Spectrum Brands Holdings Reports Fiscal 2025 Third Quarter Results

08/07/25

- **Net Sales Decreased 10.2% and Organic Net Sales Decreased 11.1%, Driven Primarily by Stop Shipments to Certain Retailers as Pricing Negotiations Progressed, Tariff-Related Supply Constraints, and Softening Demand in Global Pet Care and Home and Personal Care, as well as Unfavorable Weather Delaying Replenishment Orders in Home and Garden**
- **Net Income From Continuing Operations of $20.5 Million Increased by $1.4 Million, and Adjusted EBITDA of $76.6 Million Decreased $29.7 Million**
- **Excluding Investment Income in the Prior Year, Adjusted EBITDA Decreased $17.0 Million**
- **Tariff Pricing in Place with All Major Customers and Retailer Reorder Patterns Normalizing in Fiscal Q4**
- **Reaffirming Expectation of Generating Approximately $160 Million of Free Cash Flow in Fiscal 25 While Continuing to Suspend the Fiscal 25 Earnings Framework**
- **Repurchased 0.9 Million Shares in Q3 for $54.4 Million and 17.1 Million Shares Since the Close of the HHI Divestiture Through Today for $1.3 Billion, Resulting in 24.2 Million Shares Outstanding as of Today**

MIDDLETON, Wis.--(BUSINESS WIRE)--Aug. 7, 2025-- Spectrum Brands Holdings, Inc. (NYSE: SPB; “Spectrum Brands” or the “Company”), a leading global branded consumer products and home essentials company focused on driving innovation and providing exceptional customer service, today reported results from continuing operations for the third quarter of fiscal 2025 ended June 29, 2025.

"Our results this quarter reflect Spectrum Brands making the right but difficult long-term decisions for the Company. When the tariff rate on Chinese imports to the US went to 145% early in the third quarter, we paused virtually all purchases from China and accelerated our plans to further diversify our supply base. We strategically began importing again when the rate dropped to 30%, but the almost 2 months we went without importing some products meant that we were unable to fill all orders this quarter. We also negotiated tariff-related pricing with our retailers. In some cases, when those negotiations stalled, we stopped shipping until negotiations were finalized. We now have our initial rounds of pricing in place, but our quarterly sales were negatively impacted by these stop shipments. We also saw continued soft US and European consumer demand in our Global Pet Care and Home and Personal Care businesses, while a wet and cool early summer affected the start to the Home and Garden season. We have now put Q3 in the rearview mirror and are focusing on the remainder of fiscal 2025 and the future. Supply is turned back on, we are diversifying our supply base, and we have our initial pricing in place. We have also looked internally and reduced costs by over $50 million in fiscal 2025," said David Maura, Chairman and Chief Executive Officer of Spectrum Brands.

Mr. Maura concluded, "Our July results are early indications that the tough decisions we made in Q3 were the right ones as evidenced by each of our businesses delivering sequentially higher sales rates in July. Weather conditions have improved, and we have seen strong POS and retailer replenishment for Home & Garden. Global Pet Care gained new points of distribution and regained premium shelf placement in our chews category at a key retailer. Home and Personal Care is shipping new innovation to retailers that had been impacted by our pause on China purchases. With our initial rounds of pricing and supplier concessions, we had essentially eliminated our tariff exposure at the end of Q3. Based on current known trade arrangements, we are targeting an incremental combined $20 to $25 million in pricing and supplier concessions to fully cover the incremental exposure heading into fiscal 26."

Fiscal 2025 Third Quarter Highlights

This document reflects currently known and effective tariffs, including tariffs placed by the U.S. on other countries and tariffs announced by other countries on the U.S. This document does not include tariffs that have been announced and delayed, or other additional tariffs which could result in further negative impact to the Company.

	Three Month Periods Ended			
(in millions, except per share and %)	**June 29, 2025**	**June 30, 2024**	**Variance**	
Net sales	$ 699.6	$ 779.4	$ (79.8)	(10.2)%
Gross profit	264.1	302.8	(38.7)	(12.8)%

Gross profit margin	37.8	%	38.9	%	(110)	bps
Operating income	31.3		47.7		(16.4)	(34.4)%
Net income from continuing operations	20.5		19.1		1.4	7.3 %
Net income from continuing operations margin	2.9	%	2.5	%	40	bps
Diluted earnings per share from continuing operations	$ 0.83		$ 0.66		$ 0.17	25.8 %
Non-GAAP Operating Metrics						
Adjusted EBITDA from continuing operations	$ 76.6		$ 106.3		(29.7)	(27.9)%
Adjusted EBITDA margin	10.9	%	13.6	%	(270)	bps
Adjusted EPS from continuing operations	$ 1.24		$ 1.13		$ 0.11	9.7 %

- Net sales decreased 10.2% with a decrease in organic net sales of 11.1%, excluding the impact of $6.8 million of favorable foreign exchange rates. The net sales decline was primarily due to some stop shipments to certain retailers during price negotiations, tariff related supply constraints, and category softness within our Global Pet Care and Home and Personal Care businesses. Unfavorable weather conditions also impacted Home and Garden's timing of replenishment orders.
- Gross profit and margin decreased from lower volume, unfavorable mix, inflation and higher tariffs, partially offset by impacts from pricing, cost improvement actions and operational efficiencies, and favorable foreign exchange.
- Operating income decreased due to the decline in gross margin, partially offset by lower operating expenses.
- Net income from continuing operations and diluted earnings per share increased driven by lower interest costs, lower taxes and lower share count, partially offset by lower operating and investment income.
- Adjusted EBITDA decreased 27.9% and adjusted EBITDA margin decreased 270 basis points attributable to lower operating income and investment income.
- Adjusted diluted EPS increased to $1.24 due to lower income tax and interest expense and a reduction in outstanding shares, partially offset by lower adjusted EBITDA.

Fiscal 2025 Third Quarter Segment Level Data

Global Pet Care (GPC)

	Three Month Periods Ended			
(in millions, except %)	**June 29, 2025**	**June 30, 2024**	**Variance**	
Net sales	$ 255.2	$ 282.2	$ (27.0)	(9.6)%
Adjusted EBITDA	44.0	56.7	(12.7)	(22.4)%
Adjusted EBITDA margin	17.2 %	20.1 %	(290)	bps

Net sales decreased 9.6%. Excluding favorable foreign currency impacts, organic net sales decreased 11.4%. Both Companion Animal and Aquatics net sales declined low double-digits. In the Companion Animal business, North American net sales declined due to stop shipments during tariff-driven pricing negotiations, supply constraints from pausing Chinese purchases, and overall category declines. Demand in Global Aquatics continues to be soft, with sales declines in each region. North American Aquatics sales were also negatively impacted by tariff-related pricing negotiations and supply constraints, partially offset by distribution wins in Pet Specialty.

Adjusted EBITDA of $44.0 million decreased from $56.7 million in the prior year, and adjusted EBITDA margins were 17.2% compared to 20.1% in the prior year, due to lower sales volumes, unfavorable mix, and inflation, partially offset by operational productivity improvements, lower brand-focused investments, and FX.

Home & Garden (H&G)

	Three Month Periods Ended

(in millions, except %)	June 29, 2025	June 30, 2024	Variance
Net sales	$ 189.2	$ 211.0	$ (21.8) (10.3)%
Adjusted EBITDA	38.6	43.3	(4.7) (10.9)%
Adjusted EBITDA margin	20.4 %	20.5 %	(10) bps

Net sales decreased 10.3% due to unfavorable seasonal weather compared to last year. Net sales in Controls declined low-single digits, while sales in Household Pest, Repellents and Cleaning declined double digits.

Adjusted EBITDA of $38.6 million decreased from $43.3 million in the prior year, and adjusted EBITDA margins of 20.4% compared to 20.5% in the prior year due to lower sales volumes, inflation, incremental brand-focused investments, and negative mix, offset partially by productivity improvements, other favorable cost variances, and lower trade spend.

Home & Personal Care (HPC)

	Three Month Periods Ended		
(in millions, except %)	**June 29, 2025**	**June 30, 2024**	**Variance**
Net sales	$ 255.2	$ 286.2	$ (31.0) (10.8)%
Adjusted EBITDA	7.0	11.8	(4.8) (40.7)%
Adjusted EBITDA margin	2.7 %	4.1 %	(140) bps

Net sales decreased 10.8%. Excluding favorable foreign currency impacts, organic net sales decreased 11.4%. Net sales in the Home Appliance business were down mid-single digits while net sales in Personal Care were down double digits. Consumer sentiment in the US and EMEA negatively impacted demand, while stop shipments during tariff-driven pricing negotiations and supply constraints negatively impacted US net sales. EMEA organic net sales were down low double digits, driven predominately by softness in Personal Care. North American net sales declined in the low twenty's, with declines in Personal Care exceeding those in Home Appliances. LATAM organic net sales increased low double-digits, with double-digit organic growth in each business.

Adjusted EBITDA was $7.0 million compared to $11.8 million in the prior year, and adjusted EBITDA margins declined to 2.7% compared to 4.1% last year, driven by lower volumes, inflation, unfavorable mix, and tariffs, partially offset by pricing, lower brand-focused investments in light of tariff supply issues and pricing negotiations, lower distribution costs, and FX.

Liquidity and Debt

As of the end of the quarter, the Company had a cash balance of $122.0 million and total liquidity of $510.5 million, including undrawn capacity on its cash flow revolver of $388.5 million. The Company also had $681.1 million of debt outstanding, consisting of borrowings on the revolver of $103.0 million, senior unsecured notes of $496.1 million and finance leases of $82.0 million. The Company ended the quarter with net debt of approximately $559.1 million.

Fiscal 2025 Earnings Framework

The Company expects to generate approximately $160 million of free cash flow in Fiscal 25 but is not providing a Fiscal 25 earnings framework due to uncertainty caused by global trade conditions and tariffs, and the associated softening of global consumer demand.

The Company continues to target a long-term net leverage ratio of 2.0 - 2.5 times.

Conference Call/Webcast Scheduled for 9:00 A.M. Eastern Time Today

Spectrum Brands will host an earnings conference call and webcast at 9:00 a.m. Eastern Time today, August 7, 2025. The live webcast and related presentation slides will be available by visiting the Event Calendar page in the Investor Relations section of Spectrum Brands' website at www.spectrumbrands.com. Participants may register **here**. Instructions will be provided to ensure the necessary audio applications are downloaded and installed. Users can obtain these at no charge.

A replay of the live broadcast will be accessible through the Event Calendar page in the Investor Relations section of the Company's website.

About Spectrum Brands Holdings, Inc.

Spectrum Brands Holdings is a home-essentials company with a mission to make living better at home. We focus on delivering innovative products and solutions to consumers for use in and around the home through our trusted brands. We are a leading supplier of specialty pet supplies, lawn and garden and home pest control products, personal insect repellents, shaving and grooming products, personal care products, and small household appliances. Helping to meet the needs of consumers worldwide, we offer a broad portfolio of market-leading, well-known and widely trusted brands including Tetra®, DreamBone®, SmartBones®, Nature's Miracle®, 8-in-1®, FURminator®, Healthy-Hide®, Good Boy®, Meowee!®, OmegaOne®,

Spectracide®, Cutter®, Repel®, Hot Shot®, Rejuvenate®, Black Flag®, Liquid Fence®, Remington®, George Foreman®, Russell Hobbs®, Black + Decker®, PowerXL®, Emeril Lagasse®, and Copper Chef®. For more information, please visit www.spectrumbrands.com. Spectrum Brands – A Home Essentials Company™

Non-GAAP Measurements

Our consolidated results contain non-GAAP metrics such as organic net sales, adjusted EBITDA, adjusted EBITDA margin, adjusted EPS and adjusted Free Cash Flow. While we believe organic net sales and adjusted EBITDA, adjusted EBITDA margin, adjusted EPS and adjusted Free Cash Flow are useful supplemental information, such adjusted results are not intended to replace our financial results in accordance with Accounting Principles Generally Accepted in the United States ("GAAP") and should be read in conjunction with those GAAP results.

Organic Net Sales. We define organic net sales as net sales excluding the effect of changes in foreign currency exchange rates and impact from acquisitions (where applicable). We believe this non-GAAP measure provides useful information to investors because it reflects regional and operating segment performance from our activities without the effect of changes in currency exchange rates and acquisitions. We use organic net sales as one measure to monitor and evaluate our regional and segment performance. Organic growth is calculated by comparing organic net sales to net sales in the prior year. The effect of changes in currency exchange rates is determined by translating the current period net sales using the currency exchange rates that were in effect during the prior comparative period. Net sales are attributed to the geographic regions based on the country of destination. We exclude net sales from acquired businesses in the current year for which there are no comparable sales in the prior period.

Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA and adjusted EBITDA margin are non-GAAP metrics used by management, which we believe are useful to investors to measure the operational strength and performance of our business. These metrics provide investors additional information about our operating profitability for certain non-cash items, non-routine items we do not expect to continue at the same level in the future, as well as other items not core to our continuing operations. By providing these measures, together with a reconciliation of the most directly comparable GAAP measure, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives, as securities analysts and other interested parties use such calculations as a measure of financial performance and debt service capabilities, and they are regularly used by management and our board of directors for internal purposes in evaluating our business performance, making budgeting decisions, and comparing our performance against other peer companies using similar measures. They facilitate comparisons between peer companies since interest, taxes, depreciation, and amortization can differ greatly between organizations as a result of differing capital structures and tax strategies. Adjusted EBITDA is also used for determining compliance with the Company's debt covenants. EBITDA is calculated by excluding the Company's income tax expense, interest expense, depreciation expense and amortization expense (from intangible assets) from net income. Adjusted EBITDA also excludes certain non-cash adjustments including share based compensation; impairment charges on property, plant and equipment, right of use lease assets, and goodwill and other intangible assets; gain or loss from the early extinguishment of debt through the repurchase or early redemption of debt; and purchase accounting adjustments recognized in income subsequent to an acquisition attributable to the step-up in value on assets acquired, including, but not limited to, inventory or lease assets. Additionally, the Company will further recognize adjustments from adjusted EBITDA for other costs, gains and losses that are considered significant, non-recurring, or otherwise not supporting the continuing operations and revenue generating activity of the segment or Company, including but not limited to, exit and disposal activities, or incremental costs associated with strategic transactions, restructuring and optimization initiatives such as the acquisition or divestiture of a business, related integration or separation costs, or the development and implementation of strategies to optimize or restructure the Company and its operations. Adjusted EBITDA margin is adjusted EBITDA as a percentage of reported net sales.

Adjusted EPS. Management uses adjusted EPS as one means of analyzing the Company's current and future financial performance and identifying trends in its financial condition and results of operations. Management believes that adjusted EPS is a useful measure for providing further insight into our operating performance because it eliminates the effects of certain items that are not comparable from one period to the next. By providing these measures, together with a reconciliation of the most directly comparable GAAP measure, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives, as securities analysts and other interested parties use such calculations as a measure of financial performance, and they are regularly used by management and our board of directors for internal purposes in evaluating our business performance, making budgeting decisions, and comparing our performance against other peer companies using similar measures. Adjusted EPS is calculated by excluding the effect of certain adjustments from diluted EPS, including non-cash adjustments including impairment charges on property, plant and equipment, operating and finance lease assets, and goodwill and other intangible assets; gain or loss from the early extinguishment of debt through the repurchase or early redemption of outstanding debt; and purchase accounting adjustments recognized in income subsequent to an acquisition attributable to the step-up in value on assets acquired, including, but not limited to, inventory or lease assets. Additionally, the Company will further recognize adjustments from diluted EPS for other costs, gains and losses that are considered significant, non-recurring, or otherwise not supporting the continuing operations and revenue generating activity of the segment or Company, including but not limited to, exit and disposal activities, or incremental costs associated with strategic transactions, restructuring and optimization initiatives such as the acquisition or divestiture of a business, related integration or separation costs, or the development and implementation of strategies to optimize or restructure the Company and its operations. Adjusted EPS is further impacted by the effect on the income tax provision from adjustments made to reported diluted EPS.

Adjusted Free Cash Flow - Management uses adjusted free cash flow as a means of analyzing the Company's operating results and evaluating cash flow generation from its revenue generating activities, excluding certain cash flow activity associated with strategic transactions and other costs and receipts attributable to non-recurring events. Management believes that adjusted free cash flow is a useful measure in understanding cash flow conversion associated with the Company's operations that is available for acquisitions and other investments, service of debt, dividends and share repurchases and meetings its working capital requirements. By providing these measures, together with a reconciliation of the most directly comparable GAAP measure, we believe we are enhancing investors' understanding of our business, as well as assisting investors in evaluating how well we are generating cash flow from operations, as securities analysts and other interested parties use such calculations as a measure of financial performance, and they are regularly used by management and our board of directors for internal purposes in evaluating our business performance, making budgeting decisions, and comparing our performance against other peer companies using similar measures. Free cash flow is calculated by excluding capital expenditures from cash flow provided (used) by operating activities and further adjusted for non-operating strategic transaction costs and other non-recurring or unusual cash flow activity that would otherwise be considered operating cash flow under US GAAP. Cash flow conversion is adjusted free cash flow as a percentage of adjusted EBITDA.

The Company provides this information to investors to assist in comparisons of past, present and future operating results and to assist in highlighting the results of on-going operations. While the Company's management believes that non-GAAP measurements are useful supplemental information,

such adjusted results are not intended to replace the Company's GAAP financial results and should be read in conjunction with those GAAP results. Other Supplemental Information has been provided to demonstrate reconciliation of non-GAAP measurements discussed above to most relevant GAAP financial measurements.

Forward-Looking Statements

We have made or implied certain forward-looking statements in this document. Statements or expectations regarding our business strategy, future free cash flows, tariffs, tariff impact and tariff mitigation efforts, future operations and operating model, financial condition, estimated revenues, projected costs, inventory management, supply chain and supply chain relocation efforts, earnings power, project synergies, prospects, plans and strategic objectives of management, the geopolitical environment including the impact of tariffs, and information concerning expected actions of third parties are forward-looking statements. Our statements also reflect our expectations regarding tariffs, which are based on currently known and effective tariffs, including tariffs placed by the U.S. on other countries and tariffs announced by other countries on the U.S., and do not reflect tariffs that have been announced and delayed or other additional tariffs which could result in additional costs. When used in this report, the words future, anticipate, pro forma, seek, intend, plan, envision, estimate, believe, belief, expect, project, forecast, outlook, earnings framework, goal, target, could, would, will, can, should, may and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Because these forward-looking statements are based upon our current expectations of future events and projections and are subject to a number of risks and uncertainties, many of which are beyond our control and some of which may change rapidly, actual results or outcomes may differ materially from those expressed or implied herein, and you should not place undue reliance on these statements. Important factors that could cause our actual results to differ materially from those expressed or implied herein include, without limitation: (1) the economic, social and political conditions or civil unrest, terrorist attacks, acts of war, natural disasters, other public health concerns or unrest in the United States ("U.S.") or the international markets impacting our business, customers, employees (including our ability to retain and attract key personnel), manufacturing facilities, suppliers, capital markets, financial condition and results of operations, all of which tend to aggravate the other risks and uncertainties we face; (2) the impact of a number of local, regional and global uncertainties could negatively impact our business; (3) the negative effect of the Russia-Ukraine war and the Israel-Hamas war and their impact on those regions and surrounding regions, including the Middle East and disruptions to international trade, supply chain and shipping routes and pricing, and on our operations and those operations of our customers, suppliers and other stakeholders; (4) our increased reliance on third-party partners, suppliers and distributors that are outside our control to achieve our business objectives; (5) the impact of government intervention with or influence on the operations of our suppliers, including in China; (6) the impact of expenses resulting from the implementation of new business strategies, divestitures or current and proposed restructuring and optimization activities, including changes in inventory and distribution center changes which are complicated and involve coordination among a number of stakeholders, including our suppliers and transportation and logistics handlers; (7) the impact of our indebtedness and financial leverage position on our business, financial condition and results of operations; (8) the impact of restrictions in our debt instruments on our ability to operate our business, finance our capital needs or pursue or expand business strategies; (9) any failure to comply with financial covenants and other provisions and restrictions of our debt instruments; (10) the effects of general economic conditions, including the impact of, uncertainty around and changes to, tariffs and trade policies, including the tariffs and trade agreements announced by the Trump Administration in 2025 and that may be announced in the future, tariff mitigation efforts (including supply chain relocation efforts), inflation, recession or fears of a recession, depression or fears of a depression, labor costs and stock market volatility or monetary or fiscal policies in the countries where we do business; (11) the impact of fluctuations in transportation and shipment costs, fuel costs, commodity prices, costs or availability of raw materials or terms and conditions available from suppliers, including suppliers' willingness to advance credit; (12) interest rate fluctuations; (13) changes in foreign currency exchange rates that may impact our purchasing power, pricing and margin realization within international jurisdictions; (14) the loss of significant reduction in or dependence upon, sales to any significant retail customer(s), including their changes in retail inventory levels and management thereof; (15) competitive promotional activity or spending by competitors, or price reductions by competitors; (16) the introduction of new product features or technological developments by competitors and/or the development of new competitors or competitive brands, including via private label manufacturers; (17) changes in consumer spending preferences, shopping trends, and demand for our products, particularly in light of economic stress; (18) our ability to develop and successfully introduce new products, protect intellectual property and avoid infringing the intellectual property of third parties; (19) our ability to successfully identify, implement, achieve and sustain productivity improvements, cost efficiencies (including at our manufacturing and distribution operations) and cost savings; (20) the seasonal nature of sales of certain of our products; (21) the impact weather conditions may have on the sales of certain of our products; (22) the effects of climate change and unusual weather activity as well as our ability to respond to future natural disasters and pandemics and to meet our environmental, social and governance goals; (23) the cost and effect of unanticipated legal, tax or regulatory proceedings or new laws or regulations (including environmental, public health and consumer protection regulations); (24) our ability to use social media platforms as effective marketing tools and to manage negative commentary regarding us, and the impact of rules governing the use of e-commerce and social media; (25)public perception regarding the safety of products that we manufacture and sell, including the potential for environmental liabilities, product liability claims, litigation and other claims related to products manufactured by us and third parties; (26) the impact of existing, pending or threatened litigation, government regulation or other requirements or operating standards applicable to our business; (27) the impact of cybersecurity breaches or our actual or perceived failure to protect company and personal data, including our failure to comply with new and increasingly complex global data privacy regulations; (28) changes in accounting policies applicable to our business; (29) our discretion to adopt, conduct, suspend or discontinue any share repurchase program or conduct any debt repayments, redemptions, repurchases or refinancing transactions (including our discretion to conduct purchases or repurchases, if any, in a variety of manners including open-market purchases, privately negotiated transactions, tender offers, redemptions, or otherwise); (30) our ability to utilize net operating loss carry-forwards to offset tax liabilities; (31) our ability to separate the Company's Home and Personal Care ("HPC") business and create an independent Global Appliances business on expected terms, and within the anticipated time period, or at all, and to realize the potential benefits of such business; (32) our ability to create a pure play consumer products company composed of our Global Pet Care ("GPC") and Home & Garden ("H&G") businesses and to realize the expected benefits of such creation, and within the anticipated time period, or at all; (33) our ability to successfully implement and realize the benefits of acquisitions or dispositions and the impact of any such transactions on our financial performance; (34) our ability to achieve our goals and aspirations related to the reduction of greenhouse gas emissions or otherwise meet the expectations of our stakeholders with respect to environmental, social and governance matters; (35) the impact of actions taken by significant shareholders; (36) the unanticipated loss of key members of senior management and the transition of new members of our management teams to their new roles; and (37) the other risk factors set forth in Spectrum Brands Holdings, Inc. 2024 Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q and the other filings within the United States Securities and Exchange Commission (the "SEC").

Some of the above-mentioned factors are described in further detail in the sections entitled Risk Factors in our annual and quarterly reports (including this report), as applicable. You should assume the information appearing in this report is accurate only as of the end of the period covered by this report, or as otherwise specified, as our business, financial condition, results of operations and prospects may have changed since that date. Except

as required by applicable law, including the securities laws of the U.S. and the rules and regulations of the SEC, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, to reflect actual results or changes in factors or assumptions affecting such forward-looking statements.

SPECTRUM BRANDS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

	Three Month Periods Ended		Nine Month Periods Ended	
(in millions, except per share amounts)	**June 29, 2025**	**June 30, 2024**	**June 29, 2025**	**June 30, 2024**
Net sales	$ 699.6	$ 779.4	$ 2,075.5	$ 2,190.2
Cost of goods sold	435.5	476.6	1,300.2	1,369.0
Gross profit	264.1	302.8	775.3	821.2
Selling, general & administrative	225.0	250.0	656.3	689.0
Impairment of intangible assets	—	—	15.7	43.0
Impairment of property, plant and equipment and operating leases	7.8	5.1	7.8	5.6
Representation and warranty insurance proceeds	—	—	—	(65.0)
Total operating expenses	232.8	255.1	679.8	672.6
Operating income	31.3	47.7	95.5	148.6
Interest expense	8.4	15.7	22.1	51.8
Interest income	(0.6)	(13.4)	(3.6)	(54.3)
Loss (gain) from early extinguishment of debt	—	2.2	—	(2.6)
Other non-operating expense, net	1.5	1.7	7.2	7.0
Income from continuing operations before income taxes	22.0	41.5	69.8	146.7
Income tax expense	1.5	22.4	22.9	60.3
Net income from continuing operations	20.5	19.1	46.9	86.4
(Loss) income from discontinued operations, net of tax	(0.8)	(13.1)	(2.2)	9.6
Net income	19.7	6.0	44.7	96.0
Net (loss) income from continuing operations attributable to non-controlling interest	(0.2)	(0.1)	0.4	(0.2)
Net income attributable to controlling interest	$ 19.9	$ 6.1	$ 44.3	$ 96.2
Amounts attributable to controlling interest				

Net income from continuing operations attributable to controlling interest	$ 20.7	$ 19.2	$ 46.5	$ 86.6
(Loss) income from discontinued operations attributable to controlling interest, net of tax	(0.8)	(13.1)	(2.2)	9.6
Net income attributable to controlling interest	$ 19.9	$ 6.1	$ 44.3	$ 96.2
Earnings Per Share				
Basic earnings per share from continuing operations	$ 0.83	$ 0.66	$ 1.77	$ 2.79
Basic earnings per share from discontinued operations	(0.03)	(0.45)	(0.09)	0.31
Basic earnings per share	$ 0.80	$ 0.21	$ 1.68	$ 3.10
Diluted earnings per share from continuing operations	$ 0.83	$ 0.66	$ 1.76	$ 2.78
Diluted earnings per share from discontinued operations	(0.03)	(0.45)	(0.08)	0.31
Diluted earnings per share	$ 0.80	$ 0.21	$ 1.68	$ 3.09
Weighted Average Shares Outstanding				
Basic	24.9	28.9	26.3	31.0
Diluted	25.0	29.1	26.4	31.2

SPECTRUM BRANDS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (Unaudited)

	Nine Month Periods Ended	
(in millions)	**June 29, 2025**	**June 30, 2024**
Cash flows from operating activities		
Net cash provided by operating activities from continuing operations	$ 33.1	$ 178.4
Net cash used by operating activities from discontinued operations	(0.6)	(96.5)
Net cash provided by operating activities	32.5	81.9
Cash flows from investing activities		
Purchases of property, plant and equipment	(25.1)	(31.0)
Purchases of short term investments	—	(849.3)
Proceeds from sale of short term investments	—	1,792.0
Purchase price settlement from sale of HHI	—	(26.9)

Other investing activity	(0.1)	0.2
Net cash (used) provided by investing activities	(25.2)	885.0
Cash flows from financing activities		
Payment of debt and debt premium	(8.2)	(1,346.7)
Proceeds from issuance of debt	103.0	350.0
Payment of debt issuance costs	(0.2)	(15.0)
Premium on capped call transactions	—	(25.2)
Dividends paid to shareholders	(36.9)	(38.8)
Dividends paid by subsidiary to non-controlling interest	(1.4)	—
Treasury stock purchases	(287.2)	(482.7)
Excise tax paid on net share repurchases	(9.7)	—
Share based award tax withholding payments, net of proceeds upon vesting	(4.5)	(5.5)
Other financing activity	0.1	—
Net cash used by financing activities	(245.0)	(1,563.9)
Effect of exchange rate changes on cash and cash equivalents	(7.3)	0.8
Net change in cash, cash equivalents and restricted cash	(245.0)	(596.2)
Cash, cash equivalents, and restricted cash, beginning of period	370.5	753.9
Cash, cash equivalents, and restricted cash, end of period	$ 125.5	$ 157.7

SPECTRUM BRANDS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)

(in millions)	**June 29, 2025**	**September 30, 2024**
Assets		
Cash and cash equivalents	$ 122.0	$ 368.9
Trade receivables, net	604.4	635.4
Other receivables	57.9	70.7
Inventories	507.5	462.1
Prepaid expenses and other current assets	47.1	41.5

Total current assets	1,338.9	1,578.6
Property, plant and equipment, net	250.3	266.6
Operating lease assets	81.1	101.9
Deferred charges and other	51.1	39.9
Goodwill	868.9	864.9
Intangible assets, net	952.0	990.4
Total assets	$ 3,542.3	$ 3,842.3
Liabilities and Shareholders' Equity		
Current portion of long-term debt	$ 10.7	$ 9.4
Accounts payable	337.6	397.3
Accrued wages and salaries	39.4	78.8
Accrued interest	3.9	4.7
Income tax payable	14.3	25.0
Short-term operating lease liabilities	31.9	31.3
Other current liabilities	115.3	140.6
Total current liabilities	553.1	687.1
Long-term debt, net of current portion	655.9	551.4
Long-term operating lease liabilities	61.4	87.0
Deferred income taxes	166.8	170.8
Uncertain tax benefit obligation	185.6	171.5
Other long-term liabilities	25.7	32.8
Total liabilities	1,648.5	1,700.6
Shareholders' equity	1,893.8	2,140.9
Non-controlling interest	—	0.8
Total equity	1,893.8	2,141.7
Total liabilities and equity	$ 3,542.3	$ 3,842.3

SPECTRUM BRANDS HOLDINGS, INC.

OTHER SUPPLEMENTAL INFORMATION (Unaudited)

NET SALES AND ORGANIC NET SALES

The following is a summary of net sales by segment for the three and nine month periods ended June 29, 2025 and June 30, 2024:

(in millions, except %)	**Three Month Periods Ended**				**Nine Month Periods Ended**			
	June 29, 2025	**June 30, 2024**	**Variance**		**June 29, 2025**	**June 30, 2024**	**Variance**	
GPC	$ 255.2	$ 282.2	$ (27.0)	(9.6)%	$ 784.4	$ 849.0	$ (64.6)	(7.6)%
H&G	189.2	211.0	(21.8)	(10.3)%	433.6	443.7	(10.1)	(2.3)%
HPC	255.2	286.2	(31.0)	(10.8)%	857.5	897.5	(40.0)	(4.5)%
Net Sales	$ 699.6	$ 779.4	(79.8)	(10.2)%	$ 2,075.5	$ 2,190.2	(114.7)	(5.2)%

The following is a reconciliation of reported sales to organic sales for the three and nine month periods ended June 29, 2025 compared to reported net sales for the three and nine month periods ended June 30, 2024:

	June 29, 2025				
Three Month Periods Ended (in millions, except %)	**Net Sales**	**Effect of Changes in Foreign Currency**	**Organic Net Sales**	**Net Sales June 30, 2024**	**Variance**
GPC	$ 255.2	$ (5.3)	$ 249.9	$ 282.2	$ (32.3) (11.4)%
H&G	189.2	0.1	189.3	211.0	(21.7) (10.3)%
HPC	255.2	(1.6)	253.6	286.2	(32.6) (11.4)%
Total	$ 699.6	$ (6.8)	$ 692.8	$ 779.4	(86.6) (11.1)%

	June 29, 2025				
Nine Month Periods Ended (in millions, except %)	**Net Sales**	**Effect of Changes in Foreign Currency**	**Organic Net Sales**	**Net Sales June 30, 2024**	**Variance**
GPC	$ 784.4	$ (3.7)	$ 780.7	$ 849.0	$ (68.3) (8.0)%
H&G	433.6	0.1	433.7	443.7	(10.0) (2.3)%
HPC	857.5	12.0	869.5	897.5	(28.0) (3.1)%
Total	$ 2,075.5	$ 8.4	$ 2,083.9	$ 2,190.2	(106.3) (4.9)%

SPECTRUM BRANDS HOLDINGS, INC.

OTHER SUPPLEMENTAL INFORMATION (Unaudited)

ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

The following is a reconciliation of reported net income from continuing operations to adjusted EBITDA and adjusted EBITDA margin for the three and nine month periods ended June 29, 2025 and June 30, 2024.

	Three Month Periods Ended		Nine Month Periods Ended	
(in millions, except %)	**June 29, 2025**	**June 30, 2024**	**June 29, 2025**	**June 30, 2024**
Net income from continuing operations	$ 20.5	$ 19.1	46.9	86.4
Income tax expense	1.5	22.4	22.9	60.3
Interest expense	8.4	15.7	22.1	51.8
Depreciation	14.6	14.1	42.6	42.9
Amortization	10.5	11.1	31.5	33.4
Share based compensation	4.8	4.5	14.7	12.9
Non-cash impairment charges	7.8	5.1	23.5	48.6
Non-cash purchase accounting adjustments	—	0.2	—	1.1
Loss (gain) from early extinguishment of debt	—	2.2	—	(2.6)
Exit and disposal costs	4.2	0.1	8.2	1.0
HHI separation costs[1]	0.3	0.9	1.4	3.0
HPC separation initiatives[1]	(0.1)	5.4	0.9	8.5
Global ERP transformation[1]	2.3	4.3	7.1	11.2
HPC product recall[2]	—	0.6	—	6.6
Representation and warranty insurance proceeds[3]	—	—	—	(65.0)
Litigation costs[4]	1.2	0.8	2.8	2.2
Other[5]	0.6	(0.2)	1.1	0.7
Adjusted EBITDA	$ 76.6	$ 106.3	$ 225.7	$ 303.0

Net sales	$ 699.6	$ 779.4	$ 2,075.5	$ 2,190.2
Net income from continuing operations margin	2.9 %	2.5 %	2.3 %	3.9 %
Adjusted EBITDA margin	10.9 %	13.6 %	10.9 %	13.8 %

1 Incremental costs associated with strategic transactions, restructuring and optimization initiatives, including, but not limited to, the acquisition or divestiture of a business, related integration or separation costs, or the development and implementation of strategies to optimize or restructure operations.

2 Incremental net costs from product recalls in the HPC segment.

3 Gain from the receipt of insurance proceeds on representation and warranty policies during the prior year associated with the Tristar Business acquisition.

4 Litigation costs associated with the Tristar Business acquisition.

5 Other is attributable to other project costs associated with distribution center transitions and key executive severance and one-time compensatory costs.

SPECTRUM BRANDS HOLDINGS, INC.

OTHER SUPPLEMENTAL INFORMATION (Unaudited)

ADJUSTED DILUTED EPS

The following is a reconciliation of reported diluted EPS from continuing operations to adjusted diluted EPS from continuing operations for the three and nine month periods ended June 29, 2025 and June 30, 2024.

	Three Month Periods Ended		**Nine Month Periods Ended**	
(per share amounts)	**June 29, 2025**	**June 30, 2024**	**June 29, 2025**	**June 30, 2024**
Diluted EPS from continuing operations	$ 0.83	$ 0.66	$ 1.76	$ 2.78
Adjustments:				
Non-cash impairment charges	0.31	0.18	$ 0.89	$ 1.56
Non-cash purchase accounting adjustments	—	0.01	$ —	$ 0.04
Loss (gain) from early extinguishment of debt	—	0.07	$ —	$ (0.08)
Exit and disposal costs	0.17	—	$ 0.31	$ 0.03
HHI separation costs[1]	0.01	0.03	$ 0.05	$ 0.10
HPC separation initiatives[1]	—	0.19	$ 0.04	$ 0.27
Global ERP transformation[1]	0.09	0.15	$ 0.27	$ 0.36

HPC product recalls[2]	—	0.02	$ —	$ 0.21
Representation and warranty insurance proceeds[3]	—	—	$ —	$ (2.08)
Litigation costs[4]	0.05	0.03	$ 0.11	$ 0.07
Other[5]	0.02	—	$ 0.03	$ 0.02
Pre-tax adjustments	0.65	0.68	$ 1.70	$ 0.50
Tax impact of adjustments[6]	(0.24)	(0.21)	$ (0.53)	$ (0.17)
Net adjustments	0.41	0.47	$ 1.17	$ 0.33
Diluted EPS from continuing operations, as adjusted	$ 1.24	$ 1.13	$ 2.93	$ 3.11

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1 Incremental costs associated with strategic transactions, restructuring and optimization initiatives, including, but not limited to, the acquisition or divestiture of a business, related integration or separation costs, or the development and implementation of strategies to optimize or restructure operations.

2 Incremental net costs from product recalls in the HPC segment.

3 Gain from the receipt of insurance proceeds on representation and warranty policies during the prior year associated with the Tristar Business acquisition.

4 Litigation costs associated with the Tristar Business acquisition.

5 Other is attributable to other project costs associated with distribution center transitions and key executive severance and one-time compensatory costs.

6 Income tax adjustment reflects the impact on the income tax provision from the adjustments to diluted EPS.

SPECTRUM BRANDS HOLDINGS, INC.

OTHER SUPPLEMENTAL INFORMATION (Unaudited)

ADJUSTED FREE CASH FLOW

The following is a reconciliation of reported operating cash flow from continuing operations to adjusted free cash flow for the nine month periods ended June 29, 2025 and June 30, 2024.

	Nine Month Periods Ended	
(in millions)	**June 29, 2025**	**June 30, 2024**
Net cash provided by operating activities from continuing operations	$ 33.1	$ 178.4
Purchases of property, plant and equipment	(25.1)	(31.0)
Free cash flow	8.0	147.4

Deal transaction costs[1]	6.7	17.3
HPC product recall[2]	—	5.7
Proceeds from representation and warranties insurance[3]	—	(65.0)
Other[4]	(2.1)	(11.4)
Adjusted free cash flow	$ 12.6	$ 94.0

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1 Incremental cash flow attributable to certain strategic transactions including the HPC separation initiatives and the HHI divestiture and separation activity.

2 Cash flow related to product recalls in the HPC segment.

3 Cash flow attributable to the insurance proceeds from the representation and warranty insurance policies associated with the Tristar Business acquisition.

4 Other is attributable to the inclusion or exclusion of cash flow adjustments from other strategic, restructuring and optimization initiatives otherwise considered operating cash flow activities under US GAAP and excluding cash flow attributable to restricted cash balances which is considered a component of operating cash flow under US GAAP.

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