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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ______ to______

Spectrum Brands

Commission File No.	Name of Registrant, State of Incorporation, Address of Principal Offices, and Telephone No.	IRS Employer Identification No.
1-4219	**Spectrum Brands Holdings, Inc.** (a Delaware corporation) 3001 Deming Way Middleton, WI 53562 (608) 275-3340 www.spectrumbrands.com	74-1339132
333-192634-03	**SB/RH Holdings, LLC** (a Delaware limited liability company) 3001 Deming Way Middleton, WI 53562 (608) 275-3340	27-2812840

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

Registrant	Title of Each Class	Trading Symbol	Name of Exchange On Which Registered
Spectrum Brands Holdings, Inc.	Common Stock, $0.01 par value	SPB	New York Stock Exchange

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Spectrum Brands Holdings, Inc.	Yes	☒	No	☐
SB/RH Holdings, LLC	Yes	☒	No	☐

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted and posted 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 and post such files).

Spectrum Brands Holdings, Inc.	Yes	☒	No	☐
SB/RH Holdings, LLC	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. (Check one):

Registrant	Large Accelerated Filer	Accelerated Filer	Non-accelerated Filer	Smaller Reporting Company
Spectrum Brands Holdings, Inc.	X			
SB/RH Holdings, LLC			X	

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§232.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter

Spectrum Brands Holdings, Inc.	Yes	☐	No	☒
SB/RH Holdings, LLC	Yes	☐	No	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Spectrum Brands Holdings, Inc.	Yes	☐	No	☒
SB/RH Holdings, LLC	Yes	☐	No	☒

As of May 6, 2024, there were 29,150,694 shares outstanding of Spectrum Brands Holdings, Inc.’s common stock, par value $0.01 per share.

SB/RH Holdings, LLC meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this report with a reduced disclosure format as permitted by general instruction H(2).

Forward-Looking Statements

We have made or implied certain forward-looking statements in this document and may make additional oral forward-looking statements from time to time. 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, inventory management, 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:

- 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;
- the impact of a number of local, regional and global uncertainties could negatively impact our business;
- 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 on our operations and those operations of our customers, suppliers and other stakeholders;
- our increased reliance on third-party partners, suppliers and distributors to achieve our business objectives;
- 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;
- the impact of our indebtedness and financial leverage position on our business, financial condition and results of operations;
- 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;
- any failure to comply with financial covenants and other provisions and restrictions of our debt instruments;
- 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;
- 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;
- interest rate fluctuations;
- changes in foreign currency exchange rates that may impact our purchasing power, pricing and margin realization within international jurisdictions;
- 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;
- competitive promotional activity or spending by competitors, or price reductions by competitors;
- the introduction of new product features or technological developments by competitors and/or the development of new competitors or competitive brands;
- changes in consumer spending preferences and demand for our products, particularly in light of economic stress;
- our ability to develop and successfully introduce new products, protect intellectual property and avoid infringing the intellectual property of third parties;
- our ability to successfully identify, implement, achieve and sustain productivity improvements, cost efficiencies (including at our manufacturing and distribution operations) and cost savings;
- the seasonal nature of sales of certain of our products;
- the impact weather conditions may have on the sales of certain of our products;
- 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;
- the cost and effect of unanticipated legal, tax or regulatory proceedings or new laws or regulations (including environmental, public health and consumer protection regulations);
- 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;
- the impact of existing, pending or threatened litigation, government regulation or other requirements or operating standards applicable to our business;
- 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;
- changes in accounting policies applicable to our business;
- 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);
- our ability to utilize net operating loss carry-forwards to offset tax liabilities;
- 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;
- 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;
- our ability to successfully implement, and realize the benefits of, acquisitions or dispositions and the impact of any such transactions on our financial performance;
- the impact of actions taken by significant shareholders; 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.

SPECTRUM BRANDS HOLDINGS, INC.
SB/RH HOLDINGS, LLC
TABLE OF CONTENTS

This report is a combined report of Spectrum Brands Holdings, Inc. and SB/RH Holdings, LLC. The combined notes to the condensed consolidated financial statements include notes representing Spectrum Brands Holdings, Inc. and SB/RH Holdings, LLC.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

SPECTRUM BRANDS HOLDINGS, INC.
Condensed Consolidated Statements of Financial Position
As of March 31, 2024 and September 30, 2023
(unaudited)

(in millions)	March 31, 2024	September 30, 2023
Assets		
Cash and cash equivalents	$ 745.7	$ 753.9
Short term investments	500.0	1,103.3
Trade receivables, net	601.3	477.1
Other receivables	113.5	84.5
Inventories	454.3	462.8
Prepaid expenses and other current assets	45.9	44.3
Total current assets	2,460.7	2,925.9
Property, plant and equipment, net	269.5	275.1
Operating lease assets	119.2	110.8
Deferred charges and other	46.6	31.8
Goodwill	858.3	854.7
Intangible assets, net	1,002.3	1,060.1
Total assets	$ 4,756.6	$ 5,258.4
Liabilities and Shareholders' Equity		
Current portion of long-term debt	$ 9.0	$ 8.6
Accounts payable	375.5	396.6
Accrued wages and salaries	48.1	46.1
Accrued interest	19.0	20.6
Income tax payable	33.3	114.5
Other current liabilities	174.0	178.4
Total current liabilities	658.9	764.8
Long-term debt, net of current portion	1,374.4	1,546.9
Long-term operating lease liabilities	101.3	95.6
Deferred income taxes	189.6	174.8
Other long-term liabilities	174.9	158.0
Total liabilities	2,499.1	2,740.1
Commitments and contingencies (Note 15)		
Shareholders' equity		
Common stock	0.5	0.5
Additional paid-in capital	1,998.1	1,920.8
Accumulated earnings	2,158.8	2,096.0
Accumulated other comprehensive loss, net of tax	(231.2)	(249.4)
Treasury stock	(1,669.3)	(1,250.3)
Total shareholders' equity	2,256.9	2,517.6
Non-controlling interest	0.6	0.7
Total equity	2,257.5	2,518.3
Total liabilities and equity	$ 4,756.6	$ 5,258.4

See accompanying notes to the condensed consolidated financial statements

SPECTRUM BRANDS HOLDINGS, INC.
Condensed Consolidated Statements of Income
For the three and six month periods ended March 31, 2024 and April 2, 2023
(unaudited)

	Three Month Periods Ended		Six Month Periods Ended	
(in millions, except per share)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
Net sales	$ 718.5	$ 729.2	$ 1,410.7	$ 1,442.5
Cost of goods sold	445.1	514.7	892.3	1,026.1
Gross profit	273.4	214.5	518.4	416.4
Selling, general & administrative	223.5	224.5	439.4	448.1
Impairment of intangible assets	39.0	67.0	43.0	67.0
Representation and warranty insurance proceeds	(65.0)	—	(65.0)	—
Gain from remeasurement of contingent consideration liability	—	—	—	(1.5)
Total operating expenses	197.5	291.5	417.4	513.6
Operating income (loss)	75.9	(77.0)	101.0	(97.2)
Interest expense	16.9	31.6	36.1	65.0
Interest income	(17.5)	(0.2)	(40.9)	(0.4)
Gain from debt repurchase	—	—	(4.7)	—
Other non-operating expense, net	1.1	1.4	5.2	0.1
Income (loss) from continuing operations before income taxes	75.4	(109.8)	105.3	(161.9)
Income tax expense (benefit)	25.5	(34.8)	37.9	(46.9)
Net income (loss) from continuing operations	49.9	(75.0)	67.4	(115.0)
Income from discontinued operations, net of tax	11.0	21.4	22.7	40.9
Net income (loss)	60.9	(53.6)	90.1	(74.1)
Net (loss) income from continuing operations attributable to non-controlling interest	(0.2)	0.1	(0.1)	0.3
Income from discontinued operations attributable to non-controlling interest, net of tax	—	—	—	0.2
Net income (loss) attributable to controlling interest	$ 61.1	$ (53.7)	$ 90.2	$ (74.6)
Amounts attributable to controlling interest				
Net income (loss) from continuing operations attributable to controlling interest	$ 50.1	$ (75.1)	$ 67.5	$ (115.3)
Income from discontinued operations attributable to controlling interest, net of tax	11.0	21.4	22.7	40.7
Net income (loss) attributable to controlling interest	$ 61.1	$ (53.7)	$ 90.2	$ (74.6)
Earnings Per Share				
Basic earnings per share from continuing operations	$ 1.66	$ (1.83)	$ 2.10	$ (2.82)
Basic earnings per share from discontinued operations	0.37	0.52	0.71	1.00
Basic earnings per share	$ 2.03	$ (1.31)	$ 2.81	$ (1.82)
Diluted earnings per share from continuing operations	$ 1.65	$ (1.83)	$ 2.09	$ (2.82)
Diluted earnings per share from discontinued operations	0.36	0.52	0.71	1.00
Diluted earnings per share	$ 2.01	$ (1.31)	$ 2.80	$ (1.82)
Dividend per share	$ 0.42	$ 0.42	$ 0.84	$ 0.84
Weighted Average Shares Outstanding				
Basic	30.2	41.0	32.1	40.9
Diluted	30.4	41.0	32.2	40.9

See accompanying notes to the condensed consolidated financial statements

SPECTRUM BRANDS HOLDINGS, INC
Condensed Consolidated Statements of Comprehensive Income
For the three and six month periods ended March 31, 2024 and April 2, 2023
(unaudited)

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
Net income (loss)	$ 60.9	$ (53.6)	$ 90.1	$ (74.1)
Other comprehensive income				
Foreign currency translation adjustment				
Foreign currency translation (loss) gain	(12.0)	27.1	24.8	87.6
Unrealized income (loss) from net investment hedge	11.6	(12.5)	(9.7)	(46.4)
Foreign currency translation adjustment before tax	(0.4)	14.6	15.1	41.2
Deferred tax effect	(2.9)	3.7	2.7	12.5
Foreign currency translation adjustment, net	(3.3)	18.3	17.8	53.7
Unrealized gain (loss) on derivative instruments				
Unrealized gain (loss) on derivative instruments before reclassification	1.4	(7.1)	(9.2)	(32.5)
Net reclassification for loss to income from continuing operations	4.8	4.9	9.9	2.4
Net reclassification for gain to income from discontinued operations	—	(0.1)	—	(0.1)
Unrealized gain (loss) on derivative instruments after reclassification	6.2	(2.3)	0.7	(30.2)
Deferred tax effect	(1.6)	0.7	(0.1)	7.8
Net unrealized gain (loss) on derivative instruments	4.6	(1.6)	0.6	(22.4)
Defined benefit pension gain (loss)				
Defined benefit pension gain (loss) before reclassification	0.3	0.1	(0.9)	(2.1)
Net reclassification for loss (gain) to income from continuing operations	0.2	(0.7)	0.4	0.2
Defined benefit pension gain (loss) after reclassification	0.5	(0.6)	(0.5)	(1.9)
Deferred tax effect	0.1	0.1	0.3	1.3
Net defined benefit pension gain (loss)	0.6	(0.5)	(0.2)	(0.6)
Net change to derive comprehensive income for the period	1.9	16.2	18.2	30.7
Comprehensive income (loss)	62.8	(37.4)	108.3	(43.4)
Comprehensive (loss) income from continuing operations attributable to non-controlling interest	(0.1)	0.1	—	0.3
Comprehensive income from discontinued operations attributable to non-controlling interest	—	0.1	—	0.2
Comprehensive income (loss) attributable to controlling interest	$ 62.9	$ (37.6)	$ 108.3	$ (43.9)

See accompanying notes to the condensed consolidated financial statements

SPECTRUM BRANDS HOLDINGS, INC
Condensed Consolidated Statements of Shareholders' Equity
For the six month period ended March 31, 2024
(unaudited)

(in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Shareholders' Equity	Non-controlling Interest	Total Equity
Balances at September 30, 2023	35.3	$ 0.5	$ 1,920.8	$ 2,096.0	$ (249.4)	$ (1,250.3)	$ 2,517.6	$ 0.7	$ 2,518.3
Net income from continuing operations	—	—	—	17.4	—	—	17.4	0.1	17.5
Income from discontinued operations, net of tax	—	—	—	11.7	—	—	11.7	—	11.7
Other comprehensive income, net of tax	—	—	—	—	16.2	—	16.2	0.1	16.3
Accelerated share repurchase	(1.3)	—	83.2	—	—	(83.2)	—	—	—
Treasury stock repurchases	(3.3)	—	—	—	—	(243.0)	(243.0)	—	(243.0)
Excise tax on net share repurchases	—	—	—	—	—	(3.1)	(3.1)	—	(3.1)
Restricted stock issued and related tax withholdings	0.1	—	(14.3)	—	—	8.9	(5.4)	—	(5.4)
Share based compensation	—	—	3.9	—	—	—	3.9	—	3.9
Dividends declared	—	—	—	(14.5)	—	—	(14.5)	—	(14.5)
Balances as of December 31, 2023	30.8	0.5	1,993.6	2,110.6	(233.2)	(1,570.7)	2,300.8	0.9	2,301.7
Net income (loss) from continuing operations	—	—	—	50.1	—	—	50.1	(0.2)	49.9
Income from discontinued operations, net of tax	—	—	—	11.0	—	—	11.0	—	11.0
Other comprehensive income (loss), net of tax	—	—	—	—	2.0	—	2.0	(0.1)	1.9
Treasury stock repurchases	(1.2)	—	—	—	—	(97.6)	(97.6)	—	(97.6)
Excise tax on net share repurchases	—	—	—	—	—	(1.0)	(1.0)	—	(1.0)
Share based compensation	—	—	4.5	—	—	—	4.5	—	4.5
Dividends declared	—	—	—	(12.9)	—	—	(12.9)	—	(12.9)
Balances as of March 31, 2024	29.6	$ 0.5	$ 1,998.1	$ 2,158.8	$ (231.2)	$ (1,669.3)	$ 2,256.9	$ 0.6	$ 2,257.5

See accompanying notes to the condensed consolidated financial statements

SPECTRUM BRANDS HOLDINGS, INC
Condensed Consolidated Statements of Shareholders' Equity
For the six month period ended April 2, 2023
(unaudited)

(in millions)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Shareholders' Equity	Non-controlling Interest	Total Equity
Balances at September 30, 2022	40.8	$ 0.5	$ 2,032.5	$ 362.1	$ (303.1)	$ (828.8)	$ 1,263.2	$ 5.9	$ 1,269.1
Net (loss) income from continuing operations	—	—	—	(40.3)	—	—	(40.3)	0.3	(40.0)
Income from discontinued operations, net of tax	—	—	—	19.4	—	—	19.4	0.1	19.5
Other comprehensive income, net of tax	—	—	—	—	14.2	—	14.2	0.3	14.5
Restricted stock issued and related tax withholdings	0.2	—	(25.1)	—	—	14.6	(10.5)	—	(10.5)
Share based compensation	—	—	4.1	—	—	—	4.1	—	4.1
Dividends declared	—	—	—	(17.3)	—	—	(17.3)	—	(17.3)
Balances as of January 1, 2023	41.0	$ 0.5	2,011.5	323.9	(288.9)	(814.2)	1,232.8	6.6	1,239.4
Net (loss) income from continuing operations	—	—	—	(75.1)	—	—	(75.1)	0.1	(75.0)
Income from discontinued operations, net of tax	—	—	—	21.4	—	—	21.4	—	21.4
Other comprehensive income, net of tax	—	—	—	—	16.0	—	16.0	0.2	16.2
Share based compensation	—	—	4.7	—	—	—	4.7	—	4.7
Dividends declared	—	—	—	(17.6)	—	—	(17.6)	—	(17.6)
Balances as of April 2, 2023	41.0	$ 0.5	$ 2,016.2	$ 252.6	$ (272.9)	$ (814.2)	$ 1,182.2	$ 6.9	$ 1,189.1

See accompanying notes to the condensed consolidated financial statements

SPECTRUM BRANDS HOLDINGS, INC.
Condensed Consolidated Statements of Cash Flows
For the six month periods ended March 31, 2024 and April 2, 2023
(unaudited)

	Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**
Cash flows from operating activities		
Net income (loss)	$ 90.1	$ (74.1)
Income from discontinued operations, net of tax	22.7	40.9
Net income (loss) from continuing operations	67.4	(115.0)
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by operating activities from continuing operations:		
Depreciation	28.8	24.1
Amortization	22.2	20.9
Share based compensation	8.4	7.7
Impairment of intangible assets	43.0	67.0
Impairment of property, plant and equipment and operating lease assets	0.5	4.5
Gain from debt repurchase	(4.7)	—
Non-cash purchase accounting adjustments	0.9	0.9
Non-cash accrual for representation and warranty proceeds	(15.0)	—
Amortization of debt issuance costs and debt discount	1.7	4.0
Write-off of unamortized discount and debt issuance costs	0.3	—
Gain from remeasurement of contingent consideration liability	—	(1.5)
Deferred tax benefit	10.9	(62.0)
Net changes in operating assets and liabilities	(83.7)	198.0
Net cash provided by operating activities from continuing operations	80.7	148.6
Net cash (used) provided by operating activities from discontinued operations	(81.5)	29.0
Net cash (used) provided by operating activities	(0.8)	177.6
Cash flows from investing activities		
Purchases of property, plant and equipment	(20.9)	(25.9)
Purchases of short term investments	(700.0)	—
Proceeds from sale of short term investments	1,292.0	—
Purchase price settlement from sale of HHI	(26.9)	—
Other investing activity	(0.1)	—
Net cash provided (used) by investing activities from continuing operations	544.1	(25.9)
Net cash used by investing activities from discontinued operations	—	(7.9)
Net cash provided (used) by investing activities	544.1	(33.8)
Cash flows from financing activities		
Payment of debt	(177.9)	(21.7)
Payment of debt issuance costs	(3.2)	(2.3)
Treasury stock purchases	(340.5)	—
Dividends paid to shareholders	(26.8)	(34.4)
Share based award tax withholding payments, net of proceeds upon vesting	(5.4)	(10.5)
Net cash used by financing activities from continuing operations	(553.8)	(68.9)
Net cash used by financing activities from discontinued operations	—	(0.7)
Net cash used by financing activities	(553.8)	(69.6)
Effect of exchange rate changes on cash and cash equivalents	2.3	9.7
Net change in cash, cash equivalents and restricted cash in continuing operations	(8.2)	83.9
Cash, cash equivalents, and restricted cash, beginning of period	753.9	243.9
Cash, cash equivalents, and restricted cash, end of period	$ 745.7	$ 327.8
Supplemental disclosure of cash flow information		
Cash paid for interest associated with continued operations	$ 35.9	$ 56.8
Cash paid for interest associated with discontinued operations	—	29.9
Cash paid for taxes associated with continued operations	17.8	11.7
Cash paid for taxes associated with discontinued operations	59.1	13.5
Non cash investing activities		
Acquisition of property, plant and equipment through finance leases	$ 1.8	$ 2.4
Non cash financing activities		
Issuance of shares through stock compensation plan	$ 14.0	$ 27.2

See accompanying notes to the condensed consolidated financial statements

SB/RH HOLDINGS, LLC
Condensed Consolidated Statements of Financial Position
As of March 31, 2024 and September 30, 2023
(unaudited)

(in millions)	March 31, 2024	September 30, 2023
Assets		
Cash and cash equivalents	$ 744.6	$ 752.7
Short term investments	500.0	1,103.3
Trade receivables, net	601.3	477.1
Other receivables	113.6	84.5
Receivable due from parent	180.3	90.1
Inventories	454.3	462.8
Prepaid expenses and other current assets	45.9	44.3
Total current assets	2,640.0	3,014.8
Property, plant and equipment, net	269.5	275.1
Operating lease assets	119.2	110.8
Deferred charges and other	46.5	31.8
Goodwill	858.3	854.7
Intangible assets, net	1,002.3	1,060.1
Total assets	$ 4,935.8	$ 5,347.3
Liabilities and Shareholder's Equity		
Current portion of long-term debt	$ 9.0	$ 8.6
Accounts payable	375.5	396.7
Accrued wages and salaries	48.0	46.0
Accrued interest	19.0	20.6
Income tax payable	33.3	36.8
Other current liabilities	164.0	172.2
Total current liabilities	648.8	680.9
Long-term debt, net of current portion	1,374.4	1,546.9
Long-term operating lease liabilities	101.3	95.6
Deferred income taxes	191.0	176.3
Other long-term liabilities	174.9	157.9
Total liabilities	2,490.4	2,657.6
Commitments and contingencies (Note 15)		
Shareholder's equity		
Other capital	2,171.4	2,168.9
Accumulated earnings	502.9	767.8
Accumulated other comprehensive loss, net of tax	(231.1)	(249.3)
Total shareholder's equity	2,443.2	2,687.4
Non-controlling interest	2.2	2.3
Total equity	2,445.4	2,689.7
Total liabilities and equity	$ 4,935.8	$ 5,347.3

See accompanying notes to the condensed consolidated financial statements

SB/RH HOLDINGS, LLC
Condensed Consolidated Statements of Income
For the three and six month periods ended March 31, 2024 and April 2, 2023
(unaudited)

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
Net sales	$ 718.5	$ 729.2	$ 1,410.7	$ 1,442.5
Cost of goods sold	445.1	514.7	892.3	1,026.1
Gross profit	273.4	214.5	518.4	416.4
Selling, general and administrative	222.9	223.8	438.4	447.4
Impairment of intangible assets	39.0	67.0	43.0	67.0
Representation and warranty insurance proceeds	(65.0)	—	(65.0)	—
Gain from remeasurement of contingent consideration liability	—	—	—	(1.5)
Total operating expenses	196.9	290.8	416.4	512.9
Operating income (loss)	76.5	(76.3)	102.0	(96.5)
Interest expense	16.9	31.7	36.1	65.1
Interest income	(17.5)	(0.2)	(40.9)	(0.4)
Gain from debt repurchase	—	—	(4.7)	—
Other non-operating expense, net	1.1	1.4	5.2	0.1
Income (loss) from continuing operations before income taxes	76.0	(109.2)	106.3	(161.3)
Income tax expense (benefit)	25.6	(34.0)	37.8	(46.3)
Net income (loss) from continuing operations	50.4	(75.2)	68.5	(115.0)
Income from discontinued operations, net of tax	11.0	21.9	22.7	41.4
Net income (loss)	61.4	(53.3)	91.2	(73.6)
Net (loss) income from continuing operations attributable to non-controlling interest	(0.2)	0.1	(0.1)	0.3
Income from discontinued operations attributable to non-controlling interest, net of tax	—	—	—	0.2
Net income (loss) attributable to controlling interest	$ 61.6	$ (53.4)	$ 91.3	$ (74.1)
Amounts attributable to controlling interest				
Net income (loss) from continuing operations attributable to controlling interest	$ 50.6	$ (75.3)	$ 68.6	$ (115.3)
Income from discontinued operations attributable to controlling interest, net of tax	11.0	21.9	22.7	41.2
Net income (loss) attributable to controlling interest	$ 61.6	$ (53.4)	$ 91.3	$ (74.1)

See accompanying notes to the condensed consolidated financial statements

SB/RH HOLDINGS, LLC
Condensed Consolidated Statements of Comprehensive Income
For the three and six month periods ended March 31, 2024 and April 2, 2023
(unaudited)

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
Net income (loss)	$ 61.4	$ (53.3)	$ 91.2	$ (73.6)
Other comprehensive income				
Foreign currency translation adjustment				
Foreign currency translation (loss) gain	(12.0)	27.1	24.8	87.6
Unrealized income (loss) from net investment hedge	11.6	(12.5)	(9.7)	(46.4)
Foreign currency translation adjustment before tax	(0.4)	14.6	15.1	41.2
Deferred tax effect	(2.9)	3.7	2.7	12.5
Foreign currency translation adjustment, net	(3.3)	18.3	17.8	53.7
Unrealized gain (loss) on derivative instruments				
Unrealized gain (loss) on derivative instruments before reclassification	1.4	(7.1)	(9.2)	(32.5)
Net reclassification for loss to income from continuing operations	4.8	4.9	9.9	2.4
Net reclassification for gain to income from discontinued operations	—	(0.1)	—	(0.1)
Unrealized gain (loss) on derivative instruments after reclassification	6.2	(2.3)	0.7	(30.2)
Deferred tax effect	(1.6)	0.7	(0.1)	7.8
Net unrealized gain (loss) on derivative instruments	4.6	(1.6)	0.6	(22.4)
Defined benefit pension gain (loss)				
Defined benefit pension gain (loss) before reclassification	0.3	0.1	(0.9)	(2.1)
Net reclassification for loss (gain) to income from continuing operations	0.2	(0.7)	0.4	0.2
Defined benefit pension gain (loss) after reclassification	0.5	(0.6)	(0.5)	(1.9)
Deferred tax effect	0.1	0.1	0.3	1.3
Net defined benefit pension gain (loss)	0.6	(0.5)	(0.2)	(0.6)
Net change to derive comprehensive income for the period	1.9	16.2	18.2	30.7
Comprehensive income (loss)	63.3	(37.1)	109.4	(42.9)
Comprehensive (loss) income from continuing operations attributable to non-controlling interest	(0.1)	0.1	—	0.3
Comprehensive income from discontinued operations attributable to non-controlling interest	—	0.1	—	0.2
Comprehensive income (loss) attributable to controlling interest	$ 63.4	$ (37.3)	$ 109.4	$ (43.4)

See accompanying notes to the condensed consolidated financial statements

SB/RH HOLDINGS, LLC
Condensed Consolidated Statements of Shareholder's Equity
For the six month period ended March 31, 2024
(unaudited)

(in millions)	Other Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Total Shareholder's Equity	Non-controlling Interest	Total Equity
Balances at September 30, 2023	$ 2,168.9	$ 767.8	$ (249.3)	$ 2,687.4	$ 2.3	$ 2,689.7
Net income from continuing operations	—	18.1	—	18.1	0.1	18.2
Income from discontinued operations, net of tax	—	11.7	—	11.7	—	11.7
Other comprehensive income, net of tax	—	—	16.2	16.2	0.1	16.3
Restricted stock issued and related tax withholdings	(5.4)	—	—	(5.4)	—	(5.4)
Share based compensation	3.8	—	—	3.8	—	3.8
Dividends paid to parent	—	(246.1)	—	(246.1)	—	(246.1)
Balances as of December 31, 2023	2,167.3	551.5	(233.1)	2,485.7	2.5	2,488.2
Net income (loss) from continuing operations	—	50.6	—	50.6	(0.2)	50.4
Income from discontinued operations, net of tax	—	11.0	—	11.0	—	11.0
Other comprehensive income (loss), net of tax	—	—	2.0	2.0	(0.1)	1.9
Share based compensation	4.1	—	—	4.1	—	4.1
Dividends paid to parent	—	(110.2)	—	(110.2)	—	(110.2)
Balances as of March 31, 2024	$ 2,171.4	$ 502.9	$ (231.1)	$ 2,443.2	$ 2.2	$ 2,445.4

See accompanying notes to the condensed consolidated financial statements

SB/RH HOLDINGS, LLC
Condensed Consolidated Statements of Shareholder's Equity
For the six month period ended April 2, 2023
(unaudited)

(in millions)	Other Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Shareholder's Equity	Non-controlling Interest	Total Equity
Balances at September 30, 2022	$ 2,164.6	$ (736.0)	$ (303.0)	$ 1,125.6	$ 7.5	$ 1,133.1
Net (loss) income from continuing operations	—	(40.1)	—	(40.1)	0.3	(39.8)
Income from discontinued operations, net of tax	—	19.4	—	19.4	0.1	19.5
Other comprehensive income, net of tax	—	—	14.2	14.2	0.3	14.5
Restricted stock issued and related tax withholdings	(10.5)	—	—	(10.5)	—	(10.5)
Share based compensation	3.9	—	—	3.9	—	3.9
Dividends paid to parent	—	(17.1)	—	(17.1)	—	(17.1)
Balances as of January 1, 2023	2,158.0	(773.8)	(288.8)	1,095.4	8.2	1,103.6
Net (loss) income from continuing operations	—	(75.3)	—	(75.3)	0.1	(75.2)
Income from discontinued operations, net of tax	—	21.9	—	21.9	—	21.9
Other comprehensive income, net of tax	—	—	16.0	16.0	0.2	16.2
Share based compensation	4.4	—	—	4.4		4.4
Dividends paid to parent	—	(17.2)	—	(17.2)	—	(17.2)
Balances as of April 2, 2023	$ 2,162.4	$ (844.4)	$ (272.8)	$ 1,045.2	$ 8.5	$ 1,053.7

See accompanying notes to the condensed consolidated financial statements

SB/RH HOLDINGS, LLC
Condensed Consolidated Statements of Cash Flows
For the six month periods ended March 31, 2024 and April 2, 2023
(unaudited)

	Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**
Cash flows from operating activities		
Net income (loss)	$ 91.2	$ (73.6)
Income from discontinued operations, net of tax	22.7	41.4
Net income (loss) from continuing operations	68.5	(115.0)
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by operating activities from continuing operations:		
Depreciation	28.8	24.1
Amortization	22.2	20.9
Share based compensation	7.8	7.1
Impairment of intangible assets	43.0	67.0
Impairment of property, plant and equipment and operating lease assets	0.5	4.5
Gain from debt repurchase	(4.7)	—
Non-cash purchase accounting adjustments	0.9	0.9
Non-cash accrual for representation and warranty proceeds	(15.0)	—
Amortization of debt issuance costs and debt discount	1.7	4.0
Write-off of unamortized discount and debt issuance costs	0.3	—
Gain from remeasurement of contingent consideration liability	—	(1.5)
Deferred tax benefit	10.8	(61.3)
Net changes in operating assets and liabilities	(100.4)	187.5
Net cash provided by operating activities from continuing operations	64.4	138.2
Net cash (used) provided by operating activities from discontinued operations	(81.5)	29.0
Net cash (used) provided by operating activities	(17.1)	167.2
Cash flows from investing activities		
Purchases of property, plant and equipment	(20.9)	(25.9)
Purchases of short term investments	(700.0)	—
Proceeds from sale of short term investments	1,292.0	—
Purchase price settlement from sale of HHI	(26.9)	—
Other investing activities	(0.1)	—
Net cash provided (used) by investing activities from continuing operations	544.1	(25.9)
Net cash used by investing activities from discontinued operations	—	(7.9)
Net cash provided (used) by investing activities	544.1	(33.8)
Cash flows from financing activities		
Payment of debt	(177.9)	(21.7)
Payment of debt issuance costs	(3.2)	(2.3)
Payment of cash dividends to parent	(356.3)	(34.4)
Net cash used by financing activities from continuing operations	(537.4)	(58.4)
Net cash used by financing activities from discontinued operations	—	(0.7)
Net cash used by financing activities	(537.4)	(59.1)
Effect of exchange rate changes on cash and cash equivalents	2.3	9.7
Net change in cash, cash equivalents and restricted cash	(8.1)	84.0
Cash, cash equivalents, and restricted cash, beginning of period	752.7	242.6
Cash, cash equivalents, and restricted cash, end of period	$ 744.6	$ 326.6
Supplemental disclosure of cash flow information		
Cash paid for interest associated with continued operations	$ 35.9	$ 56.8
Cash paid for interest associated with discontinued operations	—	29.9
Cash paid for taxes associated with continued operations	17.8	11.7
Cash paid for taxes associated with discontinued operations	59.1	13.5
Non cash investing activities		
Acquisition of property, plant and equipment through finance leases	$ 1.8	$ 2.4

See accompanying notes to the condensed consolidated financial statements

This report is a combined report of Spectrum Brands Holdings, Inc. (“SBH”) and SB/RH Holdings, LLC (“SB/RH”) (collectively, the “Company”). The notes to the condensed consolidated financial statements that follow include both consolidated SBH and SB/RH Notes, unless otherwise indicated below.

NOTE 1– BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Fiscal Period-End

The accompanying unaudited condensed consolidated financial statements have been prepared by the Company and its majority owned subsidiaries in accordance with accounting principles for interim financial information generally accepted in the United States and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all the information and notes necessary for a comprehensive presentation of financial position and results of operations. It is management’s opinion, however, that all material adjustments have been made which are necessary for a fair financial statement presentation. For further information, refer to the consolidated financial statements and notes included in the Company’s Annual Report on Form 10-K for the fiscal year ended September 30, 2023.

SBH’s and SB/RH’s fiscal year ends on September 30 and the Company reports its results using fiscal quarters whereby each three month quarterly reporting period is approximately thirteen weeks in length and ends on a Sunday. The exceptions are the first quarter, which begins on October 1, and the fourth quarter, which ends on September 30. As a result, the fiscal period end date for the three and six month periods included within this Quarterly Report for the Company are March 31, 2024 and April 2, 2023, respectively.

Newly Adopted Accounting Standards

In September 2022, the FASB issued ASU 2022-04, *Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations* to enhance transparency about the use of supplier finance programs. Under the ASU, the buyer in a supplier finance program is required to disclose information about the key terms of the program, outstanding confirmed amounts as of the end of the period, a roll-forward of such amounts during each annual period, and a description of where in the financial statements outstanding amounts are presented. The amendments in ASU 2022-04 are effective for all entities for fiscal years beginning after December 15, 2022, including interim periods within those financial years, except for the disclosure of roll-forward information, which is effective for fiscal years beginning after December 15, 2023. We adopted the ASU during the year ended September 30, 2023, except for the disclosure of roll-forward information, which was adopted during the first quarter of fiscal 2024. The following table summarizes the roll-forward of the supplier finance program for the six month period ended March 31, 2024:

(in millions)	Amount
Outstanding payment obligations as of September 30, 2023	$ 17.9
Invoices confirmed during the period	36.5
Confirmed invoices paid during the period	(38.4)
Outstanding payment obligations as of March 31, 2024	$ 16.0

The outstanding payment obligations under the supplier finance program are included in Accounts Payable in the Company's Condensed Statement of Financial Position.

Recently Issued Accounting Standards

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which provides updates to qualitative and quantitative reportable segment disclosure requirements, including enhanced disclosures about significant segment expenses and increased interim disclosure requirements, among others. The amendments in ASU 2023-07 are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted, and the amendments should be applied retrospectively. This ASU will be effective for our Form 10-K for the year ending September 30, 2025 and our Form 10-Q for the first quarter of the year ending September 30, 2026. We are currently evaluating the impact this ASU may have on our consolidated financial statement disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which provides qualitative and quantitative updates to the rate reconciliation and income taxes paid disclosures, among others, in order to enhance the transparency of income tax disclosures, including consistent categories and greater disaggregation of information in the rate reconciliation and disaggregation by jurisdiction of income taxes paid. The amendments in ASU 2023-09 are effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The amendments should be applied prospectively; however, retrospective application is also permitted. This ASU will be effective for our Form 10-K for the year ending September 30, 2026. We are currently evaluating the impact this ASU may have on our consolidated financial statement disclosures.

In March 2024, the U.S. Securities and Exchange Commission ("SEC") adopted final rules under *SEC Release Nos. 33-11275* and *34-99678, The Enhancement and Standardization of Climate-Related Disclosures for Investors*, which requires registrants to disclose certain climate-related information in registration statements and annual reports. The final rules include requirements to disclose material climate-related risks, activities to mitigate or adapt to such risks, information about the board of directors' oversight of climate-related risks and management's role in managing material climate-related risks, and information on any climate-related targets or goals that are material to the registrant's business, results of operations, or financial condition. In addition, the rules would require certain climate-related disclosure as it relates to severe weather events and other natural conditions and carbon offsets and renewable energy credits. Certain large registrants are also required to disclose Scope 1 and Scope 2 greenhouse gas ("GHG") emissions when material. While the SEC voluntarily stayed the rules due to pending judicial review, the rules in their current form would be effective for the Company beginning in our Form 10-K for the year ending September 30, 2026. The Company is currently assessing the impact that these rules may have on the Company's consolidated financial statements.

NOTE 2 – DIVESTITURES

The following table summarizes the components of Income from Discontinued Operations, Net of Tax in the Condensed Consolidated Statements of Income for the three and six month periods ended March 31, 2024 and April 2, 2023:

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
Income from discontinued operations before income taxes – HHI	$ 15.2	$ 59.5	$ 15.2	$ 104.4
(Loss) income from discontinued operations before income taxes – Other	—	(1.4)	10.3	(2.0)
Interest expense on corporate debt allocated to discontinued operations	—	17.8	—	34.0
Income from discontinued operations before income taxes	15.2	40.3	25.5	68.4
Income tax expense from discontinued operations	4.2	18.9	2.8	27.5
Income from discontinued operations, net of tax	11.0	21.4	22.7	40.9
Income from discontinued operations attributable to noncontrolling interest, net of tax	—	—	—	0.2
Income from discontinued operations attributable to controlling interest, net of tax	$ 11.0	$ 21.4	$ 22.7	$ 40.7

Interest from corporate debt allocated to discontinued operations in the prior year includes interest expense from Term Loans, which was paid down following the close of the HHI divestiture on June 20, 2023, and interest expense from corporate debt not directly attributable to or related to other operations based on the ratio of net assets of the disposal group held for sale to the consolidated net assets of the Company plus consolidated debt, excluding debt assumed in the transaction, required to be repaid, or directly attributable to other operations of the Company.

Hardware and Home Improvement ("HHI")

On September 8, 2021, the Company entered into a definitive Asset and Stock Purchase Agreement (the "Purchase Agreement") with ASSA ABLOY AB ("ASSA") to sell its HHI segment for cash proceeds of $4.3 billion, subject to customary purchase price adjustments. On June 20, 2023, the Company completed its divestiture of its HHI segment. The Company and ASSA have made customary representations and warranties and have agreed to customary covenants relating to the acquisition. The Company and ASSA have agreed to indemnify each other for losses arising from certain breaches of the Purchase Agreement and for certain other matters. In particular, the Company has agreed to indemnify ASSA for certain liabilities relating to the assets retained by the Company, and ASSA has agreed to indemnify the Company for certain liabilities assumed by ASSA, in each case as described in the Purchase Agreement. The Company and ASSA have agreed to enter into related agreements ancillary to the acquisition that became effective upon the consummation of the acquisition, including a customary transition services agreements ("TSA") and providing for both forward and reverse transition services. The consummation of the acquisition was not subject to any financing condition.

During the three and six month period ended March 31, 2024, the Company recognized $15.2 million in income from discontinued operations before income taxes - HHI related to a gain realized by a subsequently agreed reduction on accrued fees associated with the transaction that was previously recognized as a component of the gain on sale when the transaction closed in the prior year.

The following table summarizes the components of income from discontinued operations before income taxes associated with the HHI divestiture for the three and six month period ended April 2, 2023:

(in millions)	**Three Month Period Ended April 2, 2023**	**Six Month Period Ended April 2, 2023**
Net sales	$ 383.3	$ 746.1
Cost of goods sold	253.3	498.0
Gross profit	130.0	248.1
Operating expenses	68.9	140.0
Operating income	61.1	108.1
Interest expense	0.8	1.7
Other non-operating expense, net	0.8	2.0
Income from discontinued operations before income taxes	$ 59.5	$ 104.4

Interest expense consists of interest from debt directly attributable to HHI operations that primarily consist of interest from finance leases. The following table presents significant non-cash items and capital expenditures of discontinued operations from the HHI divestiture for the three and six month period ended April 2, 2023:

(in millions)	**Three Month Period Ended April 2, 2023**	**Six Month Period Ended April 2, 2023**
Share based compensation	$ 0.3	$ 1.1
Purchases of property, plant and equipment	4.4	8.0

NOTE 2 – DIVESTITURES (continued)

The Company and ASSA entered into customary TSAs that became effective upon the consummation of the transaction. The TSAs support various shared back office administrative functions, including finance, sales and marketing, information technology, human resources, real estate and supply chain, customer service and procurement; supporting both the transferred HHI operations and the continuing operations of the Company. Charges associated with TSAs are recognized as bundled service costs under a fixed fee structure by the respective service or function and also include one time pass-through charges including warehousing, freight, among others. TSA charges are settled periodically between the Company and ASSA on a net basis. Charges to ASSA are recognized as a reduction of the respective operating expense incurred and charges from ASSA are recognized as an operating expense depending upon the function supported by ASSA. The TSAs have an overall expected time period of 12 months following the close of the transaction with variability in expiration dependent upon the completed transition of the respective service or function, and may provide up to 12 additional months for a total duration of up to 24 months following the close of the transaction. The Company recognized net income of $7.9 million and $15.9 million associated with TSA charges during the three and six month periods ended March 31, 2024, respectively. Additionally, the Company and ASSA will receive cash and make payments on behalf of the respective counterparty's operations as part of the shared administrative functions, resulting in cash flow being commingled with the operating cash flow of the Company. The Company also maintains a net payable or receivable with ASSA for net working capital attributable to commingled cash flow during the transaction period. As of March 31, 2024 and September 30, 2023, the Company had a net receivable of $25.0 million and $4.0 million, respectively, included in Other Receivables on the Company's Condensed Consolidated Statement of Financial Position consisting of amounts due from ASSA for commingled cash flow and net TSA charges, including amounts subject to repayment by the Company.

The Company has also recognized net payables to ASSA for outstanding settlements associated with the Purchase Agreement, including tax indemnifications for outstanding settlements with tax authorities and uncertain tax benefit obligations, among others. As of March 31, 2024, the Company recognized $2.7 million, included with Other Long-Term Liabilities, on the Company's Condensed Consolidated Statements of Financial Position. As of September 30, 2023, the Company recognized $27.3 million, included within Accounts Payable, and $2.6 million, included within Other Long-Term Liabilities, on the Company's Condensed Consolidated Statements of Financial Position. During the three month period ended March 31, 2024, the Company paid $26.9 million to complete the purchase price settlement in accordance with the Purchase Agreement.

Other

Income from discontinued operations before income taxes – other includes incremental pre-tax gain for changes to tax and legal indemnifications and other agreed-upon funding under the acquisition agreements for the sale and divestiture of the Global Batteries & Lighting ("GBL") and Global Auto Care ("GAC") divisions to Energizer Holdings, Inc. ("Energizer") during the year ended September 30, 2019. During the six month period ended March 31, 2024, the Company realized a gain attributable to a proposed settlement on outstanding tax audits that were previously recognized as uncertain tax benefit obligations at the time of sale and indemnified in accordance with the acquisition agreement. As of March 31, 2024, the Company recognized $14.4 million related to indemnification payables in accordance with the acquisition agreements, primarily attributable to uncertain tax benefit obligations and outstanding settlements with tax authorities that were transferred, included within Other Current Liabilities on the Company's Condensed Consolidated Statements of Financial Position. As of September 30, 2023, the Company recognized $25.3 million, including $8.6 million within Other Current Liabilities and $16.7 million, within Other Long-Term Liabilities on the Company's Condensed Consolidated Statements of Financial Position.

NOTE 3 – REVENUE RECOGNITION

The Company generates all of its revenue from contracts with customers. The following table disaggregates our revenue for the three and six month periods ended March 31, 2024 and April 2, 2023, by the Company's key revenue streams, segments and geographic region (based upon destination):

	Three Month Period Ended March 31, 2024				Three Month Period Ended April 2, 2023			
(in millions)	**GPC**	**H&G**	**HPC**	**Total**	**GPC**	**H&G**	**HPC**	**Total**
Product Sales								
NA	$ 179.2	$ 158.5	$ 105.1	$ 442.8	$ 186.4	$ 151.3	$ 121.6	$ 459.3
EMEA	97.8	—	101.0	198.8	94.4	—	99.2	193.6
LATAM	2.9	1.5	44.8	49.2	4.5	1.5	38.8	44.8
APAC	6.5	—	15.1	21.6	7.4	—	17.4	24.8
Licensing	2.2	0.7	1.8	4.7	2.6	0.5	1.9	5.0
Service and other	1.3	—	0.1	1.4	1.4	—	0.3	1.7
Total Revenue	$ 289.9	$ 160.7	$ 267.9	$ 718.5	$ 296.7	$ 153.3	$ 279.2	$ 729.2

	Six Month Period Ended March 31, 2024				Six Month Period Ended April 2, 2023			
(in millions)	**GPC**	**H&G**	**HPC**	**Total**	**GPC**	**H&G**	**HPC**	**Total**
Product Sales								
NA	$ 348.0	$ 228.4	$ 240.1	$ 816.5	$ 360.8	$ 220.2	$ 286.1	$ 867.1
EMEA	193.0	—	245.2	438.2	181.0	—	236.5	417.5
LATAM	5.8	3.2	88.1	97.1	7.7	3.5	80.6	91.8
APAC	12.7	—	33.9	46.6	16.9	—	35.2	52.1
Licensing	4.7	1.1	3.6	9.4	5.0	0.9	4.3	10.2
Service and other	2.6	—	0.3	2.9	2.9	—	0.9	3.8
Total Revenue	$ 566.8	$ 232.7	$ 611.2	$ 1,410.7	$ 574.3	$ 224.6	$ 643.6	$ 1,442.5

The Company has a broad range of customers, including many large retail customers. During the three month periods ended March 31, 2024 and April 2, 2023, there were two large retail customers, each exceeding 10% of consolidated Net Sales and representing 33.5% of consolidated Net Sales in each period. During the six month periods ended March 31, 2024 and April 2, 2023, there were two large retail customers exceeding 10% of consolidated Net Sales and representing 35.8% and 34.8% of consolidated Net Sales, respectively. All segments sell products to the two large retail customers exceeding 10% of consolidated Net Sales.

NOTE 3 – REVENUE RECOGNITION (continued)

A significant portion of our product sales from our HPC segment are subject to the continued use and access to the Black & Decker® ("B+D") brand through a trademark license agreement with Stanley Black and Decker ("SBD"). Net sales from B+D product sales consisted of $78.6 million, or 10.9% of consolidated net sales, and $85.1 million, or 11.7% of consolidated Net Sales, for the three month periods ended March 31, 2024 and April 2, 2023, respectively. Net sales from B+D product sales consisted of $172.5 million, or 12.2%, and $171.9 million, or 11.9%, of consolidated Net Sales for the six month periods ended March 31, 2024 and April 2, 2023, respectively. All other significant brands and tradenames used in the Company's commercial operations are directly owned and not subject to further restrictions. The Company recently entered into a new trademark license agreement with SBD for the B+D brand during the subsequent period, see *Note 18 - Subsequent Event* for further detail.

In the normal course of business, the Company may allow customers to return products or take credit for product returns per the provisions in a sale agreement. Estimated product returns are recorded as a reduction in reported revenues at the time of sale based upon historical product return experience, adjusted for known trends, to arrive at the amount of consideration expected to be received. The allowance for product returns as of March 31, 2024 and September 30, 2023 was $15.3 million and $12.8 million, respectively. The increase in the allowance for product returns are attributable to the additional returns estimated for the recently re-issued product recalls with the HPC segment in collaboration with the U.S. Consumer Product Safety Commission ("CPSC"), further discussed in *Note 15 - Commitments and Contingencies*.

NOTE 4 – RECEIVABLES AND CONCENTRATION OF CREDIT RISK

The allowance for credit losses on the Company's trade receivables as of March 31, 2024 and September 30, 2023 was $7.0 million and $7.7 million, respectively.

The Company has a broad range of customers, including many large retail customers. As of March 31, 2024 and September 30, 2023, there were two large retail customers exceeding 10% of consolidated Net Trade Receivables and representing 43.7% and 39.8% of the Company's consolidated Net Trade Receivables, respectively.

NOTE 5 – INVENTORIES

Inventories consist of the following:

(in millions)	March 31, 2024	September 30, 2023
Raw materials	$ 53.8	$ 55.8
Work-in-process	6.7	6.2
Finished goods	393.8	400.8
Inventories	$ 454.3	$ 462.8

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

(in millions)	March 31, 2024	September 30, 2023
Land, buildings and improvements	$ 84.8	$ 83.4
Machinery, equipment and other	337.0	330.1
Computer software	139.5	136.2
Finance leases	138.4	136.9
Construction in progress	24.5	18.1
Property, plant and equipment	724.2	704.7
Accumulated depreciation	(454.7)	(429.6)
Property, plant and equipment, net	$ 269.5	$ 275.1

Depreciation expense from property, plant, and equipment for the three month periods ended March 31, 2024 and April 2, 2023, was $14.3 million and $11.9 million, respectively; and for the six month periods ended March 31, 2024 and April 2, 2023 was $28.8 million and $24.1 million, respectively.

NOTE 7 – GOODWILL AND INTANGIBLE ASSETS

Goodwill consists of the following:

(in millions)	GPC	H&G	Total
As of September 30, 2023	$ 512.1	$ 342.6	$ 854.7
Foreign currency impact	3.6	—	3.6
As of March 31, 2024	$ 515.7	$ 342.6	$ 858.3

NOTE 7 - GOODWILL AND INTANGIBLE ASSETS (continued)

The carrying value and accumulated amortization of intangible assets are as follows:

	March 31, 2024			September 30, 2023		
(in millions)	**Gross Carrying Amount**	**Accumulated Amortization**	**Net**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net**
Amortizable intangible assets:						
Customer relationships	$ 637.5	$ (431.9)	$ 205.6	$ 635.0	$ (412.9)	$ 222.1
Technology assets	75.3	(38.5)	36.8	75.3	(35.9)	39.4
Tradenames	28.8	(9.7)	19.1	27.6	(7.4)	20.2
Total amortizable intangible assets	741.6	(480.1)	261.5	737.9	(456.2)	281.7
Indefinite-lived intangible assets – tradenames	740.8	—	740.8	778.4	—	778.4
Total Intangible Assets	$ 1,482.4	$ (480.1)	$ 1,002.3	$ 1,516.3	$ (456.2)	$ 1,060.1

During the three month period ended March 31, 2024, the Company and H&G segment identified a triggering event for our Rejuvenate® tradename attributable to a loss of a key distribution expansion opportunity resulting in a significant shift in the projected distribution strategy that reduced the anticipated near-term sales opportunities and expectations, resulting in the recognition of a $39.0 million impairment on the indefinite lived intangible asset.

During the six month period ended March 31, 2024, the Company and the HPC segment identified a triggering event attributable to a change in brand strategy for a non-core tradename, resulting in recognition of a $4.0 million impairment on the indefinite intangible assets.

Amortization expense from the intangible assets for the three month periods ended March 31, 2024 and April 2, 2023 was $11.1 million and $10.5 million, respectively; and for the six month periods ended March 31, 2024 and April 2, 2023 was $22.2 million and $20.9 million, respectively.

Excluding the impact of any future acquisitions, dispositions or changes in foreign currency, the Company estimates annual amortization expense of intangible assets for the next five fiscal years will be as follows:

(in millions)	**Amortization**
2024	$ 44.4
2025	41.3
2026	39.7
2027	39.7
2028	37.9

NOTE 8 – DEBT

Debt with external lenders consists of the following:

	March 31, 2024		September 30, 2023	
(in millions)	**Amount**	**Rate**	**Amount**	**Rate**
Spectrum Brands Inc. ("SBI")				
4.00% Notes, due October 1, 2026	$ 458.5	4.0 %	$ 448.8	4.0 %
5.00% Notes, due October 1, 2029	289.1	5.0 %	297.2	5.0 %
5.50% Notes, due July 15, 2030	155.7	5.5 %	288.5	5.5 %
3.875% Notes, due March 15, 2031	413.7	3.9 %	453.0	3.9 %
Obligations under finance leases	83.5	5.3 %	86.4	5.3 %
Total Spectrum Brands, Inc. debt	1,400.5		1,573.9	
Debt issuance costs	(17.1)		(18.4)	
Less current portion	(9.0)		(8.6)	
Long-term debt, net of current portion	$ 1,374.4		$ 1,546.9	

NOTE 8 - DEBT (continued)

Credit Agreement

On October 19, 2023, SBI and SB/RH entered into the Second Amended and Restated Credit Agreement (the “Credit Agreement”), by and among the Company, SB/RH Holdings, Royal Bank of Canada, as the administrative agent, and the lenders party thereto from time to time. The proceeds of the Credit Agreement will be used for working capital needs and other general corporate purposes. The Credit Agreement refinanced the Company’s previous credit agreement and includes certain modified terms from the previous Credit Agreement, including extending the maturity to October 19, 2028, and the reduction of the Revolver Facility to $500.0 million (with a U.S. dollar tranche and a multicurrency tranche). The Credit Agreement contains customary affirmative and negative covenants, including, but not limited to, restrictions on SBI and its restricted subsidiaries' ability to incur indebtedness, create liens, make investments, pay dividends or make certain other distributions, and merge or consolidate or sell assets, in each case subject to certain expectations set forth in the Credit Agreement.

The aggregate commitment amount with respect to (a) the U.S. dollar tranche of the Revolving Facility is $400 million and (b) the multi-currency tranche of the Revolving Facility is $100 million. The commitment fee rate is equal to 0.20% of the unused commitments under the Revolving Facility (which may be increased to a maximum rate equal to 0.40% based on certain total net leverage ratios specified in the Credit Agreement).

All outstanding amounts under the U.S. dollar tranche (if funded in U.S. dollars) will bear interest, at the option of the Company, at a rate per annum equal to (x) Term SOFR, plus a margin ranging between 1.00% to 2.00% per annum (based on certain total net leverage ratios specified in the Credit Agreement) or (y) the Alternate Base Rate (as defined in the Credit Agreement), plus a margin ranging between 0.00% to 1.00% per annum (based on certain total net leverage ratios specified in the Credit Agreement).

The multi-currency tranche (if funded in Euros) will bear interest at a rate per annum equal to the EURIBOR Rate, plus a margin ranging between 1.00% to 2.00% per annum (based on certain total net leverage ratios specified in the Credit Agreement). The multi-currency tranche (if funded in Canadian dollars) will bear interest, at the option of the Company, at a rate per annum equal to (x) Term CORRA (Canadian Overnight Repo Rate Average), plus a margin ranging between 1.00% to 2.00% per annum (based on certain total net leverage ratios specified in the Credit Agreement) or (y) the Canadian Prime Rate, plus a margin ranging between 0.00% to 1.00% per annum (based on certain total net leverage ratios specified in the Credit Agreement). The multi-currency tranche (if funded in Pounds Sterling) will bear interest at a rate per annum equal to the SONIA, plus a margin ranging between 1.00% to 2.00% per annum (based on certain total net leverage ratios specified in the Credit Agreement).

During the six month period ended March 31, 2024, the Company incurred $4.0 million in fees in connection with the closing of the Credit Agreement, with $3.2 million in fees capitalized and amortized as debt issuance costs over the term of the Credit Agreement. As of March 31, 2024, the Company's Revolver Facility has a borrowing availability of $490.3 million, net of outstanding letters of credit of $9.7 million.

Debt Repurchase

During the six month period ended March 31, 2024, the Company repurchased Senior Notes on the open market, at a discount, which are ultimately retired upon receipt. The repurchase of the Company's debt obligations are treated as an extinguishment, with any realized discount recognized as a gain from debt repurchase on the Company's Condensed Consolidated Statements of Income, net any write-off of related deferred financing costs. For the six month period ended March 31, 2024, the Company repurchased $180.1 million of outstanding Senior Notes, consisting of $8.1 million of the 5.00% Senior Notes due October 1, 2029, $132.8 million of the 5.50% Senior Notes due July 15, 2030, and $39.2 million of the 3.875% Senior Notes, due March 15, 2031. As a result of repurchasing outstanding debt notes during the six month period ended March 31, 2024, there was a gain of $4.7 million related to realized gain on the settlement of the obligations recorded, net write-off from associated deferred issuance costs.

NOTE 9 – DERIVATIVES

Derivative financial instruments are used by the Company principally in the management of its foreign currency exchange rates. The Company does not hold or issue derivative financial instruments for trading purposes.

Cash Flow Hedges

The Company periodically enters into forward foreign exchange contracts to hedge a portion of the risk from forecasted foreign currency denominated third party and intercompany sales or payments. These obligations generally require the Company to exchange foreign currencies for Australian Dollars, Canadian Dollars, Euros, Japanese Yen, Mexican Pesos, Pound Sterling, or U.S. Dollars. These foreign exchange contracts are cash flow hedges of fluctuating foreign exchange related to inventory purchases or the sale of product. Until the purchase or sale is recognized, the fair value of the related hedge is recorded in Accumulated Other Comprehensive Income ("AOCI") and as a derivative hedge asset or liability, as applicable. At the time the sale or purchase is recognized, the fair value of the related hedge is reclassified as an adjustment to purchase price variance in Cost of Goods Sold or Net Sales on the Condensed Consolidated Statements of Income. At March 31, 2024, the Company had a series of foreign exchange derivative contracts outstanding through September 2025. The derivative net loss estimated to be reclassified from AOCI into earnings over the next 12 months is $4.1 million, net of tax. At March 31, 2024 and September 30, 2023, the Company had foreign exchange derivative contracts designated as cash flow hedges with a notional value of $324.8 million and $320.2 million, respectively.

NOTE 9 – DERIVATIVES (continued)

The following table summarizes the impact of designated cash flow hedges and the pre-tax gain (loss) recognized in the Condensed Consolidated Statements of Income for the three and six month periods ended March 31, 2024 and April 2, 2023, respectively:

	Unrealized Gain (Loss) in OCI Before Reclassification		Reclassified Gain (Loss) to Continuing Operations		
For the three month periods ended (in millions)	**March 31, 2024**	**April 2, 2023**	**Line Item**	**March 31, 2024**	**April 2, 2023**
Foreign exchange contracts	$ —	$ 0.1	Net sales	$ 0.1	$ —
Foreign exchange contracts	1.4	(7.5)	Cost of goods sold	(4.9)	(4.9)
Total	$ 1.4	$ (7.4)		$ (4.8)	$ (4.9)

	Unrealized Gain (Loss) in OCI Before Reclassification		Reclassified Gain (Loss) to Continuing Operations		
For the six month periods ended (in millions)	**March 31, 2024**	**April 2, 2023**	**Line Item**	**March 31, 2024**	**April 2, 2023**
Foreign exchange contracts	$ —	$ 0.1	Net sales	$ 0.1	$ 0.1
Foreign exchange contracts	(9.2)	(33.2)	Cost of goods sold	(10.0)	(2.5)
Total	$ (9.2)	$ (33.1)		$ (9.9)	$ (2.4)

Derivative Contracts Not Designated as Hedges for Accounting Purposes

The Company periodically enters into foreign exchange forward contracts to economically hedge a portion of the risk from third party and intercompany payments resulting from existing obligations. These obligations generally require the Company to exchange foreign currencies for, among others, Canadian Dollars, Colombian Peso, Euros, Hungarian Forint, Czech Koruna, Japanese Yen, Mexican Pesos, Pounds Sterling, Singapore Dollar, Swiss Franc, Turkish Lira, or U.S. Dollars. These foreign exchange contracts are fair value hedges of a related liability or asset recorded in the accompanying Condensed Consolidated Statements of Financial Position. The gain or loss on the derivative hedge contracts is recorded in earnings as an offset to the change in value of the related liability or asset at each period end. At March 31, 2024, the Company had a series of forward exchange contracts outstanding through April 2024. At March 31, 2024 and September 30, 2023, the Company had $690.8 million and $671.5 million, respectively, of notional value of such foreign exchange derivative contracts outstanding.

The following summarizes the gain (loss) realized from derivative instruments not designated as hedges for accounting purposes on the accompanying Condensed Consolidated Statements of Income for the three and six month periods ended March 31, 2024 and April 2, 2023, pre-tax:

		Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**Line Item**	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
Foreign exchange contracts	Other non-operating expense, net	$ 5.5	$ (0.1)	$ (7.6)	$ (22.3)

Fair Value of Derivative Instruments

The fair value of the Company's outstanding derivative contracts recorded in the Condensed Consolidated Statements of Financial Position is as follows:

(in millions)	**Line Item**	**March 31, 2024**	**September 30, 2023**
Derivative Assets			
Foreign exchange contracts – designated as hedge	Other receivables	$ 0.8	$ 1.4
Foreign exchange contracts – designated as hedge	Deferred charges and other	0.1	0.1
Foreign exchange contracts – not designated as hedge	Other receivables	2.5	1.8
Total Derivative Assets		$ 3.4	$ 3.3
Derivative Liabilities			
Foreign exchange contracts – designated as hedge	Accounts payable	$ 6.4	$ 8.1
Foreign exchange contracts – designated as hedge	Other long term liabilities	0.4	—
Foreign exchange contracts – not designated as hedge	Accounts payable	11.0	0.9
Total Derivative Liabilities		$ 17.8	$ 9.0

The Company is exposed to the risk of default by the counterparties with which it transacts and generally does not require collateral or other security to support financial instruments subject to credit risk. The Company monitors counterparty credit risk on an individual basis by periodically assessing each counterparty's credit rating exposure. The maximum loss due to credit risk equals the fair value of the gross asset derivatives that are concentrated with certain domestic and foreign financial institution counterparties. The Company considers these exposures when measuring its credit reserve on its derivative assets, which were not significant as of March 31, 2024.

The Company's standard contracts do not contain credit risk related contingent features whereby the Company would be required to post additional cash collateral because of a credit event. However, the Company is typically required to post collateral in the normal course of business to offset its liability positions. As of March 31, 2024 and September 30, 2023, there was no cash collateral outstanding and no posted standby letters of credit related to such liability positions.

NOTE 9 – DERIVATIVES (continued)

Net Investment Hedge

Spectrum Brands, Inc. has €425.0 million aggregate principal amount of 4.00% Notes designated as a non-derivative economic hedge, or net investment hedge, of the translation of the Company's net investments in Euro denominated subsidiaries at the time of issuance. The hedge effectiveness is measured on the beginning balance of the net investment and re-designated every three months. Any gains and losses attributable to the translation of the Euro denominated debt designated as net investment hedge are recognized as a component of foreign currency translation within AOCI, and gains and losses attributable to the translation of the undesignated portion are recognized as foreign currency translation gains or losses within Other Non-Operating Expense (Income). Net gains or losses from the net investment hedge are reclassified from AOCI into earnings upon a liquidation event or deconsolidation of Euro denominated subsidiaries. As of March 31, 2024, the full principal amount was designated as a net investment hedge and considered fully effective. The following summarizes the unrealized gain (loss) from the net investment hedge recognized in Other Comprehensive Income for the three and six month periods ended March 31, 2024 and April 2, 2023, pre-tax:

	Three Month Periods Ended		Six Month Periods Ended	
Unrealized Gain (Loss) in OCI (in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
Net investment hedge	$ 11.6	$ (12.5)	$ (9.7)	$ (46.4)

NOTE 10 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company has not changed the valuation techniques used in measuring the fair value of any financial assets and liabilities during the year. The carrying value and estimated fair value of financial instruments as of March 31, 2024 and September 30, 2023 according to the fair value hierarchy are as follows:

	March 31, 2024					September 30, 2023				
(in millions)	**Level 1**	**Level 2**	**Level 3**	**Fair Value**	**Carrying Amount**	**Level 1**	**Level 2**	**Level 3**	**Fair Value**	**Carrying Amount**
Derivative Assets	$ —	$ 3.4	$ —	$ 3.4	$ 3.4	$ —	$ 3.3	$ —	$ 3.3	$ 3.3
Derivative Liabilities	—	17.8	—	17.8	17.8	—	9.0	—	9.0	9.0
Debt	—	1,368.1	—	1,368.1	1,383.4	—	1,418.6	—	1,418.6	1,555.5

The fair value measurements of the Company's debt represent non-active market exchanged traded securities which are valued at quoted input prices that are directly observable or indirectly observable through corroboration with observable market data (Level 2). The Company's derivative instruments are valued on a recurring basis using internal models, which are based on market observable inputs, including both forward and spot prices for currencies, which are generally based on quoted or observed market prices (Level 2). See *Note 8 – Debt* for additional detail on outstanding debt. See *Note 9 – Derivatives* for additional detail on derivative assets and liabilities.

The carrying values of goodwill, intangible assets and other long-lived assets are tested annually or more frequently if an event occurs that indicates an impairment loss may have been incurred, using fair value measurements with unobservable inputs (Level 3). See *Note 7 - Goodwill and Intangible Assets* for additional detail.

The carrying values of cash and cash equivalents, short term investments, receivables, accounts payable and short term debt approximate fair value based on the short-term nature of these assets and liabilities.

NOTE 11 – SHAREHOLDERS' EQUITY

Share Repurchases

The following summarizes the activity of common stock repurchases for the three and six month periods ended March 31, 2024. There was no repurchase activity for the three and six month periods ended April 2, 2023.

	March 31, 2024		
Three Month Periods Ended (in millions except per share data)	**Number of Shares Repurchased**	**Average Price Per Share**	**Amount**
Open Market Purchases	1.2	$ 80.62	$ 97.6

	March 31, 2024		
Six Month Periods Ended (in millions except per share data)	**Number of Shares Repurchased**	**Average Price Per Share**	**Amount**
Open Market Purchases	4.5	$ 75.41	$ 340.5
ASR	1.3	65.84	83.2
Total Purchases	5.8	73.32	$ 423.7

During the six month period ended March 31, 2024, SBH entered into a $200.0 million rule 10b5-1 repurchase plan to facilitate daily market share repurchases through November 15, 2024, until the cap is reached or until the plan is terminated. As of March 31, 2024, there has been $108.7 million repurchased pursuant to the 10b5-1 repurchase plan.

On June 20, 2023, the Company entered into an accelerated share repurchase agreement (the "ASR Agreement") with a third-party financial institution to repurchase an aggregate of $500.0 million of the Company's common stock, par value $0.01 per share. The Company funded the share repurchases under the ASR Agreement, which are being made pursuant to the Company's new $1.0 billion share repurchase program, with cash on-hand following the closing of the sale of the Company's HHI segment. Pursuant to the agreement, the Company paid $500.0 million to the financial institution at inception of the agreement and took delivery of 5.3 million shares, which represented 80% of the total shares the company expected to receive based on the market price at the time of the initial delivery. The transaction was accounted for as an equity transaction. The fair value of the initial shares received of $400.0 million were recorded as a treasury stock transaction, with the remainder of $100.0 million recorded as a reduction to additional paid-in capital. Upon initial receipt of the shares, there was an immediate reduction in the weighted average common shares calculation for basic and diluted earnings per share. On November 21, 2023, the Company closed and settled the ASR resulting in an additional delivery of 1.3 million shares, with a fair value of $83.2 million. The total number of shares repurchased under the ASR program was 6.6 million at an average cost per share of $75.67, based on the volume-weighted average share price of the Company's common stock during the calculation period of the ASR program, less the applicable contractual discount.

NOTE 12 – SHARE BASED COMPENSATION

The following is a summary of share based compensation expense included in Selling, General & Administrative on the Company's Condensed Consolidated Statements of Income for the three and six month periods ended March 31, 2024 and April 2, 2023 for SBH and SB/RH, respectively.

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
SBH	$ 4.5	$ 4.5	$ 8.4	$ 7.7
SB/RH	4.1	4.0	7.8	7.1

The Company recognizes share based compensation expense from the issuance of Restricted Stock Units ("RSUs"), primarily under its Long-Term Incentive Plan ("LTIP"). RSUs granted under the LTIP include time-based grants and performance-based grants. The Company regularly issues annual RSU grants under its LTIP during the first quarter of the fiscal year. Compensation cost is based on the fair value of the awards, as determined by the market price of the Company's shares of common stock on the designated grant date and recognized on a straight-line basis over the requisite service period of the awards. Time-based RSU awards provide for either three year cliff vesting or graded vesting depending upon the vesting conditions and forfeitures provided by the grant. Performance-based RSU awards are dependent upon achieving specified financial metrics (adjusted EBITDA, return on adjusted equity, and/or adjusted free cash flow) by the end of the three year vesting period. The Company assesses the probability of achievement of the performance conditions and recognizes expense for the awards based on the probable achievement of such metrics. Additionally, the Company regularly issues individual RSU awards under its equity plan to its Board members and individual employees for recognition, incentive, or retention purposes, when needed, which are primarily conditional upon time-based service conditions, valued based on the fair value of the awards as determined by the market price of the Company's share of common stock on the designated grant price date and recognized as a component of share-based compensation on a straight-line basis over the requisite service period of the award. RSUs are subject to forfeiture if employment terminates prior to vesting with forfeitures recognized as they occur. RSUs have dividend equivalents credited to the recipient and are paid only to the extent the RSU vests and the related stock is issued. Shares issued upon exercise of RSUs are sourced from treasury shares when available.

NOTE 12 – SHARE BASED COMPENSATION (continued)

The following is a summary of RSU grants issued during the six month period ended March 31, 2024:

	SBH			SB/RH		
(in millions, except per share data)	**Units**	**Weighted Average Grant Date Fair Value**	**Fair Value at Grant Date**	**Units**	**Weighted Average Grant Date Fair Value**	**Fair Value at Grant Date**
Time-based grants						
Vesting in less than 12 months	0.05	$ 66.80	$ 3.6	0.03	$ 67.17	$ 2.2
Vesting in more than 12 months	0.15	66.73	9.8	0.15	66.73	9.8
Total time-based grants	0.20	66.75	13.4	0.18	66.81	12.0
Performance-based grants	0.24	66.90	16.1	0.24	66.90	16.1
Total grants	0.44	66.83	$ 29.5	0.42	66.86	$ 28.1

NOTE 13 – ACCUMULATED OTHER COMPREHENSIVE INCOME

The change in the components of AOCI for the six month period ended March 31, 2024, was as follows:

(in millions)	**Foreign Currency Translation**	**Derivative Instruments**	**Defined Benefit Pension**	**Total**
Balance at September 30, 2023	$ (216.1)	$ 1.4	$ (34.7)	$ (249.4)
Other comprehensive income (loss) before reclassification	15.4	(10.6)	(1.1)	3.7
Net reclassification for loss to income from continuing operations	—	5.1	0.2	5.3
Other comprehensive income (loss) before tax	15.4	(5.5)	(0.9)	9.0
Deferred tax effect	5.6	1.5	0.2	7.3
Other comprehensive income (loss), net of tax	21.0	(4.0)	(0.7)	16.3
Less: other comprehensive income from continuing operations attributable to non-controlling interest	0.1	—	—	0.1
Other comprehensive income (loss) attributable to controlling interest	20.9	(4.0)	(0.7)	16.2
Balance at December 31, 2023	(195.2)	(2.6)	(35.4)	(233.2)
Other comprehensive (loss) income before reclassification	(0.4)	1.4	0.3	1.3
Net reclassification for loss to income from continuing operations	—	4.8	0.2	5.0
Other comprehensive (loss) income before tax	(0.4)	6.2	0.5	6.3
Deferred tax effect	(2.9)	(1.6)	0.1	(4.4)
Other comprehensive (loss) income , net of tax	(3.3)	4.6	0.6	1.9
Less: other comprehensive loss from continuing operations attributable to non-controlling interest	(0.1)	—	—	(0.1)
Other comprehensive (loss) income attributable to controlling interest	(3.2)	4.6	0.6	2.0
Balance at March 31, 2024	$ (198.4)	$ 2.0	$ (34.8)	$ (231.2)

The following table presents reclassifications of the gain (loss) on the Condensed Consolidated Statements of Income from AOCI for the periods indicated:

	Three Month Period Ended March 31, 2024			Six Month Period Ended March 31, 2024		
(in millions)	**Derivative Instruments**	**Defined Benefit Pension**	**Total**	**Derivative Instruments**	**Defined Benefit Pension**	**Total**
Net Sales	$ 0.1	$ —	$ 0.1	$ 0.1	$ —	$ 0.1
Cost of goods sold	(4.9)	—	(4.9)	(10.0)	—	(10.0)
Other non-operating expense (income), net	—	(0.2)	(0.2)	—	(0.4)	(0.4)

NOTE 13 – ACCUMULATED OTHER COMPREHENSIVE INCOME (continued)

The change in the components of AOCI for the six month period ended April 2, 2023, was as follows:

(in millions)	Foreign Currency Translation	Derivative Instruments	Defined Benefit Pension	Total
Balance at September 30, 2022	$ (285.9)	$ 16.8	$ (34.0)	$ (303.1)
Other comprehensive income (loss) before reclassification	26.6	(25.4)	(2.3)	(1.1)
Net reclassification for (gain) loss to income from continuing operations	—	(2.5)	0.9	(1.6)
Other comprehensive income (loss) before tax	26.6	(27.9)	(1.4)	(2.7)
Deferred tax effect	8.8	7.2	1.2	17.2
Other comprehensive income (loss), net of tax	35.4	(20.7)	(0.2)	14.5
Less: other comprehensive income from continuing operations attributable to non-controlling interest	0.2	—	—	0.2
Less: other comprehensive income from discontinued operations attributable to non-controlling interest	0.1	—	—	0.1
Other comprehensive income (loss) attributable to controlling interest	35.1	(20.7)	(0.2)	14.2
Balance at January 1, 2023	(250.8)	(3.9)	(34.2)	(288.9)
Other comprehensive income (loss) before reclassification	14.6	(7.1)	0.1	7.6
Net reclassification for loss (gain) to income from continuing operations	—	4.9	(0.7)	4.2
Net reclassification for gain to income from discontinued operations	—	(0.1)	—	(0.1)
Other comprehensive income (loss) before tax	14.6	(2.3)	(0.6)	11.7
Deferred tax effect	3.7	0.7	0.1	4.5
Other comprehensive income (loss), net of tax	18.3	(1.6)	(0.5)	16.2
Less: other comprehensive income from continuing operations attributable to non-controlling interest	0.1	—	—	0.1
Less: other comprehensive income from discontinued operations attributable to non-controlling interest	0.1	—	—	0.1
Other comprehensive income (loss) attributable to controlling interest	18.1	(1.6)	(0.5)	16.0
Balance at April 2, 2023	$ (232.7)	$ (5.5)	$ (34.7)	$ (272.9)

The following table presents reclassifications of the gain (loss) on the Condensed Consolidated Statements of Income from AOCI for the periods indicated:

	Three Month Period Ended April 2, 2023			Six Month Period Ended April 2, 2023		
(in millions)	Derivative Instruments	Defined Benefit Pension	Total	Derivative Instruments	Defined Benefit Pension	Total
Net Sales	$ —	$ —	$ —	$ 0.1	$ —	$ 0.1
Cost of goods sold	(4.9)	—	(4.9)	(2.5)	—	(2.5)
Other non-operating expense (income), net	—	0.7	0.7	—	(0.2)	(0.2)
Income from discontinued operations, net of tax	0.1	—	0.1	0.1	—	0.1

NOTE 14 – INCOME TAXES

The effective tax rate for the three and six month periods ended March 31, 2024 and April 2, 2023, was as follows:

	Three Month Periods Ended		Six Month Periods Ended	
Effective tax rate	March 31, 2024	April 2, 2023	March 31, 2024	April 2, 2023
SBH	33.8 %	31.7 %	36.0 %	29.0 %
SB/RH	33.7 %	31.2 %	35.5 %	28.7 %

The estimated annual effective tax rate applied to the three and six month periods ended March 31, 2024, differs from the US federal statutory rate of 21% principally due to income earned outside the U.S. that is subject to U.S. tax, including the U.S. tax on global intangible low taxed income (“GILTI”), state income taxes, and certain nondeductible expenses. The Company is projecting a U.S. net operating loss ("NOL") for Fiscal 2024, which does not allow it to take advantage of the foreign-derived intangible income deduction or foreign tax credits on its GILTI income. The Company’s federal effective tax rate on GILTI was therefore 21%.

As of March 31, 2024 and September 30, 2023, there was $88.7 million and $77.8 million of U.S. federal income taxes receivable from its parent company on the SB/RH Condensed Consolidated Statements of Financial Position, calculated as if SB/RH were a separate taxpayer.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

The Company is a defendant in various litigation matters generally arising out of the ordinary course of business. Based on information currently available, the Company does not believe that any additional matters or proceedings presently pending will have a material adverse effect on its results of operations, financial condition, liquidity or cash flows.

Environmental Liability. The Company has realized commitments attributable to environmental remediation activities primarily associated with former manufacturing sites of the Company's HPC segment. In coordination with local and federal regulatory agencies, we have conducted testing on certain sites, which have resulted in the identification of contamination that has been attributed to historical activities at the properties, resulting in the realization of incremental costs to be assumed by the Company towards the remediation of these properties and the recognition of an environmental remediation liability. We have not conducted invasive testing at all sites and locations and have identified an environmental remediation liability to the extent such remediation requirements have been identified and are considered estimable.

As of March 31, 2024, there was an environmental remediation liability of $4.9 million, with $1.1 million included in Other Current Liabilities and $3.8 million included in Other Long-Term Liabilities on the Condensed Consolidated Statements of Financial Position. As of September 30, 2023, there was an environmental remediation liability of $5.4 million, with $1.5 million included in Other Current Liabilities and $3.9 million included in Other Long-Term Liabilities on the Condensed Consolidated Statements of Financial Position. The Company believes that any additional liability in excess of the amounts provided that may result from resolution of these matters will not have a material adverse effect on the consolidated financial condition, results of operations, or cash flows of the Company.

Product Liability. The Company may be named as a defendant in lawsuits involving product liability claims. The Company has recorded and maintains an estimated liability in the amount of management's estimate for aggregate exposure for such liabilities based upon probable loss from loss reports, individual cases, and losses incurred but not reported. As of March 31, 2024 and September 30, 2023, the Company recognized $2.6 million and $3.0 million, respectively, in product liability, included in Other Current Liabilities on the Condensed Consolidated Statements of Financial Position. The Company believes that any additional liability in excess of the amounts provided that may result from resolution of these matters will not have a material adverse effect on the consolidated financial condition, results of operations or cash flows of the Company.

Product Warranty. The Company recognizes an estimated liability for standard warranties on certain products when we recognize revenue on the sale of the warranted products. Estimated warranty costs incorporate replacement parts, products and delivery, and are recorded as a cost of goods sold at the time of product shipment based on historical and projected warranty claim rates, claims experience and any additional anticipated future costs on previously sold products. The Company recognized $0.2 million and $0.3 million of warranty accruals as of March 31, 2024 and September 30, 2023, included in Other Current Liabilities on the Condensed Consolidated Statements of Financial Position.

Product Safety Recalls. During the years ended September 30, 2022 and 2023, the Company and its HPC segment initiated voluntary product safety recalls in collaboration with the U.S. Consumer Product Safety Commission ("CPSC") for specific products, suspending sales of the affected products and issuing a stop sale with its customers. The Company has assessed the incremental costs attributable to the recall, including the anticipated returns of retail inventory from customers, write-off of affected inventory, and other costs to facilitate the recall such as notification, shipping and handling, consumer refunds, and rework and destruction of affected products, as needed, and evaluated the probability of redemption. Certain products were remediated through the issuance of replacement parts and did not require a full recall of the affected product, with costs included to facilitate the remediation, rework and related shipping and handling. During the three month period ended March 31, 2024, the Company was required by the CPSC to reissue a recall that was previously remediated through the issuance of a replacement part in accordance with previously agreed-up remediation plans with the CPSC, expanding the requirements to issue a complete recall of the affected product. As a result, the reissued recall resulted in the recognition of incremental costs and reserves to address inventory returns from customers, write-off of the affected inventory, consumer refunds and other costs to facilitate the reissued recall. As a result, the Company recognized $6.2 million and $6.0 million as of March 31, 2024 and September 30, 2023, respectively, in Other Current Liabilities on the Consolidated Statement of Financial Position associated with the estimated costs for the recalls. Additionally, for certain products affected by the recalls, the Company has indemnification provisions that are contractually provided by third parties for the affected products and as a result the Company has also recognized $6.7 million and $7.1 million as of March 31, 2024 and September 30, 2023, respectively, in Other Receivables on the Condensed Consolidated Statement of Financial Position related to recovery from such indemnification provisions.

Representation and Warranty Insurance Proceeds. On February 18, 2022, the Company acquired all of the membership interests in HPC Brands, LLC, which consist of the home appliances and cookware business of Tristar Products, Inc. (the "Tristar Business") pursuant to a Membership Interest Purchase agreement dated February 3, 2022 (the "Acquisition Agreement"). During the year ended September 30, 2023, the Company submitted a claim under its representation and warranty insurance policies, seeking coverage for losses resulting from breaches of certain representations and warranties in the Acquisition Agreement. During the three and six month periods ended March 31, 2024, the Company recognized a gain of $65.0 million on the Condensed Consolidated Statement of Income attributable to insurance proceeds received from its representation and warranty insurance policies. As of March 31, 2024, the Company has recognized cash receipts of $50.0 million associated with the insurance proceeds and $15.0 million as Other Receivables on the Condensed Statement of Financial Position based on the settlement agreement for the remaining portion which was received in April 2024.

NOTE 16 – SEGMENT INFORMATION

Net sales relating to the segments for the three and six month periods ended March 31, 2024 and April 2, 2023, are as follows:

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
GPC	$ 289.9	$ 296.7	$ 566.8	$ 574.3
H&G	160.7	153.3	232.7	224.6
HPC	267.9	279.2	611.2	643.6
Net sales	$ 718.5	$ 729.2	$ 1,410.7	$ 1,442.5

The Chief Operating Decision Maker of the Company uses Adjusted EBITDA as the primary operating metric in evaluating the business and making operating decisions. 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 further excludes

- Share based compensation costs consist of costs associated with long-term incentive compensation arrangements that generally consist of non-cash, stock-based compensation. See *Note 12 – Share Based Compensation* for further details;
- Incremental project costs associated with strategic transactions, restructuring and optimization initiatives including, but not limited to, the acquisition or divestitures of a business, costs to effect and facilitate a transaction, including such cost to integrate or separate the respective business, development and implementation of strategies to optimize operations, reduce costs, increase revenues, improve profit margins, including recognition of one-time exit or disposal costs. These amounts are excluded from our performance metrics as they are reflective of incremental investment by the Company towards strategic initiatives and business development activities. Incremental costs directly attributable to such initiatives are not considered recurring or reflective of the continuing ongoing operations of the consolidated group or segments. Refer to the *Strategic transactions, restructuring and optimization initiatives* discussion within the *Overview* section, included elsewhere in this Quarterly Report, for further discussion;
- Non-cash purchase accounting adjustments recognized in earnings from continuing operations subsequent to an acquisition, including, but not limited to, the costs attributable to the step-up in inventory value, and the incremental value in operating lease assets with below market rent, among others. During the three and six month periods ended March 31, 2024 and April 2, 2023, the Company recognized non-cash expense due to the incremental value recognized as part of the Tristar Business acquisition on right of use operating leases with below market rent;
- Non-cash asset impairments or write-offs realized and recognized in earnings from continuing operations, including impairments from property, plant and equipment, operating and finance leases, and goodwill and other intangible assets, when applicable. During the three and six month period ended March 31, 2024, the Company recognized impairments of its Rejuvenate® and a non-core HPC tradename indefinite lived intangible assets, along with an impairment charge on a right of use operating lease asset associated with an HPC facility that was exited prior to end of its term. See *Note 7 - Goodwill and Intangibles,* for further details. During the three and six month period ended April 2, 2023, the Company recognized impairment of indefinite lived intangible assets for its Rejuvenate® and PowerXL® indefinite lived tradenames, along with an impairment on idle equipment associated with the early exit of a GPC warehouse lease and impairments on right of use operating lease assets associated with GPC and HPC facilities that were exited prior to the end of their term;
- Gain realized from proceeds received on the representation and warranties insurance policies associated with the Tristar Business acquisition. Refer to *Note 15 - Commitment and Contingencies* in the Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further details;
- Incremental reserves for non-recurring litigation or environmental remediation activity attributable to significant and unusual nonrecurring matters with no previous history or precedent. During the three and six month periods ended March 31, 2024, such costs were directly attributable to legal costs incurred for the proceeds received from the representation and warranties insurance policies associated with the Tristar Business acquisition. Refer to *Note 15 - Commitment and Contingencies* for further details;
- Non-cash gain realized from the repurchase of debt obligations at a discount, net deferred financing costs, during the three and six month periods ended March 31, 2024;
- Incremental costs associated with the recognition of product recall costs incurred by the HPC segment in collaboration with the CPSC, initiated at the end of the year ended September 30 2022 and during the year ended September 30, 2023, resulting in the accrual and recognition of incremental costs for the recall, product returns from customers, write-off of inventory on hand, and other costs such as notification, shipping and handling, rework and destruction of affected products, and consumer refunds, as needed. Such costs are not recurring and directly attributable to the recall event, excluding all other costs associated with product warranty and returns. During the three month period ended March 31, 2024, the Company was required by the CPSC to reissue a previously issued recall to provide a cash refund to customers, resulting in the recognition of incremental costs and reserves See *Note 15 - Commitments and Contingencies* for further details;
- Unallocated shared costs reflect the costs associated with certain shared and center-led administrative functions such as information technology, human resources, finance and accounting, supply chain and commercial operations, supporting the HHI business during the period the Company owned and operated the business through the close of the HHI divestiture on June 20, 2023. Such costs are excluded from income from discontinued operations as they are not a direct cost of the discontinued business but a result of indirect allocations in accordance of US GAAP, but reflected as part of income from continuing operations for all periods presented, and requiring retroactive adjustment for all periods presented. HHI was previously a segment of the consolidated group and was excluded from the consolidated Adjusted EBITDA since being recognized as discontinued operations. As a result, for all periods in which HHI was owned and operated by the Company, including comparable periods requiring retroactive adjustment, the adjustment is recognized to reconcile net income from continuing operations to Adjusted EBITDA of the remaining segments of the consolidated group. With the close of the HHI divestiture on June 20, 2023, there is no adjustment recognized as such shared costs are mitigated through income from TSAs during the transition period post-separation, with subsequent restructuring initiatives to rightsize extraneous costs. See *Note 2 – Divestitures* in Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly Report for further details;
- Non-cash gain from the remeasurement in the contingent consideration liability associated with the Tristar Business acquisition during the six month period ended March 31, 2023;

NOTE 16 - SEGMENT INFORMATION (continued)

- For the three and six month periods ended April 2, 2023, the impact from the early settlement of foreign currency cash flow hedges during the year ended September 30, 2022, resulting in assumed losses at the original stated maturities of foreign currency cash flow hedges in our EMEA region that were settled early due to changes in the Company's legal entity organizational structure and forecasted purchasing strategy of HPC finished goods inventory within the region, resulting in excluded gains intended to mitigate costs during the year ending September 30, 2023; and
- Other adjustments are attributable to: (1) key executive severance and other one-time compensatory costs; and (2) non-recurring unusual insurable losses, including any the receipt of insurance proceeds or recovery realized.

Segment Adjusted EBITDA for the reportable segments for SBH for the three and six month periods ended March 31, 2024 and April 2, 2023, are as follows:

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
GPC	$ 62.3	$ 46.3	$ 115.1	$ 83.5
H&G	29.2	15.1	28.5	12.8
HPC	17.8	(1.9)	44.5	11.3
Total segment adjusted EBITDA	109.3	59.5	188.1	107.6
Corporate	(3.0)	8.5	(8.5)	16.8
Interest expense	16.9	31.6	36.1	65.0
Depreciation	14.3	11.9	28.8	24.1
Amortization	11.1	10.5	22.2	20.9
Share based compensation	4.5	4.5	8.4	7.7
HHI divestiture and separation costs	0.8	1.4	2.1	2.9
HPC separation initiatives	2.8	1.1	3.1	3.5
Tristar integration	—	4.0	—	9.7
Fiscal 2023 and 2022 restructuring	0.4	4.6	0.9	5.1
Global ERP transformation	3.9	3.3	6.9	4.9
Russia closing initiative	—	(0.1)	—	2.8
Other project costs	0.1	6.5	0.1	11.9
Non-cash purchase accounting adjustments	0.5	0.5	0.9	0.9
Impairment of equipment and operating lease assets	0.5	4.2	0.5	4.5
Impairment of intangible assets	39.0	67.0	43.0	67.0
Representation and warranty insurance proceeds	(65.0)	—	(65.0)	—
Legal and environmental	0.3	—	1.5	—
Gain from debt repurchase	—	—	(4.7)	—
HPC product recall	6.7	1.6	6.0	1.9
Unallocated shared costs	—	6.3	—	12.5
Early settlement of foreign currency cash flow hedges	—	1.3	—	3.9
Gain from remeasurement of contingent consideration liability	—	—	—	(1.5)
Other	0.1	0.6	0.5	5.0
Income (loss) from continuing operations before income taxes	$ 75.4	$ (109.8)	$ 105.3	$ (161.9)

SPECTRUM BRANDS HOLDINGS, INC.
SB/RH HOLDINGS, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in millions, unaudited)

NOTE 16 - SEGMENT INFORMATION (continued)

Segment Adjusted EBITDA for reportable segments for SB/RH for the three and six month periods ended March 31, 2024 and April 2, 2023, are as follows:

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
GPC	$ 62.3	$ 46.3	$ 115.1	$ 83.5
H&G	29.2	15.1	28.5	12.8
HPC	17.8	(1.9)	44.5	11.3
Total segment adjusted EBITDA	109.3	59.5	188.1	107.6
Corporate	(3.2)	8.3	(9.0)	16.7
Interest expense	16.9	31.7	36.1	65.1
Depreciation	14.3	11.9	28.8	24.1
Amortization	11.1	10.5	22.2	20.9
Share based compensation	4.1	4.0	7.8	7.1
HHI divestiture and separation costs	0.8	1.4	2.1	2.9
HPC separation initiatives	2.8	1.1	3.1	3.5
Tristar integration	—	4.0	—	9.7
Fiscal 2023 and 2022 restructuring	0.4	4.6	0.9	5.1
Global ERP transformation	3.9	3.3	6.9	4.9
Russia closing initiative	—	(0.1)	—	2.8
Other project costs	0.1	6.5	0.1	11.9
Non-cash purchase accounting adjustments	0.5	0.5	0.9	0.9
Impairment of equipment and operating lease assets	0.5	4.2	0.5	4.5
Impairment of intangible assets	39.0	67.0	43.0	67.0
Representation and warranty insurance proceeds	(65.0)	—	(65.0)	—
Legal and environmental	0.3	—	1.5	—
Gain from debt repurchase	—	—	(4.7)	—
HPC product recall	6.7	1.6	6.0	1.9
Unallocated shared costs	—	6.3	—	12.5
Early settlement of foreign currency cash flow hedges	—	1.3	—	3.9
Gain from remeasurement of contingent consideration liability	—	—	—	(1.5)
Other	0.1	0.6	0.6	5.0
Income (loss) from continuing operations before income taxes	$ 76.0	$ (109.2)	$ 106.3	$ (161.3)

NOTE 17 – EARNINGS PER SHARE – SBH

The reconciliation of the numerator and denominator of the basic and diluted earnings per share calculation and the anti-dilutive shares for the three and six month periods ended March 31, 2024 and April 2, 2023, are as follows:

	Three Month Periods Ended		Six Month Periods Ended	
(in millions, except per share amounts)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
Numerator				
Net income (loss) from continuing operations attributable to controlling interest	$ 50.1	$ (75.1)	$ 67.5	$ (115.3)
Income from discontinued operations attributable to controlling interest, net of tax	11.0	21.4	22.7	40.7
Net income (loss) attributable to controlling interest	$ 61.1	$ (53.7)	$ 90.2	$ (74.6)
Denominator				
Weighted average shares outstanding – basic	30.2	41.0	32.1	40.9
Dilutive shares	0.2	—	0.1	—
Weighted average shares outstanding – diluted	30.4	41.0	32.2	40.9
Earnings per share				
Basic earnings per share from continuing operations	$ 1.66	$ (1.83)	$ 2.10	$ (2.82)
Basic earnings per share from discontinued operations	0.37	0.52	0.71	1.00
Basic earnings per share	$ 2.03	$ (1.31)	$ 2.81	$ (1.82)
Diluted earnings per share from continuing operations	$ 1.65	$ (1.83)	$ 2.09	$ (2.82)
Diluted earnings per share from discontinued operations	0.36	0.52	0.71	1.00
Diluted earnings per share	$ 2.01	$ (1.31)	$ 2.80	$ (1.82)
Weighted average number of anti-dilutive shares excluded from denominator	—	0.1	—	0.1

NOTE 18 – SUBSEQUENT EVENT

In May 2024, the Company and its HPC segment entered into a new trademark license agreement (the "License Agreement") with SBD which terminates the previous arrangement, with an effective date of January 1, 2024. Pursuant to the License Agreement, the Company will license the B+D brand in North America, Latin America (excluding Brazil) and the Caribbean for four categories of household appliance: beverage products, food preparation products, garment care products and cooking products. The License Agreement has an initial four-year term ending December 31, 2027, with two subsequent four-year renewal rights each based upon meeting certain sales targets at the end of each renewal period, extending the total contract term to December 31, 2035. The License Agreement does not renew if these targets are not satisfied. Under the terms of the License Agreement, the Company agrees to pay SBD royalties based on a percentage of sales, with a minimum annual royalty payment of $11.7 million for the first year in the initial term, with decreases in subsequent years in the initial term down to $10.2 million and is subject to adjustment with each renewal period. The License Agreement also requires us to comply with maximum annual returns rates for products and promotional spending commitments, See *Note 3 - Revenue Recognition* for further detail on revenue concentration from B+D products.

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

Introduction

The following is management's discussion of the financial results, liquidity and other key items related to our performance and should be read in conjunction with the Condensed Consolidated Financial Statements and related notes included in Item 1 of this Quarterly Report on Form 10-Q ("the Quarterly Report") and our Annual Report on Form 10-K for the fiscal year ended September 30, 2023 filed with the SEC on November 21, 2023 (the "2023 Annual Report"). The following discussion may contain forward-looking statements that reflect our plans, estimates, and beliefs and involve risks, uncertainties, and assumptions. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contributed these differences include those discussed within "Forward Looking Statements" included elsewhere in this interim report, and in Item 1A. Risk Factors and "Forward-Looking Statements" included within our 2023 Annual Report.

Unless the context indicates otherwise, the term the "Company," "we," "our," or "us" are used to refer to Spectrum Brands Holdings, Inc. and its subsidiaries ("SBH") and SB/RH Holdings, LLC and its subsidiaries ("SB/RH"), collectively.

Non-GAAP Measurements

Our consolidated and segment results contain non-GAAP metrics such as organic net sales, adjusted EBITDA and adjusted EBITDA margin. While we believe organic net sales and adjusted EBITDA 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 (when 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 year.

The following is a reconciliation of reported net sales to organic net sales for the three and six month period ended March 31, 2024 compared to net sales for the three and six month period ended April 2, 2023:

Three Month Periods Ended (in millions, except %)	March 31, 2024 Net Sales	March 31, 2024 Effect of Changes in Currency	March 31, 2024 Organic Net Sales	Net Sales April 2, 2023	Variance	
GPC	$ 289.9	$ (2.2)	$ 287.7	$ 296.7	$ (9.0)	(3.0)%
H&G	160.7	—	160.7	153.3	7.4	4.8 %
HPC	267.9	1.0	268.9	279.2	(10.3)	(3.7)%
Total	$ 718.5	$ (1.2)	$ 717.3	$ 729.2	(11.9)	(1.6)%

Six Month Periods Ended (in millions, except %)	March 31, 2024 Net Sales	March 31, 2024 Effect of Changes in Currency	March 31, 2024 Organic Net Sales	Net Sales April 2, 2023	Variance	
GPC	$ 566.8	$ (7.2)	$ 559.6	$ 574.3	$ (14.7)	(2.6)%
H&G	232.7	—	232.7	224.6	8.1	3.6 %
HPC	611.2	(5.7)	605.5	643.6	(38.1)	(5.9)%
Total	$ 1,410.7	$ (12.9)	$ 1,397.8	$ 1,442.5	(44.7)	(3.1)%

Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP measures used by management, which we believe provide useful information to investors because they reflect ongoing operating performance and trends of our segments, excluding certain non-cash based expenses and/or non-recurring items during each of the comparable periods. They also 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 further excludes:

- Share based compensation costs consist of costs associated with long-term incentive compensation arrangements that generally consist of non-cash, stock-based compensation. See *Note 12 – Share Based Compensation* in the Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly Report, for further details;
- Incremental project costs associated with strategic transactions, restructuring and optimization initiatives including, but not limited to, the acquisition or divestitures of a business, costs to effect and facilitate a transaction, including such cost to integrate or separate the respective business, development and implementation of strategies to optimize operations, reduce costs, increase revenues, improve profit margins, including recognition of one-time exit or disposal costs. These amounts are excluded from our performance metrics as they are reflective of incremental investment by the Company towards strategic initiatives and business development activities, incremental costs directly attributable to such initiatives and are not considered recurring or reflective of the continuing ongoing operations of the consolidated group or segments. Refer to the *Strategic transactions, restructuring and optimization initiatives* discussion within the *Overview* section for further discussion on the projects and initiatives;
- Non-cash purchase accounting adjustments recognized in earnings from continuing operations subsequent to an acquisition, including, but not limited to, the costs attributable to the step-up in inventory value and the incremental value in operating lease assets with below market rent, among others During the three and six month periods ended March 31, 2024 and April 2, 2023, the Company recognized non-cash expense due to the incremental value recognized as part of the Tristar Business acquisition on right of use operating leases with below market rent;

- Non-cash asset impairments or write-offs realized and recognized in earnings from continuing operations, including impairments from property, plant and equipment, operating and finance leases, and goodwill and other intangible assets, when applicable. During the three and six month period ended March 31, 2024, the Company recognized impairments of its Rejuvenate® and a non-core HPC tradename indefinite lived intangible assets, along with an impairment charge on a right of use operating lease asset associated with an HPC facility that was exited prior to end of its term. See *Note 7 - Goodwill and Intangibles* in Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further details. During the three and six month period ended April 2, 2023, the Company recognized impairment of indefinite lived intangible assets for its Rejuvenate® and PowerXL® indefinite lived tradenames, along with an impairment on idle equipment associated with the early exit of a GPC warehouse lease and impairments on right of use operating lease assets associated with GPC and HPC facilities that were exited prior to the end of their term;

- Gain realized from proceeds received on the representation and warranties insurance policies associated with the Tristar Business acquisition. Refer to *Note 15 - Commitment and Contingencies* in the Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further details.

- Incremental reserves for non-recurring litigation or environmental remediation activity attributable to significant and unusual nonrecurring matters with no previous history or precedent. During the three and six month periods ended March 31, 2024, such costs were directly attributable to legal costs incurred for the proceeds received from the representation and warranties insurance policies associated with the Tristar Business acquisition. Refer to *Note 15 - Commitment and Contingencies* in the Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further details;

- Non-cash gain realized from the repurchase of debt obligations at a discount, net deferred financing costs, during the three and six month periods ended March 31, 2024. See *Note 8 - Debt* in Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further details;

- Incremental costs associated with the recognition of product recall costs incurred by the HPC segment in collaboration with the CPSC, initiated at the end of the year ended September 30 2022 and during the year ended September 30, 2023, resulting in the accrual and recognition of incremental costs for the recall, product returns from customers, write-off of inventory on hand, and other costs such as notification, shipping and handling, rework and destruction of affected products, and consumer refunds, as needed. Such costs are not recurring and directly attributable to the recall event, excluding all other costs associated with product warranty and returns. During the three month period ended March 31, 2024, the Company was required by the CPSC to reissue a previously issued recall to provide a cash refund to customers, resulting in the recognition of incremental costs and reserves. *Note 17 - Commitments and Contingencies* in Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further details;

- Unallocated shared costs reflect the costs associated with certain shared and center-led administrative functions such as information technology, human resources, finance and accounting, supply chain and commercial operations, supporting the HHI business during the period the Company owned and operated the business through the close of the HHI divestiture on June 20, 2023. Such costs are excluded from income from discontinued operations as they are not a direct cost of the discontinued business but a result of indirect allocations in accordance of US GAAP, but reflected as part of income from continuing operations for all periods presented, and requiring retroactive adjustment for all periods presented. HHI was previously a segment of the consolidated group and was excluded from the consolidated Adjusted EBITDA since being recognized as discontinued operations. As a result, for all periods in which HHI was owned and operated by the Company, including comparable periods requiring retroactive adjustment, the adjustment is recognized to reconcile net income from continuing operations to Adjusted EBITDA of the remaining segments of the consolidated group. With the close of the HHI divestiture on June 20, 2023, there is no adjustment recognized as such shared costs are mitigated through income from TSAs during the transition period post-separation, with subsequent restructuring initiatives to rightsize extraneous costs. See *Note 2 – Divestitures* in Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly Report for further details;

- Non-cash gain from the remeasurement in the contingent consideration liability associated with the Tristar Business acquisition during the six month period ended April 2, 2023;

- For the three and six month periods ended April 2, 2023, the impact from the early settlement of foreign currency cash flow hedges during the year ended September 30, 2022, resulting in assumed losses at the original stated maturities of foreign currency cash flow hedges in our EMEA region that were settled early due to changes in the Company's legal entity organizational structure and forecasted purchasing strategy of HPC finished goods inventory within the region, resulting in excluded gains intended to mitigate costs during the year ending September 30, 2023; and

- Other adjustments are attributable to: (1) key executive severance and other one-time compensatory costs; and (2) non-recurring unusual insurable losses, including any the receipt of insurance proceeds or recovery realized.

Adjusted EBITDA margin is calculated as Adjusted EBITDA as a percentage of reported net sales for the respective period and segment.

The following is a reconciliation of Net Income (Loss) From Continuing Operations to Adjusted EBITDA for SBH, by segment, for the three month period ended March 31, 2024.

(in millions, except %)	GPC	H&G	HPC	Corporate	Consolidated
Net income (loss) from continuing operations	$ 53.0	$ (14.6)	$ 69.3	$ (57.8)	$ 49.9
Income tax expense	—	—	—	25.5	25.5
Interest expense	—	—	—	16.9	16.9
Depreciation	3.5	2.0	2.7	6.1	14.3
Amortization	5.6	2.9	2.6	—	11.1
EBITDA	62.1	(9.7)	74.6	(9.3)	117.7
Share based compensation	—	—	—	4.5	4.5
HHI separation costs	—	—	—	0.8	0.8
HPC separation initiatives	—	—	—	2.8	2.8
Fiscal 2023 and 2022 restructuring	0.1	—	0.3	—	0.4
Global ERP transformation	—	—	—	3.9	3.9
Other project costs	—	(0.1)	(0.1)	0.3	0.1
Non-cash purchase accounting adjustments	—	—	0.5	—	0.5
Impairment of operating lease asset	—	—	0.5	—	0.5
Impairment of intangible assets	—	39.0	—	—	39.0
Representation and warranty insurance proceeds	—	—	(65.0)	—	(65.0)
Legal and environmental	—	—	0.3	—	0.3
HPC product recall	—	—	6.7	—	6.7
Other	0.1	—	—	—	0.1
Adjusted EBITDA	$ 62.3	$ 29.2	$ 17.8	$ 3.0	$ 112.3
Net sales	$ 289.9	$ 160.7	$ 267.9	$ —	$ 718.5
Net income (loss) from continuing operations margin	18.3 %	(9.1)%	25.9 %	— %	6.9 %
Adjusted EBITDA margin	21.5 %	18.2 %	6.6 %	— %	15.6 %

The following is a reconciliation of Net Income (Loss) From Continuing Operations to Adjusted EBITDA for SBH, by segment, for the three month period ended April 2, 2023.

(in millions, except %)	GPC	H&G	HPC	Corporate	Consolidated
Net income (loss) from continuing operations	$ 30.2	$ (39.8)	$ (37.7)	$ (27.7)	$ (75.0)
Income tax benefit	—	—	—	(34.8)	(34.8)
Interest expense	—	—	—	31.6	31.6
Depreciation	3.8	1.9	2.9	3.3	11.9
Amortization	5.5	2.9	2.1	—	10.5
EBITDA	39.5	(35.0)	(32.7)	(27.6)	(55.8)
Share based compensation	—	—	—	4.5	4.5
HHI divestiture and separation costs	—	—	—	1.4	1.4
HPC separation initiatives	—	—	—	1.1	1.1
Tristar integration	—	—	4.0	—	4.0
Fiscal 2023 and 2022 restructuring	2.1	—	2.4	0.1	4.6
Global ERP transformation	—	—	—	3.3	3.3
Russia closing initiatives	—	—	(0.1)	—	(0.1)
Other project costs	1.6	2.1	0.6	2.2	6.5
Non-cash purchase accounting adjustments	—	—	0.5	—	0.5
Impairment of equipment and operating lease assets	2.7	—	1.5	—	4.2
Impairment of intangible assets	—	48.0	19.0	—	67.0
Unallocated shared costs	—	—	—	6.3	6.3
Early settlement of foreign currency cash flow hedges	—	—	1.3	—	1.3
HPC product recall	—	—	1.6	—	1.6
Other	0.4	—	—	0.2	0.6
Adjusted EBITDA	$ 46.3	$ 15.1	$ (1.9)	$ (8.5)	$ 51.0
Net sales	$ 296.7	$ 153.3	$ 279.2	$ —	$ 729.2
Net income (loss) from continuing operations margin	10.2 %	(26.0)%	(13.5)%	— %	(10.3)%
Adjusted EBITDA margin	15.6 %	9.8 %	(0.7)%	— %	7.0 %

The following is a reconciliation of Net Income (Loss) From Continuing Operations to Adjusted EBITDA for SBH, by segment, for the six month period ended March 31, 2024.

(in millions, except %)	GPC	H&G	HPC	Corporate	Consolidated
Net income (loss) from continuing operations	$ 96.6	$ (20.2)	$ 85.2	$ (94.2)	$ 67.4
Income tax expense	—	—	—	37.9	37.9
Interest expense	—	—	—	36.1	36.1
Depreciation	7.1	4.0	5.4	12.3	28.8
Amortization	11.2	5.7	5.3	—	22.2
EBITDA	114.9	(10.5)	95.9	(7.9)	192.4
Share based compensation	—	—	—	8.4	8.4
HHI separation costs	—	—	—	2.1	2.1
HPC separation initiatives	—	—	—	3.1	3.1
Fiscal 2023 and 2022 restructuring	0.2	—	0.7	—	0.9
Global ERP transformation	—	—	—	6.9	6.9
Other project costs	(0.1)	—	—	0.2	0.1
Non-cash purchase accounting adjustments	—	—	0.9	—	0.9
Impairment of operating lease asset	—	—	0.5	—	0.5
Impairment of intangible assets	—	39.0	4.0	—	43.0
Representation and warranty insurance proceeds	—	—	(65.0)	—	(65.0)
Legal and environmental	—	—	1.5	—	1.5
Gain from debt repurchase	—	—	—	(4.7)	(4.7)
HPC product recall	—	—	6.0	—	6.0
Other	0.1	—	—	0.4	0.5
Adjusted EBITDA	$ 115.1	$ 28.5	$ 44.5	$ 8.5	$ 196.6
Net sales	$ 566.8	$ 232.7	$ 611.2	$ —	$ 1,410.7
Net income (loss) from continuing operations margin	17.0 %	(8.7)%	13.9 %	— %	4.8 %
Adjusted EBITDA margin	20.3 %	12.2 %	7.3 %	— %	13.9 %

The following is a reconciliation of Net Income (Loss) From Continuing Operations to Adjusted EBITDA for SBH, by segment, for the six month period ended April 2, 2023.

(in millions, except %)	GPC	H&G	HPC	Corporate	Consolidated
Net income (loss) from continuing operations	$ 53.3	$ (47.0)	$ (41.8)	$ (79.5)	$ (115.0)
Income tax benefit	—	—	—	(46.9)	(46.9)
Interest expense	—	—	—	65.0	65.0
Depreciation	7.5	3.7	6.1	6.8	24.1
Amortization	11.0	5.7	4.2	—	20.9
EBITDA	71.8	(37.6)	(31.5)	(54.6)	(51.9)
Share based compensation	—	—	—	7.7	7.7
HHI divestiture and separation costs	—	—	—	2.9	2.9
HPC separation initiatives	—	—	—	3.5	3.5
Tristar integration	—	—	9.7	—	9.7
Fiscal 2023 and 2022 restructuring	2.1	0.2	2.4	0.4	5.1
Global ERP transformation	—	—	—	4.9	4.9
Russia closing initiatives	—	—	2.8	—	2.8
Other project costs	3.6	2.1	1.6	4.6	11.9
Non-cash purchase accounting adjustments	—	—	0.9	—	0.9
Impairment of equipment and operating lease assets	2.7	—	1.8	—	4.5
Impairment of intangible assets	—	48.0	19.0	—	67.0
Unallocated shared costs	—	—	—	12.5	12.5
Early settlement of foreign currency cash flow hedges	—	—	3.9	—	3.9
Gain from remeasurement of contingent consideration liability	—	—	(1.5)	—	(1.5)
HPC product recall	—	—	1.9	—	1.9
Other	3.3	0.1	0.3	1.3	5.0
Adjusted EBITDA	$ 83.5	$ 12.8	$ 11.3	$ (16.8)	$ 90.8
Net sales	$ 574.3	$ 224.6	$ 643.6	$ —	$ 1,442.5
Net income (loss) from continuing operations margin	9.3 %	(20.9)%	(6.5)%	— %	(8.0)%
Adjusted EBITDA margin	14.5 %	5.7 %	1.8 %	— %	6.3 %

The following is a reconciliation of Net Income (Loss) From Continuing Operations to Adjusted EBITDA for SB/RH, by segment, for the three month period ended March 31, 2024.

(in millions, except %)	GPC	H&G	HPC	Corporate	Consolidated
Net income (loss) from continuing operations	$ 53.0	$ (14.6)	$ 69.3	$ (57.3)	$ 50.4
Income tax expense	—	—	—	25.6	25.6
Interest expense	—	—	—	16.9	16.9
Depreciation	3.5	2.0	2.7	6.1	14.3
Amortization	5.6	2.9	2.6	—	11.1
EBITDA	62.1	(9.7)	74.6	(8.7)	118.3
Share based compensation	—	—	—	4.1	4.1
HHI separation costs	—	—	—	0.8	0.8
HPC separation initiatives	—	—	—	2.8	2.8
Fiscal 2023 and 2022 restructuring	0.1	—	0.3	—	0.4
Global ERP transformation	—	—	—	3.9	3.9
Other project costs	—	(0.1)	(0.1)	0.3	0.1
Non-cash purchase accounting adjustments	—	—	0.5	—	0.5
Impairment of operating lease asset	—	—	0.5	—	0.5
Impairment of intangible assets	—	39.0	—	—	39.0
Representation and warranty insurance proceeds	—	—	(65.0)	—	(65.0)
Legal and environmental	—	—	0.3	—	0.3
HPC product recall	—	—	6.7	—	6.7
Other	0.1	—	—	—	0.1
Adjusted EBITDA	$ 62.3	$ 29.2	$ 17.8	$ 3.2	$ 112.5
Net sales	$ 289.9	$ 160.7	$ 267.9	$ —	$ 718.5
Net income (loss) from continuing operations margin	18.3 %	(9.1)%	25.9 %	— %	7.0 %
Adjusted EBITDA margin	21.5 %	18.2 %	6.6 %	— %	15.7 %

The following is a reconciliation of Net Income (Loss) From Continuing Operations to Adjusted EBITDA for SB/RH, by segment, for the three month period ended April 2, 2023.

(in millions, except %)	GPC	H&G	HPC	Corporate	Consolidated
Net income (loss) from continuing operations	$ 30.2	$ (39.8)	$ (37.7)	$ (27.9)	$ (75.2)
Income tax benefit	—	—	—	(34.0)	(34.0)
Interest expense	—	—	—	31.7	31.7
Depreciation	3.8	1.9	2.9	3.3	11.9
Amortization	5.5	2.9	2.1	—	10.5
EBITDA	39.5	(35.0)	(32.7)	(26.9)	(55.1)
Share based compensation	—	—	—	4.0	4.0
HHI divestiture and separation costs	—	—	—	1.4	1.4
HPC separation initiatives	—	—	—	1.1	1.1
Tristar integration	—	—	4.0	—	4.0
Fiscal 2023 and 2022 restructuring	2.1	—	2.4	0.1	4.6
Global ERP transformation	—	—	—	3.3	3.3
Russia closing initiatives	—	—	(0.1)	—	(0.1)
Other project costs	1.6	2.1	0.6	2.2	6.5
Non-cash purchase accounting adjustments	—	—	0.5	—	0.5
Impairment of equipment and operating lease assets	2.7	—	1.5	—	4.2
Impairment of intangible assets	—	48.0	19.0	—	67.0
Unallocated shared costs	—	—	—	6.3	6.3
Early settlement of foreign currency cash flow hedges	—	—	1.3	—	1.3
HPC product recall	—	—	1.6	—	1.6
Other	0.4	—	—	0.2	0.6
Adjusted EBITDA	$ 46.3	$ 15.1	$ (1.9)	$ (8.3)	$ 51.2
Net sales	$ 296.7	$ 153.3	$ 279.2	$ —	$ 729.2
Net income (loss) from continuing operations margin	10.2 %	(26.0)%	(13.5)%	— %	(10.3)%
Adjusted EBITDA margin	15.6 %	9.8 %	(0.7)%	— %	7.0 %

The following is a reconciliation of Net Income (Loss) From Continuing Operations to Adjusted EBITDA for SB/RH, by segment, for the six month period ended March 31, 2024.

(in millions, except %)	GPC	H&G	HPC	Corporate	Consolidated
Net income (loss) from continuing operations	$ 96.6	$ (20.2)	$ 85.2	$ (93.1)	$ 68.5
Income tax expense	—	—	—	37.8	37.8
Interest expense	—	—	—	36.1	36.1
Depreciation	7.1	4.0	5.4	12.3	28.8
Amortization	11.2	5.7	5.3	—	22.2
EBITDA	114.9	(10.5)	95.9	(6.9)	193.4
Share based compensation	—	—	—	7.8	7.8
HHI separation costs	—	—	—	2.1	2.1
HPC separation initiatives	—	—	—	3.1	3.1
Fiscal 2023 and 2022 restructuring	0.2	—	0.7	—	0.9
Global ERP transformation	—	—	—	6.9	6.9
Other project costs	(0.1)	—	—	0.2	0.1
Non-cash purchase accounting adjustments	—	—	0.9	—	0.9
Impairment of operating lease assets	—	—	0.5	—	0.5
Impairment of intangible assets	—	39.0	4.0	—	43.0
Representation and warranty insurance proceeds	—	—	(65.0)	—	(65.0)
Legal and environmental	—	—	1.5	—	1.5
Gain from debt repurchase	—	—	—	(4.7)	(4.7)
HPC product recall	—	—	6.0	—	6.0
Other	0.1	—	—	0.5	0.6
Adjusted EBITDA	$ 115.1	$ 28.5	$ 44.5	$ 9.0	$ 197.1
Net sales	$ 566.8	$ 232.7	$ 611.2	$ —	$ 1,410.7
Net income (loss) from continuing operations margin	17.0 %	(8.7)%	13.9 %	— %	4.9 %
Adjusted EBITDA margin	20.3 %	12.2 %	7.3 %	— %	14.0 %

The following is a reconciliation of Net Income (Loss) From Continuing Operations to Adjusted EBITDA for SB/RH, by segment, for the six month period ended April 2, 2023.

(in millions, except %)	GPC	H&G	HPC	Corporate	Consolidated
Net income (loss) from continuing operations	$ 53.3	$ (47.0)	$ (41.8)	$ (79.5)	$ (115.0)
Income tax benefit	—	—	—	(46.3)	(46.3)
Interest expense	—	—	—	65.1	65.1
Depreciation	7.5	3.7	6.1	6.8	24.1
Amortization	11.0	5.7	4.2	—	20.9
EBITDA	71.8	(37.6)	(31.5)	(53.9)	(51.2)
Share based compensation	—	—	—	7.1	7.1
HHI divestiture and separation costs	—	—	—	2.9	2.9
HPC separation initiatives	—	—	—	3.5	3.5
Tristar integration	—	—	9.7	—	9.7
Fiscal 2023 and 2022 Restructuring	2.1	0.2	2.4	0.4	5.1
Global ERP transformation	—	—	—	4.9	4.9
Russia closing initiatives	—	—	2.8	—	2.8
Other project costs	3.6	2.1	1.6	4.6	11.9
Non-cash purchase accounting adjustments	—	—	0.9	—	0.9
Impairment of equipment and operating lease assets	2.7	—	1.8	—	4.5
Impairment of intangible assets	—	48.0	19.0	—	67.0
Unallocated shared costs	—	—	—	12.5	12.5
Early settlement of foreign currency cash flow hedges	—	—	3.9	—	3.9
Gain from remeasurement of contingent consideration liability	—	—	(1.5)	—	(1.5)
HPC product recall	—	—	1.9	—	1.9
Other	3.3	0.1	0.3	1.3	5.0
Adjusted EBITDA	$ 83.5	$ 12.8	$ 11.3	$ (16.7)	$ 90.9
Net sales	$ 574.3	$ 224.6	$ 643.6	$ —	$ 1,442.5
Net income (loss) from continuing operations margin	9.3 %	(20.9)%	(6.5)%	— %	(8.0)%
Adjusted EBITDA margin	14.5 %	5.7 %	1.8 %	— %	6.3 %

Overview

The Company is a diversified global branded consumer products company. We manage the businesses in three vertically integrated, product-focused segments: (i) Global Pet Care ("GPC"), (ii) Home and Garden ("H&G"), and (iii) Home and Personal Care ("HPC"). The Company manufactures, markets and/or distributes its products globally in the North America ("NA"), Europe, Middle East & Africa ("EMEA"), Latin America ("LATAM") and Asia-Pacific ("APAC") regions through a variety of trade channels, including retailers, wholesalers and distributors. We enjoy strong name recognition in our regions under our various brands and patented technologies across multiple product categories. Global and geographic strategic initiatives and financial objectives are determined at the corporate level. Each segment is responsible for implementing defined strategic initiatives and achieving certain financial objectives and has a president responsible for sales and marketing initiatives and financial results for all product lines within that segment on a global basis. The segments are supported through center-led shared service operations and enabling functions consisting of finance and accounting, information technology, legal, human resources, supply chain, and commercial operations. The following is an overview of the consolidated business, by segment, summarizing product categories and brands:

Segment	Product Categories	Brands
GPC	*Companion Animal:* Rawhide chews, dog and cat clean-up, training, health and grooming products, small animal food and care products, rawhide-free dog and cat treats, and wet and dry pet food for dogs and cats.	*Companion Animal:* Good'n'Fun®, DreamBone®, GOOD BOY®, SmartBones®, IAMS® (Europe only), EUKANUBA® (Europe only), Nature's Miracle®, FURminator®, Dingo®, 8IN1® (8-in-1), Meowee!®, and Wild Harvest™.
	Aquatics: Consumer and commercial aquarium kits, stand-alone tanks; aquatics equipment such as filtration systems, heaters and pumps; and aquatics consumables such as fish food, water management and care.	*Aquatics:* Tetra®, Marineland®, GloFish®, OmegaSea®, Instant Ocean®,
H&G	*Household:* Household pest control solutions such as spider and scorpion killers; ant and roach killers; flying insect killers; insect foggers; wasp and hornet killers; and bedbug, flea and tick control products.	*Household:* Hot Shot®, Black Flag®, EcoLogic®, Real-Kill®, Ultra Kill®, The Ant Trap® (TAT), and Rid-A-Bug®.
	Controls: Outdoor insect and weed control solutions, and animal repellents such as aerosols, granules, and ready-to-use sprays or hose-end ready-to-sprays.	*Controls:* Spectracide®, Garden Safe®, Liquid Fence®.
	Repellents: Personal use pesticides and insect repellent products, including aerosols, lotions, pump sprays and wipes, yard sprays and citronella candles.	*Repellents:* Cutter® and Repel®.
	Cleaning: Household surface cleaning, maintenance, and restoration products, including bottled liquids, mops, wipes and markers.	*Cleaning:* Rejuvenate®
HPC	*Kitchen & Home Appliances:* Small kitchen appliances including toaster ovens, coffeemakers, slow cookers, air fryers, blenders, hand mixers, grills, food processors, juicers, toasters, irons, kettles, bread makers, cookware, and cookbooks.	*Kitchen & Home Appliances:* Black + Decker®, Russell Hobbs®, PowerXL®, George Foreman®, Emeril Legasse®, Copper Chef ®, Toastmaster®, Juiceman®, Farberware®, and Breadman®
	Personal Care: Hair dryers, flat irons and straighteners, rotary and foil electric shavers, personal groomers, mustache and beard trimmers, body groomers, nose and ear trimmers, women's shavers, and haircut kits.	*Personal Care:* Remington®

SB/RH is a wholly owned subsidiary of SBH. Spectrum Brands, Inc. ("SBI"), a wholly-owned subsidiary of SB/RH, incurred certain debt guaranteed by SB/RH and domestic subsidiaries of SBI. See *Note 8 – Debt* included in Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly Report for more information pertaining to debt. The reportable segments of SB/RH are consistent with the segments of SBH. See *Note 16 – Segment Information* included in Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly Report for more information pertaining to segments of continuing operations.

Strategic transactions, restructuring and optimization initiatives

The Company periodically evaluates and enters into strategic transactions that may result in the acquisition or divestiture of a business which impacts the comparability of the financial results of the consolidated group and or segments. Additionally, we develop and enter into restructuring and optimization initiatives to improve efficiencies and utilization to reduce costs, increase revenues and improve margins, which may have a significant impact on the comparability of financial results on the condensed consolidated financial statements. These changes and updates are inherently difficult and are made even more difficult by current global economic conditions. Our ability to achieve the anticipated cost savings and other benefits from such operating strategies may be affected by a number of other macro-economic factors, or inflation and increased interest rates, many of which are beyond our control. Moreover, the comparability of financial information may be impacted by incremental amounts attributable to such strategic transactions, restructuring and optimization initiatives. The following strategic decisions have been considered as having a significant impact on the comparability of the financial results on the condensed consolidated financial statements and segment financial information.

- *HHI Divestiture* - On June 20, 2023, the Company completed its divestiture of its HHI segment. See *Note 2 - Divestitures* in the Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly Report for further detail. The Company has incurred incremental project costs attributable to the divestiture, consisting of legal and professional fees to effect the realization and close of the transaction, separation and transition of systems and processes supporting the divested business and operations of enabling functions within transition services agreements ("TSAs"), plus incremental retention costs for personnel supporting such transition efforts. Incremental costs are expected to be incurred for a transition period of approximately 12-24 months following the close of the transaction as the Company exits various TSAs.
- *HPC Separation Initiatives* - The Company has initiated projects to facilitate a strategic separation of the Company's HPC segment in the most advantageous way to realize value for both the HPC business as a standalone appliance business either through a spin, merger or sale of the business and the retained GPC and H&G businesses of the consolidated group. Costs are primarily attributable to legal and professional fees incurred to assess opportunities, evaluate transaction considerations, including potential tax and compliance implications to the consolidated group, costs directly attributable to the legal entity separation and transfer of net assets of the HPC operations from the commingled operations of the Company, plus the segregation of systems and processes. Costs attributable to the initiative are expected to be incurred until a transaction is realized.

- *Tristar Integration* - During the year ended September 30, 2022, the Company acquired 100% of the Tristar Business that includes a portfolio of home appliances and cookware products sold under the PowerXL®, Emeril Lagasse®, and Copper Chef® brands. The Company incurred incremental costs to combine and integrate the acquired business with the HPC segment, primarily towards the integration of systems and processes, merger of commercial operations and supply chain, professional fees to consolidate financial records, plus incremental retention costs for personnel supporting the transition and integration efforts. Substantially all costs have been incurred through September 30, 2023 and no further costs are anticipated in the subsequent periods.
- *Global ERP Transformation* - During the year ended September 30, 2021, the Company entered into a SAP S/4 HANA ERP transformation project to upgrade and implement our enterprise-wide operating systems to SAP S/4 HANA on a global basis. This is a multi-year project that includes various costs, including software configuration and implementation costs that would be recognized as either capital expenditures or deferred costs in accordance with applicable accounting policies, with certain costs recognized as operating expense associated with project development and project management costs, and professional services engaged towards planning, design and business process review that do not qualify as software configuration and implementation costs. The Company has substantially completed the build phase and initiated a pilot deployment in the prior year with subsequent deployments planned later this year. Costs are anticipated to be incurred through various deployments expected through September 30, 2025.
- *Fiscal 2023 and 2022 Restructuring* - During the years ended September 30, 2023 and 2022, the Company entered into initiatives in response to continuing pressures within the consumer products and retail markets and adjusted strategic initiatives within certain segments, resulting in the realization of headcount reductions. Substantially all costs associated with the initiatives have been recognized in prior periods and any subsequent amounts are attributable to changes in estimates, headcounts and timing of communication.
- *Russia Closing Initiative* - During the year ended September 30, 2022, the Company initiated the close of its commercial operations in Russia, predominantly supporting the HPC segment. The Company recognized impairment costs on working capital assets such as inventory and receivables that were not considered recoverable due to the restriction and suspension of commercial activity in Russia and has substantially liquidated all assets. Remaining costs primarily consist of administrative cost to dissolve the entity.

In addition to the initiatives discussed above, the Company regularly engages in other initiatives that may incur incremental costs which may not result in a realized transaction or are less significant initiatives and therefore have been separately disclosed and recognized as other project costs. The following is a summary of incremental costs for the three and six month periods ended March 31, 2024 and April 2, 2023.

	Three Month Periods Ended		Six Month Periods Ended	
(in millions)	**March 31, 2024**	**April 2, 2023**	**March 31, 2024**	**April 2, 2023**
HHI divestiture and separation costs	$ 0.8	$ 1.4	$ 2.1	$ 2.9
HPC separation initiatives	2.8	1.1	3.1	3.5
Tristar integration	—	4.0	—	9.7
Fiscal 2023 and 2022 restructuring	0.4	4.6	0.9	5.1
Global ERP transformation	3.9	3.3	6.9	4.9
Russia closing initiative	—	(0.1)	—	2.8
Other project costs	0.1	6.5	0.1	11.9
Total	$ 8.0	$ 20.8	$ 13.1	$ 40.8
Reported as:				
Net sales	$ —	$ (0.1)	$ —	$ (1.0)
Cost of goods sold	—	0.4	—	1.9
Selling, general and administrative	8.0	20.5	13.1	39.9

Financing Activity

Financing activity during and between comparable periods may have a significant impact on the comparability of financial results on the condensed consolidated financial statements.

- Following the close of the HHI divestiture on June 20, 2023, the Company repaid its outstanding term loan and all outstanding borrowings with the Revolver Facility under the Credit Agreement, and terminated the Incremental Revolving Credit Facility Tranche, along with the remaining aggregate principal of its 5.750% Senior Notes due 2025 in full at the redemptions price and repurchased a portion of its remaining outstanding Senior Notes. The Company repurchased outstanding bonds at a discount recognizing a gain of $4.7 million during the six month period ended March 31, 2024.
- During the three month period ended December 31, 2023, the Company entered into the Second Amended and Restated Credit Agreement (the "Credit Agreement"), refinancing the Company's previous credit agreement, extending maturity to October 19, 2028 and reduced capacity of the Revolver Facility to $500.0 million.

See *Note 8 - Debt* in the Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly Report for additional detail regarding debt and financing activity.

Inflation, Supply Chain and Macroeconomic Environment.

The Company has experienced an inflationary environment on a global basis in the wake of the COVID-19 pandemic, geopolitical instability and supply chain constraints such as labor shortages, increased freight and distribution costs from transportation and logistics, higher commodity costs, rising energy pricing, and foreign currency volatility. Together with labor shortages and higher demand for talent, the current economic environment is driving higher wages. Our ability to meet labor needs, control wage and labor-related costs and minimize labor disruptions will be key to our success of operating our business and executing our business strategies. In response to inflation, our segments have taken pricing actions to address rising costs and foreign currency fluctuations to mitigate impacts to our margins. We can provide no assurance that such mitigation will be available in the future.

While we have seen more stability in the recent economic environment and have not experienced significant disruption in our recent operating results, the risks of future negative impacts due to transportation, logistical or supply constraints remain present, and the Company could continue to experience corresponding incremental costs and margin pressures. We are unable to predict how long the current environment will continue and we expect the economic environment to remain uncertain as we navigate the current geopolitical environment, post-pandemic volatility, labor challenges, changes in supply chain and the overall current economic environment.

The Company does not maintain a significant level of operations within the territories directly affected by the Russia-Ukraine war and the Israel-Hamas war, including the Middle East, and we had previously closed the commercial operations within Russia to reduce risk and exposure, but the economic sanctions and hostilities attributable to such conflicts may negatively impact ours and our customers' financial viability and supply chains, which may negatively impact us, supply chain demands, or the demands or economic viability of our customers in other parts of the world.

Consolidated Results of Operations

The following is summarized consolidated results of operations for SBH for the three and six month periods ended March 31, 2024 and April 2, 2023.

	Three Month Periods Ended				Six Month Periods Ended			
(in millions, except %)	**March 31, 2024**	**April 2, 2023**	**Variance**		**March 31, 2024**	**April 2, 2023**	**Variance**	
Net sales	$ 718.5	$ 729.2	$ (10.7)	(1.5)%	$ 1,410.7	$ 1,442.5	$ (31.8)	(2.2)%
Gross profit	273.4	214.5	58.9	27.5 %	518.4	416.4	102.0	24.5 %
Selling, general & administrative	223.5	224.5	(1.0)	(0.4)%	439.4	448.1	(8.7)	(1.9)%
Impairment of intangible assets	39.0	67.0	(28.0)	(41.8)%	43.0	67.0	(24.0)	(35.8)%
Representation and warranty insurance proceeds	(65.0)	—	(65.0)	n/m	(65.0)	—	(65.0)	n/m
Gain from remeasurement of contingent consideration liability	—	—	—	n/m	—	(1.5)	1.5	n/m
Interest expense	16.9	31.6	(14.7)	(46.5)%	36.1	65.0	(28.9)	(44.5)%
Interest income	(17.5)	(0.2)	(17.3)	n/m	(40.9)	(0.4)	(40.5)	n/m
Gain from debt repurchase	—	—	—	n/m	(4.7)	—	(4.7)	n/m
Other non-operating expense, net	1.1	1.4	(0.3)	(21.4)%	5.2	0.1	5.1	n/m
Income tax expense (benefit)	25.5	(34.8)	60.3	n/m	37.9	(46.9)	84.8	n/m
Net income (loss) from continuing operations	49.9	(75.0)	124.9	n/m	67.4	(115.0)	182.4	n/m
Income from discontinued operations, net of tax	11.0	21.4	(10.4)	(48.6)%	22.7	40.9	(18.2)	(44.5)%
Net income (loss)	60.9	(53.6)	114.5	n/m	90.1	(74.1)	164.2	n/m
n/m = not meaningful								

Table of Contents

Net Sales. The following is a summary of net sales by segment for the three and six month periods ended March 31, 2024 and April 2, 2023, and the principal components of changes in net sales for the respective periods.

	Three Month Periods Ended				Six Month Periods Ended			
(in millions, except %)	March 31, 2024	April 2, 2023	Variance		March 31, 2024	April 2, 2023	Variance	
GPC	$ 289.9	$ 296.7	$ (6.8)	(2.3)%	$ 566.8	$ 574.3	$ (7.5)	(1.3)%
H&G	160.7	153.3	7.4	4.8 %	232.7	224.6	8.1	3.6 %
HPC	267.9	279.2	(11.3)	(4.0)%	611.2	643.6	(32.4)	(5.0)%
Net Sales	$ 718.5	$ 729.2	(10.7)	(1.5)%	$ 1,410.7	$ 1,442.5	(31.8)	(2.2)%

(in millions)	Three Month Periods Ended	Six Month Periods Ended
Net Sales for the period ended April 2, 2023	$ 729.2	$ 1,442.5
Decrease in GPC	(9.0)	(14.7)
Increase in H&G	7.4	8.1
Decrease in HPC	(10.3)	(38.1)
Foreign currency impact, net	1.2	12.9
Net Sales for the period ended March 31, 2024	$ 718.5	$ 1,410.7

Three Month Period Ended March 31, 2024	Volume	Price	Foreign Currency	Total	Organic
GPC	(2.3)%	(0.7)%	0.7 %	(2.3)%	(3.0)%
H&G	6.0 %	(1.2)%	— %	4.8 %	4.8 %
HPC	(5.8)%	2.1 %	(0.3)%	(4.0)%	(3.7)%
Total	(1.8)%	0.2 %	0.1 %	(1.5)%	(1.6)%

Six Month Period Ended March 31, 2024	Volume	Price	Foreign Currency	Total	Organic
GPC	(1.7)%	(0.9)%	1.3 %	(1.3)%	(2.6)%
H&G	3.7 %	(0.1)%	— %	3.6 %	3.6 %
HPC	(6.6)%	0.7 %	0.9 %	(5.0)%	(5.9)%
Total	(3.0)%	(0.1)%	0.9 %	(2.2)%	(3.1)%

Refer to the *segment financial data* section below for further discussion on net sales results.

Gross Profit. The following is a summary of the gross profit and gross profit margin for the three and six month periods ended March 31, 2024 and April 2, 2023, respectively, and the principal factors contributing to the change for the three and six month periods.

	Three Month Periods Ended				Six Month Periods Ended			
(in millions, except %)	March 31, 2024	April 2, 2023	Variance		March 31, 2024	April 2, 2023	Variance	
Gross Profit	$ 273.4	$ 214.5	$ 58.9	27.5 %	$ 518.4	$ 416.4	$ 102.0	24.5 %
Gross Profit Margin	38.1 %	29.4 %	870 bps		36.7 %	28.9 %	780 bps	

	Three Month Period Ended		Six Month Period Ended	
(in millions, except margin)	Gross Profit	Margin	Gross Profit	Margin
Price	$ 1.8	30 bps	$ 1.5	10 bps
Mix	7.5	110 bps	5.0	40 bps
Volume	(2.1)	(30) bps	(6.9)	(50) bps
Cost changes	54.3	800 bps	103.4	790 bps
Product recalls	(3.8)	(60) bps	(3.1)	(30) bps
Restructuring and optimization initiatives	0.3	10 bps	0.8	10 bps
Foreign exchange rates	0.9	10 bps	1.3	10 bps
Change in gross profit and gross profit margin	$ 58.9	870 bps	$ 102.0	780 bps

Gross profit and margin increases are predominantly due to the cost improvements initiatives and the higher inflated inventoried costs that were realized during the prior periods with favorable mix. Despite reduced volumes, gross profit benefited from the improved mix realized by previous SKU rationalization initiatives and reduction in excess inventory sales. The impact from product recalls is due to the reissued product safety recall with the CPSC recognized during the three period ended March 31, 2024, further discussed in *Note 15 - Commitments and Contingencies* within Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report.

Selling, general and administrative. The following summarizes the selling, general & administrative costs for the three and six month periods ended March 31, 2024 and April 2, 2023, respectively, including amounts as a percentage of net sales for each respective period.

Three Month Periods Ended (in millions, except %)	March 31, 2024	% of Net Sales	April 2, 2023	% of Net Sales	Variance	
Sales, marketing & advertising	$ 76.0	10.6 %	$ 61.3	8.4 %	$ 14.7	24.0 %
Distribution	64.4	9.0 %	71.8	9.8 %	(7.4)	(10.3)%
General & administrative	68.8	9.6 %	67.0	9.2 %	1.8	2.7 %
Research & development	6.2	0.9 %	5.2	0.7 %	1.0	19.2 %
Strategic transaction, restructuring and optimization	8.1	1.1 %	19.2	2.6 %	(11.1)	(57.8)%
Total selling, general & administrative	$ 223.5	31.1 %	$ 224.5	30.8 %	(1.0)	(0.4)%

Six Month Periods Ended (in millions, except %)	March 31, 2024	% of Net Sales	April 2, 2023	% of Net Sales	Variance	
Sales, marketing & advertising	$ 147.9	10.5 %	$ 129.6	9.0 %	$ 18.3	14.1 %
Distribution	127.7	9.1 %	134.9	9.4 %	(7.2)	(5.3)%
General & administrative	138.9	9.8 %	136.9	9.5 %	2.0	1.5 %
Research & development	11.7	0.8 %	11.4	0.8 %	0.3	2.6 %
Strategic transaction, restructuring and optimization	13.2	0.9 %	35.3	2.4 %	(22.1)	(62.6)%
Total selling, general & administrative	$ 439.4	31.1 %	$ 448.1	31.1 %	(8.7)	(1.9)%

Increase in sales, marketing and advertising costs for the three and six month periods are due to the investment towards brand marketing and advertising initiatives across segments plus increased incentive compensation costs from higher than expected results. Distribution costs for the three and six month periods decreased due to the improved optimization and fulfillment at our distribution centers and lower outbound freight costs. General & administrative costs for the three and six month periods increased due to higher incentive compensation costs, partially offset by lowered overhead costs from restructuring initiatives in the prior year, plus decrease in bank fees related to reduced factoring on trade receivables. Increased research & development costs for the three and six month periods ended March 31, 2024 are from an additional investment in new product development and innovation across segments. Reduced strategic transaction, restructuring and optimization is primarily due to reduced restructuring initiative spending, completion of Tristar Business integration and other non-recurring HPC transformation initiatives in the prior year.

Impairment of Intangible Assets. Impairment of intangible assets during the three and six month period ended March 31, 2024 was attributable to a triggering event during the three month period ended March 31, 2024 resulting in an impairment of indefinite lived tradenames. See *Note 7 - Goodwill and Intangible Assets* in Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for additional detail. Impairment of intangible assets during the three and six month period ended April 2, 2023 were attributable to the identification of a triggering event resulting in an impairment of the Rejuvenate® and PowerXL® indefinite lived tradenames in the prior period.

Representation and Warranty Insurance Proceeds. During the three and six month periods ended March 31, 2024, the Company recognized a gain of $65.0 million from its representation and warranty insurance policy associated with the Tristar Business acquisition. See *Note 15 - Commitments and Contingencies* in Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for additional detail.

Interest Expense. Interest expense decreased due to reduced debt borrowings following the close of the HHI divestiture in the prior year with a decrease in the average borrowing rates during the respective periods.

Interest Income. Interest income increased due to interest on term deposits entered into using cash proceeds from the closing of the HHI divestiture in the prior year.

Gain from debt repurchase. During the three and six month periods ended March 31, 2024, the Company recognized income from the discount realized on the repurchase of debt with no direct comparable in the prior periods. See *Note 8 - Debt* in the Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for additional detail.

Other Non-Operating Expense (Income), Net. Other non-operating income is primarily due to changes in foreign currency compared to the prior year.

Income Taxes. Our estimated annual effective tax rate was impacted by income earned outside the U.S. that is subject to U.S. tax, including the U.S. tax on global intangible low taxed income, state income taxes, and certain nondeductible expenses.

Income From Discontinued Operations. Income or loss attributable to discontinued operations in the prior period primarily reflect the income from the discontinued operations of the HHI segment as the divestiture was completed in the prior year on June 20, 2023. Income attributable to discontinued operations in the current period primarily reflect changes to indemnifications associated with the divested businesses. See *Note 2 -Divestitures* in the Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for additional detail.

Noncontrolling Interest. The net income attributable to noncontrolling interest reflects the share of the net income of our subsidiaries, which are not wholly-owned, attributable to the accounting interest. Such amount varies in relation to such a subsidiary's net income or loss for the period and the percentage interest not owned by SBH.

SB/RH

The following is summarized consolidated results of operations for SB/RH for the three and six month periods ended March 31, 2024 and April 2, 2023:

	Three Month Periods Ended				Six Month Periods Ended			
(in millions, except %)	March 31, 2024	April 2, 2023	Variance		March 31, 2024	April 2, 2023	Variance	
Net sales	$ 718.5	$ 729.2	$ (10.7)	(1.5)%	$ 1,410.7	$ 1,442.5	$ (31.8)	(2.2)%
Gross profit	273.4	214.5	58.9	27.5 %	518.4	416.4	102.0	24.5 %
Selling, general and administrative	222.9	223.8	(0.9)	(0.4)%	438.4	447.4	(9.0)	(2.0)%
Impairment of intangible assets	39.0	67.0	(28.0)	(41.8)%	43.0	67.0	(24.0)	(35.8)%
Representation and warranty insurance proceeds	(65.0)	—	(65.0)	n/m	(65.0)	—	(65.0)	n/m
Gain from remeasurement of contingent consideration liability	—	—	—	n/m	—	(1.5)	1.5	n/m
Interest expense	16.9	31.7	(14.8)	(46.7)%	36.1	65.1	(29.0)	(44.5)%
Interest income	(17.5)	(0.2)	(17.3)	n/m	(40.9)	(0.4)	(40.5)	n/m
Gain from debt repurchase	—	—	—	n/m	(4.7)	—	(4.7)	n/m
Other non-operating expense, net	1.1	1.4	(0.3)	(21.4)%	5.2	0.1	5.1	n/m
Income tax expense (benefit)	25.6	(34.0)	59.6	n/m	37.8	(46.3)	84.1	n/m
Net income (loss) from continuing operations	50.4	(75.2)	125.6	n/m	68.5	(115.0)	183.5	n/m
Income from discontinued operations, net of tax	11.0	21.9	(10.9)	(49.8)%	22.7	41.4	(18.7)	(45.2)%
Net income (loss)	61.4	(53.3)	114.7	n/m	91.2	(73.6)	164.8	n/m
n/m = not meaningful								

The changes in SB/RH for the three and six month periods ended March 31, 2024 are primarily attributable to the changes in SBH previously discussed.

Segment Financial Data

Global Pet Care

	Three Month Periods Ended				Six Month Periods Ended			
(in millions, except %)	March 31, 2024	April 2, 2023	Variance		March 31, 2024	April 2, 2023	Variance	
Net sales	$ 289.9	$ 296.7	$ (6.8)	(2.3)%	$ 566.8	$ 574.3	$ (7.5)	(1.3)%
Segment net income	53.0	30.2	22.8	75.5 %	96.6	53.3	43.3	81.2 %
Segment net income margin	18.3 %	10.2 %	810 bps		17.0 %	9.3 %	770 bps	
Adjusted EBITDA	$ 62.3	$ 46.3	$ 16.0	34.6 %	$ 115.1	$ 83.5	$ 31.6	37.8 %
Adjusted EBITDA margin	21.5 %	15.6 %	590 bps		20.3 %	14.5 %	580 bps	

Net sales decreased primarily from decreased volumes driven by lower demand in the aquatics product category, primarily from aquatics hard goods such as aquatic systems with lesser volume of new entrants into the category, whereas aquatic nutrition and consumables is showing signs of stabilizing. Volumes were also adversely impacted by the decision to exit non-strategic categories and lower margin SKUs in the prior year, positively impacting mix and profitability for the three and six month periods ended March 31, 2024. Lower foot traffic and sales within the pet specialty channel, primarily in NA, further contributed to the volume reduction offset by overall distribution growth in e-commerce channels globally. Organic net sales for the three month period ended March 31, 2024 decreased $9.0 million, or 3.0%, excluding a favorable foreign currency impact of $2.2 million. Organic net sales for the six month period decreased $14.7 million, or 2.6%, excluding a favorable foreign currency impact of $7.2 million.

Segment net income, adjusted EBITDA and margins increased due to improvement in gross profit margins from lower cost inventory compared to prior year, favorable product and channel mix, plus reduced operating cost overhead due to savings from prior year initiatives and improved distribution costs from improved fulfillment and optimization, partially offset by increased investment in marketing and advertising.

Home & Garden

	Three Month Periods Ended				Six Month Periods Ended			
(in millions, except %)	March 31, 2024	April 2, 2023	Variance		March 31, 2024	April 2, 2023	Variance	
Net sales	$ 160.7	$ 153.3	$ 7.4	4.8 %	$ 232.7	$ 224.6	$ 8.1	3.6 %
Segment net loss	(14.6)	(39.8)	25.2	(63.3)%	(20.2)	(47.0)	26.8	(57.0)%
Segment net loss margin	(9.1)%	(26.0)%	1,690 bps		(8.7)%	(20.9)%	1,220 bps	
Adjusted EBITDA	$ 29.2	$ 15.1	$ 14.1	93.4 %	$ 28.5	$ 12.8	$ 15.7	122.7 %
Adjusted EBITDA margin	18.2 %	9.8 %	840 bps		12.2 %	5.7 %	650 bps	

Net sales increased due to higher volume primarily in the Controls product category with increased spring seasonal sales and distribution with key retailers during the three month period ended March 31, 2024, with favorable weather trends driving increase in retail traffic and accelerating seasonal inventory into stores by retailers compared to the prior year. Late warmer fall weather extended the selling season in the prior year and further contributed to higher sales during the six month period. The higher volume from Controls was partially offset by reduced volume in other product categories for Household Controls and Repellents as we expect retailers to be cautious in building inventory for the season and more in line with seasonal volume and expected traffic in stores for those respective product categories later in the summer and fall seasons. Volume in our cleaning products also declined with lower demand on restorative products and lost distribution within the product line.

Segment net loss, adjusted EBITDA, and margins improved due to higher sales volume, improved gross profit margins from reduced material and input costs and manufacturing efficiencies carrying into the fiscal year, plus reduced operating cost overhead due to savings from prior year initiatives, partially offset by additional investments in marketing and advertising and product innovation.

Home and Personal Care

(in millions, except %)	Three Month Periods Ended March 31, 2024	April 2, 2023	Variance		Six Month Periods Ended March 31, 2024	April 2, 2023	Variance	
Net sales	$ 267.9	$ 279.2	$ (11.3)	(4.0)%	$ 611.2	$ 643.6	$ (32.4)	(5.0)%
Segment net income (loss)	69.3	(37.7)	107.0	n/m	85.2	(41.8)	127.0	n/m
Segment net income (loss) margin	25.9 %	(13.5)%	3,940 bps		13.9 %	(6.5)%	2,040 bps	
Adjusted EBITDA	$ 17.8	$ (1.9)	$ 19.7	n/m	$ 44.5	$ 11.3	$ 33.2	293.8 %
Adjusted EBITDA margin	6.6 %	(0.7)%	730 bps		7.3 %	1.8 %	550 bps	

n/m = not meaningful

Net sales decreased due to lower volumes in small kitchen appliances from reduced placements in NA from the prior year, with overall category decline and exit of lower performance and reduced margin SKUs in the prior year, partially offset by increases in LATAM. Volume decline from small kitchen appliances were partially mitigated through volume growth in personal care on a global basis and overall higher volume distribution through e-commerce channels, plus opportunistic sales when a competitor filed for bankruptcy further benefiting the six month period. Pricing improvements were primarily attributable to positive pricing in inflationary markets, reduced excess inventory sales and fewer low-margin promotions, further benefiting product mix and overall profitability. Organic net sales for the three month period decreased $10.3 million, or 3.7%, excluding a unfavorable foreign currency impact of $1.0 million. Organic net sales for the six month period decreased $38.1 million, or 5.9%. excluding favorable foreign currency impact of $5.7 million.

Segment net income, Adjusted EBITDA and margins increased due to improved gross profit margins due to lower cost inventory compared to the prior year, cost improvement initiatives, and improved profitability through SKU rationalization and reduced excess inventory sales, plus reduced operating cost overhead due to savings from prior year initiatives, partially offset by additional investments in marketing and advertising and product innovation. Segment net income was further benefited by the recognition of proceeds from representation and warranty insurance policies of $65.0 million, intangible impairment charges in the prior year, and lower costs on restructuring and integration initiatives.

Liquidity and Capital Resources

The following is a summary of the SBH and SB/RH cash flows from continuing operations for the six month periods ended March 31, 2024 and April 2, 2023, respectively.

Six Month Periods Ended (in millions)	SBH March 31, 2024	SBH April 2, 2023	SB/RH March 31, 2024	SB/RH April 2, 2023
Operating activities	$ 80.7	$ 148.6	$ 64.4	$ 138.2
Investing activities	544.1	(25.9)	544.1	(25.9)
Financing activities	(553.8)	(68.9)	(537.4)	(58.4)

Cash Flows from Operating Activities

Cash flows provided by SBH's continuing operations decreased $67.9 million, primarily due to lower cash flow generated by working capital due to reduced receivables factoring, higher cash paid towards taxes offset by lower cash interest and the receipt of $50.0 million in representation and warranty insurance proceeds. See *Note 15 - Commitments and Contingencies* within Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly Report for further discussion on the representation and warranty proceeds. Cash flows provided by SB/RH continuing operations decreased $73.8 million primarily due to the items previously discussed above.

Cash Flows from Investing Activities

Cash flows provided by investing activities for SBH continuing operations increased $570.0 million, primarily from the investment activity of short-term investments offset by the recognition of a $26.9 million payment for the final purchase price settlement on the HHI divestiture, which closed in the prior year on June 20, 2023, in accordance with the Purchase Agreement. See *Note 2 - Divestitures* within Notes to the Condensed Consolidated Financial Statements, included elsewhere in this Quarterly report for further discussion on the HHI divestiture. Cash flows provided by investing activities of SB/RH is due to the items previously discussed.

Cash Flows from Financing Activities

Cash flows used by financing activities for continuing operations increased $484.9 million primarily due to the pay down of debt and treasury share repurchases. Refer to *Note 8 – Debt* and *Note 11 - Shareholders' Equity* in the Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for more information. There was no issuance of common stock, other than through the Company’s share-based compensation plans and which is recognized as non-cash financing activity. During the six month periods ended March 31, 2024 and April 2, 2023, SBH made cash dividend payments of $26.8 million, or $0.42 per share, and $34.4 million, or $0.42 per share, respectively, which decreased due to the lower outstanding shares. Cash flows used by financing activity of SB/RH increased $479.0 million and is highly dependent upon the financing cash flow activities of SBH.

Liquidity Outlook

Our ability to generate cash flow from operating activities coupled with our expected ability to access the credit markets, enables us to execute our growth strategies and return value to our shareholders. Our ability to make principal and interest payments on borrowings under our debt agreements and our ability to fund planned capital expenditures will depend on the ability to generate cash in the future, which, to a certain extent, is subject to general economic, financial, competitive, regulatory and other conditions. We believe the operating cash flow based upon our current and anticipated level of operations, existing cash balances, and availability under our credit facility to be sufficient to meet our operating and capital expenditure requirements for at least the next 12 months. It is not unusual for our business to experience negative operating cash flow during the first quarter of the fiscal year due to the operating calendar with our customers and the seasonality of our working capital. Additionally, we believe the availability under our credit facility and access to capital markets are sufficient to achieve our longer-term strategic plans. As of March 31, 2024, the Company had borrowing availability of $490.3 million, net of outstanding letters of credit, under our credit facility. Liquidity and capital resources of SB/RH are highly dependent upon the cash flow activities of SBH.

Short-term financing needs primarily consist of working capital requirements, capital spending, periodic principal and interest payments on our long-term debt, and initiatives to support restructuring, integration or other strategic projects. Long-term financing needs depend largely on potential growth opportunities, including acquisition activity and repayment or refinancing of our long-term obligations. Our long-term liquidity may be influenced by our ability to borrow additional funds, renegotiate existing debt, and raise equity under terms that are favorable to us. We also have long-term obligations associated with defined benefit plans with expected minimum required contributions that are not considered significant to the consolidated group.

During the three and six month period ended March 31, 2024, the Company completed additional repurchases of Senior Notes available for sale on the open market, at a discount. See *Note 8 - Debt* in the Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further detail. The Company may continue to make repayments on its debt obligations in the future, which may include repayments, redemptions, repurchases, refinancing or exchanges of our outstanding Senior Notes, any of which will be dependent on various factors, including market conditions. Any such repurchases may be affected through a variety of means, including privately negotiated transactions, market transactions, tender offers, redemptions or as otherwise required or permitted by the instruments covering the Company's outstanding indebtedness.

The Company has also continued to repurchase common shares through open market purchases during the three and six month period ended March 31, 2024. See *Note 11 – Shareholders’ Equity* in the Notes to the Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report for further detail. We may, from time to time, seek to repurchase additional shares of our common stock and any further repurchase activity will be dependent on prevailing market conditions, liquidity requirements and other factors. During the three month period ended December 31, 2023, we entered into a $200.0 million rule 10b5-1 repurchase plan to facilitate daily market share repurchases through November 15, 2024, until the cap is reached or until the plan is terminated. As of March 31, 2024, there has been $108.7 million repurchased pursuant to the 10b5-1 repurchase plan.

As of March 31, 2024, the Company had a high level of cash reserves, as compared to the prior year, due to the cash proceeds from the HHI divestiture. The Company has temporarily invested a portion of its cash in short-term investments until such expenditures are considered required or necessary to the Company in executing its strategic plans and initiatives, including any further debt reduction and share buybacks. If the Company does not use the proceeds from the HHI divestiture to repay debt or reinvest in the business within certain time periods by the terms of the Company's outstanding indebtedness, the Company may be required to make an asset sale offer to the holders of its Senior Notes pursuant to the terms of the Company's outstanding indebtedness.

We maintain a capital structure that we believe provides us with sufficient access to credit markets. When combined with strong levels of cash flow from operations, our capital structure has provided the flexibility necessary to pursue strategic growth opportunities and return value to our shareholders. The Company’s access to capital markets and financing costs may depend on the Company’s credit ratings. None of the Company’s current borrowings are subject to default or acceleration as a result of a downgrading of credit ratings, although a downgrade of the Company’s credit ratings could increase fees and interest charges on future borrowings. At March 31, 2024, we were in compliance with all covenants under the Credit Agreement and the indentures governing the 4.00% Notes, due October 1, 2026; the 5.00% Notes, due October 1, 2029; the 5.50% Notes due July 15, 2030; and the 3.875% Notes, due March 15, 2031.

A portion of our cash balance is located outside the U.S. given our international operations. We manage our worldwide cash requirements centrally by reviewing available cash balances across our worldwide group and the cost effectiveness with which this cash can be accessed. We generally repatriate cash from non-U.S. subsidiaries, provided the cost of the repatriation is not considered material. The counterparties that hold our deposits consist of major financial institutions.

The majority of our business is not considered seasonal with a year round selling cycle that is overall consistent during the fiscal year with the exception of our H&G segment. H&G sales typically peak during the first six months of the calendar year (the Company's second and third fiscal quarters) due to customer seasonal purchasing patterns and the timing of promotional activity. This seasonality may require the Company to ship large quantities of products ahead of peak consumer buying season that can impact cash flow demands to meet manufacturing and inventory requirements earlier in the fiscal year, as well as extended credit terms and/or promotional discounts throughout the peak season.

From time to time the Company enters into factoring agreements and customers' supply chain financing arrangements to provide for the sale of certain trade receivables to unrelated third-party financial institutions. The factored receivables are accounted for as a sale without recourse, and the balance of the receivables sold are removed from the Condensed Consolidated Balance Sheet at the time of the sales transaction, with the proceeds received recognized as an operating cash flow. Amounts received from customers for factored receivables are recognized as a payable and remitted to the factor based upon terms of the factoring agreements. The Company has temporarily suspended most of its receivable factoring activity and intends to terminate the remainder when contractually possible during the 2024 fiscal year. Additionally, the Company facilitates a voluntary supply chain financing program to provide suppliers with the opportunity to sell receivables due from the Company (the Company's trade payables) to an unrelated third-party financial institution under the sole discretion of the supplier and the participating financial institution. There are no guarantees provided by the Company or its subsidiaries and we do not enter into any agreements with the suppliers regarding their participation. The Company's responsibility is limited to payments on the original terms negotiated with its suppliers, regardless of whether the suppliers sell their receivables to the financial institution and continue to be recognized as Accounts Payable on the Company's Condensed Consolidated Balance Sheet with cash flow activity recognized as an operating cash flow.

Other than the changes to debt obligations previously noted, there have been no material changes to our debt obligations, lease obligations, employee benefit obligations, or other contractual obligations or commercial commitments previously disclosed. We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Critical Accounting Policies and Estimates

There have been no material changes to our critical accounting estimates as discussed in our 2023 Annual Report.

New Accounting Pronouncements

See *Note 1 – Basis of Presentation and Significant Accounting Policies* in Notes to the Condensed Consolidated Financial Statements elsewhere included in this Quarterly Report for information about accounting pronouncements that are newly adopted and recent accounting pronouncements not yet adopted.

Guarantor Statements – SB/RH

SBI has issued the 4.00% Notes under the 2026 Indenture, the 5.00% Notes under the 2029 Indenture, the 5.50% Notes under the 2030 Indenture, and the 3.875% Notes under the 2031 Indentures (collectively, the "Notes"). The Notes are unconditionally guaranteed, jointly and severally, on a senior unsecured basis by SB/RH and SBI's domestic subsidiaries. The Notes and the related guarantees rank equally in right of payment with all of SBI and the guarantors' existing and future senior indebtedness and rank senior in right of payment to all of SBI and the guarantors' future indebtedness that expressively provide for its subordination to the Notes and the related guarantees. Non-guarantor subsidiaries primarily consist of SBI's foreign subsidiaries.

The following financial information consists of summarized financial information of the Obligor, presented on a combined basis. The "Obligor" consists of the financial statements of SBI as the debt issuer, SB/RH as a parent guarantor, and the domestic subsidiaries of SBI as subsidiary guarantors. Intercompany balances and transactions between SBI and the guarantors have been eliminated. Investments in non-guarantor subsidiaries and the earnings or losses from those non-guarantor subsidiaries have been excluded.

(in millions)	Six Month Period Ended March 31, 2024	Year Ended September 30, 2023
Statements of Operations Data		
Third party net sales	$ 852.7	$ 1,842.1
Intercompany net sales to non-guarantor subsidiaries	5.6	11.1
Net sales	858.3	1,853.2
Gross profit	300.5	542.1
Operating income (loss)	25.7	(322.5)
Net (loss) income from continuing operations	(3.7)	0.1
Net income	19.0	2,006.3
Net income attributable to controlling interest	19.0	2,006.3
Statements of Financial Position Data		
Current Assets	$ 2,379.7	$ 2,773.6
Noncurrent Assets	1,932.7	1,974.9
Current Liabilities	1,132.7	1,398.6
Noncurrent Liabilities	1,771.6	1,868.2

The Obligor's amounts due from, due to the non-guarantor subsidiaries as of March 31, 2024 and September 30, 2023 are as follows:

(in millions)	March 31, 2024	September 30, 2023
Statements of Financial Position Data		
Current receivables from non-guarantor subsidiaries	$ 29.8	$ 37.6
Long-term receivable from non-guarantor subsidiaries	115.3	104.0
Current payable to non-guarantor subsidiaries	48.0	283.1
Long-term debt with non-guarantor subsidiaries	21.1	2.0

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market Risk Factors

No material change in the Company's market risk has occurred during the six month period ended March 31, 2024. For additional information, refer to *Note 8 - Debt* and *Note 9 - Derivatives* to the Condensed Consolidated Financial Statements included elsewhere in the Quarterly Report and to Part II, Items 7A of the Company's 2023 Annual Report.

Item 4. Controls and Procedures

Spectrum Brands Holdings, Inc.

Evaluation of Disclosure Controls and Procedures. Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) pursuant to Rule 13a-15(b) under the Exchange Act as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, SBH's management, including our Chief Executive Officer and Chief Financial Officer, has concluded that, as of such date, our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable SEC rules and forms, and is accumulated and communicated to SBH's management, including SBH's Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting. There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities and Exchange Act of 1934, as amended) that occurred during the six month period ended March 31, 2024, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls. SBH's management, including our Chief Executive Officer and Chief Financial Officer, does not expect that SBH's disclosure controls and procedures or SBH's internal controls over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within SBH have been detected.

SB/RH Holdings, LLC

Evaluation of Disclosure Controls and Procedures. Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) pursuant to Rule 13a-15(b) under the Exchange Act as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, SB/RH's management, including our Chief Executive Officer and Chief Financial Officer, has concluded that, as of such date, our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable SEC rules and forms, and is accumulated and communicated to SB/RH's management, including SB/RH's Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting. There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities and Exchange Act of 1934, as amended) that occurred during the six month period ended March 31, 2024, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls. SB/RH's management, including our Chief Executive Officer and Chief Financial Officer, does not expect that SB/RH's disclosure controls and procedures or SB/RH's internal controls over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within SB/RH's have been detected.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Litigation

We are a defendant in various litigation matters generally arising in the ordinary course of business. See risk factors below and *Note 15 – Commitments and Contingencies* included elsewhere in this Quarterly Report. Based on information currently available, we do not believe that any matters or proceedings presently pending will have a material adverse effect on our results of operations, financial condition, liquidity or cash flows.

Item 1A. Risk Factors

Information about our risk factors is contained in *Item 1A* of our 2023 Annual Report, and in *Item 1A* of our Quarterly Reports on Form 10-Q for quarterly periods subsequently filed. We believe that as of March 31, 2024, there have been no material changes in our risk factors from those disclosed in *Item 1A* of our 2023 Annual Report, and in *Item 1A* of our Quarterly Reports on Form 10-Q for quarterly periods subsequently filed.

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

On June 17, 2023, the Board of Directors approved a share repurchase program authorizing the purchase of up to $1 billion of common stock (the "Maximum Amount"). The share repurchase program will be in effect from June 17, 2023 until the earlier of the Maximum Amount being repurchased thereunder or the suspension, termination or replacement of the program by the Company's Board of Directors. The share repurchase program permits shares to be repurchased in open market or through privately negotiated transactions, including by direct purchases or purchases pursuant to derivative instruments or other transactions (including pursuant to accelerated share repurchase agreements, the writing and settlement of put options and the purchase and exercise of call options). The number of shares to be repurchased, and the timing of any repurchases, will depend on factors such as the share price, economic and market conditions, and corporate and regulatory requirements.

On November 21, 2023, the Company closed and settled the ASR resulting in an additional delivery of 1.3 million shares, with a fair value of $83.2 million. The total number of shares repurchased under the ASR program was 6.6 million at an average cost per share of $75.67, based on the volume-weighted average share price of the Company’s common stock during the calculation period of the ASR program, less the applicable contractual discount.

During the six month period ended March 31, 2024, SBH entered into a $200.0 million rule 10b5-1 repurchase plan to facilitate daily market share repurchases through November 15, 2024, until the cap is reached or until the plan is terminated. As of March 31, 2024, there has been $108.7 million repurchased pursuant to the 10b5-1 repurchase plan.

The following table summarizes the common stock repurchases for the three month period ended March 31, 2024:

	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Plan	Approximate Dollar Value of Shares that may Yet Be Purchased
January 1, 2024 to January 28, 2024	441,082	$ 78.23	441,082	187,818,830
January 29, 2024 to February 25, 2024	355,349	81.50	355,349	158,859,514
February 26, 2024 to March 31, 2024	413,797	82.35	413,797	124,893,853
Total	1,210,228	80.60	1,210,228	

Item 5. Other Information

During the three month period ended March 31, 2024, none of our officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.”

Item 6. Exhibits

Please refer to the Exhibit Index.

SIGNATURES

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

Date: May 9, 2024

SPECTRUM BRANDS HOLDINGS, INC.

By: **/s/ Jeremy W. Smeltser**

Jeremy W. Smeltser

Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

SIGNATURES

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

Date: May 9, 2024

SB/RH HOLDINGS, LLC

By: **/s/ Jeremy W. Smeltser**

Jeremy W. Smeltser

Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit 21.1	List of Guarantor Subsidiaries*
Exhibit 31.1	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Spectrum Brands Holdings, Inc.*
Exhibit 31.2	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 the Sarbanes-Oxley Act of 2002. Spectrum Brands Holdings, Inc*.
Exhibit 31.3	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. SB/RH Holdings, LLC *
Exhibit 31.4	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 the Sarbanes-Oxley Act of 2002. SB/RH Holdings, LLC *
Exhibit 32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. Spectrum Brands Holdings, Inc.*
Exhibit 32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. Spectrum Brands Holdings, Inc.*
Exhibit 32.3	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. SB/RH Holdings, LLC *
Exhibit 32.4	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. SB/RH Holdings, LLC *
101.INS	XBRL Instance Document**
101.SCH	XBRL Taxonomy Extension Schema Document**
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document**
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document**
101.LAB	XBRL Taxonomy Extension Label Linkbase Document**
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document**
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith

** In accordance with Regulation S-T, the XBRL-related information in Exhibit 101 to this Quarterly Report on Form 10-Q shall be deemed to be "furnished" and not "filed."

Exhibit 21.1

Name*	State or Other Jurisdiction of Incorporation or Organization	Primary Standard Industrial Classification Code Number	I.R.S. Employer Identification Number
Alaska Merger Acquisition Corp.	Delaware	3690	82-1316914
Glofish LLC	Delaware	3690	82-1484807
ROV Holding, Inc.	Delaware	3690	22-2423555
Salix Animal Health, LLC	Delaware	3690	65-0965477
SB/RH Holdings, LLC	Delaware	3690	27-2812840
Spectrum Brands Pet Group Inc.	Delaware	3690	82-2201953
Spectrum Brands Pet LLC	New York	3690	26-1757404
United Industries Corporation	Delaware	3690	43-1025604
Empower Brands, LLC (f/k/a HPC Brands, LLC)	Delaware	3690	88-0601628
Empower Brands Group, LLC	Delaware	3690	88-2972947
Empower Brands Holdings, Inc.	Delaware	3690	88-3012341

*The address of each additional registrant's principal executive office is c/o Spectrum Brands, Inc., 3001 Deming Way, Middleton, Wisconsin 53562, (608) 275-3340.

**Single member LLC disregarded for U.S. tax purposes.

Exhibit 31.1

CERTIFICATIONS

I, David M. Maura, Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spectrum Brands Holdings, Inc. (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 9, 2024

/s/ David M. Maura

David M. Maura
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Jeremy W. Smeltser, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spectrum Brands Holdings, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ Jeremy W. Smeltser
Jeremy W. Smeltser
Chief Financial Officer

Exhibit 31.3

CERTIFICATIONS

I, David M. Maura, Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SB/RH Holdings, LLC (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ David M. Maura

David M. Maura
Chief Executive Officer

Exhibit 31.4

CERTIFICATIONS

I, Jeremy W. Smeltser, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SB/RH Holdings, LLC (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 9, 2024

/s/ Jeremy W. Smeltser

Jeremy W. Smeltser
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Spectrum Brands Holdings, Inc. (the "Company") for the quarterly period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David M. Maura, as Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

	/s/ David M. Maura
Name:	David M. Maura
Title:	Chief Executive Officer
Date:	May 9, 2024

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. This certification shall not be deemed incorporated by reference in any filing under the Securities Act or Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Spectrum Brands Holdings, Inc. (the "Company") for the quarterly period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeremy W. Smeltser, as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

	/s/ Jeremy W. Smeltser
Name:	Jeremy W. Smeltser
Title:	Chief Financial Officer
Date:	May 9, 2024

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. This certification shall not be deemed incorporated by reference in any filing under the Securities Act or Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.3

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of SB/RH Holdings, LLC (the "Company") for the quarterly period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David M. Maura, as Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

	/s/ David M. Maura
Name:	David M. Maura
Title:	Chief Executive Officer
Date:	May 9, 2024

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. This certification shall not be deemed incorporated by reference in any filing under the Securities Act or Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.4

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of SB/RH Holdings, LLC (the "Company") for the quarterly period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeremy W. Smeltser, as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

	/s/ Jeremy W. Smeltser
Name:	Jeremy W. Smeltser
Title:	Chief Financial Officer
Date:	May 9, 2024

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. This certification shall not be deemed incorporated by reference in any filing under the Securities Act or Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.