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

# FORM 10-Q

**(Mark One)**

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

**For the quarterly period ended November 30, 2024.**

**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 0-17988**




# Neogen Corporation

**(Exact name of registrant as specified in its charter)**

| **Michigan** | **38-2367843** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(IRS Employer Identification Number)** |

**620 Lesher Place**
**Lansing, Michigan 48912**
**(Address of principal executive offices, including zip code)**
**(517) 372-9200**
**(Registrant's telephone number, including area code)**

**SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:**

| Title of each Class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.16 par value per share | NEOG | NASDAQ Global Select Market |

**N/A**

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

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 reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐
Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). YES ☒ NO ☐
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller Reporting Company | ☐ |
| Emerging growth company | ☐ | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): YES ☐ NO ☒
As of November 30, 2024 there were 216,944,017 shares of Common Stock outstanding.

**NEOGEN CORPORATION**
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**PART I – FINANCIAL INFORMATION**

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

**Neogen Corporation**
**Condensed Consolidated Balance Sheets**
*(in thousands, except shares)*

| | November 30, 2024 | May 31, 2024 |
|---|---|---|
| Assets | *(unaudited)* | |
| Current Assets | | |
| Cash and cash equivalents | $ 140,231 | $ 170,611 |
| Marketable securities | — | 325 |
| Accounts receivable, net of allowance of $4,833 and $4,140 | 164,086 | 173,005 |
| Inventories | | |
| Raw materials | 75,376 | 78,799 |
| Work-in-process | 14,096 | 10,990 |
| Finished goods | 128,300 | 111,839 |
| | 217,772 | 201,628 |
| Less inventory reserve | (19,505) | (12,361) |
| Inventories, net | 198,267 | 189,267 |
| Prepaid expenses and other current assets | 67,863 | 56,025 |
| Total Current Assets | 570,447 | 589,233 |
| Net Property and Equipment | 310,552 | 277,104 |
| Other Assets | | |
| Right of use assets | 17,201 | 14,785 |
| Goodwill (note 5) | 1,672,501 | 2,135,632 |
| Intangible assets, net | 1,463,163 | 1,511,653 |
| Other non-current assets | 20,228 | 20,426 |
| Total Assets | $ 4,054,092 | $ 4,548,833 |
| Liabilities and Stockholders' Equity | | |
| Current Liabilities | | |
| Current portion of finance lease | $ 2,576 | $ 2,447 |
| Accounts payable | 79,574 | 83,061 |
| Accrued compensation | 16,480 | 19,949 |
| Income tax payable | 11,176 | 10,449 |
| Accrued interest | 11,091 | 10,985 |
| Deferred revenue | 5,651 | 4,632 |
| Other current liabilities | 24,647 | 22,800 |
| Total Current Liabilities | 151,195 | 154,323 |
| Deferred Income Tax Liability | 302,405 | 326,718 |
| Non-Current Debt | 889,867 | 888,391 |
| Other Non-Current Liabilities | 41,555 | 35,259 |
| Total Liabilities | 1,385,022 | 1,404,691 |
| Commitments and Contingencies (note 8) | | |
| Equity | | |
| Preferred stock, $1.00 par value, 100,000 shares authorized, none issued and outstanding | - | - |
| Common stock, $0.16 par value, 315,000,000 shares authorized, 216,944,017 and 216,614,407 shares issued and outstanding | 34,712 | 34,658 |
| Additional paid-in capital | 2,592,374 | 2,583,885 |
| Accumulated other comprehensive loss | (44,745) | (30,021) |
| Retained earnings | 86,729 | 555,620 |
| Total Stockholders' Equity | 2,669,070 | 3,144,142 |
| Total Liabilities and Stockholders' Equity | $ 4,054,092 | $ 4,548,833 |

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Neogen Corporation**
**Condensed Consolidated Statements of Operations (unaudited)**
*(in thousands, except shares)*

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Revenues | | | | |
| Product revenues | $ 207,549 | $ 203,869 | $ 400,067 | $ 408,270 |
| Service revenues | 23,709 | 25,760 | 48,155 | 50,346 |
| Total Revenues | 231,258 | 229,629 | 448,222 | 458,616 |
| Cost of Revenues | | | | |
| Cost of product revenues | 99,837 | 98,353 | 197,673 | 195,312 |
| Cost of service revenues | 18,091 | 14,502 | 32,293 | 29,769 |
| Total Cost of Revenues | 117,928 | 112,855 | 229,966 | 225,081 |
| Gross Profit | 113,330 | 116,774 | 218,256 | 233,535 |
| Operating Expenses | | | | |
| Sales and marketing | 46,545 | 44,832 | 92,344 | 90,615 |
| General and administrative | 57,771 | 51,721 | 109,442 | 96,842 |
| Goodwill impairment | 461,390 | — | 461,390 | — |
| Research and development | 5,108 | 5,756 | 10,307 | 12,478 |
| Total Operating Expenses | 570,814 | 102,309 | 673,483 | 199,935 |
| Operating (Loss) Income | (457,484) | 14,465 | (455,227) | 33,600 |
| Other Expense | | | | |
| Interest income | 774 | 1,863 | 1,767 | 3,653 |
| Interest expense | ) (18,141 | ) (18,032 | ) (36,756 | ) (36,488 |
| Other, net | (1,721) | (2,043) | (1,965) | (2,849) |
| Total Other Expense | (19,088) | (18,212) | (36,954) | (35,684) |
| Loss Before Taxes | (476,572) | (3,747) | (492,181) | (2,084) |
| Income Tax Benefit | (20,290) | (260) | (23,290) | (100) |
| Net Loss | $ (456,282) | $ (3,487) | $ (468,891) | $ (1,984) |
| Net Loss Per Share | | | | |
| Basic | $ (2.10) | $ (0.02) | $ (2.16) | $ (0.01) |
| Diluted | $ (2.10) | $ (0.02) | $ (2.16) | $ (0.01) |
| Weighted Average Shares Outstanding | | | | |
| Basic | 216,813,788 | 216,410,493 | 216,754,244 | 216,359,511 |
| Diluted | 216,813,788 | 216,410,493 | 216,754,244 | 216,359,511 |

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Neogen Corporation**
**Condensed Consolidated Statements of Comprehensive (Loss) Income (unaudited)**
*(in thousands)*

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net loss | $ (456,282) | $ (3,487) | $ (468,891) | $ (1,984) |
| Other comprehensive (loss) income | | | | |
| Foreign currency translation (loss) gain | (14,576) | 1,455 | (12,117) | 4,678 |
| Unrealized gain on marketable securities [1] | — | 264 | — | 840 |
| Unrealized gain (loss) on derivative instruments [2] | 1,252 | (351) | (2,607) | 2,605 |
| Other comprehensive (loss) income, net of tax: | (13,324) | 1,368 | (14,724) | 8,123 |
| Total comprehensive (loss) income | $ (469,606) | $ (2,119) | $ (483,615) | $ 6,139 |

[1] Amounts are net of tax of $84 and 267 during the three and six months ended November 30, 2023, respectively.
[2] Amounts are net of tax of $395 and $(111) during the three months ended November 30, 2024 and 2023 and $(823) and $822 during the six months ended November 30, 2024 and 2023, respectively.

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Neogen Corporation**
**Condensed Consolidated Statements of Equity (unaudited)**
*(in thousands, except shares)*

| | Common Stock Shares | Amount | Additional Paid-in Capital | Accumulated Other Comprehensive Loss | Retained Earnings | Total |
|---|---|---|---|---|---|---|
| **May 31, 2024** | **216,614,407** | **$ 34,658** | **$ 2,583,885** | **$ (30,021)** | **$ 555,620** | **$ 3,144,142** |
| Exercise of options, RSUs and share-based compensation expense | 4,854 | 1 | 4,017 | — | — | 4,018 |
| Issuance of shares under employee stock purchase plan | 78,877 | 13 | 1,028 | — | — | 1,041 |
| Net loss | — | — | — | — | (12,609) | (12,609) |
| Other comprehensive loss | — | — | — | (1,400) | — | (1,400) |
| **August 31, 2024** | **216,698,138** | **$ 34,672** | **$ 2,588,930** | **$ (31,421)** | **$ 543,011** | **$ 3,135,192** |
| Exercise of options, RSUs and share-based compensation expense | 245,879 | 40 | 3,444 | — | — | 3,484 |
| Net loss | — | — | — | — | (456,282) | (456,282) |
| Other comprehensive income | — | — | — | (13,324) | — | (13,324) |
| **Balance, November 30, 2024** | **216,944,017** | **$ 34,712** | **$ 2,592,374** | **$ (44,745)** | **$ 86,729** | **$ 2,669,070** |

| | Common Stock Shares | Amount | Additional Paid-in Capital | Accumulated Other Comprehensive Loss | Retained Earnings | Total |
|---|---|---|---|---|---|---|
| **May 31, 2023** | **216,245,501** | **$ 34,599** | **$ 2,567,828** | **$ (33,251)** | **$ 565,041** | **$ 3,134,217** |
| Exercise of options, RSUs and share-based compensation expense | 2,591 | — | 2,661 | — | — | 2,661 |
| Issuance of shares under employee stock purchase plan | 62,490 | 11 | 1,028 | — | — | 1,039 |
| Net income | — | — | — | — | 1,503 | 1,503 |
| Other comprehensive income | — | — | — | 6,755 | — | 6,755 |
| **August 31, 2023** | **216,310,582** | **$ 34,610** | **$ 2,571,517** | **$ (26,496)** | **$ 566,544** | **$ 3,146,175** |
| Exercise of options and share-based compensation expense | 209,714 | 34 | 3,477 | — | — | 3,511 |
| Net loss | — | — | — | — | (3,487) | (3,487) |
| Other comprehensive income | — | — | — | 1,368 | — | 1,368 |
| **November 30, 2023** | **216,520,296** | **$ 34,644** | **$ 2,574,994** | **$ (25,128)** | **$ 563,057** | **$ 3,147,567** |

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Neogen Corporation**
**Condensed Consolidated Statements of Cash Flows (unaudited)**
*(in thousands)*

| | Six months ended November 30, 2024 | 2023 |
|---|---|---|
| Cash Flows provided by Operating Activities | | |
| Net loss | $ (468,891) | $ (1,984) |
| Adjustments to reconcile net loss to net cash from operating activities: | | |
| Depreciation and amortization | 59,849 | 58,203 |
| Deferred income taxes | (23,924) | 1,178 |
| Share-based compensation | 8,801 | 6,150 |
| Loss on disposal of property and equipment | 164 | 38 |
| Amortization of debt issuance costs | 1,720 | 1,720 |
| Goodwill and other asset impairment | 468,718 | 716 |
| Other | (261) | — |
| Change in operating assets and liabilities, net of business acquisitions: | | |
| Accounts receivable, net | 5,332 | 3,633 |
| Inventories, net | (17,398) | (25,929) |
| Prepaid expenses and other current assets | (16,675) | (29,896) |
| Accounts payable and accrued liabilities | 2,166 | 34,950 |
| Interest expense accrual | 106 | (164) |
| Change in other non-current assets and non-current liabilities | 2,632 | (9,892) |
| Net Cash provided by Operating Activities | 22,339 | 38,723 |
| Cash Flows (used for) provided by Investing Activities | | |
| Purchases of property, equipment and other non-current intangible assets | (55,590) | (55,046) |
| Proceeds from the maturities of marketable securities | 325 | 57,828 |
| Proceeds from the sale of property and equipment and other | 4,446 | 70 |
| Net Cash (used for) provided by Investing Activities | (50,819) | 2,852 |
| Cash Flows (used for) provided by Financing Activities | | |
| Exercise of stock options and issuance of employee stock purchase plan shares | 1,182 | 1,230 |
| Tax payments related to share-based awards | (1,439) | (89) |
| Repayment of finance lease and other | (173) | (389) |
| Net Cash (used for) provided by Financing Activities | (430) | 752 |
| Effects of Foreign Exchange Rate on Cash | (1,470) | 198 |
| Net (Decrease) Increase in Cash and Cash Equivalents | (30,380) | 42,525 |
| Cash and Cash Equivalents, Beginning of Year | 170,611 | 163,240 |
| Cash and Cash Equivalents, End of Year | $ 140,231 | $ 205,765 |
| **Supplemental cash flow information** | | |
| Right of use assets obtained in exchange for new operating lease liabilities | $ 5,802 | $ 2,198 |

The accompanying notes are an integral part of these condensed consolidated financial statements.

## 1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

### DESCRIPTION OF BUSINESS

Neogen Corporation and subsidiaries ("Neogen," "we," "our" or the "Company") develop, manufacture and market a diverse line of products and services dedicated to food and animal safety. Our Food Safety segment consists primarily of diagnostic test kits and complementary products (e.g., culture media) sold to food producers and processors to detect dangerous and/or unintended substances in human food and animal feed, such as foodborne pathogens, spoilage organisms, natural toxins, food allergens, genetic modifications, ruminant by-products, meat speciation, drug residues, pesticide residues and general sanitation concerns. The majority of the test kits are disposable, single-use, immunoassay and DNA detection products that rely on proprietary antibodies and RNA and DNA testing methodologies to produce rapid and accurate test results. Our expanding line of food safety products also includes genomics-based diagnostic technology, and advanced software systems that help testers objectively analyze and store, as well as perform analysis on, their results from multiple locations over extended periods.

Neogen's Animal Safety segment is engaged in the development, manufacture, marketing and distribution of veterinary instruments, pharmaceuticals, vaccines, topicals, parasiticides, diagnostic products, cleaners, biosecurity products and genomics testing services for the worldwide animal safety market. The majority of these consumable products are marketed through veterinarians, retailers, livestock producers and animal health product distributors. Our line of drug detection products is sold worldwide for the detection of abused and therapeutic drugs in animals and animal products, and has expanded into the workplace and human forensic markets.

### BASIS OF PRESENTATION AND CONSOLIDATION

The accompanying unaudited condensed consolidated financial statements include the accounts of Neogen and its wholly owned subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America (generally accepted accounting principles) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

In our opinion, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation of the results of the interim period have been included in the accompanying unaudited condensed consolidated financial statements. All intercompany balances and transactions have been eliminated in consolidation. The results of operations during the three and six months ended November 30, 2024 are not necessarily indicative of the results to be expected for the full fiscal year ending May 31, 2025. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2024.

**New Accounting Pronouncements Not Yet Adopted**

*Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which modifies the disclosure and presentation requirements of reportable segments. The amendments in the update require the disclosure of significant segment expenses that are regularly provided to the chief operating decision maker (CODM) and included within each reported measure of segment profit and loss. The amendments also require disclosure of all other segment items by reportable segment and a description of its composition. Additionally, the amendments require disclosure of the title and position of the CODM and an explanation of how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and deciding how to allocate resources. This update is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. We expect to adopt this guidance for our fiscal year 2025 annual reporting and are currently finalizing our assessment of the impact that this standard will have on our segment disclosures.

*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which expands disclosures in an entity's income tax rate reconciliation table and disclosures regarding cash taxes paid both in the U.S. and foreign jurisdictions. The update will be effective for annual periods beginning after December 15, 2024. This guidance becomes effective for our fiscal year 2026 annual reporting. The Company is currently evaluating the impact that this guidance will have on the presentation of its consolidated financial statements and accompanying notes.

**2. REVENUE RECOGNITION**

The Company derives revenue from two primary sources—product revenue and service revenue.

Product revenue consists of shipments of:

- Diagnostic test kits, culture media and related products used by food producers and processors to detect harmful natural toxins, foodborne bacteria, allergens and levels of general sanitation;
- Consumable products marketed to veterinarians, retailers, livestock producers and animal health product distributors; and
- Biosecurity products to assist in the control of rodents, insects and disease in and around agricultural, food production and other facilities.

Revenues for our products are recognized and invoiced when the product is shipped to the customer.

Service revenue consists primarily of:

- Genomic identification and related interpretive bioinformatic services;
- Neogen Analytics; and
- Other commercial laboratory services.

Revenues for Neogen's genomics and commercial laboratory services are recognized and invoiced when the applicable laboratory service is performed and the results are conveyed to the customer. Revenues for Neogen Analytics is earned ratably over the term of the underlying agreement.

Payment terms for products and services are generally 30 to 90 days.

Contract liabilities represent deposits made by customers before the satisfaction of performance obligation(s) and recognition of revenue. Upon completion of the performance obligation(s) that the Company has with the customer, the liability for the customer deposit is relieved and revenue is recognized. These customer deposits are recorded within deferred revenue on the condensed consolidated balance sheets. Changes in the balances relate primarily to sales of the Company's genomics services and Neogen Analytics.

The following table summarizes contract liabilities by period:

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Beginning balance** | $ 5,635 | $ 3,789 | $ 4,632 | $ 4,616 |
| Additions | 4,326 | 4,121 | 7,404 | 5,978 |
| Recognized into revenue | (4,310) | (3,231) | (6,385) | (5,915) |
| **Ending balance** | $ 5,651 | $ 4,679 | $ 5,651 | $ 4,679 |

The following table presents disaggregated revenue by major product and service categories during the three and six months ended November 30, 2024 and 2023:

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Food Safety** | | | | |
| Natural Toxins & Allergens | $ 20,508 | $ 21,110 | $ 40,884 | $ 43,378 |
| Bacterial & General Sanitation | 42,536 | 42,774 | 82,435 | 87,998 |
| Indicator Testing, Culture Media & Other | 83,263 | 83,758 | 164,966 | 165,644 |
| Biosecurity Products | 12,123 | 10,954 | 23,902 | 22,044 |
| Genomics Services | 5,808 | 5,807 | 11,396 | 11,617 |
| | $ 164,238 | $ 164,403 | $ 323,583 | $ 330,681 |
| **Animal Safety** | | | | |
| Life Sciences | $ 1,627 | $ 1,677 | $ 3,360 | $ 3,338 |
| Veterinary Instruments & Disposables | 17,274 | 16,937 | 29,797 | 29,869 |
| Animal Care & Other | 9,775 | 8,985 | 16,454 | 17,160 |
| Biosecurity Products | 21,924 | 19,953 | 42,730 | 42,639 |
| Genomics Services | 16,420 | 17,674 | 32,298 | 34,929 |
| | 67,020 | 65,226 | 124,639 | 127,935 |
| **Total Revenues** | $ 231,258 | $ 229,629 | $ 448,222 | $ 458,616 |

**3. NET LOSS PER SHARE**

Basic net loss per share was computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. Diluted net loss per share was computed using the treasury stock method by dividing net loss by the weighted average number of shares of common stock outstanding.

The calculation of net loss per share follows:

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Numerator for basic and diluted net loss per share: | | | | |
| Net loss attributable to Neogen | $ (456,282) | $ (3,487) | $ (468,891) | $ (1,984) |
| Denominator for basic net loss per share: | | | | |
| Weighted average shares | 216,813,788 | 216,410,493 | 216,754,244 | 216,359,511 |
| Effect of dilutive stock options and RSUs | — | — | — | — |
| Denominator for diluted net loss per share | 216,813,788 | 216,410,493 | 216,754,244 | 216,359,511 |
| Net loss per share: | | | | |
| Basic | $ (2.10) | $ (0.02) | $ (2.16) | $ (0.01) |
| Diluted | $ (2.10) | $ (0.02) | $ (2.16) | $ (0.01) |

Due to the net loss reported for the three and six months ended November 30, 2024 and the three and six months ended November 30, 2023, the dilutive stock options and RSUs were anti-dilutive.

**4. SEGMENT INFORMATION AND GEOGRAPHIC DATA**

The Company has two reportable segments: Food Safety and Animal Safety. The Food Safety segment is primarily engaged in the development, production and marketing of diagnostic test kits and related products used by food producers and processors to detect harmful natural toxins, foodborne bacteria, allergens and levels of general sanitation. The Animal Safety segment is primarily engaged in the development, production and marketing of products dedicated to animal safety, including a complete line of consumable products marketed to veterinarians and animal health product distributors. This segment also provides genomic identification and related interpretive bioinformatic services. Additionally, the Animal Safety segment produces and markets biosecurity products to assist in the control of rodents, insects and disease in and around agricultural, food production and other facilities.

Many of our international operations originally focused on the Company's food safety products, and each of these units reports through the Food Safety segment. In recent years, these operations have expanded to offer the Company's complete line of products and services, including those usually associated with the Animal Safety segment such as biosecurity products, veterinary instruments and genomics services. These additional products and services are managed and directed by existing management and are reported through the Food Safety segment.

Segment information follows:

| | Food Safety | Animal Safety | Corporate and Eliminations [1] | Total |
|---|---|---|---|---|
| **As of and during the three months ended November 30, 2024** | | | | |
| Product revenues to external customers | $ 156,949 | $ 50,600 | $ — | $ 207,549 |
| Service revenues to external customers | 7,289 | 16,420 | — | 23,709 |
| Total revenues to external customers | $ 164,238 | $ 67,020 | $ — | $ 231,258 |
| Operating (loss) income | $ (436,798) | $ (362) | $ (20,324) | $ (457,484) |
| Total assets | $ 3,575,728 | $ 338,133 | $ 140,231 | $ 4,054,092 |
| **As of and during the three months ended November 30, 2023** | | | | |
| Product revenues to external customers | $ 156,317 | $ 47,552 | $ — | $ 203,869 |
| Service revenues to external customers | 8,086 | 17,674 | — | 25,760 |
| Total revenues to external customers | $ 164,403 | $ 65,226 | $ — | $ 229,629 |
| Operating income (loss) | $ 24,329 | $ 7,739 | $ (17,603) | $ 14,465 |
| Total assets | $ 4,029,108 | $ 341,919 | $ 231,388 | $ 4,602,415 |

(1)Includes corporate assets, including cash and cash equivalents, current and deferred tax accounts and overhead expenses not allocated to specific business segments, and excludes intersegment transactions.

| | Food Safety | Animal Safety | Corporate and Eliminations [1] | Total |
|---|---|---|---|---|
| **As of and during the six months ended November 30, 2024** | | | | |
| Product revenues to external customers | $ 307,726 | $ 92,341 | $ — | $ 400,067 |
| Service revenues to external customers | 15,857 | 32,298 | — | 48,155 |
| Total revenues to external customers | $ 323,583 | $ 124,639 | $ — | $ 448,222 |
| Operating (loss) income | $ (418,893) | $ 2,227 | $ (38,561) | $ (455,227) |
| | | | | |
| **As of and during the six months ended November 30, 2023** | | | | |
| Product revenues to external customers | $ 315,264 | $ 93,006 | $ — | $ 408,270 |
| Service revenues to external customers | 15,417 | 34,929 | — | 50,346 |
| Total revenues to external customers | $ 330,681 | $ 127,935 | $ — | $ 458,616 |
| Operating income (loss) | $ 46,570 | $ 16,095 | $ (29,065) | $ 33,600 |

(1)Excludes intersegment transactions.

The following table presents the Company's revenue disaggregated by geographic location:

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Domestic | $ 113,761 | $ 113,554 | $ 218,144 | $ 224,622 |
| International | 117,497 | 116,075 | 230,078 | 233,994 |
| Total revenue | $ 231,258 | $ 229,629 | $ 448,222 | $ 458,616 |

**5. GOODWILL**

The following table summarizes goodwill by reportable segment:

| | Food Safety | Animal Safety | Total |
|---|---|---|---|
| May 31, 2024 | $ 2,054,205 | $ 81,427 | $ 2,135,632 |
| Impairment | (461,175) | - | (461,175) |
| Foreign currency translation and other | (1,755) | (201) | (1,956) |
| November 30, 2024 | $ 1,591,275 | $ 81,226 | $ 1,672,501 |

In the second quarter of fiscal year 2025, the Company identified that the impact of integration challenges and end market conditions on the recent overall financial performance of the Food Safety reporting unit represented a triggering event to test goodwill within that reporting unit for impairment as of September 1, 2024. Management utilized a third-party to quantitatively assess its Food Safety reporting unit. Fair value of the reporting unit was estimated based on a combination of an income-based approach, consisting of a discounted cash flows analysis, and a market-based approach, consisting of pricing multiples derived from an analysis of comparable public companies multiplied against historical and/or anticipated financial metrics of the reporting unit. The inputs to the fair value are defined in the fair value hierarchy as Level 3 inputs. Based on the results of the analysis, the carrying value of the Food Safety reporting unit exceeded its fair value as of September 1, 2024. Accordingly, an impairment charge of $461,390 was recorded. Differences in the balance sheet change and impairment charge are due to foreign exchange.

## 6. RESTRUCTURING

The Company regularly evaluates its business and objectives to ensure that it is properly configured and sized based on changing market conditions. Accordingly, the Company has implemented certain restructuring initiatives, including consolidation of facilities throughout the world and rationalization of its operations. In the second quarter of fiscal year 2025, management initiated a restructuring plan primarily designed to focus the end market exposure and streamline the operations of the Company's global genomics business.

The Company's restructuring charges consist of severance payments, costs for outplacement services, and post-employment benefits (collectively, "employee separation costs"), other related exit costs and asset impairment charges related to restructuring activities. These amounts are partially recorded within cost of service revenues and partially recorded within general and administrative expense on the condensed consolidated statements of operations.

Restructuring charges by segment were as follows:

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Food Safety | $ 1,504 | $ 49 | $ 1,636 | $ 216 |
| Animal Safety | 7,077 | 1,330 | 7,077 | 1,330 |
| Corporate | 987 | 477 | 1,225 | 869 |
| Total | $ 9,568 | $ 1,856 | $ 9,938 | $ 2,415 |

Restructuring activity for the six months ended November 30, 2024 was as follows:

| | Employee Separation Costs | Other Exit Costs | Total |
|---|---|---|---|
| Balance as of May 31, 2024 | - | - | - |
| Expense | 1,983 | 7,955 | 9,938 |
| Cash Payments | (516) | (627) | (1,143) |
| Asset impairments and other | - | (7,328) | (7,328) |
| Balance as of November 30, 2024 | 1,467 | - | 1,467 |

## 7. INCOME TAXES

Income tax benefit was $20,290 and $23,290 during the three and six months ended November 30, 2024, respectively. Income tax benefit was $260 and $100 during the three and six months ended November 30, 2023. The net tax benefit for the quarter is primarily related to pre-tax losses due to amortization expense and interest expense from the 3M FSD acquisition. Additionally, the Company recognized an income tax benefit of $9,225 during the quarter as a result of a goodwill impairment charge. The Organization for Economic Cooperation and Development ("OECD") Pillar 2 global minimum tax rules, which generally provide for a minimum effective tax rate of 15%, are intended to apply for tax years beginning in 2024. The Company is closely monitoring developments and evaluating the impact these new rules will have on its tax rate, including eligibility to qualify for certain safe harbors. Where no safe harbor is met, the Company has included a forecasted amount of "top-up" tax for its foreign subsidiaries as required under the applicable rules of the countries that have adopted the Pillar Two directives, in its income tax benefit for the three and six months ended November 30, 2024.

The total amounts of unrecognized tax benefits that, if recognized, would affect the effective tax rate as of November 30, 2024 and May 31, 2024 were $3,691 and $2,739, respectively. Increases in unrecognized tax benefits are primarily associated with the acquired 3M FSD, including positions for transfer pricing and research and development credits.

**8. COMMITMENTS AND CONTINGENCIES**

The Company is involved in environmental remediation and monitoring activities at its Randolph, Wisconsin manufacturing facility and accrues for related costs, when such costs are determined to be probable and estimable. The Company currently utilizes a pump and treat remediation strategy, which includes semi-annual monitoring and reporting, consulting, and maintenance of monitoring wells. These annual remediation costs are expensed and have ranged from $38 to $131 per year over the past five years. The Company's estimated remaining liability for these costs is $916 as of both November 30, 2024 and May 31, 2024, measured on an undiscounted basis over an estimated period of 15 years. In fiscal 2019, the Company performed an updated Corrective Measures Study on the site, per a request from the Wisconsin Department of Natural Resources ("WDNR"), and is currently working with the WDNR regarding potential alternative remediation strategies going forward. The Company believes that the current pump and treat strategy is appropriate for the site. In fiscal 2022, in collaboration with the WDNR, the Company initiated an in-situ chemical remediation pilot study, which ran over a two-year period. The results of this study were submitted to the WDNR as part of our standard annual report. If the WDNR were to require a change from the current pump and treat remediation strategy, this change could result in an increase in future costs and, ultimately, an increase in the currently recorded liability, with an offsetting charge to operations in the period recorded. The Company has recorded $100 as a current liability as of November 30, 2024, and the remaining $816 is recorded in other non-current liabilities in the condensed consolidated balance sheets.

The Company is subject to certain legal and other proceedings in the normal course of business that, in the opinion of management, are not expected to have a material effect on its future results of operations or financial position.

**9. DERIVATIVES AND FAIR VALUE**

*Derivatives*

The Company operates on a global basis and is exposed to the risk that its financial condition, results of operations and cash flows could be adversely affected by changes in foreign currency exchange rates and changes in interest rates. To reduce the potential effects of foreign currency exchange rate movements on net earnings, the Company enters into derivative financial instruments in the form of foreign currency exchange forward contracts with major financial institutions and has also entered into interest rate swap contracts as a hedge against changes in interest rates. The Company has established policies and procedures for risk assessment and the approval, reporting and monitoring of derivative financial instrument activities. On the date the derivative is established, the Company designates the derivative as either a fair value hedge, a cash flow hedge or a net investment hedge in accordance with its established policy. Each reporting period, derivatives are recorded at fair value in other current assets, other assets, accrued liabilities and other long-term liabilities. The change in fair value is recorded in accumulated other comprehensive loss, and amounts are reclassified into earnings on the condensed consolidated statements of operations when transactions are realized. Derivatives that are not determined to be effective hedges are adjusted to fair value with a corresponding adjustment to earnings. The Company does not enter into derivative financial instruments for trading or speculative purposes.

*Derivatives Not Designated as Hedging Instruments*

The Company forecasts its net exposure in various receivables and payables to fluctuations in the value of various currencies, and has entered into a number of foreign currency forward contracts each month to mitigate that exposure. These contracts are recorded net at fair value on our consolidated balance sheets, classified as Level 2 in the fair value hierarchy. Gains and losses from these contracts are recognized in other income in our condensed consolidated statements of operations. The notional amount of forward contracts in place was $88,753 and $70,315 as of November 30, 2024 and May 31, 2024, respectively, and consisted of hedges of transactions up to January 2025.

| Fair Value of Derivatives Not Designated as Hedging Instruments | Balance Sheet Location | November 30, 2024 | May 31, 2024 |
|---|---|---|---|
| Foreign currency forward contracts, net | Other current liabilities | $ 323 | $ 265 |

The location and amount of gains (losses) from derivatives not designated as hedging instruments in our condensed consolidated statements of operations were as follows:

| Derivatives Not Designated as Hedging Instruments | Location in statements of operations | Three months ended November 30, 2024 | 2023 |
|---|---|---|---|
| Foreign currency forward contracts | Other income (expense) | $ 349 | $ (221) |

| Derivatives Not Designated as Hedging Instruments | Location in statements of operations | Six months ended November 30, 2024 | 2023 |
|---|---|---|---|
| Foreign currency forward contracts | Other expense | $ (285) | $ (541) |

*Derivatives Designated as Hedging Instruments*

In November 2022, the Company entered into a receive-variable, pay-fixed interest rate swap agreement with a $250,000 notional value, which is designated as a cash flow hedge. In accordance with the agreement, the notional value decreased to $200,000 in November 2024. This agreement fixed a portion of the variable interest due on our term loan facility, with an effective date of December 2, 2022 and a maturity date of June 30, 2027. Under the terms of the agreement, the Company pays a fixed interest rate of 4.215%, plus an applicable margin ranging between 150 to 225 basis points and receive a variable rate of interest based on term SOFR from the counterparty, which is reset according to the duration of the SOFR term. The fair value of the interest rate swap as of November 30, 2024 and May 31, 2024 was a net (liability) asset of ($978) and $2,451, respectively. The Company expects to reclassify a $109 gain of accumulated other comprehensive income into earnings in the next 12 months.

We record the fair value of our interest rate swaps on a recurring basis using Level 2 observable market inputs for similar assets or liabilities in active markets.

| Fair Value of Derivatives Designated as Hedging Instruments | Balance Sheet Location | November 30, 2024 | May 31, 2024 |
|---|---|---|---|
| Interest rate swap – current | Other current assets | $ 144 | $ 2,222 |
| Interest rate swap – non-current | Other (non-current liabilities) non-current assets | $ (1,121) | $ 229 |

*Fair Value of Financial Instruments*

Fair value measurements are determined based upon the exit price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants exclusive of any transaction costs. The Company utilizes a fair value hierarchy based upon the observability of inputs used in valuation techniques as follows:

Level 1: Observable inputs such as quoted prices in active markets;

Level 2: Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying amounts of the Company’s financial instruments other than cash equivalents and marketable securities, which include accounts receivable and accounts payable, approximate fair value based on either their short maturity or current terms for similar instruments.

**10. ACCUMULATED OTHER COMPREHENSIVE LOSS**

Accumulated other comprehensive loss changes by component, net of related tax, were as follows:

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Accumulated other comprehensive loss, beginning balance** | $ (31,421) | $ (26,496) | $ (30,021) | $ (33,251) |
| **Foreign currency translation adjustment** | | | | |
| Balance at beginning of period | $ (29,426) | $ (27,062) | $ (31,885) | $ (30,285) |
| Other comprehensive (loss) gain before reclassifications | (14,576) | 1,455 | (12,117) | 4,678 |
| Balance at end of period | $ (44,002) | $ (25,607) | $ (44,002) | $ (25,607) |
| **Marketable securities** | | | | |
| Balance at beginning of period | $ - | $ (351) | $ - | $ (927) |
| Other comprehensive loss before reclassifications | - | - | - | - |
| Amounts reclassified from accumulated other comprehensive loss | - | 264 | - | 840 |
| Balance at end of period | $ - | $ (87) | $ - | $ (87) |
| **Fair value of derivatives change** | | | | |
| Balance at beginning of period | $ (1,995) | $ 917 | $ 1,864 | $ (2,039) |
| Other comprehensive gain (loss) before reclassifications | 1,644 | 229 | (1,627) | 3,708 |
| Amounts reclassified from accumulated other comprehensive loss | (392) | (580) | (980) | (1,103) |
| Balance at end of period | $ (743) | $ 566 | $ (743) | $ 566 |
| **Accumulated other comprehensive loss, ending balance** | $ (44,745) | $ (25,128) | $ (44,745) | $ (25,128) |

**PART I – FINANCIAL INFORMATION**

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

The information in this Management's Discussion and Analysis of Financial Condition and Results of Operations contains both historical financial information and forward-looking statements. Neogen does not provide forecasts of future financial performance. While management is optimistic about the Company's long-term prospects, historical financial information may not be indicative of future financial results.

**Safe Harbor and Forward-Looking Statements**

Forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, are made throughout this Quarterly Report on Form 10-Q, including statements relating to management's expectations regarding new product introductions; the adequacy of our sources for certain components, raw materials and finished products; and our ability to utilize certain inventory. For this purpose, any statements contained herein that are not statements of historical fact are deemed to be forward-looking statements. Without limiting the foregoing, the words "believes," "anticipates," "plans," "expects," "seeks," "estimates," and similar expressions are intended to identify forward-looking statements. These forward-looking statements are intended to provide our current expectations or forecasts of future events; are based on current estimates, projections, beliefs, and assumptions; and are not guarantees of future performance. Actual events or results may differ materially from those described in the forward-looking statements. There are a number of important factors that could cause Neogen's results to differ materially from those indicated by such forward-looking statements, including many factors beyond our control. Factors that could cause actual results to differ from those contained within forward-looking statements include (without limitation) the continued integration of the 3M food safety business and the realization of the expected benefits from that acquisition; the relationship with and performance of our transition manufacturing partner; our ability to adequately and timely remediate certain identified material weaknesses in our internal control over financial reporting; competition; recruitment and retention of key employees; impact of weather on agriculture and food production; global business disruption caused by the Russia invasion in Ukraine and related sanctions and the conflict in the Middle East; identification and integration of acquisitions; research and development risks; intellectual property protection; increasing and developing government regulation; and other risks detailed from time to time in the Company's reports on file at the Securities and Exchange Commission, including this Quarterly Report on Form 10-Q.

In addition, any forward-looking statements represent management's views only as of the date this Quarterly Report on Form 10-Q was first filed with the Securities and Exchange Commission and should not be relied upon as representing management's views as of any subsequent date. While management may elect to update forward-looking statements at some point in the future, it specifically disclaims any obligation to do so, even if its views change.

**Trends and Uncertainties**

In prior years, production was negatively impacted by broad supply chain challenges and labor market disruptions. Additionally, input cost inflation, including increases in certain raw materials, negatively impacted operating results. In fiscal 2024, despite a slowing rate of inflation, there were economic headwinds of softening consumer demand and higher interest rates, coupled with ongoing geopolitical tension in certain regions.

Interest rates have risen sharply, particularly in fiscal 2023, as a way to combat inflation. This increased our borrowing costs and raised the overall cost of capital. Although the federal funds rate was reduced in 2024 and there are indications of future rate cuts, the overall interest rate we pay on our Credit Facilities remains higher than when the debt was incurred in 2022, which increases interest expense on the unhedged portion of our Term Loan. In response to the historically high inflationary environment, we took pricing actions to mitigate the impacts on the business in the prior two fiscal years. The impact of inflation continues to affect us in the current fiscal year, although at a lower rate compared to prior fiscal years.

Beginning in the first half of fiscal year 2024, we implemented a new enterprise resource planning system and exited our transition distribution agreements with 3M, which led to certain shipment delays and an elevated backlog of open orders, specifically in the Food Safety segment. At the conclusion of fiscal year 2024, order fulfillment issues were largely resolved, however, the impact of lost market share stemming from these fulfillment issues has continued in fiscal year 2025. Also in fiscal year 2025, we have experienced negative impacts from delays in restarting full production of our sample collection product line, which we relocated from 3M into a Neogen facility.

However, we expect these delays to be resolved and reach historical production levels in the second half of the fiscal year.

Although we have no operations in or direct exposure to Russia, Belarus or Ukraine, we have experienced intermittent shortages in materials and increased costs for transportation, energy and raw materials due, in part, to the negative impact of the Russia-Ukraine military conflict, which began in February 2022, on the global economy. Our European operations and customer base have been negatively impacted by the conflict. Similarly, the military conflicts in the Middle East have increased overall geopolitical tensions. As the respective conflicts continue or worsen, they may further impact our business, financial condition or results of operations throughout fiscal year 2025.

Within the Food Safety industry, the end market continues to have a resulting lower level of food production, partly due to significant inflation in food prices. However, there has been gradual end market improvement that has coincided with an increasing focus on food safety from both consumers and regulators. Within Animal Safety, the industry is at or near cyclical lows in the end market and. As a result, we are optimistic about future growth of revenue in the segment, particularly if the distribution channel begins to meaningfully restock inventory.

The restructuring actions undertaken in our Genomics business have resulted in the voluntary attrition of additional revenue, following the shift in focus already made away from smaller production animals. A portion of our Genomics business also serves the companion animal market, which has been experiencing weakness recently, primarily due to the impact of continued inflation and a lower number of pet adoptions.

We continue to evaluate the nature and extent to which these issues impact our business, including consolidated results of operations, financial condition and liquidity. We expect these issues to continue to impact us throughout fiscal year 2025.

**Critical Accounting Estimates**

During the second quarter of fiscal year 2025, we incurred a goodwill impairment charge of $461.4 million associated with our Food Safety reporting unit. Subsequent to the goodwill impairment charge, the fair value of this reporting unit approximated its carrying value. The fair value of the reporting unit is estimated based on a combination of an income approach, which utilizes discounted cash flows and a market approach, which utilizes pricing multiples derived from an analysis of comparable public companies multiplied against historical and/or anticipated financial metrics of the reporting unit. The rate used to discount the cash flows under the income approach was 10.0%. These calculations contain uncertainties as they require management to make assumptions including, but not limited to, market comparables, future cash flows of the reporting unit, and appropriate discount and long-term growth rates.

A decline in the actual cash flows of the Food Safety reporting unit in future periods, as compared to the projected cash flows used in the valuation, could result in the carrying value of this reporting unit exceeding its fair value. Further, a change in market comparables, discount rate or long-term growth rate, as a result of a change in economic

conditions or otherwise could result in the carrying value of this reporting unit exceeding its fair value, which would result in an additional impairment charge.

Our critical accounting estimates are included in our Annual Report on Form 10-K for the year ended May 31, 2024 and did not materially change during the three months ended November 30, 2024.

**Executive Overview**

| | Three months ended November 30, | | | Six months ended November 30, | | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Increase / (Decrease) | 2024 | 2023 | Increase / (Decrease) |
| Total Revenues | $ 231,258 | $ 229,629 | $ 1,629 | $ 448,222 | $ 458,616 | $ (10,394) |
| Cost of Revenues | 117,928 | 112,855 | 5,073 | 229,966 | 225,081 | 4,885 |
| Gross Profit | 113,330 | 116,774 | (3,444) | 218,256 | 233,535 | (15,279) |
| Operating Expenses | | | | | | |
| Sales and marketing | 46,545 | 44,832 | 1,713 | 92,344 | 90,615 | 1,729 |
| General and administrative | 57,771 | 51,721 | 6,050 | 109,442 | 96,842 | 12,600 |
| Goodwill impairment | 461,390 | — | 461,390 | 461,390 | — | 461,390 |
| Research and development | 5,108 | 5,756 | (648) | 10,307 | 12,478 | (2,171) |
| Total Operating Expenses | 570,814 | 102,309 | 468,505 | 673,483 | 199,935 | 473,548 |
| Operating (Loss) Income | (457,484) | 14,465 | (471,949) | (455,227) | 33,600 | (488,827) |
| Other Expense | | | | | | |
| Interest income | 774 | 1,863 | (1,089) | 1,767 | 3,653 | (1,886) |
| Interest expense | (18,141) | (18,032) | (109) | (36,756) | (36,488) | (268) |
| Other expense, net | (1,721) | (2,043) | 322 | (1,965) | (2,849) | 884 |
| Total Other Expense | (19,088) | (18,212) | (876) | (36,954) | (35,684) | (1,270) |
| Loss Before Taxes | (476,572) | (3,747) | (472,825) | (492,181) | (2,084) | (490,097) |
| Income Tax Benefit | (20,290) | (260) | (20,030) | (23,290) | (100) | (23,190) |
| Net Loss | $ (456,282) | $ (3,487) | $ (452,795) | $ (468,891) | $ (1,984) | $ (466,907) |

**Results of Operations**

**Revenues**

Revenue increased $1.6 million during the three months ended November 30, 2024 compared to the three months ended November 30, 2023. The increase included $8.1 million growth in the business offset by a $5.8 million unfavorable foreign exchange rate impact and a $0.7 million unfavorable impact due to discontinued product lines. The increase in the business was driven by new sales in the food quality and nutritional analysis product line paired with continued strength in indicator testing and rodent control product lines and higher sales of our hygiene monitoring product line. These were partially offset by reduced sales of sample collection products due to production constraints and lower genomics volume due primarily to weakness in the companion animal market.

Revenue decreased $10.4 million during the six months ended November 30, 2024 compared to the six months ended November 30, 2023. The decrease included a $14.7 million unfavorable foreign exchange rate impact and a $0.6 million unfavorable impact due to discontinued product lines, offset by $4.9 million growth in the business. The year-to-date increase in the business was driven by continued strength in indicator testing paired with new sales in the food quality and nutritional analysis product line. These increases were partially offset by production

constraints within the sample collection product line and lower genomics volume, which was impacted by a shift to focus on large production animals and weakness in the companion animal market.

*Service Revenue*

Service revenue, which consists primarily of genomics services provided to animal production and companion animal markets, was $23.7 million and $48.2 million during the three and six months ended November 30, 2024 and $25.8 million and $50.3 million during the three and six months ended November 30, 2023, respectively. The decrease in the three and six months ended November 30, 2024 was primarily due to lower genomics sales into the companion animal market, as well as lower sales into the domestic poultry market, primarily due to a shift in focus towards large production animals, offset by an increase in genomics sales into beef markets.

*International Revenue*

International sales were $117.5 million and $230.1 million during the three and six months ended November 30, 2024 and $116.1 million and $234.0 million during the three and six months ended November 30, 2023, respectively. The increase during the three months ended November 30, 2024 was driven by increases in the Asia Pacific and European regions, partially offset by decreases in the Latin American and South American regions. The decrease during the six months ended November 30, 2024 was due to $14.7 million of currency headwinds, partially offset by strength in Petrifilm® indicator sales.

**Gross Margin**

Gross margin was 49.0% and 48.7% during the three and six months ended November 30, 2024 and 50.9% during the three and six months ended November 30, 2023, respectively. The decrease in margin during the three month period was primarily due to $4.8 million of restructuring charges. The decrease in margin during the six month period was primarily due to higher freight costs in the current year and $4.8 million of restructuring charges. Additionally, a volume decline in the first quarter contributed to the lower gross margin for the year-to-date period.

**Operating Expenses**

*Sales and Marketing*

Sales and marketing expenses were $46.5 million and $92.3 million during the three and six months ended November 30, 2024 and $44.8 million and $90.6 million during the three and six months ended November 30, 2023, respectively. We experienced higher shipping costs in the current year, as we experienced higher shipping rates and took over distribution of FSD products from 3M during the second and third quarters of the prior fiscal year. This increase was partially offset by a decrease in fees paid to 3M for distribution services and lower royalty expense.

*General and Administrative*

General and administrative were $57.8 million and $109.4 million during the three and six months ended November 30, 2024 and $51.7 million and $96.8 million during the three and six months ended November 30, 2023, respectively. For the Food Safety segment, expenses were relatively consistent compared to the prior-year comparable periods. For the Animal Safety segment, an increase in expense was attributable to restructuring charges, which were primarily incurred in the second quarter of the current fiscal year. Corporate expense has increased primarily due to additional headcount and higher costs associated with our prior-year enterprise resource planning system implementation.

General and administrative expenses includes amortization expense relating to definite-lived intangible assets of $23.6 million and $47.2 million during the three and six months ended November 30, 2024 and $23.7 million and $47.4 million during the three and six months ended November 30, 2023, respectively. Estimated amortization expense for fiscal years 2025 through 2029 is expected to be in the range of approximately $91 million to $96 million per year.

*Goodwill Impairment*

During the three and six months ended November 30, 2024, we recorded a goodwill impairment charge of $461.4 million within our Food Safety reporting unit. There were no goodwill impairment charges recorded during the three and six months ended November 30, 2023.

*Research and Development*

Research and development expense was $5.1 million and $10.3 million during the three and six months ended November 30, 2024 and $5.8 million and $12.5 million during the three and six months ended November 30, 2023, respectively. The decrease during the three and six months ended November 30, 2024 is primarily the result of lower contracted services and employee costs in the Food Safety segment, as we continue to integrate the 3M FSD business and realize synergies in certain areas.

**Other Expense**

Other expense was $19.1 million and $37.0 million during the three months ended November 30, 2024 and $18.2 million and $35.7 million during the three and six months ended November 30, 2023, respectively. The increase in expense during both comparable periods was due to a reduction in interest income associated with our declining money market portfolio balance and a decrease in foreign exchange transaction loss as a result of changes in the value of foreign currencies relative to the U.S. dollar in countries in which we operate.

**Provision for Income Taxes**

Income tax benefit was $20.3 million and $23.3 million during the three and six months ended November 30, 2024 compared to income tax benefit of $0.3 million and $0.1 million during the three and six months ended November 30, 2023. The net tax benefit for the quarter is primarily related to pre-tax losses due to amortization expense and interest expense from the 3M FSD acquisition. Additionally, we recognized an income tax benefit of $9.2 million during the quarter as a result of a goodwill impairment charge. The OECD Pillar 2 global minimum tax rules, which generally provide for a minimum effective tax rate of 15%, are intended to apply for tax years beginning in 2024. We are closely monitoring developments and evaluating the impact these new rules will have on our tax rate, including eligibility to qualify for certain safe harbors. Where no safe harbor is met, we have included a forecasted amount of "top-up" tax for its foreign subsidiaries as required under the applicable rules of the countries that have adopted the Pillar Two directives, in our income tax benefit for the three and six months ended November 30, 2024.

**Segment Results of Operations**

| | Three months ended November 30, | | | |
|---|---|---|---|---|
| | 2024 | 2023 | Increase / (Decrease) | % Change |
| Food Safety | $ 164,238 | $ 164,403 | $ (165) | (0)% |
| Animal Safety | 67,020 | 65,226 | 1,794 | 3% |
| Total Revenues | $ 231,258 | $ 229,629 | $ 1,629 | 1% |
| | | | | |
| Food Safety | $ (436,798) | $ 24,329 | $ (461,127) | (1895)% |
| Animal Safety | (362) | 7,739 | (8,101) | (105)% |
| Segment Operating (Loss) Income | $ (437,160) | $ 32,068 | $ (469,228) | (1463)% |
| Corporate | (20,324) | (17,603) | (2,721) | 15% |
| Operating Income | $ (457,484) | $ 14,465 | $ (471,949) | (3263)% |

| | Six months ended November 30, | | | |
|---|---|---|---|---|
| | 2024 | 2023 | Increase / (Decrease) | % Change |
| Food Safety | $ 323,583 | $ 330,681 | $ (7,098) | (2)% |
| Animal Safety | 124,639 | 127,935 | (3,296) | (3)% |
| Total Revenues | $ 448,222 | $ 458,616 | $ (10,394) | (2)% |
| | | | | |
| Food Safety | $ (418,893) | $ 46,570 | $ (465,463) | (999)% |
| Animal Safety | 2,227 | 16,095 | (13,868) | (86)% |
| Segment Operating (Loss) Income | $ (416,666) | $ 62,665 | $ (479,331) | (765)% |
| Corporate | (38,561) | (29,065) | (9,496) | 33% |
| Operating Income | $ (455,227) | $ 33,600 | $ (488,827) | (1455)% |

**Revenues**

Revenue for the Food Safety segment decreased $0.2 million during the three months ended November 30, 2024 compared to the three months ended November 30, 2023. The decrease was primarily due to $5.9 million of currency headwind and $0.3 million from discontinued product lines, partially offset by $6.0 million of growth in the business. The increase in the business was driven by new sales in the food quality and nutritional analysis product line, continued strength in sales of indicator products and higher sales of hygiene monitoring products. These increases were partially offset by lower sales from the sample collection product line due to production constraints.

Revenue for the Food Safety segment decreased $7.1 million during the six months ended November 30, 2024 compared to the six months ended November 30, 2023. The decrease was primarily due to $14.9 million of currency headwind, partially offset by $7.8 million of growth in the business. The growth in the business was driven by continued strength in indicator testing paired with new sales in the food quality and nutritional analysis product line and was partially offset by production constraints impacting the sample collection product line.

Revenue for the Animal Safety segment increased $1.8 million during the three months ended November 30, 2024 compared to the three months ended November 30, 2023. The increase was primarily due to $2.1 million growth in the business and $0.2 million of a favorable currency impact, partially offset by a $0.5 million impact from discontinued product lines. The growth in the business was related to continued strength in rodent control products paired with higher sales of animal care products affected by supply constraints in the prior periods. These increases were partially offset by lower genomics volume due primarily to weakness in the companion animal market.

Revenue for the Animal Safety segment decreased $3.3 million during the six months ended November 30, 2024 compared to the six months ended November 30, 2023. The decrease was primarily due to $2.8 million decline in the business and a $0.7 million impact from discontinued product lines, partially offset by a $0.2 million favorable currency impact. The decline in the business driven by lower genomics volume due to a shift to focus primarily on large production animals and weakness in the companion animal market, and lower sales in the first quarter of insect control and cleaners and disinfectants product lines. These decreases were partially offset by strength in rodent control products.

**Operating Income**

Operating income for the Food Safety segment decreased $461.1 million during the three months ended November 30, 2024 compared to the three months ended November 30, 2023. When normalizing for the goodwill impairment charge of $461.4 million, operating income increased $0.3 million. The increase was due to growth in the business, which was nearly entirely offset by adverse foreign currency impacts.

Operating income for the Food Safety segment decreased $465.5 million during the six months ended November 30, 2024 compared to the six months ended November 30, 2023. When normalizing for the goodwill impairment charge of $461.4 million, operating income decreased $4.1 million. The decrease was primarily attributable to the first quarter of the fiscal year and a result of lower gross profit and operating expenses that did not decrease at the same rate as the decrease in sales.

Operating income for the Animal Safety segment decreased $8.1 million during the three months ended November 30, 2024 compared to the three months ended November 30, 2023. The decline was due to $7.1 million of restructuring charges, which impacted both gross profit and operating expenses.

Operating income for the Animal Safety segment decreased $13.9 million during the six months ended November 30, 2024 compared to the six months ended November 30, 2023.The decline was due to a decrease in sales in the first quarter of the fiscal year and restructuring charges incurred primarily in the second quarter of the fiscal year, which impacted both gross profit and operating expenses.

The increased Corporate expense during each comparable period related to headcount increases, increases in equity-based compensation and costs associated with our new enterprise resource planning system.

**Non-GAAP Financial Measures**

This report includes certain financial information for the Company that differs from what is reported in accordance with U.S. GAAP. These non-GAAP financial measures consist of EBITDA, Adjusted EBITDA, and Adjusted EBITDA margin. These non-GAAP financial measures are included in this report because management believes that they provide investors with additional useful information to measure the performance of the Company, and because these non-GAAP financial measures are frequently used by securities analysts, investors and other interested parties as common performance measures to compare results or estimate valuations across companies in industries the Company operates in. The Company also uses Adjusted EBITDA as a performance target to establish and award certain executive compensation awards, as disclosed in our proxy statement filed with the Securities and Exchange Commission filed on September 13, 2024.

*EBITDA*

We define EBITDA as net income before interest, income taxes, and depreciation and amortization. We present EBITDA as a performance measure because it may allow for a comparison of results across periods and results across companies in the industries in which Neogen operates on a consistent basis, by removing the effects on operating performance of (a) capital structure (such as the varying levels of interest expense and interest income), (b) asset base and capital investment cycle (such as depreciation and amortization) and (c) items largely outside the control of management (such as income taxes). EBITDA also forms the basis for the measurement of Adjusted EBITDA (discussed below).

*Adjusted EBITDA*

We define Adjusted EBITDA as EBITDA, adjusted for share-based compensation and certain transaction fees and expenses. We present Adjusted EBITDA because it provides an understanding of underlying business performance by excluding the following:

- Share-based compensation
- FX translation (gain)/loss on loan revaluation and other revaluation
- Certain transaction fees and integration costs
- Restructuring
- Goodwill impairment
- Contingent consideration adjustments
- ERP Expense
- Discontinued product line expense
- Other income and expense items

*Adjusted EBITDA margin*

We define Adjusted EBITDA margin as Adjusted EBITDA as a percentage of total revenues. We present Adjusted EBITDA margin as a performance measure to analyze the level of Adjusted EBITDA generated from total revenue.

These non-GAAP financial measures are presented for informational purposes only. EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are not recognized terms under GAAP and should not be considered in isolation or as a substitute for, or superior to, net (loss) income, operating income, cash flow from operating activities or other measures of financial performance. This information does not purport to represent the results Neogen would have achieved had any of the transactions for which an adjustment is made occurred at the beginning of the periods presented or as of the dates indicated. This information is inherently subject to risks and uncertainties. It may not give an accurate or complete picture of Neogen's financial condition or results of operations for the periods presented and should not be relied upon when making an investment decision.

The use of the terms EBITDA, Adjusted EBITDA, and Adjusted EBITDA margin may not be comparable to similarly titled measures used by other companies or persons due to potential differences in the method of calculation.

These non-GAAP financial measures have limitations as analytical tools. For example, for EBITDA-based metrics:

- they do not reflect changes in, or cash requirements for, Neogen's working capital needs;
- they do not reflect Neogen's tax expense or the cash requirements to pay taxes;
- they do not reflect the historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect any cash requirements for future replacements of assets that are being depreciated and amortized; and
- they may be calculated differently from other companies in Neogen's industries limiting their usefulness as comparative measures.

A reader should compensate for these limitations by relying primarily on the financial statements of Neogen and using these non-GAAP financial measures only as a supplement to evaluate Neogen's performance.

For each of these non-GAAP financial measures below, we are providing a reconciliation of the differences between the non-GAAP measure and the most directly comparable GAAP measure.

Reconciliation between net loss and EBITDA and Adjusted EBITDA and between net loss margin % and Adjusted EBITDA margin % are as follows:

| | Three months ended November 30, | | Six months ended November 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net loss | $ (456,282) | $ (3,487) | $ (468,891) | $ (1,984) |
| *Net loss margin %* | -197.3% | -1.5% | -104.6% | -0.4% |
| Income tax benefit | (20,290) | (260) | (23,290) | (100) |
| Depreciation and amortization | 30,049 | 29,469 | 59,849 | 58,203 |
| Interest expense, net | 17,367 | 16,169 | 34,989 | 32,835 |
| **EBITDA** | **$ (429,156)** | **$ 41,891** | **$ (397,343)** | **$ 88,954** |
| Share-based compensation | 4,819 | 3,512 | 8,801 | 6,150 |
| FX transaction loss on loan and other revaluation [1] | 384 | 1,002 | 64 | 712 |
| Certain transaction fees and integration costs [2] | 3,593 | 4,688 | 8,715 | 6,639 |
| Restructuring [3] | 9,568 | 1,856 | 9,938 | 2,415 |
| Goodwill impairment | 461,390 | — | 461,390 | — |
| Contingent consideration adjustments | — | 150 | — | 450 |
| ERP expense [4] | 716 | 2,075 | 2,551 | 2,203 |
| Discontinued product line expense [5] | — | — | 912 | 20 |
| Other | 67 | (74) | 67 | (74) |
| **Adjusted EBITDA** | **$ 51,381** | **$ 55,100** | **$ 95,095** | **$ 107,469** |
| *Adjusted EBITDA margin %* | *22.2%* | *24.0%* | *21.2%* | *23.4%* |

(1)Net foreign currency transaction gain associated with the revaluation of foreign denominated intercompany loans established in connection with the 3M Food Safety transaction and other non-hedged foreign currency revaluation resulting from 3M agreements.
(2)Includes costs associated with the 3M transaction, including various transition agreements and other related integration costs.
(3)Severance, non-cash impairment, and other related exit costs primarily associated with a reduction in our global genomics business.
(4)Expenses related to ERP implementation.
(5)Expenses associated with certain discontinued product lines.

Adjusted EBITDA decreased $3.7 million and $12.4 million during the three and six months ended November 30, 2024. Expressed as a percentage of revenue, Adjusted EBITDA was 22.2% and 21.2% during the three and six months ended November 30, 2024 and 24.0% and 23.4% during the three and six months ended November 30, 2023 2023, respectively. The lower Adjusted EBITDA in the current year was driven primarily by lower sales and higher operating expenses compared to the prior-year period.

**Financial Condition and Liquidity**

Our primary sources of liquidity are cash and cash equivalents, cash flows from the operations of our business, and available borrowing capacity under our revolving facility. Our principal uses of cash include working capital-related items, capital expenditures, debt service, and strategic investments.

Our future cash generation and borrowing capacity may not be sufficient to meet cash requirements to fund the operating business, repay debt obligations, construct new manufacturing facilities, commercialize products currently under development or execute our future plans to acquire additional businesses, technology and products that fit within our strategic plan. Accordingly, we may be required, or may choose, to issue additional equity securities or enter into other financing arrangements for a portion of our future capital needs. However, we continuously monitor and forecast our liquidity situation in light of industry, customer and economic factors, and take the necessary actions to preserve our liquidity and evaluate other financial alternatives that may be available to us should the need arise. As a result, we believe that our cash flows from operations, cash on hand, and borrowing capacity will enable us to fund the operating business, repay debt obligations, construct new manufacturing facilities, commercialize products currently under development, and execute our strategic plans.

We are subject to certain legal and other proceedings in the normal course of business that have not had, and, in the opinion of management, are not expected to have, a material effect on our results of operations or financial position.

As of November 30, 2024, we had cash and cash equivalents of $140.2 million, and borrowings available under our revolving line of credit of $150.0 million.

In June 2022, Neogen Food Safety Corporation entered into a credit agreement consisting of a five-year senior secured term loan facility ("term loan facility") in the amount of $650 million and a five-year senior secured revolving facility ("revolving facility") in the amount of $150 million (collectively, the "Credit Facilities"). The term loan facility was drawn on August 31, 2022 while the revolving facility remained undrawn and continues to be undrawn as of November 30, 2024. The term loan facility matures on June 30, 2027 and the revolving facility matures at the earlier of June 30, 2027 and the termination of the revolving commitments.

In July 2022, Neogen Food Safety Corporation closed on an offering of $350 million aggregate principal amount of 8.625% senior notes due in 2030.

The finance lease is a building lease that is classified within property and equipment and the current portion of debt on the condensed consolidated balance sheets as of November 30, 2024. The Company intends to elect the purchase option within the lease agreement prior to the end of the lease term.

There are no required principal payments through fiscal year 2026. Financial covenants include maintaining specified levels of funded debt to EBITDA, and debt service coverage. As of November 30, 2024, the Company was in compliance with all financial covenants under the Credit Facilities.

*Cash Flows*

| | Six months ended November 30, | | |
|---|---|---|---|
| | **2024** | **2023** | **Decrease** |
| Net Cash provided by Operating Activities | $ 22,339 | $ 38,723 | $ (16,384) |
| Net Cash (used for) provided by Investing Activities | $ (50,819) | $ 2,852 | $ (53,671) |
| Net Cash (used for) provided by Financing Activities | $ (430) | $ 752 | $ (1,182) |

**Net Cash provided by Operating Activities**

Net cash provided by operating activities decreased $16.4 million during the six months ended November 30, 2024 compared to the six months ended November 30, 2023. The decrease is due to a reduction in income from operations and a lower net inflow due to changes in accounts payable. In the prior year comparable period, accounts payable was elevated in preparation for our exit of transition distribution service agreements and stocking of FSD inventory.

**Net Cash (used for) provided by Investing Activities**

Cash used for investing activities increased $53.7 million during the six months ended November 30, 2024, compared to the six months ended November 30, 2023. The increase was primarily the result of lower proceeds from marketable securities in the current year periods. Capital expenditures were $55.6 million and $55.0 million during the six months ended November 30, 2024 and 2023, respectively.

**Net Cash (used for) provided by Financing Activities**

Cash used by financing activities increased $1.2 million during the six months ended November 30, 2024 compared to the six months ended November 30, 2023. The net outflow was primarily due to taxes paid on employees' share-based compensation.

We continue to make investments in our business and operating facilities. Our estimate for capital expenditures in fiscal 2025 is $85 million. This includes approximately $55 million in capital expenditures related to integration of the acquired 3M FSD products, the most significant portion of which is related to the construction of, and acquisition of equipment for, our new manufacturing facility in Lansing, Michigan.

**PART I – FINANCIAL INFORMATION**

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

We continuously evaluate our exposure to currency exchange and interest rate risk. There have been no meaningful changes in our exposure to risk associated with fluctuations in foreign currency exchange rates and interest rates related to our variable-rate borrowings under the Credit Facilities from that discussed in our Form 10-K.

**PART I – FINANCIAL INFORMATION**

**Item 4. Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures**

The Company maintains disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and (ii) accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

An evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of November 30, 2024 was carried out under the supervision and with the participation of the Company's management, including the President & Chief Executive Officer and Chief Financial Officer ("the Certifying Officers"), using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control – Integrated Framework (2013). Based on the evaluation, the Certifying Officers concluded that the Company's disclosure controls and procedures were not effective as of such date due to material weaknesses in internal control over financial reporting, described below.

**Material Weaknesses**

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis.

As a result of management's assessment of the Company's internal control over financial reporting, we have concluded that as of November 30, 2024, the Company had deficiencies in the control activities and information and communication components of the COSO Framework that constitute material weaknesses, either individually or in aggregate.

***Control Activities***

We did not design, implement, and/or operate effective control activities across substantially all of the Company's business and financial reporting processes to adequately achieve, complete and accurate financial accounting, reporting, and disclosures based on the criteria established in the COSO Framework and we identified deficiencies in the principles associated with the control activities component of the COSO Framework. The following items contributed to the material weakness in control activities, either individually or in aggregate:

- Management did not maintain effective controls over period-end invoice accruals that are designed to ensure the completeness and accuracy of accrued expenses and accrued capital assets.
- Management did not maintain effective management review controls to adequately support certain assumptions applied in its goodwill valuation analysis.

***Information and Communication***

We did not consistently generate or provide adequate quality supporting information and communication based on the criteria established in the COSO Framework and we identified deficiencies in the principles associated with the information and communication component of the COSO Framework. The following were contributing factors to the material weakness in information and communication:

- Management did not maintain adequate information technology general controls in the areas of user access and change management over certain information technology systems that support the Company's financial reporting process.
- Management did not consistently retain information and documentation to adequately support the functions of internal control, including controls over information produced by the entity used in connection with control activities.

•Management did not adequately communicate information internally to enable personnel to sufficiently understand internal control responsibilities.

These control deficiencies create a reasonable possibility that a material misstatement to the consolidated financial statements would not be prevented or detected on a timely basis, and therefore, we concluded that the deficiencies represent material weaknesses. As a result of these material weaknesses, management has concluded that our internal control over financial reporting was not effective as of November 30, 2024.

However, after giving full consideration to these material weaknesses, and the additional analyses and other procedures that we performed to ensure that our consolidated financial statements included in this Quarterly Report on Form 10-Q were prepared in accordance with US GAAP, we have concluded that our consolidated financial statements present fairly, in all material respects, our financial position, results of operations and cash flows for the periods disclosed in conformity with US GAAP.

**Ongoing Remediation Efforts**

Management is in the process of implementing, and will continue to implement, measures designed to ensure that control deficiencies contributing to the material weaknesses are remediated, such that these controls are designed, implemented, and operating effectively. Our remediations actions include:

•Enhancing the design and implementation of existing control activities and developing new control activities as needed to address identified risks;

•Enhancing internal controls documentation, including retaining adequate documentary evidence for certain management review controls and maintaining evidence of precise review procedures performed to demonstrate effective operation of internal controls;

•Expanding, enhancing, and formalizing comprehensive accounting, business operations, and information technology policies and procedures;

•Developing a training program and educating control owners concerning the principles of the Internal Control - Integrated Framework (2013) issued by COSO;

•Hiring qualified personnel and outside resources to support enhanced control ownership and internal communications, including the hiring of a full time SOX PMO Manager.

**Changes in Internal Controls over Financial Reporting**

Other than with respect to the remediation efforts in connection with the material weaknesses described above, no changes in our internal control over financial reporting were identified as having occurred during the quarter ended November 30, 2024 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

**PART II – OTHER INFORMATION**

**Item 1. Legal Proceedings**

For a description of our material pending legal proceedings, see Note 8. “Commitments and Contingencies” of the Notes to interim condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q, which is incorporated by reference.

**Item 1A. Risk Factors**

This Form 10-Q should be read in conjunction with Part I Item 1A “Risk Factors” in our Annual Report on Form 10-K for the year ended May 31, 2024. There have been no material changes in the risk factors described in our Annual Report on Form 10-K for the year ended May 31, 2024.

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

In October 2018, the Company's Board of Directors authorized a program to purchase, subject to market conditions, up to 6,000,000 shares of the Company's common stock. The program does not have any scheduled expiration date. As of November 30, 2024, a total of 5,900,000 shares of common stock remained available for repurchase under this program. The following is a summary of share repurchase activity during the fiscal quarter ended November 30, 2024:

| Period | Shares Purchased | Average Price Paid per Share | Shares Purchased as Part of Publicly Announced Plans or Programs | Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs |
|---|---|---|---|---|
| September 2024 | — | — | — | 5,900,000 |
| October 2024 | — | — | — | 5,900,000 |
| November 2024 | — | — | — | 5,900,000 |
| Total | — | — | — | 5,900,000 |

**Items 3 and 4 are not applicable or removed or reserved and have been omitted.**

**Item 5. Other Information**

During the quarterly period ended November 30, 2024, no director or officer (as defined in SEC Rule 16a-1(f)) of the Company adopted or terminated a Rule 10b5-1 or non-Rule 10b5-1 trading arrangement (as defined in Item 408 of Regulation S-K).

**Item 6. Exhibits**

(a) Exhibit Index

| | |
|---|---|
| 31.1 | Certification of Principal Executive Officer |
| 31.2 | Certification of Chief Financial Officer |
| 32 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101.INS | Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101) |

**SIGNATURES**

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

NEOGEN CORPORATION
*(Registrant)*

Dated: January 15, 2025

/s/ John E. Adent
John E. Adent
President & Chief Executive Officer
(Principal Executive Officer)

Dated: January 15, 2025

/s/ David H. Naemura
David H. Naemura
Chief Financial Officer
(Chief Financial Officer)