Spectrum Brands
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Fiscal 2023 Second Quarter Earnings Call

May 12, 2023

Agenda

- **Introduction – Faisal Qadir**
  VP, Strategic Finance & Enterprise Reporting
- **CEO Overview and Outlook – David Maura**
  Chairman and Chief Executive Officer
- **Financial & Business Review – Jeremy Smeltser**
  Chief Financial Officer
- **Q&A – David Maura and Jeremy Smeltser**

Forward-looking Statements

We have made or implied certain forward-looking statements in this document. All statements, other than statements of historical facts included or incorporated by reference in this document, including the statements under Management's Discussion and Analysis of Financial Condition and Results of Operations, without limitation, statements or expectations regarding our business strategy, future operations, financial condition, estimated revenues, projected costs, earnings power, projected synergies, prospects, plans and objectives of management, outcome of any litigation and information concerning expected actions of third parties are forward-looking statements. 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.

Since 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 COVID-19 pandemic, 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 armed conflict between Russia and Ukraine and its impact on those regions and surrounding regions, including on our operations and on those of our customers, suppliers and other stakeholders; (4) our increased reliance on third-party partners, suppliers and distributors to achieve our business objectives; (5) the impact of expenses resulting from the implementation of new business strategies, divestitures or current and proposed restructuring and optimization activities, including distribution center changes which are complicated and involve coordination among a number of stakeholders, including our suppliers and transportation and logistics handlers; (6) the impact of our indebtedness and financial leverage position on our business, financial condition and results of operations; (7) 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; (8) any failure to comply with financial covenants and other provisions and restrictions of our debt instruments; (9) the effects of general economic conditions, including the impact of, and changes to tariffs and trade policies, 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; (10) 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; (11) interest rate fluctuations; (12) changes in foreign currency exchange rates that may impact our purchasing power, pricing and margin realization within international jurisdictions; (13) 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; (14) competitive promotional activity or spending by competitors, or price reductions by competitors; (15) the introduction of new product features or technological developments by competitors and/or the development of new competitors or competitive brands; (16) changes in consumer spending preferences and demand for our products, particularly in light of economic stress and the COVID-19 pandemic; (17) our ability to develop and successfully introduce new products, protect our intellectual property and avoid infringing the intellectual property of third parties; (18) our ability to successfully identify, implement, achieve and sustain productivity improvements, cost efficiencies (including at our manufacturing and distribution operations) and cost savings; (19) the seasonal nature of sales of certain of our products; (20) the impact weather conditions may have on the sales of certain of our products; (21) 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; (22) the cost and effect of unanticipated legal, tax or regulatory proceedings or new laws or regulations (including environmental, public health and consumer protection regulations); (23) 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; (24) the impact of existing, pending or threatened litigation, government regulation or other requirements or operating standards applicable to our business; (25) 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; (26) changes in accounting policies applicable to our business; (27) our discretion to adopt, conduct, suspend or discontinue any share repurchase program (including our discretion to conduct purchases, if any, in a variety of manners including open-market purchases or privately negotiated transactions); (28) our ability to utilize net operating loss carry-forwards to offset tax liabilities from future taxable income; (29) our ability to consummate the announced Hardware and Home Improvement ("HHI") divestiture on the expected terms and within the anticipated time period, or at all, which is dependent on the parties' ability to satisfy certain closing conditions and our ability to realize the benefits of the transaction, including reducing the financial leverage of the Company, investing in the organic growth of the Company, funding any future acquisitions, returning capital to shareholders, and/or maintaining our quarterly dividends; (30) the risk that ASSA ABLOY and Fortune Brands fail to satisfy the conditions to closing of their divestiture transaction and/or otherwise fail to consummate their divestiture transaction in connection with the settlement with the U.S. Department of Justice; (31) the risk that regulatory approvals that are required to complete the proposed HHI divestiture may not be realized, may take longer than expected or may impose adverse conditions; (32) our ability to successfully integrate the February 18, 2022, acquisition of the home appliances and cookware products business from Tristar Products, Inc. (the "Tristar Business") into the Company's Home and Personal Care ("HPC") business and realize the benefits of this acquisition; (33) our ability to separate the Company's 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; (34) our ability to create a pure play consumer products company composed of our Global Pet Care ("GPC") and Home & Garden ("H&G") business and to realize the expected benefits of such creation, and within the anticipated time period, or at all; (35) our ability to successfully implement further acquisitions or dispositions and the impact of any such transactions on our financial performance; (36) the impact of actions taken by significant shareholders; (37) and the unanticipated loss of key members of senior management and the transition of new members of our management teams to their new roles.

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 United States Securities and Exchange Commission ("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.

Reconciliation of Non-GAAP Financial Measures

Management believes that certain non-GAAP financial measures may be useful in certain instances to provide additional meaningful comparisons between current results and results in prior operating periods. Within this document, including the tables that follow, reference is made to organic net sales, adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA margin, and adjusted earnings per share (EPS).

Management believes that organic net sales provide for a more complete understanding of underlying business trends of regional and segment performance by excluding the impact of foreign currency exchange fluctuations and the impact of acquisitions (when applicable) when there is no comparable sales in the prior period. Organic sales growth is calculated by comparing organic net sales to net sales in the prior comparative period. The effect of changes in foreign currency exchange rates is determined by translating the period’s net sales using the foreign currency exchange rates that were in effect during the prior comparative period. Adjusted EBITDA is a metric used by management to evaluate segment performance and frequently used by the financial community, which provides insight into an organization’s operating trends and facilitates comparisons between peer companies, because interest, taxes, depreciation and amortization can differ greatly between organizations as a result of differing capital structures and tax strategies. Adjusted EBITDA can also be a useful measure for determining the Company's debt covenant compliance. Adjusted EBITDA excludes certain items that are unusual in nature or not comparable from period to period. Adjusted EBITDA margin reflects adjusted EBITDA as a percentage of net sales. Management uses adjusted diluted EPS as 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. An income tax adjustment is included in adjusted diluted EPS to exclude the impact of the valuation allowance against deferred taxes and other tax-related items in order to reflect a normalized ongoing effective tax rate of 25.0%.

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. Supplemental tables have been provided within the Appendix to this document to demonstrate reconciliation of non-GAAP measurements to the most comparable GAAP measure.

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CEO Overview and Outlook

David Maura

Q2 FY23 Headlines and Outlook

Summary

Agreed to settle the DOJ lawsuit – expecting to close HHI sale to ASSA BLOY no later than end of June 2023 for $4.3 billion and excepting approximately $3.5 billion of net proceeds

Achieved inventory reduction of $170M in the quarter resulting in positive free cash flow – $340M inventory reduction achieved during the last 9 months

Focus remains on simplifying the business model and operating a leaner organization – executed additional fixed cost reduction actions

Experiencing improved sequential profitability as we sold through higher cost inventory from prior year – Facing short term headwinds in our Home and Garden business with retailers reducing channel inventory levels

FY23 Earnings Framework

NET SALES	ADJUSTED EBITDA
Mid single-digit decline to prior year	**Low to mid single-digits decline to prior year**
Retailer inventory reduction in H&G and HPC, foreign exchange headwinds based upon current rates	H&G and HPC sales pressure from retailer inventory reduction, pricing and cost actions to offset inflation/currency headwinds

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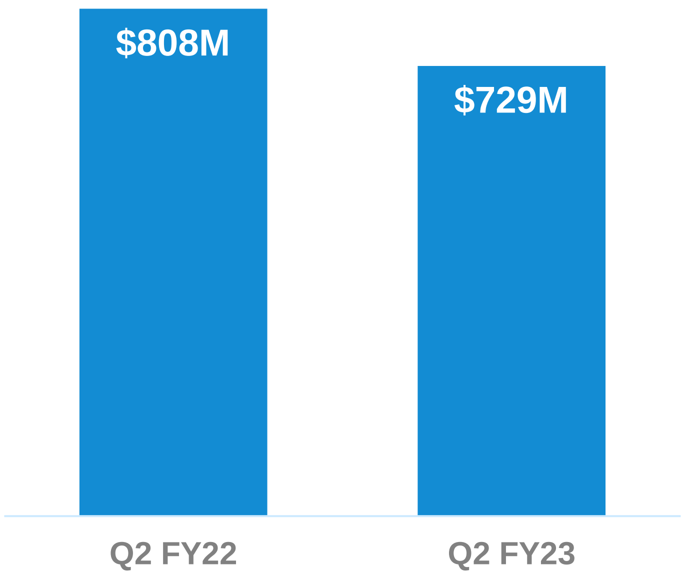
Financial and Business Review

Jeremy Smeltser

Second Quarter 2023 - Continuing Operations Only

Net Sales

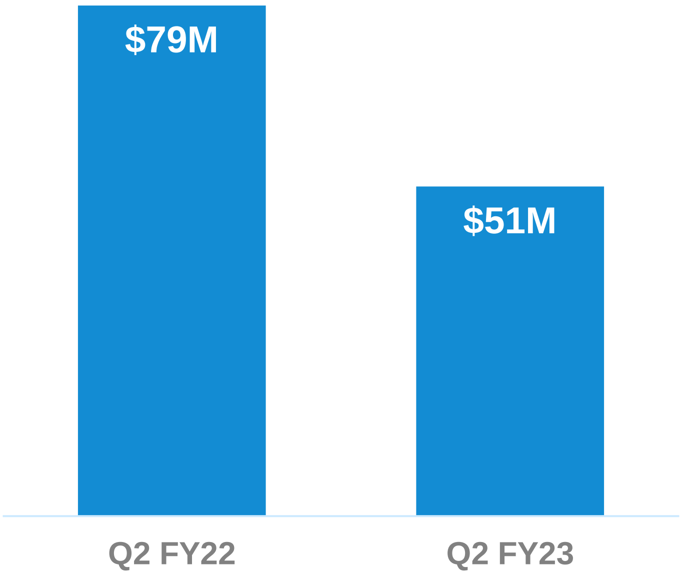
-9.7%



Organic Sales -10.1%

Adj. EBITDA

-35.4%

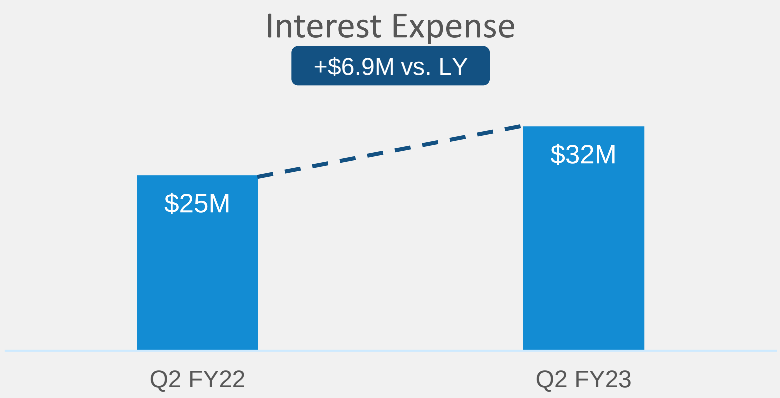


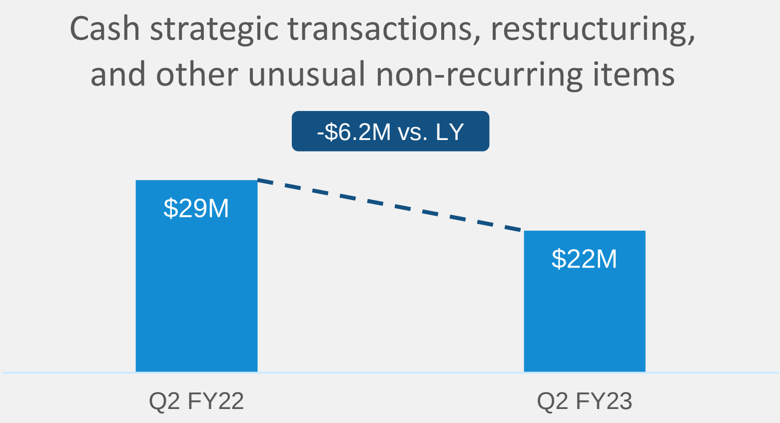
GAAP Net Loss increase ($50M)

KEY TAKEAWAYS

- Decline in the organic sales driven by demand decrease in hard good/semi durables and retailer inventory reduction for HPC and H&G
- Q2 adjusted EBITDA decrease driven by:
  - \- Volume
  - \- Inflation
  - \- Foreign Exchange
  - \+ Pricing (offsetting inflation)
  - \+ Cost Reduction Actions
  - \+ Opex Controls

Q2 FY23 Financial Review

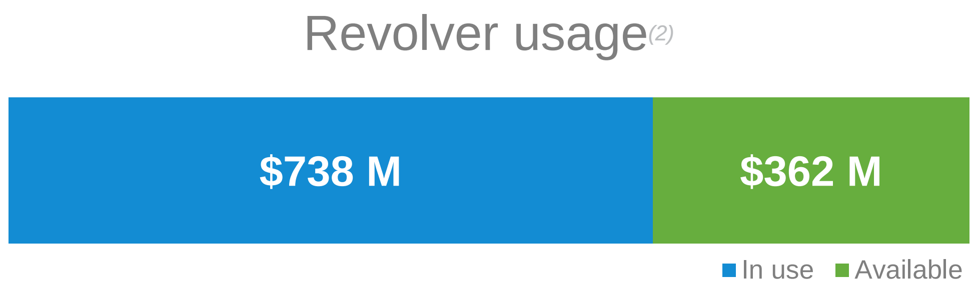




$3.2B
Debt outstanding

6.3x
Proforma net leverage ratio(1)

$328M
Cash balance

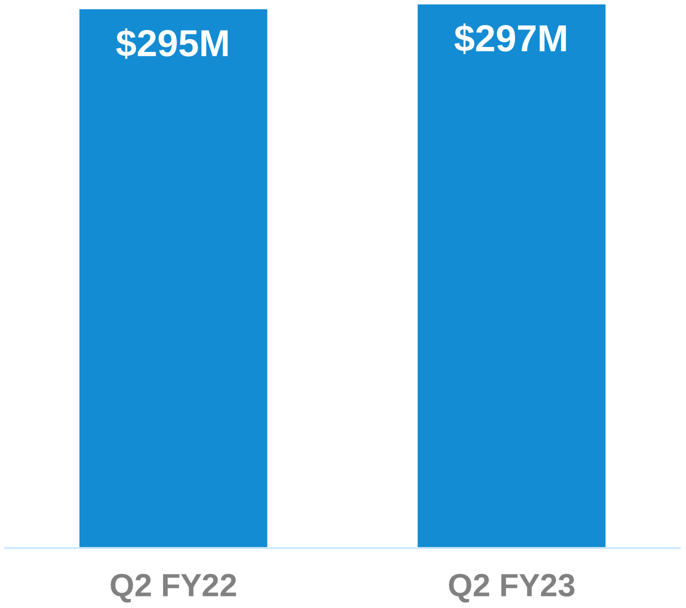


(1) Proforma net leverage is calculated using a proforma trailing-twelve months EBITDA for acquisition and projected synergies in accordance with the provisions of our Credit Agreement.
(2) In use revolver includes $725M of outstanding borrowings and $13M of letters of credit.

Second Quarter 2023
Global Pet Care

Net Sales

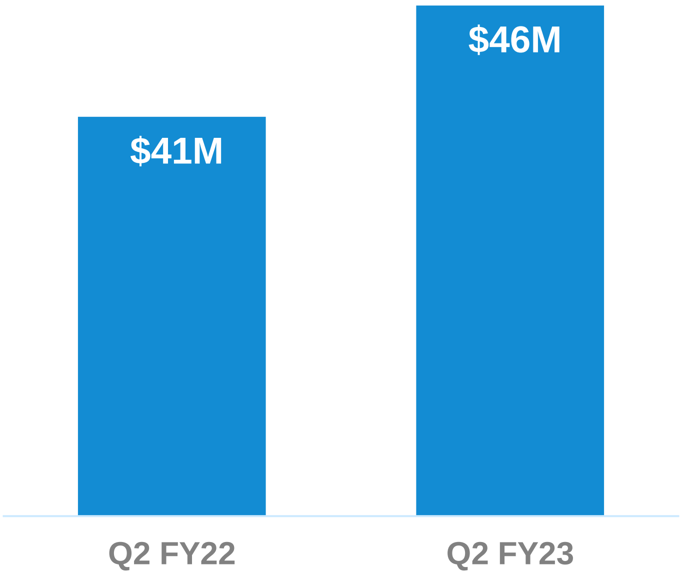
0.5%



Organic Sales +3.1%

Adj. EBITDA

14.0%



GAAP Operating Income +52.3%

KEY TAKEAWAYS

- Organic net sales increase driven by **growth in companion animal consumables** category, partially offset by other hard goods and aquatics environment
- EBITDA increase was driven by **volume growth, pricing, and fixed cost reduction actions,** partially offset by **unfavorable currency impact**

Second Quarter 2023
Home & Garden

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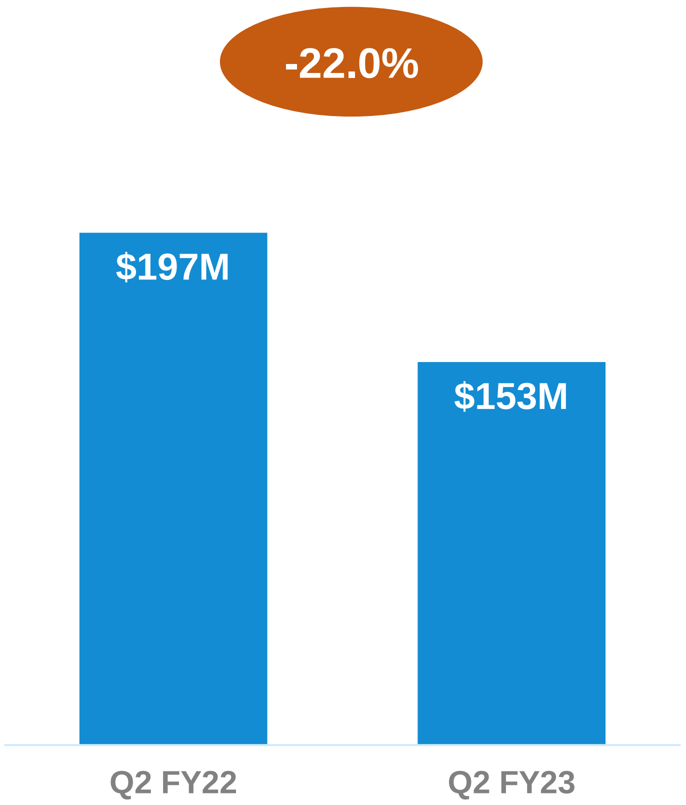
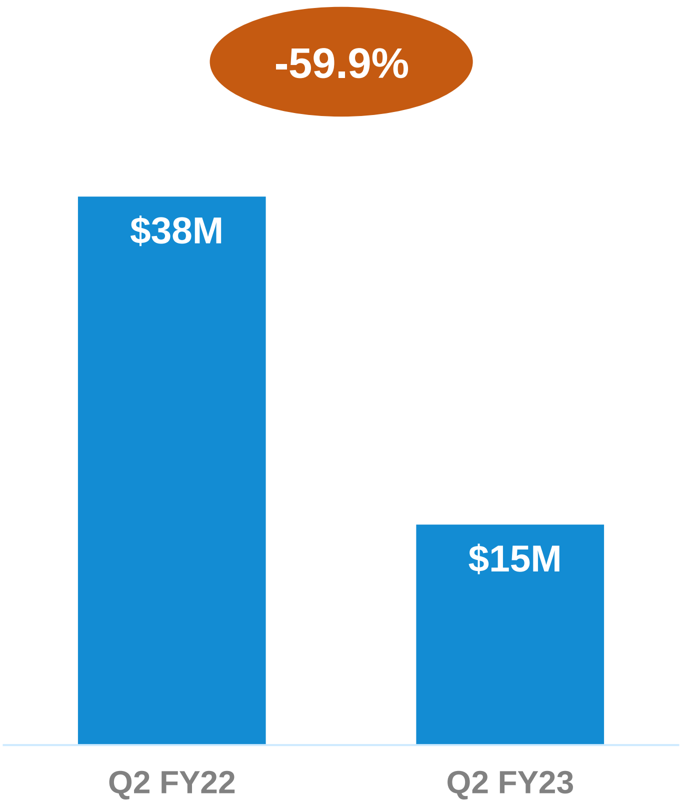
Net Sales



Organic Sales -22.0%

Adj. EBITDA



GAAP Operating Income ($70.2M)

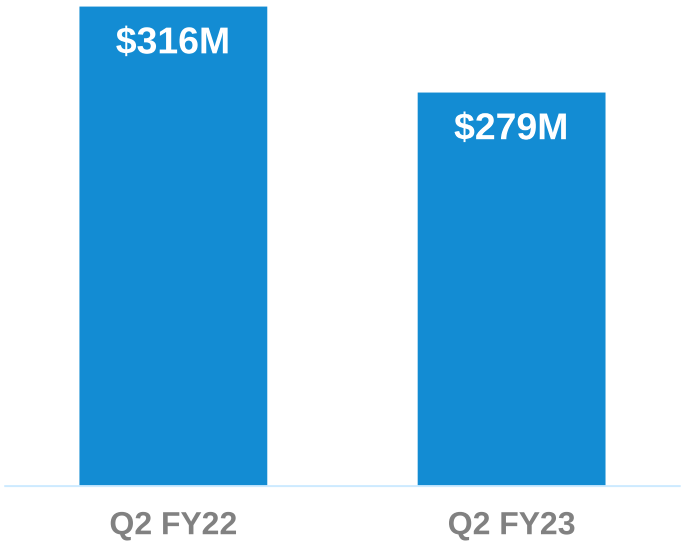
KEY TAKEAWAYS

- Net sales declined due to **reduction in retailer inventory compared to typical seasonal build**
- The EBITDA decline was driven by **lower volume,** partially offset by **fixed cost reduction actions**

Second Quarter 2023
Home & Personal Care

Net Sales

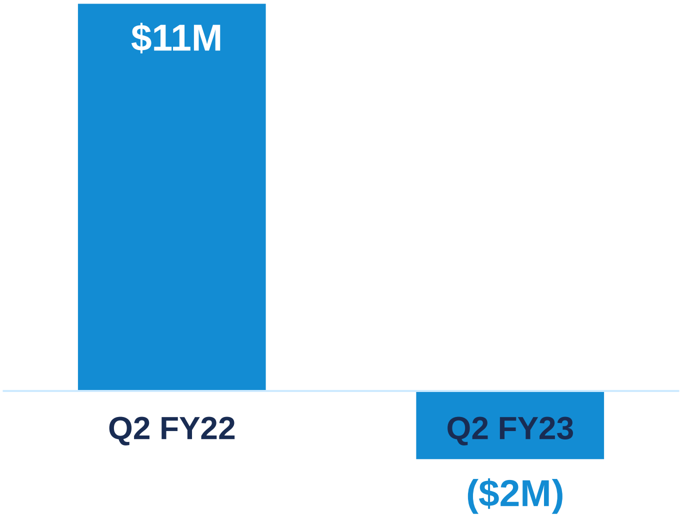
-11.7%



Organic Sales -14.9%

Adj. EBITDA

n/m[1]



GAAP Operating Income ($17.5M)

KEY TAKEAWAYS

- Organic Net sales decline **driven by retailers' continued focus on inventory reduction and reduced consumer demand particularly in Kitchen Appliances category**
- Lower EBITDA was driven by **volume decline, unfavorable currency impact and sales of higher cost inventory accumulated during prior year,** partially offset by **fixed cost reduction actions**

(1) n/m = not meaningful

FY23 Earnings Framework

NET SALES	ADJUSTED EBITDA
Mid single-digit decline to prior year	**Low to mid single-digits decline to prior year**
Retailer inventory reduction in H&G and HPC, foreign exchange headwinds based upon current rates	H&G and HPC sales pressure from retailer inventory reduction, pricing and cost actions to offset inflation/currency headwinds

FY23 – Full Year Expectations

Interest	Cash transactions	CAPEX	D&A
$120M - $125M	$65M - $70M	$55M - $65M	$105M - $115M
Interest Expense	Cash payments of Restructuring, optimization and strategic initiatives	Capital expenditures	Depreciation and Amortization

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CEO Takeaways

David Maura

CEO Key Takeaways

1

STRATEGIC PIVOT

- Reached settlement with DOJ paving the way for HHI sale to complete no later than June 30, 2023
- Strengthen balance sheet, return capital to shareholders and refocus the team on long-term growth for the remaining businesses

2

FY23 EARNINGS FRAMEWORK UPDATE

- H&G business short term headwinds driving pressure in FY23
- Targeting mid single-digits decline in net sales and low to mid single-digits decline in adjusted EBITDA

3

CURRENT FOCUS

- Focused on profitability, working capital discipline, cost management and cash flow generation

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Appendix

SPECTRUM BRANDS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

	Three Month Periods Ended		Six Month Periods Ended	
(in millions, except per share amounts)	**April 2, 2023**	**April 3, 2022**	**April 2, 2023**	**April 3, 2022**
Net sales	$ 729.2	$ 807.8	$ 1,442.5	$ 1,565.0
Cost of goods sold	514.7	552.2	1,026.1	1,090.1
Gross profit	214.5	255.6	416.4	474.9
Selling	133.1	149.8	264.4	296.1
General and administrative	86.2	105.7	170.8	195.0
Research and development	5.2	8.2	11.4	15.8
Impairment of intangible assets	67.0	—	67.0	—
Total operating expenses	291.5	263.7	513.6	506.9
Operating loss	(77.0)	(8.1)	(97.2)	(32.0)
Interest expense	31.6	24.7	65.0	46.4
Other non-operating expense (income), net	1.2	(0.9)	(0.3)	(0.3)
Loss from continuing operations before income taxes	(109.8)	(31.9)	(161.9)	(78.1)
Income tax benefit	(34.8)	(6.8)	(46.9)	(22.8)
Net loss from continuing operations	(75.0)	(25.1)	(115.0)	(55.3)
Income from discontinued operations, net of tax	21.4	41.1	40.9	79.9
Net (loss) income	(53.6)	16.0	(74.1)	24.6
Net income from continuing operations attributable to non-controlling interest	0.1	—	0.3	—
Net income from discontinued operations attributable to non-controlling interest	-	0.1	0.2	0.5
Net (loss) income attributable to controlling interest	$ (53.7)	$ 15.9	$ (74.6)	$ 24.1
Amounts attributable to controlling interest				
Net loss from continuing operations attributable to controlling interest	$ (75.1)	$ (25.1)	$ (115.3)	$ (55.3)
Net income from discontinued operations attributable to controlling interest	21.4	41.0	40.7	79.4
Net (loss) income attributable to controlling interest	$ (53.7)	$ 15.9	$ (74.6)	$ 24.1
Earnings Per Share				
Basic earnings per share from continuing operations	$ (1.83)	$ (0.61)	$ (2.82)	$ (1.35)
Basic earnings per share from discontinued operations	0.52	1.00	1.00	1.94
Basic earnings per share	$ (1.31)	$ 0.39	$ (1.82)	$ 0.59
Diluted earnings per share from continuing operations	$ (1.83)	$ (0.61)	$ (2.82)	$ (1.35)
Diluted earnings per share from discontinued operations	0.52	1.00	1.00	1.94
Diluted earnings per share	$ (1.31)	$ 0.39	$ (1.82)	$ 0.59
Weighted Average Shares Outstanding				
Basic	41.0	40.8	40.9	41.1
Diluted	41.0	40.8	40.9	41.1

SPECTRUM BRANDS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (Unaudited)

	Six Month Periods Ended	
(in millions)	April 2, 2023	April 3, 2022
Cash flows from operating activities		
Net cash provided (used) by operating activities from continuing operations	$ 148.6	$ (212.2)
Net cash provided by operating activities from discontinued operations	29.0	5.3
Net cash provided (used) by operating activities	177.6	(206.9)
Cash flows from investing activities		
Purchases of property, plant and equipment	(25.9)	(24.3)
Proceeds from disposal of property, plant and equipment	—	0.1
Business acquisitions, net of cash acquired	—	(314.3)
Other investing activity	—	(0.1)
Net cash used by investing activities from continuing operations	(25.9)	(338.6)
Net cash used by investing activities from discontinued operations	(7.9)	(12.4)
Net cash used by investing activities	(33.8)	(351.0)
Cash flows from financing activities		
Payment of debt	(21.7)	(6.5)
Proceeds from issuance of debt	—	775.0
Payment of debt issuance costs	(2.3)	(6.7)
Treasury stock purchases	—	(134.0)
Dividends paid to shareholders	(34.4)	(34.4)
Share based award tax withholding payments, net of proceeds upon vesting	(10.5)	(24.5)
Net cash (used) provided by financing activities from continuing operations	(68.9)	568.9
Net cash used by financing activities from discontinued operations	(0.7)	(2.2)
Net cash (used) provided by financing activities	(69.6)	566.7
Effect of exchange rate changes on cash and cash equivalents	9.7	(3.0)
Net change in cash, cash equivalents and restricted cash in continuing operations	83.9	5.8
Cash, cash equivalents, and restricted cash, beginning of period	243.9	190.0
Cash, cash equivalents, and restricted cash, end of period	$ 327.8	$ 195.8

SPECTRUM BRANDS HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)

(in millions)	April 2, 2023	September 30, 2022
Assets		
Cash and cash equivalents	$ 327.8	$ 243.7
Trade receivables, net	305.5	247.4
Other receivables	101.3	95.7
Inventories	585.6	780.6
Prepaid expenses and other current assets	51.5	51.2
Current assets of business held for sale	1,799.6	1,816.7
Total current assets	3,171.3	3,235.3
Property, plant and equipment, net	268.7	263.8
Operating lease assets	129.7	82.5
Deferred charges and other	106.1	38.7
Goodwill	968.5	953.1
Intangible assets, net	1,140.7	1,202.2
Total assets	$ 5,785.0	$ 5,775.6
Liabilities and Shareholders' Equity		
Current portion of long-term debt	$ 13.1	$ 12.3
Accounts payable	495.9	453.1
Accrued wages and salaries	28.1	28.4
Accrued interest	37.0	27.6
Other current liabilities	200.7	203.0
Current liabilities of business held for sale	401.8	463.7
Total current liabilities	1,176.6	1,188.1
Long-term debt, net of current portion	3,175.6	3,144.5
Long-term operating lease liabilities	104.9	56.0
Deferred income taxes	75.0	60.1
Other long-term liabilities	63.8	57.8
Total liabilities	4,595.9	4,506.5
Shareholders' equity	1,182.2	1,263.2
Non-controlling interest	6.9	5.9
Total equity	1,189.1	1,269.1
Total liabilities and equity	$ 5,785.0	$ 5,775.6

SPECTRUM BRANDS HOLDINGS, INC.

NET SALES SUMMARY (Unaudited)

	Three Month Periods Ended		Variance		Six Month Periods Ended		Variance	
(in millions, except %)	April 2, 2023	April 3, 2022			April 2, 2023	April 3, 2022		
HPC	$ 279.2	$ 316.1	$ (36.9)	(11.7)%	$ 643.6	$ 695.8	$ (52.2)	(7.5)%
GPC	296.7	295.1	1.6	0.5 %	574.3	597.3	(23.0)	(3.9)%
H&G	153.3	196.6	(43.3)	(22.0)%	224.6	271.9	(47.3)	(17.4)%
Net Sales	$ 729.2	$ 807.8	(78.6)	(9.7)%	$ 1,442.5	$ 1,565.0	(122.5)	(7.8)%

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP NET SALES TO ORGANIC NET SALES (Unaudited)

	April 2, 2023							
Three Month Periods Ended (in millions, except %)	Net Sales	Effect of Changes in Currency	Net Sales Excluding Effect of Changes in Currency	Effect of Acquisitions	Organic Net Sales	Net Sales April 3, 2022	Variance	
HPC	$ 279.2	$ 11.8	$ 291.0	$ (22.1)	$ 268.9	$ 316.1	$ (47.2)	(14.9)%
GPC	296.7	7.6	304.3	—	304.3	295.1	9.2	3.1 %
H&G	153.3	—	153.3	—	153.3	196.6	(43.3)	(22.0)%
Total	$ 729.2	$ 19.4	$ 748.6	$ (22.1)	$ 726.5	$ 807.8	(81.3)	(10.1)%

	April 2, 2023							
Six Month Periods Ended (in millions, except %)	Net Sales	Effect of Changes in Currency	Net Sales Excluding Effect of Changes in Currency	Effect of Acquisitions	Organic Net Sales	Net Sales April 3, 2022	Variance	
HPC	$ 643.6	$ 37.5	$ 681.1	$ (89.9)	$ 591.2	$ 695.8	$ (104.6)	(15.0)%
GPC	574.3	21.5	595.8	—	595.8	597.3	(1.5)	(0.3)%
H&G	224.6	—	224.6	—	224.6	271.9	(47.3)	(17.4)%
Total	$ 1,442.5	$ 59.0	$ 1,501.5	$ (89.9)	$ 1,411.6	$ 1,565.0	(153.4)	(9.8)%

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (Unaudited)

Three Month Period Ended April 2, 2023 (in millions, except %)	HPC	GPC	H&G	Corporate	Consolidated
Net (loss) income from continuing operations	$ (37.7)	$ 30.2	$ (39.8)	$ (27.7)	$ (75.0)
Income tax benefit	—	—	—	(34.8)	(34.8)
Interest expense	—	—	—	31.6	31.6
Depreciation	2.9	3.8	1.9	3.3	11.9
Amortization	2.1	5.5	2.9	—	10.5
EBITDA	(32.7)	39.5	(35.0)	(27.6)	(55.8)
Share based compensation	—	—	—	4.5	4.5
Tristar integration	4.0	—	—	—	4.0
HHI divestiture	—	—	—	1.4	1.4
HPC separation initiatives	—	—	—	1.1	1.1
Coevorden operations separation	—	1.4	—	—	1.4
Fiscal 2023 restructuring	2.4	2.1	—	—	4.5
Fiscal 2022 restructuring	—	—	—	0.1	0.1
Russia closing initiatives	(0.1)	—	—	—	(0.1)
Global ERP transformation	—	—	—	3.3	3.3
HPC brand portfolio transitions	0.5	—	—	—	0.5
Other project costs	0.1	0.2	2.1	2.2	4.6
Unallocated shared costs	—	—	—	6.3	6.3
Non-cash purchase accounting adjustments	0.5	—	—	—	0.5
Impairment of equipment and operating leases	1.5	2.7	—	—	4.2
Impairment of intangible assets	19.0	—	48.0	—	67.0
Early settlement of foreign currency cash flow hedges	1.3	—	—	—	1.3
HPC product recall	1.6	—	—	—	1.6
Salus and other	—	0.4	—	0.2	0.6
Adjusted EBITDA	$ (1.9)	$ 46.3	$ 15.1	$ (8.5)	$ 51.0
Net sales	$ 279.2	$ 296.7	$ 153.3	$ —	$ 729.2
Adjusted EBITDA margin	(0.7)%	15.6 %	9.8 %	—	7.0 %

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (Unaudited)

Three Month Period Ended April 3, 2022 (in millions, except %)	HPC	GPC	H&G	Corporate	Consolidated
Net (loss) income from continuing operations	$ (19.1)	$ 19.0	$ 30.4	$ (55.4)	$ (25.1)
Income tax benefit	—	—	—	(6.8)	(6.8)
Interest expense	—	—	—	24.7	24.7
Depreciation	3.2	3.6	1.8	3.6	12.2
Amortization	4.9	5.7	2.9	—	13.5
EBITDA	(11.0)	28.3	35.1	(33.9)	18.5
Share based compensation	—	—	—	6.6	6.6
Tristar acquisition	14.4	—	—	(1.7)	12.7
Rejuvenate integration	—	—	2.6	—	2.6
Armitage integration	—	0.5	—	—	0.5
Omega integration	—	0.5	—	—	0.5
HHI divestiture	—	—	—	1.2	1.2
HPC separation initiatives	—	—	—	3.0	3.0
Coevorden operations separation	—	2.1	—	—	2.1
Global ERP transformation	—	—	—	3.2	3.2
GPC distribution center transition	—	7.1	—	—	7.1
Global productivity improvement program	1.5	0.5	—	0.3	2.3
Other project costs	2.2	1.6	—	4.4	8.2
Unallocated shared costs	—	—	—	6.9	6.9
Non-cash purchase accounting adjustments	3.5	—	—	—	3.5
Salus and other	—	—	—	0.1	0.1
Adjusted EBITDA	$ 10.6	$ 40.6	$ 37.7	$ (9.9)	$ 79.0
Net Sales	$ 316.1	$ 295.1	$ 196.6	$ —	$ 807.8
Adjusted EBITDA margin	3.4 %	13.8 %	19.2 %	— %	9.8 %

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (Unaudited)

Six Month Period Ended April 2, 2023 (in millions, except %)	HPC	GPC	H&G	Corporate	Consolidated
Net (loss) income from continuing operations	$ (41.8)	$ 53.3	$ (47.0)	$ (79.5)	$ (115.0)
Income tax benefit	—	—	—	(46.9)	(46.9)
Interest expense	—	—	—	65.0	65.0
Depreciation	6.1	7.5	3.7	6.8	24.1
Amortization	4.2	11.0	5.7	—	20.9
EBITDA	(31.5)	71.8	(37.6)	(54.6)	(51.9)
Share based compensation	—	—	—	7.7	7.7
Tristar integration	9.7	—	—	—	9.7
HHI divestiture	—	—	—	2.9	2.9
HPC separation initiatives	—	—	—	3.5	3.5
Coevorden operations separation	—	2.7	—	—	2.7
Fiscal 2023 restructuring	2.4	2.1	—	—	4.5
Fiscal 2022 restructuring	—	—	0.2	0.4	0.6
Russia closing initiatives	2.8	—	—	—	2.8
Global ERP transformation	—	—	—	4.9	4.9
HPC brand portfolio transitions	1.4	—	—	—	1.4
Other project costs	0.2	0.9	2.1	4.6	7.8
Unallocated shared costs	—	—	—	12.5	12.5
Non-cash purchase accounting adjustments	0.9	—	—	—	0.9
Gain from contingent consideration liability	(1.5)	—	—	—	(1.5)
Impairment of equipment and operating leases	1.8	2.7	—	—	4.5
Impairment of intangible assets	19.0	—	48.0	—	67.0
Early settlement of foreign currency cash flow hedges	3.9	—	—	—	3.9
HPC product recall	1.9	—	—	—	1.9
Salus and other	0.3	3.3	0.1	1.3	5.0
Adjusted EBITDA	$ 11.3	$ 83.5	$ 12.8	$ (16.8)	$ 90.8
Net sales	$ 643.6	$ 574.3	$ 224.6	$ —	$ 1,442.5
Adjusted EBITDA margin	1.8 %	14.5 %	5.7 %	— %	6.3 %

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (Unaudited)

Six Month Period Ended April 3, 2022 (in millions, except %	HPC	GPC	H&G	Corporate	Consolidated
Net income (loss) from continuing operations	$ —	$ 30.6	$ 14.6	$ (100.5)	$ (55.3)
Income tax benefit	—	—	—	(22.8)	(22.8)
Interest expense	—	—	—	46.4	46.4
Depreciation	6.3	7.1	3.6	7.4	24.4
Amortization	9.5	11.5	5.7	—	26.7
EBITDA	15.8	49.2	23.9	(69.5)	19.4
Share based compensation	—	—	—	12.2	12.2
Tristar acquisition	14.4	—	—	—	14.4
Rejuvenate integration	—	—	7.0	—	7.0
Armitage integration	—	1.2	—	—	1.2
Omega integration	—	1.4	—	—	1.4
HHI divestiture	—	—	—	5.5	5.5
HPC separation initiatives	—	—	—	4.7	4.7
Coevorden operations separation	—	5.3	—	—	5.3
Global ERP transformation	—	—	—	6.0	6.0
GPC distribution center transition	—	19.9	—	—	19.9
Global productivity improvement program	2.1	0.7	—	1.3	4.1
Other project costs	2.2	1.6	—	6.4	10.2
Unallocated shared costs	—	—	—	13.8	13.8
Non-cash purchase accounting adjustments	3.5	—	—	—	3.5
Legal and environmental	—	—	(0.5)	—	(0.5)
Salus and other	—	—	—	0.2	0.2
Adjusted EBITDA	$ 38.0	$ 79.3	$ 30.4	$ (19.4)	$ 128.3
Net sales	$ 695.8	$ 597.3	$ 271.9	$ —	$ 1,565.0
Adjusted EBITDA margin	5.5 %	13.3 %	11.2 %	— %	8.2 %

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP DILUTED EARNINGS PER SHARE TO ADJUSTED DILUTED EARNINGS PER SHARE (Unaudited)

	Three Month Periods Ended		Six Month Periods Ended	
	April 2, 2023	April 3, 2022	April 2, 2023	April 3, 2022
Diluted EPS from continuing operations, as reported	$ (1.83)	$ (0.61)	$ (2.82)	$ (1.35)
Adjustments:				
Tristar acquisition and integration	0.10	0.31	0.24	0.35
HHI divestiture	0.03	0.03	0.07	0.13
HPC separation initiatives	0.03	0.07	0.09	0.12
Coevorden operations separation	0.03	0.05	0.07	0.13
Rejuvenate integration	—	0.07	—	0.17
Armitage integration	—	0.01	—	0.03
Omega integration	—	0.01	—	0.03
Fiscal 2023 restructuring	0.11	—	0.11	—
Fiscal 2022 restructuring	—	—	0.02	—
Russia closing initiatives	—	—	0.07	—
Global ERP transformation	0.08	0.08	0.12	0.15
HPC brand portfolio transitions	0.01	—	0.04	—
GPC distribution center transition	—	0.17	—	0.48
Global productivity improvement program	—	0.06	—	0.10
Other project costs	0.11	0.20	0.19	0.25
Unallocated shared costs	0.15	0.17	0.31	0.34
Non-cash purchase accounting adjustments	0.01	0.09	0.02	0.09
Gain from remeasurement contingent consideration liability	—	—	(0.04)	—
Impairment on equipment and operating leases	0.10	—	0.11	—
Impairment on intangible assets	1.63	—	1.64	—
Early settlement of foreign currency cash flow hedges	0.03	—	0.10	—
HPC product recalls	0.04	—	0.05	—
Legal and environmental	—	—	—	(0.01)
Debt amendment costs	—	—	0.06	—
Salus and other	0.03	—	0.12	—
Pre-tax adjustments	2.49	1.32	3.39	2.36
Income tax adjustment	(0.80)	(0.30)	(1.04)	(0.67)
Total adjustments	1.69	1.02	2.35	1.69
Diluted EPS from continuing operations, as adjusted	$ (0.14)	$ 0.41	$ (0.47)	$ 0.34