(12.6)%**
Operating Margin	**13.3 %**	14.2 %		

For the three months ended September 30, 2026, Foodservice segment net sales decreased 6.9% to $228.8 million compared to $245.6 million in the prior-year period due to last year's TSA sales and lower core sales volumes which reflect the unfavorable impact of the cyclospora outbreak. The outbreak is estimated to have reduced Foodservice segment net sales by approximately 2%, as partially offset by increased demand from select national chain restaurant account customers and the benefit of inflationary pricing. Excluding all sales attributed to the TSA resulting from the February 2025 Atlanta plant acquisition, Adjusted Foodservice Net Sales decreased 2.6%. Foodservice segment sales volumes, measured in pounds shipped, decreased 7.6%. Excluding all TSA sales, Foodservice sales volumes decreased 4.1%.

For the three months ended September 30, 2026, Foodservice segment operating income decreased 12.6% to $30.4 million due to the lower sales volumes and associated unfavorable impacts on our plant operations; increased freight costs; and costs for the addition of new production capacity at our sauce and dressing facility in Atlanta, Georgia, as partially offset by our cost savings programs and inflationary pricing.

Corporate Expenses

For the three months ended September 30, 2026 and 2025, corporate expenses totaled $26.1 million and $25.0 million, respectively. The increase was primarily driven by increased investments in personnel and IT.

LOOKING FORWARD

Looking forward to our fiscal second quarter and the remainder of the fiscal year, we anticipate Retail segment sales will continue to benefit from incremental sales attributed to the Bachan's acquisition in addition to contributions from new items that we recently launched or have planned for introduction later this year. In the Foodservice segment, we expect sales to remain supported by select quick-service restaurant customers in our mix of national chain restaurant accounts. We continue to anticipate a moderate level of commodity cost inflation, in addition to significantly higher diesel and freight costs, most or all of which we expect to mitigate through inflationary pricing and our cost savings programs as we remain focused on margin improvement.

FINANCIAL CONDITION

Cash Flows

For the three months ended September 30, 2026, net cash provided by operating activities totaled $51.0 million, as compared to $69.5 million in the prior-year period. This decrease was primarily due to the lower net income. The changes in other current assets and deferred income taxes were largely offsetting and resulted from tax timing benefits.

Cash used in investing activities for the three months ended September 30, 2026 was $21.9 million, as compared to $18.8 million in the prior year. This increase primarily reflects a slightly higher level of payments for property additions in the current year.

Cash used in financing activities for the three months ended September 30, 2026 of $36.7 million increased from the prior-year total of $30.0 million. This increase primarily reflects higher levels of share repurchases and current-year debt repayments, net of proceeds from borrowings.

Liquidity and Capital Resources

Under our Credit Agreement, we may borrow up to a maximum of $200 million at any one time on a revolving credit basis, as well as an additional $200 million under a term loan to finance our acquisition of Bachan's. At September 30, 2026, we had outstanding borrowings of $197.5 million under the term loan and no revolving loans outstanding. At September 30, 2026, we had $2.5 million of standby letters of credit outstanding, which reduced the amount available for borrowing under the Credit Agreement. The Credit Agreement expires in March 2029, and all outstanding revolving loans are then due and payable. The maturity date for the term loan is April 29, 2031; however, there is a springing maturity date of March 6, 2029, if, by December 6, 2028, the Facility Termination Date has not been extended to April 29, 2031 or later with an aggregate revolving commitment equal to or greater than the outstanding principal balance of the term loan. Interest is variable based upon formulas tied to SOFR or an alternate base rate defined in the Credit Agreement. We must also pay facility fees that are tied to our then-applicable consolidated leverage ratio. Revolving loans may be used for general corporate purposes.

The Credit Agreement contains certain restrictive covenants, including limitations on liens, asset sales and acquisitions, and financial covenants relating to interest coverage and leverage. At September 30, 2026, we were in compliance with all applicable provisions and covenants of the Credit Agreement, and we exceeded the requirements of the financial covenants by substantial margins. At September 30, 2026, there were no events that would constitute a default under the Credit Agreement.

We currently expect to remain in compliance with the Credit Agreement's covenants for the foreseeable future. However, a default under the Credit Agreement could accelerate the repayment of any then outstanding indebtedness and limit our access to $200 million of additional revolving credit available under the Credit Agreement. Such an event could require a reduction in or curtailment of cash dividends or share repurchases, reduce or delay beneficial expansion or investment plans, or otherwise impact our ability to meet our obligations when due.

We believe that cash provided by operating activities and our existing balances in cash and equivalents, in addition to that available under the Credit Agreement, should be adequate to meet our core liquidity needs over the next 12 months, including the projected levels of capital expenditures and dividend payments. If we were to borrow outside of the Credit Agreement under current market terms, our average interest rate may increase and have an adverse effect on our results of operations. Based on our current plans and expectations, we believe our capital expenditures for 2027 could total approximately $90 million.

Beyond the next 12 months, we expect that cash provided by operating activities will be the primary source of liquidity. This source, combined with our existing balances in cash and equivalents and amounts available under the Credit Agreement, is expected to be sufficient to meet our overall cash requirements.

We have various contractual and other obligations that are appropriately recorded as liabilities in our condensed consolidated financial statements. Certain other contractual obligations are not recognized as liabilities in our condensed consolidated financial statements. Examples of such obligations are commitments to purchase raw materials or packaging inventory that has not yet been received as of September 30, 2026, lease commitments that have not yet commenced as of September 30, 2026, and purchase orders and longer-term purchase arrangements related to the procurement of services, including IT service agreements, and property, plant and equipment. The majority of these obligations, other than lease commitments, is expected to be due within one year.

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

We prepare our consolidated financial statements in accordance with GAAP. However, from time to time, we may present in our public statements, press releases and SEC filings, non-GAAP financial measures such as Adjusted Consolidated Net Sales, Adjusted Foodservice Net Sales, Adjusted Cost of Sales, Adjusted Gross Profit, Adjusted Gross Margin, Adjusted Operating Income, and Adjusted Net Income Per Diluted Share ("Adjusted Diluted EPS"). Management considers such non-GAAP financial measures to provide useful supplemental information to investors in facilitating year-over-year comparisons by removing non-recurring items or other items that management believes do not directly reflect the underlying operations. Management uses these non-GAAP measures in the preparation of our annual operating plan and for our monthly analysis of operating results. Reconciliations of the non-GAAP measures to the most comparable GAAP financial measures are provided below. Our definitions of these non-GAAP measures may differ from similarly titled measures used by other companies. These non-GAAP measures should be considered supplemental to, and not a substitute for, financial information prepared in accordance with GAAP.

Adjusted Consolidated Net Sales, Adjusted Foodservice Net Sales, Adjusted Cost of Sales, Adjusted Gross Profit and Adjusted Gross Margin are non-GAAP financial measures that exclude non-core sales and cost of sales attributed to the TSA made in connection with our February 2025 acquisition of Winland's Atlanta-based sauce and dressing production facility. The TSA sales are included in the reported net sales for our Foodservice segment and did not contribute meaningfully to gross profit. The TSA sales commenced in March 2025 and concluded during the quarter ended March 31, 2026. The following table presents a reconciliation between net sales, cost of sales, gross profit and gross margin as reported in accordance with GAAP and Adjusted Consolidated Net Sales, Adjusted Foodservice Net Sales, Adjusted Cost of Sales, Adjusted Gross Profit and Adjusted Gross Margin for the three month periods ended September 30, 2026 and 2025.

	Three Months Ended September 30, 2026			Three Months Ended September 30, 2025		
(Dollars in thousands)	**Reported**	**TSA-Related**	**Adjusted (non-GAAP)**	Reported	TSA-Related	Adjusted (non-GAAP)
Consolidated						
Net Sales	**$ 481,522**	**$ —**	**$ 481,522**	$ 493,472	$ 10,691	$ 482,781
Cost of Sales	**370,748**	**—**	**370,748**	374,653	10,691	363,962
Gross Profit	**$ 110,774**	**$ —**	**$ 110,774**	$ 118,819	$ —	$ 118,819
Gross Margin	**23.0 %**	**— %**	**23.0 %**	24.1 %	—%	24.6 %
Foodservice Segment						
Foodservice Net Sales	**$ 228,801**	**$ —**	**$ 228,801**	$ 245,627	$ 10,691	$ 234,936

Adjusted Operating Income and Adjusted Diluted EPS are non-GAAP financial measures that exclude certain items affecting comparability, which can impact the analysis of our underlying core business performance and trends. The following table presents a reconciliation between 1) operating income as reported in accordance with GAAP and Adjusted Operating Income and 2) diluted EPS as reported in accordance with GAAP and Adjusted Diluted EPS for the three month periods ended September 30, 2026 and 2025. The current-year adjustment reflects incremental SG&A expenses attributed to the amortization of intangible assets resulting from the Bachan's acquisition. The prior-year adjustment reflects restructuring and impairment charges resulting from the closure of our sauce and dressing production facility in Milpitas, California.

Dollars in thousands, except per share data	**Reported**	**SG&A Expenses - Intangibles Amortization**	**Restructuring, Impairment and Other, Net**	**Adjusted (non-GAAP) ***
Three Months Ended September 30, 2026				
Operating Income	**$ 41,444**	**$ 2,409**	**$ —**	**$ 43,853**
Diluted EPS	**$ 1.07**	**$ 0.07**	**$ —**	**$ 1.14**
Three Months Ended September 30, 2025				
Operating Income	$ 59,260	$ —	$ 1,143	$ 60,403
Diluted EPS	$ 1.71	$ —	$ 0.03	$ 1.74
Change:				
Operating Income ($)	**$ (17,816)**	**$ 2,409**	**$ (1,143)**	**$ (16,550)**
Operating Income (%)	**(30.1)%**	**N/M**	**(100.0) %**	**(27.4)%**
Diluted EPS ($)	**$ (0.64)**	**$ 0.07**	**$ (0.03)**	**$ (0.60)**
Diluted EPS (%)	**(37.4)%**	**N/M**	**(100.0) %**	**(34.5)%**

* The sum of individual per share amounts may not add due to rounding.

CRITICAL ACCOUNTING POLICIES

There have been no changes in critical accounting policies from those policies disclosed in our 2026 Annual Report on Form 10-K.

RECENT ACCOUNTING PRONOUNCEMENTS

Recent accounting pronouncements and their impact on our consolidated financial statements are disclosed in Note 1 to the condensed consolidated financial statements.

FORWARD-LOOKING STATEMENTS

We desire to take advantage of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 (the "PSLRA"). This Quarterly Report on Form 10-Q contains various "forward-looking statements" within the meaning of the PSLRA and other applicable securities laws. Such statements can be identified by the use of the forward-looking words "anticipate," "estimate," "project," "believe," "intend," "plan," "expect," "hope" or similar words. These statements discuss future expectations; contain projections regarding future developments, operations or financial conditions; or state other forward-looking information. Such statements are based upon assumptions and assessments made by us in light of our experience and perception of historical trends, current conditions, expected future developments and other factors we believe to be appropriate. These forward-looking statements involve various important risks, uncertainties and other factors that could cause our actual results to differ materially from those expressed in the forward-looking statements. Actual results may differ as a result of factors over which we have no, or limited, control including, without limitation, the specific influences outlined below. Management believes these forward-looking statements to be reasonable; however, one should not place undue reliance on such statements that are based on current expectations. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update such forward-looking statements, except as required by law.

Items which could impact these forward-looking statements include, but are not limited to:

- the ability to successfully integrate the acquired Bachan's business and achieve operational and financial performance objectives;
- changes in demand for our products, which may result from changes in consumer behavior or loss of brand reputation or customer goodwill;
- significant shifts in consumer demand and disruptions to our employees, communities, customers, supply chains, production planning, operations, and production processes resulting from the impacts of epidemics, pandemics or similar widespread public health concerns and foodborne outbreaks;
- efficiencies in plant operations and our overall supply chain network;
- geopolitical events that could create unforeseen business disruptions and impact the cost or availability of raw materials and energy;
- inflationary pressures resulting in higher input costs;
- adverse changes in freight, energy or other costs of producing, distributing or transporting our products;
- fluctuations in the cost and availability of ingredients and packaging;
- the reaction of customers or consumers to pricing actions we take to offset inflationary costs;
- price and product competition;
- changes in our cash flow or use of cash in various business activities;
- the success and cost of new product development efforts;
- the lack of market acceptance of new products;
- the impact of customer store brands on our branded retail volumes;
- dependence on key personnel and changes in key personnel;
- the impact of any laws and regulatory matters affecting our food business, including any additional requirements imposed by the federal, state or local government;
- adverse changes in trade policies, including increased tariffs, retaliatory trade measures, or other trade restrictions;
- adequate supply of labor for our manufacturing facilities;
- stability of labor relations;
- the extent to which good-fitting business acquisitions are identified, acceptably integrated, and achieve operational and financial performance objectives;
- dependence on a wide array of critical third parties to support our operations, including contract manufacturers, distributors, logistics providers and IT vendors;
- cyber-security incidents, information technology disruptions, and data breaches;
- the potential for loss of larger programs or key customer relationships;
- capacity constraints that may affect our ability to meet demand or may increase our costs;
- failure to maintain or renew license agreements;

- the possible occurrence of product recalls or other defective or mislabeled product costs;
- maintenance of competitive position with respect to other manufacturers;
- the outcome of any litigation or arbitration;
- the effect of consolidation of customers within key market channels;
- changes in estimates in critical accounting judgments; and
- certain other factors, including the information disclosed in our discussion of risk factors under Item 1A of our 2026 Annual Report on Form 10-K.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

Our market risks have not changed materially from those disclosed in our 2026 Annual Report on Form 10-K.

Item 4. ***Controls and Procedures***

(a) *Evaluation of Disclosure Controls and Procedures.* As of the end of the period covered by this Quarterly Report on Form 10-Q, our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2026 to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is 1) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and 2) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, in a manner that allows timely decisions regarding required disclosure.

(b) *Changes in Internal Control Over Financial Reporting.* No changes were made to our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are required to disclose certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that we reasonably believe will be in excess of an applied threshold not to exceed $1 million. We are using a threshold of $1 million as we believe this amount is reasonably designed to result in disclosure of such proceedings that are material to our business or financial condition. Applying this threshold, there are no environmental matters to disclose in this Form 10-Q.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed under Item 1A in our 2026 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(c) In November 2010, our Board of Directors approved a share repurchase authorization of 2,000,000 common shares, of which 775,408 common shares remained authorized for future repurchases at September 30, 2026. Purchases under the share repurchase authorization may be made from time to time in the open market, in privately negotiated transactions, block trades, accelerated share repurchase transactions, purchases through 10b5-1 trading plans, or by any combination of such methods. The timing and amount of any repurchases pursuant to the share repurchase authorization will be determined based on market conditions, share price and other factors. This share repurchase authorization does not have a stated expiration date. In the first quarter, we made the following repurchases of our common stock:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Maximum Number of Shares that May Yet be Purchased Under the Plans
July 1-31, 2026	—	$ —	—	823,584
August 1-31, 2026[1]	7,147	$ 116.03	—	823,584
September 1-30, 2026	48,176	$ 103.79	48,176	775,408
Total	55,323	$ 105.37	48,176	775,408

(1) Includes 7,147 shares in August 2026 that were repurchased in satisfaction of tax withholding obligations arising from the vesting of restricted stock awards granted to employees under the Lancaster Colony Corporation 2015 Omnibus Incentive Plan.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements. During the first quarter of fiscal 2027, none of our directors or Section 16 officers adopted or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as such terms are defined under Item 408(a) of Regulation S-K.

Item 6. Exhibits

See Index to Exhibits below.

INDEX TO EXHIBITS

Exhibit Number	Description
10.1[a]	Form of Restricted Stock Unit Award Agreement for Employees and Consultants under The Marzetti Company 2025 Omnibus Incentive Plan.
10.2[a]	Form of Performance Unit Award Agreement for Employees and Consultants under The Marzetti Company 2025 Omnibus Incentive Plan.
31.1[a]	Certification of CEO under Section 302 of the Sarbanes-Oxley Act of 2002
31.2[a]	Certification of CFO under Section 302 of the Sarbanes-Oxley Act of 2002
32[b]	Certification of CEO and CFO under Section 906 of the Sarbanes-Oxley Act of 2002
101.INS[a]	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

Exhibit Number	Description
101.SCH[(a)]	Inline XBRL Taxonomy Extension Schema Document
101.CAL[(a)]	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF[(a)]	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB[(a)]	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE[(a)]	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104[(a)]	The cover page of The Marzetti Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in Inline XBRL (included within Exhibit 101 attachments)

(a) Filed herewith

(b) Furnished herewith

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 MARZETTI COMPANY

(Registrant)

Date: November 3, 2026

By: /s/ DAVID A. CIESINSKI

David A. Ciesinski
President, Chief Executive Officer and Director
(Principal Executive Officer)

Date: November 3, 2026

By: /s/ THOMAS K. PIGOTT

Thomas K. Pigott
Vice President, Chief Financial Officer and Assistant Secretary
(Principal Financial and Accounting Officer)