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DELTA REPORT

10-Q

ENERGIZER HOLDINGS, INC.

10-Q - DECEMBER 31, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1380
CHANGES	265
DELETIONS	620
ADDITIONS	495

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2023 December 31, 2023

Or

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

For the transition period from to

Commission File Number: 001-36837

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ENERGIZER HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Missouri	**36-4802442**
(State or other jurisdiction of incorporation or organization)	**(I. R. S. Employer Identification No.)**
533 Maryville University Drive St. Louis, Missouri	**63141**
(Address of principal executive offices)	**(Zip Code)**

(314) 985-2000

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $.01 per share	ENR	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares of Energizer Holdings, Inc. common stock, $.01 par value, outstanding as of the close of business on August 7, 2023 February 2, 2024: 71,485,205. 71,782,335.

INDEX

ENERGIZER HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME
(Condensed)
(In millions, except per share data - Unaudited)

	For the Quarters Ended December 31,	
	2023	**2022**
Net sales	$ 716.6	$ 765.1
Cost of products sold	449.6	466.8
Gross profit	267.0	298.3
Selling, general and administrative expense	128.1	120.4

Advertising and sales promotion expense	47.0	53.4
Research and development expense	7.8	7.6
Amortization of intangible assets	14.5	16.0
Interest expense	40.7	42.9
Loss/(gain) on extinguishment of debt	0.5	(2.9)
Other items, net	19.0	(1.4)
Earnings before income taxes	9.4	62.3
Income tax provision	7.5	13.3
Net earnings	$ 1.9	$ 49.0
Basic net earnings per common share	$ 0.03	$ 0.69
Diluted net earnings per common share	$ 0.03	$ 0.68
Weighted average shares of common stock - Basic	71.7	71.4
Weighted average shares of common stock - Diluted	72.6	72.2
Statements of Comprehensive Income:		
Net earnings	$ 1.9	$ 49.0
Other comprehensive (loss)/income, net of tax (benefit)/expense		
Foreign currency translation adjustments	(1.1)	(18.6)
Pension activity, net of tax of $0.2 and $1.2, respectively.	(0.9)	2.4
Deferred loss on hedging activity, net of tax of $(6.5) and $(4.7), respectively.	(19.6)	(13.4)
Total comprehensive (loss)/income	$ (19.7)	$ 19.4

	For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
	2023	2022	2023	2022
Net sales	$ 699.4	$ 728.0	$ 2,148.6	$ 2,259.7
Cost of products sold	434.3	444.0	1,331.9	1,425.7
Gross profit	265.1	284.0	816.7	834.0
Selling, general and administrative expense	116.1	118.9	354.8	364.4
Advertising and sales promotion expense	37.6	38.5	109.4	109.8
Research and development expense	8.8	8.5	24.4	25.3
Amortization of intangible assets	14.5	15.4	45.0	45.8
Interest expense	42.2	41.1	127.1	116.4
Loss/(gain) on extinguishment of debt	0.3	—	(1.7)	—
Other items, net	5.2	(3.5)	4.6	2.7
Earnings before income taxes	40.4	65.1	153.1	169.6
Income tax provision	8.6	12.7	32.3	38.2
Net earnings	31.8	52.4	120.8	131.4
Mandatory preferred stock dividends	—	—	—	(4.0)
Net earnings attributable to common shareholders	$ 31.8	$ 52.4	$ 120.8	$ 127.4
Basic net earnings per common share	$ 0.44	$ 0.73	$ 1.69	$ 1.83
Diluted net earnings per common share	$ 0.44	$ 0.73	$ 1.67	$ 1.82
Weighted average shares of common stock - Basic	71.5	71.3	71.4	69.5
Weighted average shares of common stock - Diluted	72.5	71.7	72.4	69.9
Statements of Comprehensive Income:				
Net earnings	$ 31.8	$ 52.4	$ 120.8	$ 131.4
Other comprehensive income/(loss), net of tax expense/(benefit)				
Foreign currency translation adjustments	2.6	(5.9)	(14.6)	29.1

Pension activity, net of tax of $0.1 and $1.5, quarter and nine months ended June 30, 2023, respectively, and $0.4 and $1.3 for the quarter and nine months ended June 30, 2022, respectively.	—	2.7	3.1	5.8
Deferred gain/(loss) on hedging activity, net of tax of $0.4 and $(7.6), for the quarter and nine months ended June 30, 2023, respectively, and $2.2 and $11.6 for the quarter and nine months ended June 30, 2022, respectively.	1.8	7.3	(22.4)	37.6
Total comprehensive income	$ 36.2	$ 56.5	$ 86.9	$ 203.9

The above financial statements should be read in conjunction with the Notes to Consolidated (Condensed) Financial Statements (Unaudited).

ENERGIZER HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
(Condensed)
(In millions - Unaudited)

Assets	**Assets**	**June 30, 2023**	**September 30, 2022**	**Assets**	**December 31, 2023**	**September 30, 2023**
Current assets	Current assets			Current assets		
Cash and cash equivalents	Cash and cash equivalents	$ 202.4	$ 205.3			
Trade receivables, less allowance for doubtful accounts of $4.4 and $2.9, respectively		385.1	421.7			
Trade receivables, less allowance for doubtful accounts of $4.7 and $4.6, respectively						
Trade receivables, less allowance for doubtful accounts of $4.7 and $4.6, respectively						
Trade receivables, less allowance for doubtful accounts of $4.7 and $4.6, respectively						
Inventories	Inventories	765.4	771.6			
Other current assets	Other current assets	215.5	191.4			
Total current assets	Total current assets	1,568.4	1,590.0			
Total current assets						
Total current assets						
Property, plant and equipment, net						
Property, plant and equipment, net						
Property, plant and equipment, net	Property, plant and equipment, net	351.8	362.1			
Operating lease assets	Operating lease assets	96.9	100.1			
Goodwill	Goodwill	1,023.2	1,003.1			
Other intangible assets, net	Other intangible assets, net	1,253.0	1,295.8			
Deferred tax asset		66.4	61.8			
Deferred tax assets						
Other assets	Other assets	145.4	159.2			
Total assets	Total assets	$4,505.1	$ 4,572.1			
Liabilities and Shareholders' Equity	**Liabilities and Shareholders' Equity**					
Liabilities and Shareholders' Equity						
Liabilities and Shareholders' Equity						

Current liabilities	Current liabilities		
Current liabilities			
Current liabilities			
Current maturities of long-term debt			
Current maturities of long-term debt			
Current maturities of long-term debt	Current maturities of long-term debt	$ 12.0	$ 12.0
Current portion of finance leases	Current portion of finance leases	0.3	0.4
Notes payable	Notes payable	5.3	6.4
Accounts payable	Accounts payable	381.1	329.4
Current operating lease liabilities	Current operating lease liabilities	16.3	15.8
Other current liabilities	Other current liabilities	311.1	333.9
Total current liabilities	Total current liabilities	726.1	697.9
Total current liabilities			
Total current liabilities			
Long-term debt	Long-term debt	3,377.0	3,499.4
Operating lease liabilities	Operating lease liabilities	84.2	88.2
Deferred tax liability		16.1	17.9
Deferred tax liabilities			
Other liabilities	Other liabilities	134.8	138.1
Total liabilities	Total liabilities	4,338.2	4,441.5
Shareholders' equity	Shareholders' equity		
Common stock			
Common stock			
Common stock	Common stock	0.8	0.8
Additional paid-in capital	Additional paid-in capital	768.4	828.7
Retained losses	Retained losses	(184.3)	(304.7)
Treasury stock	Treasury stock	(238.8)	(248.9)
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(179.2)	(145.3)
Total shareholders' equity	Total shareholders' equity	166.9	130.6
Total liabilities and shareholders' equity	Total liabilities and shareholders' equity	$4,505.1	$ 4,572.1

The above financial statements should be read in conjunction with the Notes to Consolidated (Condensed) Financial Statements (Unaudited).

ENERGIZER HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Condensed)
(In millions - Unaudited)

		For the Nine Months Ended June 30,			
		2023		2022	
Cash Flow from Operating Activities	Cash Flow from Operating Activities				
Cash Flow from Operating Activities					
Cash Flow from Operating Activities					
Net earnings					
Net earnings					
Net earnings	Net earnings	$	120.8	$	131.4
Adjustments to reconcile net earnings to net cash flow from operations:					
Adjustments to reconcile net earnings to net cash flow from operations:					
Adjustments to reconcile net earnings to net cash flow from operations:					
Non-cash integration and restructuring charges	Non-cash integration and restructuring charges		2.3		3.0
Non-cash integration and restructuring charges					
Non-cash integration and restructuring charges					
Depreciation and amortization					
Depreciation and amortization					
Depreciation and amortization	Depreciation and amortization		93.0		89.0
Deferred income taxes	Deferred income taxes		(4.6)		(0.7)
Deferred income taxes					
Deferred income taxes					
Share-based compensation expense	Share-based compensation expense		17.2		9.9
Gain on finance lease termination			—		(4.5)
Gain on extinguishment of debt			(1.7)		—
Share-based compensation expense					
Share-based compensation expense					
Loss/(gain) on extinguishment of debt					
Loss/(gain) on extinguishment of debt					
Loss/(gain) on extinguishment of debt					
Non cash charges from Brazil Flood			—		9.2
Non-cash charges for exiting the Russian market			—		13.4
Non-cash items included in income, net	Non-cash items included in income, net		22.3		12.4
Non-cash items included in income, net					
Non-cash items included in income, net					
Exchange loss/(gain) included in income					
Exchange loss/(gain) included in income					
Exchange loss/(gain) included in income					
Other, net	Other, net		2.9		0.9
Other, net					
Other, net					
Changes in current assets and liabilities used in operations					
Changes in current assets and liabilities used in operations					
Changes in current assets and liabilities used in operations	Changes in current assets and liabilities used in operations		44.1		(370.2)
Net cash from/(used by) operating activities			296.3		(106.2)

Net cash from operating activities			
Net cash from operating activities			
Net cash from operating activities			
Cash Flow from Investing Activities			
Cash Flow from Investing Activities			
Cash Flow from Investing Activities	Cash Flow from Investing Activities		
Capital expenditures	Capital expenditures	(35.4)	(65.8)
Capital expenditures			
Capital expenditures			
Proceeds from sale of assets	Proceeds from sale of assets	0.7	0.5
Acqusition of intangible assets		—	(14.6)
Acquisitions, net of cash acquired and working capital settlements		—	1.0
Proceeds from sale of assets			
Proceeds from sale of assets			
Acquisitions, net of cash acquired			
Acquisitions, net of cash acquired			
Acquisitions, net of cash acquired			
Net cash used by investing activities	Net cash used by investing activities	(34.7)	(78.9)
Net cash used by investing activities			
Net cash used by investing activities			
Cash Flow from Financing Activities	Cash Flow from Financing Activities		
Cash proceeds from issuance of debt with original maturities greater than 90 days		—	300.0
Cash Flow from Financing Activities			
Cash Flow from Financing Activities			
Payments on debt with maturities greater than 90 days	Payments on debt with maturities greater than 90 days	(197.0)	(10.6)
Net increase/(decrease) in debt with original maturities of 90 days or less		2.5	(43.8)
Payments to terminate finance lease obligation		—	(5.1)
Debt issuance costs		—	(7.6)
Payments on debt with maturities greater than 90 days			
Payments on debt with maturities greater than 90 days			
Net decrease in debt with original maturities of 90 days or less			
Net decrease in debt with original maturities of 90 days or less			
Net decrease in debt with original maturities of 90 days or less			
Dividends paid on common stock	Dividends paid on common stock	(64.8)	(64.1)
Dividends paid on mandatory convertible preferred stock		—	(8.1)
Dividends paid on common stock			
Dividends paid on common stock			
Taxes paid for withheld share-based payments			
Taxes paid for withheld share-based payments			
Taxes paid for withheld share-based payments	Taxes paid for withheld share-based payments	(1.9)	(2.3)
Net cash (used by)/from financing activities		(261.2)	158.4
Net cash used by financing activities			

Net cash used by financing activities

Net cash used by financing activities

Effect of exchange rate changes on cash

Effect of exchange rate changes on cash

Effect of exchange rate changes on cash	Effect of exchange rate changes on cash	(3.3)	(12.7)
Net decrease in cash, cash equivalents, and restricted cash		(2.9)	(39.4)

Net increase in cash, cash equivalents, and restricted cash

Net increase in cash, cash equivalents, and restricted cash

Net increase in cash, cash equivalents, and restricted cash

Cash, cash equivalents, and restricted cash, beginning of period

Cash, cash equivalents, and restricted cash, beginning of period

Cash, cash equivalents, and restricted cash, beginning of period	Cash, cash equivalents, and restricted cash, beginning of period	205.3	238.9
Cash, cash equivalents, and restricted cash, end of period	Cash, cash equivalents, and restricted cash, end of period	$ 202.4	$ 199.5

Cash, cash equivalents, and restricted cash, end of period

Cash, cash equivalents, and restricted cash, end of period

The above financial statements should be read in conjunction with the Notes to Consolidated (Condensed) Financial Statements (Unaudited).

ENERGIZER HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Condensed)
(Amounts in millions, Shares in thousands - Unaudited)

	Number of Shares	Amount					
	Common Stock	Common Stock	Additional Paid-in Capital	Retained (Losses)/Earnings	Accumulated Other Comprehensive (Loss)/Income	Treasury Stock	Total Shareholders' Equity
September 30, 2023	71,500	$ 0.8	$ 750.5	$ (164.8)	$ (137.7)	$ (238.1)	$ 210.7
Net earnings	—	—	—	1.9	—	—	1.9
Share-based payments	—	—	6.4	—	—	—	6.4
Activity under stock plans	277	—	(16.3)	(1.4)	—	13.0	(4.7)
Dividends to common shareholders ($0.30 per share)	—	—	(22.1)	—	—	—	(22.1)
Other comprehensive loss	—	—	—	—	(21.6)	—	(21.6)
December 31, 2023	71,777	$ 0.8	$ 718.5	$ (164.3)	$ (159.3)	$ (225.1)	$ 170.6

	Number of Shares	Amount					
	Common Stock	Common Stock	Additional Paid-in Capital	Retained (Losses)/Earnings	Accumulated Other Comprehensive (Loss)/Income	Treasury Stock	Total Shareholders' Equity
September 30, 2022	71,270	$ 0.8	$ 828.7	$ (304.7)	$ (145.3)	$ (248.9)	$ 130.6
Net earnings	—	—	—	49.0	—	—	49.0
Share-based payments	—	—	4.6	—	—	—	4.6
Activity under stock plans	142	—	(8.5)	(0.3)	—	6.9	(1.9)
Dividends to common shareholders ($0.30 per share)	—	—	(21.9)	—	—	—	(21.9)
Other comprehensive loss	—	—	—	—	(29.6)	—	(29.6)
December 31, 2022	71,412	$ 0.8	$ 802.9	$ (256.0)	$ (174.9)	$ (242.0)	$ 130.8
Net earnings	—	—	—	40.0	—	—	40.0
Share-based payments	—	—	8.3	—	—	—	8.3
Activity under stock plans	65	—	(2.8)	—	—	2.8	—
Dividends to common shareholders ($0.30 per share)	—	—	(22.0)	—	—	—	(22.0)

Other comprehensive loss	—	—	—	—	(8.7)	—	(8.7)
March 31, 2023	71,477	$ 0.8	$ 786.4	$ (216.0)	$ (183.6)	$ (239.2)	$ 148.4
Net earnings	—	—	—	31.8	—	—	31.8
Share-based payments	—	—	4.3	—	—	—	4.3
Activity under stock plans	8	—	(0.3)	(0.1)	—	0.4	—
Dividends to common shareholders ($0.30 per share)	—	—	(22.0)	—	—	—	(22.0)
Other comprehensive income	—	—	—	—	4.4	—	4.4
June 30, 2023	71,485	0.8	768.4	(184.3)	(179.2)	(238.8)	166.9

ENERGIZER HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Condensed)
(Amounts in millions, Shares in thousands - Unaudited)

	Number of Shares					
	Number of Shares					
	Number of Shares					
	Common Stock					
	Common Stock					Accumulated Other
	Common Stock	Common Stock	Additional Paid-in Capital	Retained (Losses)/Earnings	Comprehensive (Loss)/Income	Treasury Stock
September 30, 2022						
Net earnings						
Share-based payments						
Activity under stock plans						
Activity under stock plans						
Activity under stock plans						
Dividends to common shareholders ($0.30 per share)						
Dividends to common shareholders ($0.30 per share)						
Dividends to common shareholders ($0.30 per share)						
Other comprehensive loss						

December 31, 2022	Number of Shares		Amount						
	Preferred Stock	Common Stock	Preferred Stock	Common Stock	Additional Paid-in Capital	Retained (Losses)/Earnings	Accumulated Other Comprehensive (Loss)/Income	Treasury Stock	Total Shareholders' Equity
September 30, 2021	2,156	66,864	$ —	$ 0.7	$ 832.0	$ (5.0)	$ (230.4)	$ (241.6)	$ 355.7
Net earnings	—	—	—	—	—	60.0	—	—	60.0
Share-based payments	—	—	—	—	1.3	—	—	—	1.3
Common stock purchased	—	(451)	—	—	15.0	—	—	(15.0)	—
Activity under stock plans	—	133	—	—	(8.3)	—	—	6.1	(2.2)
Dividends to common shareholders ($0.30 per share)	—	—	—	—	—	(20.1)	—	—	(20.1)
Dividends to preferred shareholders ($1.875 per share)	—	—	—	—	—	(4.0)	—	—	(4.0)
Other comprehensive income	—	—	—	—	—	—	18.7	—	18.7
December 31, 2021	2,156	66,546	$ —	$ 0.7	$ 840.0	$ 30.9	$ (211.7)	$ (250.5)	$ 409.4
Net earnings	—	—	—	—	—	19.0	—	—	19.0
Share-based payments	—	—	—	—	5.1	—	—	—	5.1
Conversion of preferred stock to common stock	(2,156)	4,687	—	0.1	—	—	—	—	0.1
Activity under stock plans	—	17	—	—	(0.7)	(0.1)	—	0.7	(0.1)
Dividends to common shareholders ($0.30 per share)	—	—	—	—	—	(21.9)	—	—	(21.9)
Other comprehensive income	—	—	—	—	—	—	49.7	—	49.7
March 31, 2022	—	71,250	$ —	$ 0.8	$ 844.4	$ 27.9	$ (162.0)	$ (249.8)	$ 461.3
Net earnings	—	—	—	—	—	52.4	—	—	52.4
Share-based payments	—	—	—	—	3.5	—	—	—	3.5
Activity under stock plans	—	4	—	—	(0.2)	—	—	0.2	—
Dividends to common shareholders ($0.30 per share)	—	—	—	—	—	(21.6)	—	—	(21.6)
Other comprehensive income	—	—	—	—	—	—	4.1	—	4.1
June 30, 2022	—	71,254	$ —	$ 0.8	$ 847.7	$ 58.7	$ (157.9)	$ (249.6)	$ 499.7

The above financial statements should be read in conjunction with the Notes to Consolidated (Condensed) Financial Statement (Unaudited).

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

(1) Description of Business and Basis of Presentation

Description of Business - Energizer Holdings, Inc. and its subsidiaries (Energizer or the Company) is a global manufacturer, marketer and distributor of primary batteries, portable lights, and auto care appearance, performance, refrigerants and fragrance products.

Batteries and lights are sold under the Energizer®, Eveready®, Rayovac® and Varta® brand names following the 2019 acquisition of Spectrum Holdings, Inc.'s (Spectrum) global battery, lighting, and portable power business (Battery Acquisition). names. Energizer offers batteries using lithium, alkaline, carbon zinc, nickel metal hydride, zinc air and silver oxide constructions.

Automotive appearance, performance, refrigerants and fragrance products are sold under the Armor All®, STP®, A/C PRO® Refresh Your Car!®, California Scents®, Driven®, Bahama & Co.®, LEXOL®, and Eagle One®, Armor All®, STP®, and A/C PRO® brands following the 2019 acquisition of Spectrum's global auto care business (Auto Care Acquisition). brands.

Basis of Presentation - The accompanying Consolidated (Condensed) Financial Statements include the accounts of Energizer and its subsidiaries. All significant intercompany transactions are eliminated. Energizer has no material equity method investments, variable interests or non-controlling interests.

The accompanying Consolidated (Condensed) Financial Statements have been prepared in accordance with Article 10 of Regulation S-X and do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The year-ended September 30, 2022 September 30, 2023 Consolidated (Condensed) Balance Sheet was derived from the audited financial statements included in Energizer's Report on Form 10-K, but does not include all disclosures required by U.S. GAAP. In the opinion of management, all adjustments, consisting of normal recurring adjustments, considered necessary for a fair statement of our operations, financial position and cash flows have been included. Certain reclassifications have been made to the prior year financial statements to conform to the current presentation. Operating results for any quarter are not necessarily indicative of the results for any other quarter or for the full year. These statements should be read in conjunction with the financial statements and notes thereto for Energizer for the year ended September 30, 2022 September 30, 2023 included in the Annual Report on Form 10-K dated November 15, 2022 November 14, 2023.

Recently Adopted Accounting Pronouncements – In March 2020, September 2022, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2022-04, *Liabilities — Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations.* The new guidance requires qualitative and quantitative disclosure sufficient to enable users of the financial statements to understand the nature, activity during the period, changes from period to period and potential magnitude of such programs. The amendments are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal periods, except for the amendment on rollforward information, which is effective for fiscal years beginning after December 15, 2023. The Company adopted the required guidance in the first quarter of fiscal 2024.

The Company has a voluntary Supplier Financing Program (the program) in collaboration with certain financial institutions that offers participating suppliers access to a third-party service which allows them to view scheduled payments online and enables them the ability to request payment of their invoices from the financial institutions earlier than the negotiated terms with the Company. The Company is not a party to the negotiations or agreements reached between participating suppliers and third-party financial institutions. The Company's obligations, including the amounts due and payment terms, remain unaffected by our suppliers' decision to participate in the program. The Company does not provide any form of guarantee or assume any liability in connection with the agreements between our suppliers and the third-party financial institutions involved in the program. As of December 31, 2023 and September 30, 2023, the Company had $55.4 and $60.9, respectively, of outstanding supplier obligations confirmed as valid under the program which are included within Accounts payable on the Consolidated (Condensed) Balance Sheets.

Recently Issued Accounting Pronouncements - In November 2023, the FASB issued ASU 2020-04 No. 2023-07, *Reference Rate Reform (Topic 848): Facilitation Segment Reporting: Improvements to Reportable Segment Disclosures.* This guidance requires disclosure of incremental segment information on an annual and interim basis. This amendment is effective for our fiscal year ending September 30, 2025 and our interim periods within the Effects of Reference Rate Reform on Financial Reporting fiscal year ending September 30, 2026. Subsequent to We are currently assessing the issuance of ASU 2020-04, ASC 848 was amended by ASU 2021-01 *Scope*, and ASU 2022-06 *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848* (collectively ASC 848). Topic 848 provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on contracts, hedging relationships and other transactions that reference LIBOR. These updates are effective immediately and may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2024. The Company has adopted the provisions of these updates on October 1, 2022 and has applied the guidance prospectively to contract modifications that were entered into for the purpose of establishing a new reference rate during the second quarter of fiscal 2023. Refer to notes 8 and 11 for additional information. The adoption impact of this guidance did not have a material impact to the Company's financial statements. on our disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes: Improvements to Income Tax Disclosures.* This guidance requires consistent categories and greater disaggregation of information in the rate reconciliation and disclosures of income taxes paid by jurisdiction. This amendment is effective for our fiscal year ending September 30, 2026. We are currently assessing the impact of this guidance on our disclosures.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

(2) Revenue Recognition

The Company, through its operating subsidiaries, is one of the world's largest manufacturers, marketers and distributors of household batteries, specialty batteries and lighting products, and is a leading designer and marketer of automotive fragrance, appearance, performance and air conditioning recharge products. The Company distributes its products to consumers through numerous retail locations worldwide, including mass merchandisers and warehouse clubs, food, drug and convenience stores, electronics specialty stores and department stores, hardware and automotive centers, e-commerce and military stores. The Company sells to its customers through a combination of a direct sales force and exclusive and non-exclusive third-party distributors and wholesalers.

The Company's revenue is primarily generated from the sale of finished product to customers. Sales predominantly contain a single delivery element, or performance obligation, and revenue is recognized at a single point in time

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

when title, ownership and risk of loss pass to the customer. This typically occurs when finished goods are delivered to the customer or when finished goods are picked up by the carrier at origin or the customer, depending on contract terms.

North America sales are generally through large retailers with nationally or regionally recognized brands.

Our International sales, which includes Latin America, are comprised of modern trade, developing and distributor market groups. Modern trade, which is most prevalent in Western Europe and more developed economies throughout the world, generally refers to sales through large retailers with nationally or regionally recognized brands. Developing markets generally include sales by wholesalers or small retailers who may not have a national or regional presence. Distributors are utilized in other markets where the Company does not have a direct sales force. Each market's determination is based on the predominant customer type or sales strategy utilized in the market.

Supplemental product and market information is presented below for revenues from external customers for the quarters and nine months ended June 30, 2023 December 31, 2023 and 2022:

		For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
Net Sales by products	**Net Sales by products**	**2023**	**2022**	**2023**	**2022**
Net Sales by products					
Net Sales by products					
Batteries					
Batteries					
Batteries	Batteries	$ 488.8	$ 500.1	$ 1,608.4	$ 1,690.3
Auto Care	Auto Care	188.1	196.4	459.8	471.4
Auto Care					
Auto Care					
Lights					
Lights					
Lights	Lights	22.5	31.5	80.4	98.0
Total Net Sales	**Total Net Sales**	**$ 699.4**	**$ 728.0**	**$ 2,148.6**	**$ 2,259.7**
Total Net Sales					
Total Net Sales					

		For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
		2023	**2022**	**2023**	**2022**
Net Sales by markets	**Net Sales by markets**				
Net Sales by markets					
Net Sales by markets					
North America					
North America					
North America	North America	$ 454.4	$ 472.1	$ 1,341.6	$ 1,398.7
Modern Markets	Modern Markets	105.5	110.9	370.8	391.4
Modern Markets					
Modern Markets					
Developing Markets	Developing Markets	92.5	96.4	297.3	311.7
Developing Markets					
Developing Markets					

(In millions - Unaudited)

Distributors Markets									
Distributors Markets									
Distributors Markets	Distributors Markets		47.0		48.6		138.9		157.9
Total Net Sales	**Total Net Sales**	**$**	**699.4**	**$**	**728.0**	**$**	**2,148.6**	**$**	**2,259.7**
Total Net Sales									
Total Net Sales									

(3) Acquisitions

Formulations Belgium Acquisition - *During the first quarter of fiscal 2021,* On October 27, 2023, the Company entered into an agreement with Green Global Holdings, LLC to acquire a North Carolina-based company that specializes acquired certain battery manufacturing assets in developing formulations for cleaning tasks (Formulations Acquisition). The Formulations Acquisition was completed Belgium from Advanced Power Solutions Belgium NV (APS) for a cash contractual purchase price of $51.2. During EUR3.5 (Belgium Acquisition). The Company also acquired certain raw materials from APS, procured by APS on the first quarter of fiscal 2022, Company's behalf to facilitate the working capital settlement was finalized, reducing the transition, for a total acquisition purchase price by $1.0, of which $0.4 was paid to the $11.6 (including value added taxes). The Company in the first quarter of fiscal 2022 and the remaining $0.6 was settled in the third quarter of fiscal 2022. The product formulations acquired are both sold to customers directly and licensed to manufacturers.

The acquisition was accounted for assumed a building lease as a business combination using the acquisition method of accounting which requires assets acquired and liabilities assumed to be recognized at fair value as part of the acquisition date. and acquired these assets to provide a battery manufacturing location in Europe. The fair value Company is still finalizing the valuation of proprietary technology acquired these assets and customer relationships were determined by applying the multi-period excess earnings method under the related income approach. tax considerations, but initially no goodwill has been recognized with this acquisition.

The following table outlines Company recorded $2.6 of acquisition and integration costs associated with the purchase price allocation:

Trade receivables	$	1.3
Inventories		0.1
Other intangible assets, net		20.5
Operating lease assets		0.5
Accounts payable		(0.2)
Current operating lease liabilities		(0.2)
Other current liabilities		(0.2)
Operating lease liabilities		(0.3)
Total identifiable net assets	$	21.5
Goodwill		28.7
Net assets acquired	$	50.2

Belgium Acquisition during the three months ended December 31, 2023. The table below identifies costs included $2.9 of operating costs recorded in Costs of good sold as the purchased intangible assets Company was awaiting the receipt of $20.5:

		Total	Weighted Average Useful Lives
Proprietary technology	$	19.5	7
Customer relationships		1.0	15
Total Other intangible assets, net	$	20.5	

the raw materials procured on the Company's behalf by APS. These costs were offset by $1.0 of income recorded in Other items, net from producing inventory for APS under a transaction services agreement (TSA) entered into at the closing of the transaction. No further income is expected from this TSA. The Company finalized their purchase price accounting in also recorded $0.7 of legal and diligence fees associated with the first quarter closing of fiscal 2022. The goodwill acquired in this acquisition is attributable to the value the Company expects to achieve from the significant innovation capabilities in formulations that the acquired company will bring to our organization, as well as the workforce acquired. The goodwill was allocated to the Americas segment prior to the Company's reorganization of our reportable segments on October 1, 2021. The goodwill is deductible for tax purposes.

In conjunction with the acquisition, the Company entered into incentive compensation agreements with certain key personnel. These agreements are not considered a component of the acquisition purchase price but rather as employee compensation arrangements. During the nine months ended June 30, 2022, $1.1 of this earn-out was recorded on the

Consolidated (Condensed) Statement of Earnings and Comprehensive Income in Selling, general and administrative expense (SG&A). No amounts have been recognized for the second or third performance years under the agreements at June 30, 2023. Subsequent to the quarter, on July 7, 2023, the Company terminated these agreements and no further earn out amounts will be paid. expenses.

Pro Forma Financial Information- Pro forma results for the Formulations Acquisition were not considered material and, as such, are not included.

Acquisition and Integration Costs- Acquisition and integration costs incurred during fiscal year 2022 relate to the Formulations Acquisition, and the Battery and Auto Care Acquisitions which occurred in fiscal year 2019. The Company incurred pre-tax acquisition and integration costs of $16.5 in the nine months ended June 30, 2022. There were no acquisition and integration costs incurred during the nine three months ended June 30, 2023 December 31, 2022.

Pre-tax acquisition and integration costs recorded in Costs of products sold were $6.0 for the nine months ended June 30, 2022, primarily related to the facility exit and restructuring related costs, discussed in Note 4, Restructuring.

Pre-tax acquisition and integration costs recorded in SG&A were $9.4 for the nine months ended June 30, 2022 and primarily related to the integration of the acquired information technology systems, consulting costs, and retention-related compensation costs.

For the nine months ended June 30, 2022, the Company recorded $1.1 of pre-tax acquisition and integration related costs in research and development (R&D) related to severance and R&D asset write-offs.

(4) Restructuring

Project Momentum Restructuring - In November 2022, the Board of Directors approved a profit recovery program, Project Momentum, which includes an enterprise-wide restructuring focused on recovering operating margins, optimizing our manufacturing, distribution and global supply chain networks, and enhancing our organizational efficiency throughout the Company.

In July 2023, the Company's Board of Directors approved an expansion to the Project Momentum profit recovery program and delegated authority to the Company's management to determine the final actions with respect to the plan. The expansion of this program will include included an additional year, which will allow for additional optimization of our battery manufacturing, distribution and global supply chain networks, further review of our global real estate footprint and the implementation of IT systems that will allow us to streamline our organization and fully execute the program. Based

Following the Belgium Acquisition in the first quarter of fiscal 2024, the Company is expanding the Project Momentum program and increasing the savings and cost expectations, partially due to the impact the expanded manufacturing capacity will have on the expanded scope and additional year, incremental costs will be incurred to successfully execute the program. Company's battery network. It is estimated that the Company will incur total pre-tax exit-related cash operating costs associated with these plans the program of approximately $95 $140 to $110, $150, non-cash costs of approximately $12, $20, and capital expenditures of $50 $75 to $60 $85 through the end of fiscal 2025.

2019 Restructuring Program - In the fourth fiscal quarter of 2019, the Company began implementing restructuring related integration plans for our manufacturing and distribution networks. These plans included the closure and combination of distribution and manufacturing facilities in order to reduce complexity and realize greater efficiencies in our manufacturing, packaging and distribution processes. All activities within these plans were substantially completed by December 31, 2021, and the Company does not expect to incur additional material charges associated with these plans.

Part of this plan was the exit of our Dixon, IL leased packaging facility, which the Company vacated during the first quarter of fiscal 2022. In the third quarter of fiscal 2022, the Company entered into a termination agreement with the landlord. Since the Company has already vacated the facility as a part of the 2019 restructuring program, most assets associated with the location have already been fully depreciated. The termination of this lease resulted in a gain of $4.5 recognized in Other items, net during the third quarter of fiscal 2022.

2020 Restructuring Program - In the fourth fiscal quarter of 2020, the Company initiated a new restructuring program with a primary focus on reorganizing its global end-to-end supply chain network and ensuring accountability by category. This program included streamlining the Company's end-to-end supply chain model to enable rapid response to category specific demands and enhancing our ability to better serve our customers. This program was substantially complete by December 31, 2021. The Company does not expect to incur additional material charges associated with this program.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

The pre-tax expense for charges related to the restructuring plans for the quarters and nine months ended June 30, 2023 December 31, 2023 and 2022 are noted in the table below, and were reflected in the Consolidated (Condensed) Statement of Earnings and Comprehensive Income:

	For the Quarters Ended December 31,
	For the Quarters Ended December 31,
	For the Quarters Ended December 31,

	2023
	2023
	2023
Project Momentum Restructuring Program	
Project Momentum Restructuring Program	
Project Momentum Restructuring Program	
Costs of products sold	
Costs of products sold	
Costs of products sold	
Severance and related benefit costs	
Severance and related benefit costs	
Severance and related benefit costs	
Accelerated depreciation & asset write-offs	
Accelerated depreciation & asset write-offs	
Accelerated depreciation & asset write-offs	
Other restructuring related costs(1)	
Other restructuring related costs(1)	
Other restructuring related costs(1)	
Selling, general and administrate expense	
Selling, general and administrate expense	
Selling, general and administrate expense	
Severance and related benefit costs	
Severance and related benefit costs	
Severance and related benefit costs	
Accelerated depreciation & asset write-offs	
Accelerated depreciation & asset write-offs	
Accelerated depreciation & asset write-offs	
Other restructuring related costs(2)	
Other restructuring related costs(2)	
Other restructuring related costs(2)	

	For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
	2023	2022	2023	2022
2019 Restructuring Program				
Costs of products sold				
Severance and related benefit costs	$ —	$ —	$ —	$ (0.1)
Accelerated depreciation & asset write-offs	—	—	—	1.2
Other exit costs(1)	—	—	—	2.8
Other items, net				
Gain on termination of finance lease(2)	—	(4.5)	—	(4.5)
2019 Restructuring Total	$ —	$ (4.5)	$ —	$ (0.6)
2020 Restructuring Program				
Costs of products sold				
Severance and related benefit costs	$ —	$ —	$ —	$ 0.2

Other restructuring related costs(3)	—	—	—	1.1
Selling, general and administrate expense				
Severance and related benefit costs	—	—	—	0.1
Momentum Restructuring Cost Total				
Momentum Restructuring Cost Total				
2020 Restructuring Total	$ —	$ —	$ —	$ 1.4
Project Momentum Restructuring				
Costs of products sold				
Severance and related benefit costs	$ 0.7	$ —	$ 5.6	$ —
Accelerated depreciation & asset write-offs	1.6	—	2.5	—
Other restructuring related costs(1)	4.2	—	4.4	—
Selling, general and administrate expense				
Severance and related benefit costs	0.7	—	1.3	—
Other restructuring related costs(3)	1.9	—	9.4	—
Other items, net	(0.2)		(0.2)	
Momentum Restructuring Cost Total **Momentum Restructuring Cost Total**	$ 8.9	$ —	$ 23.0	$ —
IT enablement(4)	0.2	—	0.2	—
IT enablement(3)				
IT enablement(3)				
IT enablement(3)				
Total restructuring and related costs **Total restructuring and related costs**	$ 9.1	$ (4.5)	$ 23.2	$ 0.8
Total restructuring and related costs				
Total restructuring and related costs				

(1) Includes charges primarily related to consulting, relocation, environmental investigatory and mitigation costs, decommissioning, and other facility exit costs.
(2) Relates to the termination of the finance lease from exiting our Dixon, IL leased packaging facility in the third quarter of fiscal 2022.
(3) Primarily includes consulting, real estate rationalization costs, and legal fees for the restructuring program.
(4) (3) Relates to operating expenses for new IT systems, that primarily the organizational design and change management costs, which are enabling the Company to complete restructuring initiatives. Costs are included in SG&A in the Consolidated (Condensed) Statement of Earnings and Comprehensive Income.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

Although the Company's restructuring costs are recorded outside of segment profit, if allocated to our reportable segments, the pre-tax restructuring and related costs for the quarter and nine months ended June 30, 2023 December 31, 2023 would be incurred within the Battery & Lights segment in the amounts of $8.3 and $20.9 $20.8 and the Auto Care segment in the amount of $0.8 and $2.3, respectively. $1.6. For the quarter ended June 30, 2022, the gain would have been incurred within the Battery & Lights segment. For the nine months ended June 30, 2022 December 31, 2022, the pre-tax restructuring and related costs would have been incurred within the Battery & Lights segment in the amount of $0.6 $5.8 and the Auto Care segment in the amount of $0.2. $0.8.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

The following table summarizes the restructuring and related costs reserve activity related to the Project Momentum restructuring program for the nine months quarters ended June 30, 2023: December 31, 2022 and 2023:

	Utilized				
	Utilized				
	Utilized				
September 30, 2022 (1)					
September 30, 2022 (1)					
September 30, 2022 (1)		**Charge to Income**	**Cash**	**Non-Cash**	**December 31, 2022 (1)**

Severance & termination related costs

Utilized

Other restructuring related costs

Other restructuring related costs

Other restructuring related costs

	September 30, 2022	Charge to Income	Utilized Cash	 Non-Cash	June 30, 2023 (1)
Severance & termination related costs	$ —	$ 6.9	$ 1.1	$ —	$5.8
Accelerated depreciation & asset write-offs	—	2.5	—	2.5	—
Other restructuring related costs	0.9	13.6	14.1	(0.2)	0.6
IT enablement	—	0.2	0.2	—	—
Total restructuring and related costs Total restructuring and related costs	$ 0.9	$ 23.2	$15.4	$ 2.3	$6.4

Total restructuring and related costs

Total restructuring and related costs

	September 30, 2023 (1)	Charge to Income	Utilized Cash	 Non-Cash	December 31, 2023 (1)
Severance & termination related costs	$ 15.4	$ 2.3	$ 3.9	$ —	$ 13.8
Accelerated depreciation & asset write-offs	—	1.8	—	1.8	—
Other restructuring related costs	3.3	14.4	15.4	0.1	2.2
IT enablement	0.9	3.9	3.8	0.1	0.9
Total restructuring and related costs	$ 19.6	$ 22.4	$ 23.1	$ 2.0	$ 16.9

(1) At June 30, 2023, th The restructuring and related costs reserve is recorded on the Consolidated (Condensed) Balance Sheet in Other current liabilities and Other long term liabilities. Refer to Note 13, Supplemental Financial Statement Information for additional details.

The following table summarizes the activity related to the 2019 restructuring program for the nine months ended June 30, 2022 and 2023:

	September 30, 2021	Charge to Income	Utilized Cash	 Non-Cash	June 30, 2022 (1)
Severance & termination related costs	$ 1.4	$ (0.1)	$ 1.2	$ —	$ 0.1
Accelerated depreciation & asset write-offs	—	1.2	—	1.2	—
Other exit costs	2.2	2.8	5.0	—	—
Net gain on sale of fixed assets	0.5	—	0.5	—	—
Gain on termination of finance lease (2)	—	(4.5)	5.1	(9.6)	—
Total	$ 4.1	$ (0.6)	$ 11.8	$ (8.4)	$ 0.1
	September 30, 2022	Charge to Income	Cash	Non-Cash	June 30, 2023 (1)

Severance & termination related costs	$ 0.1	$ —	$ 0.1	$ —	$ —
Total	$ 0.1	$ —	$ 0.1	$ —	$ —

(1) At June 30, 2022, the restructuring reserve is recorded on the Consolidated (Condensed) Balance Sheet in Other current liabilities.
(2) The Gain on termination of finance lease includes the removal of the Company's finance lease obligation of $9.8, offset by a termination fee, decommissioning and brokerage costs, and immaterial fixed asset write-offs associated with the leased location.

The following table summarizes the activity related to the 2020 restructuring program for the nine months ended June 30, 2022 and 2023:

			Utilized		
	September 30, 2021	**Charge to Income**	**Cash**	**Non-Cash**	**June 30, 2022 (1)**
Severance & termination related costs	$ 0.9	$ 0.3	$ 0.5	$ —	$ 0.7
Other restructuring related costs	0.7	1.1	1.8	—	—
Total	$ 1.6	$ 1.4	$ 2.3	$ —	$ 0.7
	September 30, 2022	**Charge to Income**	**Cash**	**Non-Cash**	**June 30, 2023 (1)**
Severance & termination related costs	$ 0.7	$ —	$ 0.7	$ —	$ —
Total	$ 0.7	$ —	$ 0.7	$ —	$ —

(1) At June 30, 2022, the restructuring reserve is recorded on the Consolidated (Condensed) Balance Sheet in Other current liabilities.

(5)Earnings per share

Basic earnings per share is based on the average number of common shares outstanding during the period. Diluted earnings per share is based on the average number of shares used for the basic earnings per share calculation, adjusted for the dilutive effect of restricted stock unit (RSU) awards, performance share awards, deferred compensation equity plans and the conversion of the Mandatory convertible preferred stock (MCPS).

During the second quarter of fiscal year 2022, the MCPS were converted to approximately 4.7 million shares of
Common stock and are no longer outstanding for fiscal 2023. For the nine months ended June 30, 2022, the issued common shares are included in the basic weighted average common shares outstanding for the period subsequent to the conversion, and included in the diluted calculation prior to their conversion using the if-converted method and are only included if the conversion would be further dilutive to the calculation.

The following table sets forth the computation of basic and diluted earnings per share for the quarters and nine months ended June 30, 2023 and 2022:

(in millions, except per share data)	**For the Quarters Ended June 30,**		**For the Nine Months Ended June 30,**	
Basic net earnings per share	**2023**	**2022**	**2023**	**2022**
Net earnings	$ 31.8	$ 52.4	$ 120.8	$ 131.4
Mandatory preferred stock dividends	—	—	—	(4.0)
Net earnings attributable to common shareholders	$ 31.8	$ 52.4	$ 120.8	$ 127.4
Weighted average common shares outstanding - Basic	71.5	71.3	71.4	69.5
Basic net earnings per common share	$ 0.44	$ 0.73	$ 1.69	$ 1.83
Diluted net earnings per share				
Weighted average common shares outstanding - Basic	71.5	71.3	71.4	69.5
Dilutive effect of RSU	0.5	0.2	0.4	0.1
Dilutive effect of performance shares	0.5	0.1	0.5	0.2
Dilutive effect of stock based deferred compensation plan	—	0.1	0.1	0.1
Weighted average common shares outstanding - Diluted	72.5	71.7	72.4	69.9
Diluted net earnings per common share	$ 0.44	$ 0.73	$ 1.67	$ 1.82

For the quarter ended June 30, 2023, there were no antidilutive RSU shares and for the quarter ended June 30, 2022, 0.4 million RSU were anti-dilutive and not included in the diluted net earnings per share calculation. For the nine months ended June 30, 2023 and 2022, 0.1 million and 0.4 million RSU, respectively, were antidilutive and not included in the diluted net earnings per share calculation.

Performance based RSU shares of 1.3 million and 1.6 million were excluded for the quarters ended June 30, 2023 and 2022, respectively, as the performance targets for those awards have not been achieved as of the end of the applicable periods. For the nine months ended June 30, 2023 and 2022, performance based RSU of 1.3 million and 1.6 million, respectively, were excluded as the performance targets for those awards have not been achieved as of the end of the applicable periods.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

(6) (5) Segments

Operations for Energizer are managed via two product segments: Batteries & Lights and Auto Care.Segment performance is evaluated based on segment operating profit, exclusive of general corporate expenses (including share-based compensation costs), amortization of intangibles, acquisition and integration activities, restructuring and related costs, acquisition earn out, the costs of the May 2022 flooding of our Brazilian manufacturing facility, costs of exiting the Russian market and other items determined to be corporate in nature. Financial items, such as interest income and expense and the (loss)/gain on extinguishment of debt and the gain on finance lease termination,are managed on a global basis at the corporate level. The exclusion of restructuring costs and acquisition and integration costs from segment results reflects management's view on how it evaluates segment performance.

Energizer's operating model includes a combination of standalone and shared business functions between the product segments, varying by country and region of the world. Shared functions include the sales and marketing functions, as well as human resources, IT and finance shared service costs. Energizer applies a fully allocated cost basis, in which shared business functions are allocated between segments. Such allocations are estimates, and may not represent the costs of such services if performed on a standalone basis.

Segment sales and profitability for the quarters and nine months ended ended June 30, 2023 December 31, 2023 and 2022 are presented below:

		For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
		2023	2022	2023	2022
		2023			
		2023			
		2023			
Net Sales					
Net Sales					
Net Sales	Net Sales				
Batteries & Lights	Batteries & Lights	$ 511.3	$ 531.6	$ 1,688.8	$ 1,788.3
Batteries & Lights					
Batteries & Lights					
Auto Care	Auto Care	188.1	196.4	459.8	471.4
Total net sales		$ 699.4	$ 728.0	$ 2,148.6	$ 2,259.7
Auto Care					
Auto Care					
Total Net Sales					
Total Net Sales					
Total Net Sales					
Segment Profit					
Segment Profit					
Segment Profit	Segment Profit				
Batteries & Lights	Batteries & Lights	$ 121.9	$ 142.7	$ 374.7	$ 406.4
Batteries & Lights					
Batteries & Lights					
Auto Care	Auto Care	17.4	12.9	57.4	37.0
Auto Care					
Auto Care					
Total segment profit					
Total segment profit					
Total segment profit	Total segment profit	$ 139.3	$ 155.6	$ 432.1	$ 443.4

General corporate and other expenses (1)	General corporate and other expenses (1)	(27.4)	(27.6)	(80.6)	(74.9)
General corporate and other expenses (1)					
General corporate and other expenses (1)					
Amortization of intangible assets	Amortization of intangible assets	(14.5)	(15.4)	(45.0)	(45.8)
Restructuring and related costs (2)		(9.1)	—	(23.2)	—
Amortization of intangible assets					
Amortization of intangible assets					
Project Momentum restructuring and related costs (2)					
Project Momentum restructuring and related costs (2)					
Project Momentum restructuring and related costs (2)					
Acquisition and integration costs (3)	Acquisition and integration costs (3)	—	—	—	(16.5)
Acquisition earn out (4)		—	—	—	(1.1)
Acquisition and integration costs (3)					
Acquisition and integration costs (3)					
Interest expense	Interest expense	(42.2)	(41.1)	(127.1)	(116.4)
Exit of Russian market (5)		—	—	—	(14.0)
Gain on finance lease terminations (6)		—	4.5	—	4.5
Brazil flood damage (7)		—	(9.9)	—	(9.9)
Interest expense					
Interest expense					
(Loss)/gain on extinguishment of debt	(Loss)/gain on extinguishment of debt	(0.3)	—	1.7	—
Other items - Adjusted (8)		(5.4)	(1.0)	(4.8)	0.3
(Loss)/gain on extinguishment of debt					
(Loss)/gain on extinguishment of debt					
December 2023 Argentina Economic Reform (4)					
December 2023 Argentina Economic Reform (4)					
December 2023 Argentina Economic Reform (4)					
Other items - Adjusted					
Other items - Adjusted					
Other items - Adjusted					
Total earnings before income taxes					
Total earnings before income taxes					
Total earnings before income taxes	Total earnings before income taxes	$ 40.4	$ 65.1	$ 153.1	$ 169.6
Depreciation and amortization	Depreciation and amortization				
Depreciation and amortization					
Depreciation and amortization					
Batteries & Lights					
Batteries & Lights					
Batteries & Lights	Batteries & Lights	$ 13.0	$ 12.5	$ 39.5	$ 36.4

Auto Care	Auto Care	3.0	2.5	8.5	6.8
Auto Care					
Auto Care					
Total segment depreciation and amortization					
Total segment depreciation and amortization					
Total segment depreciation and amortization	Total segment depreciation and amortization	$ 16.0	$ 15.0	$ 48.0	$ 43.2
Amortization of intangible assets	Amortization of intangible assets	14.5	15.4	45.0	45.8
Amortization of intangible assets					
Amortization of intangible assets					
Total depreciation and amortization					
Total depreciation and amortization					
Total depreciation and amortization	Total depreciation and amortization	$ 30.5	$ 30.4	$ 93.0	$ 89.0

(1) Included in SG&A in the Consolidated (Condensed) Statement of Earnings and Comprehensive Income.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

(2) Restructuring and related costs were included in the following lines in the Consolidated (Condensed) Statement of Earnings and Comprehensive Income:

	For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
Restructuring and related costs	**2023**	**2022**	**2023**	**2022**
Cost of products sold	$ 6.5	$ —	$ 12.5	$ —
SG&A - Restructuring costs	2.6	—	10.7	—
SG&A - IT Enablement	0.2	—	0.2	—
Other items, net	(0.2)	—	(0.2)	—
Total Restructuring and related costs	$ 9.1	$ —	$ 23.2	$ —

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

	For the Quarters Ended December 31,	
Restructuring and related costs	**2023**	**2022**
Cost of products sold	$ 12.8	$ 0.3
SG&A - Restructuring costs	5.7	6.3
SG&A - IT Enablement	3.9	—
Total Restructuring and related costs	$ 22.4	$ 6.6

(3) Acquisition and integration costs included $6.0 $2.9 recorded in Cost of products sold, $9.4 $0.7 recorded in SG&A and $1.1 in R&D for the nine months ended June 30, 2022.
(4) This represents the earn out achieved through June 30, 2022 under the incentive agreements entered into with the Formulations Acquisition and is recorded in SG&A on the Consolidated (Condensed) Statement income of Earnings and Comprehensive Income.
(5) These are the costs associated with the Company's exit of the Russian market during the second quarter of fiscal 2022. Exiting the Russian market resulted in the impairment of inventory recorded in Cost of products sold of $0.7, impairment of other assets and severance recorded in SG&A of $5.8 and currency impacts $1.0 recorded in Other items, net of $7.5 on net. Refer to Note 3, Acquisitions, for further information.

(4) During December 2023, a new president was inaugurated in Argentina bringing significant economic reform to the Consolidated (Condensed) Statement of Earnings and Comprehensive Income.
(6) This represents country including devaluing the termination of a capital lease Argentine Peso by 50% in the quarter ended June 30, 2022 associated with month of December (December 2023 Argentina Reform). In addition, new regulations were implemented reducing restrictions around foreign currency purchases. As a facility that was exited as a part result of this reform and devaluation, the Company's 2019 Restructuring program. The gain was Company recorded in Other items, net in the Consolidated (Condensed) Statement $21.0 of Earnings.
(7) These are the costs associated with the May 2022 flooding of our manufacturing facility exchange losses in Brazil, which were recorded in Cost of products sold on the Consolidated (Condensed) Statement of Earnings. The majority is related to write-off of damaged inventory.

(8) Other items, net on the Consolidated (Condensed) Statement of Earnings and Comprehensive Income included a restructuring benefit of $0.2 for the quarter and nine months ended June 30, 2023, and costs associated with the exit of the Russian market of $7.5 for the nine months ended June 30, 2022 and the $4.5 gain on the termination of a capital lease for the quarter and nine months ended June 30, 2022. Earnings.

Corporate assets shown in the following table include cash, all financial instruments, pension assets, amounts indemnified by Spectrum others per the purchase agreements and tax asset balances that are managed outside of operating segments.

Total Assets	Total Assets	June 30, 2023	September 30, 2022	Total Assets	December 31, 2023	September 30, 2023
Batteries & Lights	Batteries & Lights	$1,334.8	$ 1,366.0			
Auto Care	Auto Care	432.7	453.7			
Total segment assets	Total segment assets	$1,767.5	$ 1,819.7			
Corporate	Corporate	461.4	453.5			
Goodwill and other intangible assets	Goodwill and other intangible assets	2,276.2	2,298.9			
Goodwill and other intangible assets						
Goodwill and other intangible assets						
Total assets	Total assets	$4,505.1	$ 4,572.1			
Total assets						
Total assets						

(6)Earnings per share

Basic earnings per share is based on the average number of common shares outstanding during the period. Diluted earnings per share is based on the average number of shares used for the basic earnings per share calculation, adjusted for the dilutive effect of restricted stock unit (RSU) awards, performance share awards and deferred compensation equity plans.

The following table sets forth the computation of basic and diluted earnings per share for the quarters ended December 31, 2023 and 2022:

(in millions, except per share data)	**For the Quarters Ended December 31,**	
Basic net earnings per share	**2023**	**2022**
Net earnings	$ 1.9	$ 49.0
Weighted average common shares outstanding - Basic	71.7	71.4
Basic net earnings per common share	$ 0.03	$ 0.69
Diluted net earnings per share		
Weighted average common shares outstanding - Basic	71.7	71.4
Dilutive effect of RSU	0.4	0.2
Dilutive effect of performance shares	0.5	0.5
Dilutive effect of stock based deferred compensation plan	—	0.1
Weighted average common shares outstanding - Diluted	72.6	72.2
Diluted net earnings per common share	$ 0.03	$ 0.68

For the quarters ended December 31, 2023 and 2022, there were 0.5 million and 0.2 million antidilutive RSU shares, respectively, not included in the diluted net earnings per share calculation.

Performance based RSU shares of 1.3 million were excluded for both quarters ended December 31, 2023 and 2022 as the performance targets for those awards have not been achieved as of the end of the applicable periods.

(7) Income Taxes

The effective tax rate for the three months ended December 31, 2023 was 79.8% as compared to 21.3% for the prior year comparative period. The current year rate is higher than prior year as the exchange rate loss of $21.0 from the December 2023 Argentina Reform was not deductible for tax purposes and did not result in a statutory tax benefit.

(8) Goodwill and intangible assets

Goodwill and intangible assets deemed to have an indefinite life are not amortized, but are evaluated annually for impairment as part of our annual business planning cycle in the fourth fiscal quarter, or when indicators of a potential impairment are present.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

The following table sets forth goodwill by segment as of October 1, 2022 October 1, 2023 and June 30, 2023 December 31, 2023:

	Batteries & Lights	Auto Care	Total
Balance at October 1, 2022	$ 868.9	$ 134.2	$ 1,003.1
Cumulative translation adjustment	20.1	—	20.1
Balance at June 30, 2023	$ 889.0	$ 134.2	$ 1,023.2

	Batteries & Lights	Auto Care	Total
Balance at October 1, 2023	$ 882.0	$ 134.2	$ 1,016.2
Cumulative translation adjustment	7.5	—	7.5
Balance at December 31, 2023	$ 889.5	$ 134.2	$ 1,023.7

Energizer had indefinite-lived intangible assets of $763.3 $763.7 at June 30, 2023 December 31, 2023 and $762.5 $762.8 at September 30, 2022 September 30, 2023. The difference between the periods is driven by currency adjustments.

Total intangible assets at June 30, 2023 are as follows:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks and trade names	$ 142.6	$ (27.6)	$ 115.0
Customer relationships	394.6	(133.4)	261.2
Patents	34.2	(17.6)	16.6
Proprietary technology	172.5	(95.6)	76.9
Proprietary formulas	29.2	(9.2)	20.0
Vendor relationships	7.7	(7.7)	—
Total Amortizable intangible assets	780.8	(291.1)	489.7
Trademarks and trade names - indefinite lived	763.3	—	763.3
Total Other intangible assets, net	$ 1,544.1	$ (291.1)	$ 1,253.0

Total intangible assets at September 30, 2022 were as follows:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks and trade names	$ 141.8	$ (21.4)	$ 120.4
Customer relationships	393.5	(112.6)	280.9
Patents	33.4	(15.7)	17.7
Proprietary technology	172.5	(81.5)	91.0
Proprietary formulas	29.2	(6.3)	22.9
Vendor relationships	6.9	(6.5)	0.4
Total Amortizable intangible assets	777.3	(244.0)	533.3

(In millions - Unaudited)

Trademarks and trade names - indefinite lived	762.5	—	762.5
Total Other intangible assets, net	$ 1,539.8	$ (244.0)	$ 1,295.8

(8)

Total intangible assets at December 31, 2023 are as follows:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks and trade names	$ 142.7	$ (31.5)	$ 111.2
Customer relationships	394.5	(146.6)	247.9
Patents	34.2	(19.5)	14.7
Proprietary technology	172.5	(104.5)	68.0
Proprietary formulas	29.2	(10.3)	18.9
Total Amortizable intangible assets	773.1	(312.4)	460.7
Trademarks and trade names - indefinite lived	763.7	—	763.7
Total Other intangible assets, net	$ 1,536.8	$ (312.4)	$ 1,224.4

Total intangible assets at September 30, 2023 were as follows:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks and trade names	$ 142.4	$ (29.4)	$ 113.0
Customer relationships	394.2	(139.7)	254.5
Patents	33.9	(18.2)	15.7
Proprietary technology	172.5	(100.0)	72.5
Proprietary formulas	29.2	(10.0)	19.2
Total Amortizable intangible assets	772.2	(297.3)	474.9
Trademarks and trade names - indefinite lived	762.8	—	762.8
Total Other intangible assets, net	$ 1,535.0	$ (297.3)	$ 1,237.7

(9) Debt

The detail of long-term debt was as follows:

	December 31, 2023		December 31, 2023	September 30, 2023
		June 30, 2023	September 30, 2022	
Senior Secured Term Loan Facility due 2027				
Senior Secured Term Loan Facility due 2027				
Senior Secured Term Loan Facility due 2027	Senior Secured Term Loan Facility due 2027	$1,007.0	$ 1,182.0	
6.500% Senior Notes due 2027	6.500% Senior Notes due 2027	300.0	300.0	
6.500% Senior Notes due 2027				
6.500% Senior Notes due 2027				

4.750% Senior Notes due 2028	4.750% Senior Notes due 2028	583.7	600.0
4.375% Senior Notes due 2029	4.375% Senior Notes due 2029	791.3	800.0
3.50% Senior Notes due 2029 (Euro Notes of €650.0)(1)	3.50% Senior Notes due 2029 (Euro Notes of €650.0)(1)	709.1	637.1
Finance lease obligations		32.0	32.3
Finance lease obligations(2)			
Total long-term debt, including current maturities	Total long-term debt, including current maturities	$3,423.1	$ 3,551.4
Less current portion	Less current portion	(12.3)	(12.4)
Less unamortized debt premium and debt issuance fees	Less unamortized debt premium and debt issuance fees	(33.8)	(39.6)
Total long-term debt	Total long-term debt	$3,377.0	$ 3,499.4

(1) Changes in the USD balance of the Euro denominated 3.50% Senior Notes due in 2029 is due to movements in the currency rate year-over-year.
(2) The increase in finance lease obligations is due to the acquisition of a finance lease associated with the Belgium Acquisition.

Credit Agreement - During the first first six months quarter of fiscal 2023, 2024, the Company pre-paid $125.0 $75.0 of the Senior Secured Term Loan due in 2027 (Term Loan). 2027. During the third first quarter of fiscal 2023, the Company pre-paid an additional $41.0 $25.0 of the Senior Term Loan. The Company wrote off $0.5 and $0.2 of deferred financing fees of $0.3 and $1.4 during the quarter and nine months ended June 30, 2023, respectively, as a result of these early payments. payments in fiscal 2024 and fiscal 2023, respectively. Subsequent to the quarter, December 31, 2023, the Company pre-paid an additional $20.0 $55.0 of the Term Loan.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In February 2023, the Company amended the Credit Agreement to transition the interest reference rate from the London Interbank Offered Rate (LIBOR) to the Secured Overnight Finance Rate (SOFR). There were no other changes to the Company's Credit Agreement or timing of cash flows. The amendment was entered into because the LIBOR rate historically used was no longer published after June 30, 2023. The Company utilized expedients within ASC 848 to conclude that this amendment should be treated as a non-substantial modification of the existing contract resulting in no impact to the Company's financial statements. millions - Unaudited)

On December 31, 2021, the Company amended the Credit Agreement to increase the 2020 Revolving Facility to $500.0, from the original $400.0 revolving credit facility.

Borrowings under the Term Loan require quarterly principal payments at a rate of 0.25% of the original principal balance, or $3.0. Borrowings under the 2020 Revolving Facility bear interest at a rate per annum equal to, at the option of the Company, SOFR Secured Overnight Finance Rate (SOFR) or the Base Rate (as defined) plus the applicable margin. The Term Loan bears interest at a rate per annum equal to SOFR plus the applicable margin. The Credit Agreement also contains customary affirmative and restrictive covenants.

The Company has an interest rate swap that fixes the variable benchmark component (SOFR) at an interest rate of 1.042% on variable rate debt of $700.0. The notional value of the swap will stay at this value through December 22, 2024 and then will decrease by $100.0 on December 22, 2024 and by $100.0 each year thereafter until its termination date on December 22, 2027. Refer to Note 11, Financial Instruments and Risk Management, for additional information on the Company's interest rate swap transactions.

As of June 30, 2023, December 31, 2023 and 2022, the Company had no outstanding borrowings under the 2020 Revolving Facility and $7.1 $7.6 of outstanding letters of credit. Taking into account outstanding letters of credit, $492.9 $492.4 remained available under the 2020 Revolving Facility as of June 30, 2023 December 31, 2023. As of June 30, 2023 At both December 31, 2023 and September 30, 2022 September 30, 2023, the Company's weighted average interest rate on short-term borrowings was 7.3% and 4.7%, respectively. 7.7%.

Senior Notes - During the first quarter of fiscal 2023, the Company retired $16.3 of the 4.750% Senior Notes due in 2028 and $8.7 of the 4.375% Senior Notes due in 2029 for a cash cost of $21.6. The Company wrote off $0.3 of deferred financing fees as a result of these transactions.

The prepayment of the Term Loan during the first quarter of fiscal 2024 resulted in a net Loss on extinguishment of debt for the quarter ended June 30, 2023 December 31, 2023 of $0.3 $0.5 recorded on the Consolidated (Condensed) Statement of Earnings and Comprehensive Income. The transactions associated with both the retirement of Senior Notes and prepayment of the Term Loan during the first three quarters quarter of fiscal 2023 resulted in a net Gain on extinguishment of debt of $2.9 for the nine months quarter ended June 30, 2023 of $1.7 recorded on the Consolidated (Condensed) Statement of Earnings and Comprehensive Income.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

On March 8, 2022, the Company completed a bond offering for $300.0 Senior Notes due in 2027 at 6.500% (2027 Notes) December 31, 2022. The proceeds from the offering were used to repay a portion of the indebtedness outstanding under the 2020 Revolving Facility and to pay fees and expenses related to the offering. Debt issuances fees paid associated with the 2027 Notes and Credit Agreement were $7.6 in the nine months ended June 30, 2022.

Interest Rate Swaps - In December 2020, the Company entered into an interest rate swap with an effective date of December 22, 2020, that fixed the variable benchmark component (LIBOR) at an interest rate of 0.95% on variable rate debt of $550.0. On January 22, 2021, the notional value increased to $700.0 and will stay at that value through December 22, 2024. The notional value will decrease by $100.0 on December 22, 2024 and by $100.0 each year thereafter until its termination date on December 22, 2027.

In February 2023, the Company amended the 2020 Interest rate swap to coincide with the amended credit agreement, effectively fixing the variable benchmark component (SOFR) at an interest rate of 1.042%. There were no other changes to the interest rate swap agreement or expected timing of cash flows associated with the swap. The Company utilized expedients within ASC 848 to conclude that this modification should be accounted for as a continuation of the existing swap agreement, resulting in no impact on the Company's financial statements.

Refer to Note 11, Financial Instruments and Risk Management, for additional information on the Company's interest rate swap transactions.

Notes payable - The Company had $5.3 $2.2 in Notes payable at June 30, 2023 December 31, 2023 and $6.4 $8.2 at September 30, 2022 September 30, 2023. The balances are comprised of other borrowings, including those from foreign affiliates. At June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, the Company had no outstanding borrowings on the 2020 Revolving Facility.

Debt Covenants - The agreements governing the Company's debt contain certain customary representations and warranties, affirmative, negative and financial covenants and provisions relating to events of default. If the Company fails to comply with these covenants or with other requirements of these debt agreements, the lenders may have the right to accelerate the maturity of the debt. Acceleration under one of these debt agreements would trigger cross defaults to other borrowings. As of June 30, 2023 December 31, 2023, the Company was in compliance with the provisions and covenants associated with its debt agreements.

The counterparties to long-term committed borrowings consist of a number of major financial institutions. The Company consistently monitors positions with, and credit ratings of, counterparties both internally and by using outside ratings agencies.

Debt Maturities - Aggregate maturities of long-term debt as of June 30, 2023 December 31, 2023 are as follows:

		Long-term debt
One year	$	12.0
Two year		12.0
Three year		12.0
Four year		12.0 1,168.0
Five year		1,842.7 583.7
Thereafter		1,500.4 1,508.7
Total long-term debt payments due	$	3,391.1 3,296.4

(9)

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

(10) Pension Plans

The Company has several defined benefit pension plans covering many of its employees in the U.S. and certain employees in other countries. The plans provide retirement benefits based on various factors including years of service and in certain circumstances, earnings. Most plans are now frozen to new entrants and for additional service.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

The Company's net periodic pension cost/(benefit) cost for these plans are as follows:

		For the Quarters Ended June 30,			
		U.S.		International	
		2023	2022	2023	2022
	For the Quarters Ended December 31,				
	U.S.				
	2023				
		U.S.		For the Quarters Ended December 31, International	
		2023	2022	2023	2022
Service cost	Service cost	$ —	$ —	$ —	$ 0.2
Interest cost	Interest cost	5.1	3.2	0.9	0.5
Expected return on plan assets	Expected return on plan assets	(5.2)	(5.7)	(0.8)	(0.9)
Amortization of unrecognized net losses	Amortization of unrecognized net losses	0.5	1.7	0.2	0.2
Net periodic cost/(benefit)		$ 0.4	$(0.8)	$ 0.3	$ —
Net periodic cost					
Net periodic cost					
Net periodic cost					

	For the Nine Months Ended June 30,			
	U.S.		International	
	2023	2022	2023	2022
Service cost	$ —	$ —	$ 0.2	$ 0.6
Interest cost	15.3	9.6	2.6	1.4
Expected return on plan assets	(15.7)	(17.1)	(2.2)	(2.6)
Amortization of unrecognized net losses	1.6	4.9	0.4	0.6
Net periodic (benefit)/cost	$ 1.2	$(2.6)	$ 1.0	$ —

The service cost component of the net periodic cost/(benefit) cost above is recorded in Selling, general and administrative expense on the Consolidated (Condensed) Statement of Earnings and Comprehensive Income, while the remaining components are recorded to Other items, net.

The Company also sponsors or participates in a number of other non-U.S. pension arrangements, including various retirement and termination benefit plans, some of which are required by local law or coordinated with government-sponsored plans, which are not significant in the aggregate and, therefore, are not included in the information presented above.

(10) Shareholders' Equity

During the second quarter of fiscal 2022, all outstanding shares of the Company's MCPS automatically converted into shares of the Company's common stock, par value $0.01 per share, at a rate of 2.1739 shares of the Company's common stock for each share of preferred stock. This resulted in the issuance of approximately 4.7 million shares of common stock.

In November 2020, the Board of Directors approved a share repurchase program for up to 7.5 million shares of its common stock. During the fourth quarter of fiscal 2021, the Company entered into a $75.0 accelerated share repurchase (ASR) program. Under the terms of the agreement, approximately 1.5 million shares were delivered in fiscal 2021 and an additional approximately 0.5 million shares were delivered upon termination of the agreement on November 18, 2021. The total number of shares delivered was based on the volume-weighted average stock prices (VWAP) of the Company's common stock during the ASR period of $38.30. The Company paid the full amount of the ASR in fiscal 2021 and recorded $60.0 of treasury stock representing the approximately 1.5 million shares delivered in fiscal 2021 and the remaining $15.0 was recorded as Additional paid in capital. With the delivery of the additional shares, in the first quarter of fiscal 2022, the $15.0 was reclassified to treasury stock on the Consolidated Statement of Shareholders' Equity.

Future share repurchases, if any, will be determined by the Company based on its evaluation of the market conditions, capital allocation objectives, legal and regulatory requirements and other factors.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

On November 7, 2022, the Board of Directors declared a cash dividend for the first quarter of fiscal 2023 of $0.30 per share of common stock, payable on December 16, 2022, to all shareholders of record as of the close of business on November 28, 2022.

On January 30, 2023, the Board of Directors declared a cash dividend for the second quarter of fiscal 2023 of $0.30 per share of common stock, payable on March 16, 2023, to all shareholders of record as of the close of business on February 21, 2023.

On May 1, 2023, the Board of Directors declared a cash dividend for the third quarter of fiscal 2023 of $0.30 per share of common stock, payable on June 13, 2023, to all shareholders of record as of the close of business on May 22, 2023.

During the nine months ended June 30, 2023 and 2022, total dividends declared to common shareholders were $65.9 and $63.6, respectively. The payments made of $64.8 and $64.1 during the quarters ended June 30, 2023 and 2022, respectively, included the cumulative dividends paid upon the vesting of restricted shares during the periods.

On November 15, 2021, the Board of Directors declared a cash dividend of $1.875 per share of MCPS to all shareholders of record as of the close of January 1, 2022, which was paid on January 15, 2022.

Subsequent to the end of the fiscal quarter, on July 30, 2023, the Board of Directors declared a cash dividend for the fourth quarter of fiscal 2023 of $0.30 per share of common stock, payable on August 22, 2023, to all shareholders of record as of the close of business on September 15, 2023.

(11) Financial Instruments and Risk Management

The market risk inherent in the Company's operations creates potential earnings volatility arising from changes in currency rates, interest rates and commodity prices. The Company's policy allows derivatives to be used only for identifiable exposures and, therefore, the Company does not enter into hedges for trading or speculative purposes where the sole objective is to generate profits.

Concentration of Credit Risk—The counterparties to derivative contracts consist of a number of major financial institutions and are generally institutions with which the Company maintains lines of credit. The Company does not enter into derivative contracts through brokers nor does it trade derivative contracts on any other exchange or over-the-counter markets. Risk of currency positions and mark-to-market valuation of positions are strictly monitored at all times.

The Company continually monitors positions with, and credit ratings of, counterparties both internally and by using outside rating agencies. While nonperformance by these counterparties exposes Energizer to potential credit losses, such losses are not anticipated.

In the ordinary course of business, the Company may enter into contractual arrangements (derivatives) to reduce its exposure to commodity price and foreign currency risks. The section below outlines the types of derivatives that existed at June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, as well as the Company's objectives and strategies for holding these derivative instruments.

Commodity Price Risk—The Company uses raw materials that are subject to price volatility. At times, the Company uses hedging instruments to reduce exposure to variability in cash flows associated with future purchases of certain materials and commodities.

Foreign Currency Risk—A significant portion of Energizer's product cost is more closely tied to the U.S. dollar than to the local currencies in which the product is sold. As such, a weakening of currencies relative to the U.S. dollar results in margin declines unless mitigated through pricing actions, which are not always available due to the economic or competitive environment. Conversely, a strengthening of currencies relative to the U.S. dollar can improve margins. The primary currencies to which Energizer is exposed include the Euro, the British pound, the Canadian dollar and the Australian dollar. However, the

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

Company also has significant exposures in many other currencies which, in the aggregate, may have a material impact on the Company's operations.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

Additionally, Energizer's foreign subsidiaries enter into internal and external transactions that create nonfunctional currency balance sheet positions at the foreign subsidiary level. These exposures are generally the result of intercompany purchases, intercompany loans and, to a lesser extent, external purchases, and are revalued in the foreign subsidiary's local currency at the end of each period. Changes in the value of the non-functional currency balance sheet positions in relation to the foreign subsidiary's local currency results in a transaction gain or loss recorded in Other items, net on the Consolidated (Condensed) Statement of Earnings and Comprehensive Income. The primary currency to which Energizer's foreign subsidiaries are exposed is the U.S. dollar.

Interest Rate Risk—The Company has interest rate risk with respect to interest expense on variable rate debt. At June 30, 2023 December 31, 2023, the Company had variable rate debt outstanding of $1,007.0 $904.0 under the 2020 Term Loan and the 2020 Revolving Facility. Loan.

In December 2020, the The Company entered into has an interest rate swap (2020 Interest rate swap), that fixed fixes the variable benchmark component (LIBOR) (SOFR) at an interest rate of 0.95% 1.042% on variable rate debt of $550.0. $700.0. The notional value increased to $700.0 on January 22, 2021 and of the swap will stay at that this value through December 22, 2024. The notional value and then will decrease by $100.0 on December 22, 2024 and by $100.0 each year thereafter until its termination date on December 22, 2027. The notional value of the swap was $700.0 at June 30, 2023 December 31, 2023.

In February 2023, the Company amended its Credit Agreement to transition the interest reference rate from LIBOR to SOFR. The amendment was entered into because the LIBOR rate historically used was no longer published after June 30, 2023. The Company also amended the 2020 Interest rate swap to coincide with the amended credit agreement, effectively fixing the variable benchmark component (SOFR) at an interest rate of 1.042%. There were no other changes to the interest rate swap agreement or expected timing of cash flows associated with the swap. The Company utilized expedients within ASC 848 to conclude that this modification should be accounted for as a continuation of the existing swap agreement, resulting in no impact on the Company's financial statements.

Derivatives Designated as Cash Flow Hedging Relationships—The Company has entered into a series of forward currency contracts to hedge the cash flow uncertainty of the forecasted payment of inventory purchases due to short term currency fluctuations. Energizer's foreign affiliates, which have the largest exposure to U.S. dollar purchases, have the Euro, the British pound, the Canadian dollar and the Australian dollar as their local currencies. These foreign currencies represent a significant portion of Energizer's foreign currency exposure. At June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, Energizer had an unrealized pre-tax loss of $3.0 $3.7 and an unrealized pre-tax gain of $16.3, $3.3, respectively, on these forward currency contracts accounted for as cash flow hedges included in Accumulated other comprehensive loss on the Consolidated (Condensed) Balance Sheets. Assuming foreign exchange rates versus the U.S. dollar remain at June 30, 2023 December 31, 2023 levels, over the next 12 months $2.9 $3.3 of the pre-tax loss included in Accumulated other comprehensive loss is expected to be recognized in earnings. Contract maturities for these hedges extend into fiscal year 2024. 2025. There were 68 open foreign currency contracts at June 30, 2023 December 31, 2023, with a total notional value of approximately $180. $160.

The Company has entered into hedging contracts on future zinc purchases to reduce exposure to variability in cash flows associated with price volatility. The contracts are determined to be cash flow hedges and qualify for hedge accounting. The contract maturities for these hedges extend into fiscal 2025. There were 18 open contracts at June 30, 2023 December 31, 2023, with a total notional value of approximately $52. $34. The Company had an unrealized pre-tax gain of $0.7 and an unrealized pre-tax loss recognized of $0.7 on the zinc contracts was $7.5 these hedges at December 31, 2023 and $6.1 at June 30, 2023 and September 30, 2022 September 30, 2023, respectively, and was included in Accumulated other comprehensive loss on the Consolidated (Condensed) Balance Sheet.

At June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, Energizer recorded an unrealized pre-tax gain of $77.1 $59.2 and $86.4, $79.8, respectively, on the 2020 Interest rate swap agreement, both of which were included in Accumulated other comprehensive loss on the Consolidated (Condensed) Balance Sheet.

Derivatives not Designated in Hedging Relationships—Energizer enters into foreign currency derivative contracts, which are not designated as cash flow hedges for accounting purposes, to hedge existing balance sheet exposures. Any gains or losses on these contracts are expected to be offset by corresponding exchange losses or gains on the underlying exposures, and as such are not subject to significant market risk. There were six eight open foreign currency derivative contracts which are not designated as cash flow hedges at June 30, 2023 December 31, 2023, with a total notional value of approximately $73. $151.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

The following table provides the Company's estimated fair values as of June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, and the amounts of gains and losses on derivative instruments classified as cash flow hedges for the quarters and nine three months ended June 30, 2023 December 31, 2023 and 2022, respectively:

	At June 30, 2023	**For the Quarter Ended June 30, 2023**	**For the Nine Months Ended June 30, 2023**
	At December 31, 2023		
	At December 31, 2023		
	At December 31, 2023		
Derivatives designated as Cash Flow Hedging Relationships			
Derivatives designated as Cash Flow Hedging Relationships			

Derivatives designated as Cash Flow Hedging Relationships	**Derivatives designated as Cash Flow Hedging Relationships**	**Estimated Fair Value (Liability) / Asset (1)**	**(Loss)/Gain Recognized in OCI (2)**	**Gain/(Loss) Reclassified From OCI into Income (3) (4)**	**(Loss)/Gain Recognized in OCI (2)**	**Gain/(Loss) Reclassified From OCI into Income (3) (4)**
Foreign currency contracts	Foreign currency contracts	$ (3.0)	$ (1.6)	$ 0.7	$ (11.0)	$ 8.3
Foreign currency contracts						
Foreign currency contracts						
Interest rate swap						
Interest rate swap						
Interest rate swap	Interest rate swap	77.1	15.7	7.1	9.0	18.3
Zinc contracts	Zinc contracts	(7.5)	(4.9)	(0.9)	(2.0)	(0.6)
Zinc contracts						
Zinc contracts						
Total						
Total						
Total	Total	$ 66.6	$ 9.2	$ 6.9	$ (4.0)	$ 26.0
		At September 30, 2023				
		At September 30, 2022	**For the Quarter Ended June 30, 2022**		**For the Nine Months Ended June 30, 2022**	
		At September 30, 2023				
		At September 30, 2023				
Derivatives designated as Cash Flow Hedging Relationships	**Derivatives designated as Cash Flow Hedging Relationships**	**Estimated Fair Value Asset / (Liability) (1)**	**Gain/(Loss) Recognized in OCI (2)**	**Gain/(Loss) Reclassified From OCI into Income (3) (4)**	**Gain/(Loss) Recognized in OCI (2)**	**Gain/(Loss) Reclassified From OCI into Income (3)(4)**
Derivatives designated as Cash Flow Hedging Relationships						
Derivatives designated as Cash Flow Hedging Relationships						
Foreign currency contracts						
Foreign currency contracts						
Foreign currency contracts	Foreign currency contracts	$ 16.3	$ 9.1	$ 2.7	$ 9.7	$ 5.5
Interest rate swap	Interest rate swap	86.4	12.0	(1.3)	48.8	(4.8)
Interest rate swap						
Interest rate swap						
Zinc contracts						
Zinc contracts						
Zinc contracts	Zinc contracts	(6.1)	(7.7)	2.3	(1.7)	6.8
Total	Total	$ 96.6	$ 13.4	$ 3.7	$ 56.8	$ 7.5
Total						
Total						

(1) All derivative assets are presented in Other current assets or Other assets. All derivative liabilities are presented in Other current liabilities or Other liabilities.
(2) OCI is defined as other comprehensive income.
(3) Gain/(Loss) reclassified to Income was recorded as follows: Foreign currency contracts in Cost of products sold, interest rate contracts in Interest expense, and commodity contracts in Cost of products sold.
(4) Each of these hedging relationships has derivative instruments with a high correlation to the underlying exposure being hedged and has been deemed highly effective in offsetting the underlying risk.

The following table provides estimated fair values as of June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023 and the gains and losses on derivative instruments not classified as cash flow hedges for the quarters and nine three months ended June 30, 2023 December 31, 2023 and 2022, respectively:

		At December 31, 2023		
		At December 31, 2023		
		At December 31, 2023		
		Estimated Fair Value Asset (1)		
		Estimated Fair Value Asset (1)		
		Estimated Fair Value Asset (1)		
		At June 30, 2023	For the Quarter Ended June 30, 2023	For the Nine Months Ended June 30, 2023
Foreign currency contracts				
		Estimated Fair Value Liability (1)	Loss Recognized in Income (2)	Loss Recognized in Income (2)
Foreign currency contracts				
Foreign currency contracts	Foreign currency contracts	$ (0.8)	$ (1.6)	$ (1.0)
		At September 30, 2022	For the Quarter Ended June 30, 2022	For the Nine Months Ended June 30, 2022
		Estimated Fair Value Liability (1)	Gain Recognized in Income (2)	Gain Recognized in Income (2)
		Estimated Fair Value Liability (1)		
		Estimated Fair Value Liability (1)		
		Estimated Fair Value Liability (1)		
Foreign currency contracts	Foreign currency contracts	$ (0.6)	$ 1.9	$ 5.3
Foreign currency contracts				
Foreign currency contracts				

(1) All derivative assets and liabilities are presented in Other current assets or Other assets and Other current liabilities or Other liabilities, respectively.
(2) Gain / (Loss) recognized in Income was recorded as foreign currency in Other items, net.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

Energizer has the following recognized financial assets resulting from those transactions that meet the scope of the disclosure requirements as necessitated by applicable accounting guidance for balance sheet offsetting.

Offsetting of derivative assets

			At June 30, 2023			At September 30, 2022									
			At December 31, 2023												
			At December 31, 2023												
			At December 31, 2023										At September 30, 2023		
Description	Description	Balance Sheet location	Gross amounts of recognized assets	Gross amounts offset in the Balance Sheet	Net amounts of assets presented in the Balance Sheet	Gross amounts of recognized assets	Gross amounts offset in the Balance Sheet	Net amounts of assets presented in the Balance Sheet	Description	Balance Sheet location	Gross amounts of recognized assets	Gross amounts offset in the Balance Sheet	Net amounts of assets presented in the Balance Sheet	Gross amounts of recognized assets	an of Ba S
Foreign Currency Contracts	Foreign Currency Contracts	Other Current Assets, Other Assets	$ 1.0	$ (0.6)	$ 0.4	$ 18.0	$ —	$ 18.0							

Offsetting of derivative liabilities

	Offsetting of derivative liabilities		
	Offsetting of derivative liabilities		
	At June 30, 2023	At September 30, 2022	
	At December 31, 2023		
	At December 31, 2023		

Description	Description	Balance Sheet location	At December 31, 2023 Gross amounts of recognized liabilities	Gross amounts offset in the Balance Sheet	Net amounts of liabilities presented in the Balance Sheet	Gross amounts of recognized liabilities	Gross amounts offset in the Balance Sheet	Net amounts of liabilities presented in the Balance Sheet	Description	Balance Sheet location	At September 30, 2023 Gross amounts of recognized liabilities	Gross amounts offset in the Balance Sheet	Net amounts of liabilities presented in the Balance Sheet	Gross amounts of recognized liabilities	G an of B S
Foreign Currency Contracts	Foreign Currency Contracts	Other Current Liabilities, Other Liabilities	$ (4.8)	$ 0.6	$ (4.2)	$ (2.3)	$ —	$ (2.3)							

Fair Value Hierarchy—Accounting guidance on fair value measurements for certain financial assets and liabilities requires that assets and liabilities carried at fair value be classified in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs reflecting the reporting entity's own assumptions or external inputs from inactive markets.

Under the fair value accounting guidance hierarchy, an entity is required to maximize the use of quoted market prices and minimize the use of unobservable inputs. The following table sets forth the Company's financial assets and liabilities, which are carried at fair value, as of June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023 that are measured on a recurring basis during the period, segregated by level within the fair value hierarchy:

(Liabilities)/Assets at estimated fair value:	(Liabilities)/Assets at estimated fair value:	Level 2 June 30, 2023	Level 2 September 30, 2022	(Liabilities)/Assets at estimated fair value:	Level 2 December 31, 2023	September 30, 2023
Deferred compensation	Deferred compensation	$(21.9)	$ (24.6)			
Deferred compensation						
Deferred compensation						
Derivatives - Foreign Currency contracts	Derivatives - Foreign Currency contracts	(3.0)	16.3			
Derivatives - Foreign Currency contracts						
Derivatives - Foreign Currency contracts						
Derivatives - Foreign Currency contracts (non-hedge)	Derivatives - Foreign Currency contracts (non-hedge)	(0.8)	(0.6)			
Derivatives - Interest Rate Swap contracts		77.1	86.4			
Derivatives - Interest Rate Swap						
Derivatives - Zinc contracts	Derivatives - Zinc contracts	(7.5)	(6.1)			
Net Assets at estimated fair value	Net Assets at estimated fair value	$ 43.9	$ 71.4			

Energizer had no Level 1 financial assets or liabilities, other than pension plan assets, and no Level 3 financial assets or liabilities at June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023. The Company does measure certain assets and liabilities, such as Goodwill and Other intangibles, at fair value on a non-recurring basis using Level 3 inputs. There were no Level 3 fair value measurement gains or losses recognized during the quarters ended December 31, 2023 or 2022.

ENERGIZER HOLDINGS, INC.

liabilities, such as Goodwill and Other intangibles, at fair value on a non-recurring basis using level 3 inputs. There were no level 3 fair value measurement gains or losses recognized during the quarters and nine months ended June 30, 2023 or 2022.

Due to the nature of cash and cash equivalents, carrying amounts on the balance sheets approximate estimated fair value. The estimated fair value of cash was determined based on level Level 1 inputs and cash equivalents and restricted cash are determined based on Level 2 inputs.

At June 30, 2023 December 31, 2023, the estimated fair value of the Company's unfunded deferred compensation liability is determined based upon the quoted market prices of investment options that are offered under the plan. The estimated fair value of foreign currency contracts, interest rate swap and zinc contracts, as described above, is the amount that the Company would receive or pay to terminate the contracts, considering first, quoted market prices of comparable agreements, or in the absence of quoted market prices, such factors as interest rates, currency exchange rates and remaining maturities.

At June 30, 2023 December 31, 2023, the fair market value of fixed rate long-term debt was $2,065.3 $2,172.2 compared to its carrying value of $2,384.1, $2,392.4, and at September 30, 2022 September 30, 2023, the fair market value of fixed rate long-term debt was $1,795.7 $2,000.9 compared to its carrying value of $2,337.1. $2,362.2. The estimated fair value of the long-term debt is estimated using yields obtained from independent pricing sources for similar types of borrowing arrangements. The estimated fair value of fixed rate long-term debt has been determined based on Level 2 inputs.

(12) Accumulated Other Comprehensive (Loss)/Income

The following table presents the changes in accumulated other comprehensive (loss)/income (AOCI), net of tax by component:

	Foreign Currency Translation Adjustments	Pension Activity	Zinc Contracts	Foreign Currency Contracts	Interest Rate Contracts	Total
Balance at September 30, 2022	$ (77.7)	$(140.5)	$ (4.6)	$ 11.7	$ 65.8	$(145.3)
Foreign Currency Translation Adjustments						
Balance at September 30, 2023						
OCI before reclassifications / OCI before reclassifications	(14.6)	1.5	(1.6)	(8.2)	7.0	(15.9)
Reclassifications to earnings / Reclassifications to earnings	—	1.6	0.5	(6.1)	(14.0)	(18.0)
Reclassifications to earnings						
Reclassifications to earnings						
Balance at June 30, 2023	$ (92.3)	$(137.4)	$ (5.7)	$ (2.6)	$ 58.8	$(179.2)
Balance at December 31, 2023						
Balance at December 31, 2023						
Balance at December 31, 2023						

Foreign Currency Translation Adjustments	Pension Activity	Zinc Contracts	Foreign Currency Contracts	Interest Rate Contracts	Total

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

The following table presents the reclassifications out of AOCI to earnings:

	For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
	2023	2022	2023	2022
	For the Quarters Ended December 31,			

For the Quarters Ended December 31,

For the Quarters Ended December 31,

2023

2023

2023

Details of AOCI Components

Details of AOCI Components

Details of AOCI Components	Details of AOCI Components	Amount Reclassified from AOCI (1)		Amount Reclassified from AOCI (1)		Affected Line Item in the Combined Statements of Earnings	Amount Reclassified from AOCI (1)				Affected Line Item in the Combined Statements of Earnings		
Gains and losses on cash flow hedges	**Gains and losses on cash flow hedges**												
Foreign currency contracts	Foreign currency contracts	$(0.7)	$(2.7)	$ (8.3)	$(5.5)	Cost of products sold							
Foreign currency contracts													
Foreign currency contracts								$(0.9)		$ (6.5)		Cost of products sold	
Interest rate contracts	Interest rate contracts	(7.1)	1.3	(18.3)	4.8	Interest expense	Interest rate contracts	(8.0)	(4.9)	(4.9)	Interest expense	Interest expense	
Zinc contracts	Zinc contracts	0.9	(2.3)	0.6	(6.8)	Cost of products sold	Zinc contracts	3.2	(1.1)	(1.1)	Cost of products sold	Cost of products sold	
	(5.7)								(5.7)	(12.5)			Earnings before income taxes
	1.4								1.4	3.2			Income tax expense
	$								$ (4.3)	$ (9.3)			Net earnings
Amortization of defined benefit pension items													
		(6.9)	(3.7)	(26.0)	(7.5)	Earnings before income taxes							
Actuarial loss													
		1.6	0.9	6.4	1.8	Income tax expense							
		$(5.3)	$(2.8)	$(19.6)	$(5.7)	Net earnings							

Amortization of defined benefit pension items												
Actuarial loss												
Actuarial loss	Actuarial loss	0.7	1.9	2.0	5.5	(2)	0.7	0.7	0.7	(2)	(2)	
		(0.1)										
		(0.1)	(0.4)	(0.4)	(1.3)	Income tax benefit						
		$ 0.6	$ 1.5	$ 1.6	$ 4.2	Net loss						
		(0.1)										
		(0.1)							(0.1)		Income tax benefit	
	$							$ 0.6		$ 0.6		Net loss
Total reclassifications to earnings	Total reclassifications to earnings	$(4.7)	$(1.3)	$(18.0)	$(1.5)	Net earnings						
Total reclassifications to earnings												
Total reclassifications to earnings							$(3.7)		$ (8.7)		Net earnings	

(1) Amounts in parentheses indicate credits to Consolidated (Condensed) Statement of Earnings and Comprehensive Income.
(2) This AOCI component is included in the computation of net periodic pension benefit/(cost) (see Note 9, 10, Pension Plans, for further details).

(13) Supplemental Financial Statement Information

The components of certain income statement accounts are as follows:

	For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
	2023	2022	2023	2022
Other items, net				
Interest income	$ (0.4)	$ (0.2)	$ (1.7)	$ (0.7)
Foreign currency exchange loss	5.1	2.5	8.6	3.7
Pension cost/(benefit) other than service costs	0.7	(1.0)	2.0	(3.2)
Exit of Russian market	—	—	—	7.5
Gain on finance lease termination	—	(4.5)	—	(4.5)
Other	(0.2)	(0.3)	(4.3)	(0.1)
Total Other items, net	$ 5.2	$ (3.5)	$ 4.6	$ 2.7

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

(13) Supplemental Financial Statement Information

The components of certain income statement accounts are as follows:

	For the Quarters Ended December 31,	
	2023	2022
Other items, net		
Interest income	$ (5.6)	$ (0.2)
Foreign currency exchange loss/(gain) (1)	23.7	(1.0)
Pension cost other than service costs	1.0	0.7
Transition services agreement income	(1.0)	—
Other	0.9	(0.9)
Total Other items, net	$ 19.0	$ (1.4)

(1) Foreign currency exchange loss includes the currency impact from the December 2023 Argentina economic reform. During December 2023, a new president was inaugurated in Argentina bringing significant economic reform to the country including devaluing the Argentine Peso by 50% in the month of December. As a result of this reform and devaluation, the Company recorded $21.0 of exchange losses in Other items, net on the Consolidated (Condensed) Statement of Earnings.

ENERGIZER HOLDINGS, INC.
NOTES TO CONSOLIDATED (CONDENSED) FINANCIAL STATEMENTS
(In millions - Unaudited)

The components of certain balance sheet accounts are as follows:

		June 30, 2023	**September 30, 2022**			
	December 31, 2023				**December 31, 2023**	**September 30, 2023**
Inventories	**Inventories**			**Inventories**		
Raw materials and supplies	Raw materials and supplies	$ 145.5	$ 115.9			
Work in process	Work in process	300.2	201.6			
Finished products	Finished products	319.7	454.1			
Total inventories	Total inventories	$ 765.4	$ 771.6			
Other Current Assets	**Other Current Assets**			**Other Current Assets**		
Miscellaneous receivables	Miscellaneous receivables	$ 27.1	$ 29.9			
Prepaid expenses	Prepaid expenses	126.6	90.9			
Prepaid expenses						
Prepaid expenses						
Value added tax collectible from customers	Value added tax collectible from customers	28.3	27.7			
Other						
Other						
Other	Other	33.5	42.9			
Total other current assets	Total other current assets	$ 215.5	$ 191.4			
Property, Plant and Equipment	**Property, Plant and Equipment**			**Property, Plant and Equipment**		
Land	Land	$ 13.0	$ 14.4			
Buildings	Buildings	124.9	120.7			
Machinery and equipment	Machinery and equipment	850.4	828.2			
Construction in progress	Construction in progress	46.4	50.1			
Finance Leases	Finance Leases	39.3	39.0			
Total gross property	Total gross property	1,074.0	1,052.4			

Accumulated depreciation	Accumulated depreciation	(722.2)	(690.3)	
Total property, plant and equipment, net	Total property, plant and equipment, net	$ 351.8	$ 362.1	
Other Current Liabilities	**Other Current Liabilities**			**Other Current Liabilities**
Accrued advertising, sales promotion and allowances	Accrued advertising, sales promotion and allowances	$ 17.4	$ 13.4	
Accrued trade allowances	Accrued trade allowances	45.2	57.7	
Accrued freight and warehousing	Accrued freight and warehousing	33.4	37.2	
Accrued salaries, vacations and incentive compensation	Accrued salaries, vacations and incentive compensation	49.0	60.6	
Accrued interest expense	Accrued interest expense	11.6	20.5	
Restructuring reserve		1.4	1.7	
Restructuring and related cost reserve				
Restructuring and related cost reserve				
Restructuring and related cost reserve				
Income taxes payable	Income taxes payable	57.3	36.7	
Other	Other	95.8	106.1	
Total other current liabilities	Total other current liabilities	$ 311.1	$ 333.9	
Other Liabilities	**Other Liabilities**			**Other Liabilities**
Pensions and other retirement benefits	Pensions and other retirement benefits	$ 49.0	$ 49.3	
Deferred compensation	Deferred compensation	18.2	19.8	
Restructuring reserve		5.0	—	
Mandatory transition tax	Mandatory transition tax	13.1	16.7	
Restructuring and related cost reserve				
Other non-current liabilities	Other non-current liabilities	49.5	52.3	

Other non-current liabilities			
Other non-current liabilities			
Total other liabilities	Total other liabilities	$ 134.8	$ 138.1

(14) Legal proceedings/contingencies and other obligations

Legal proceedings/contingencies - The Company and its affiliates are subject to a number of legal proceedings in various jurisdictions arising out of its operations. Many of these legal matters are in preliminary stages and involve complex issues of law and fact, and may proceed for protracted periods of time. The amount of liability, if any, from these proceedings cannot be determined with certainty. The Company and its affiliates are a party to legal

determined with certainty. The Company and its affiliates are a party to legal proceedings and claims that arise during the ordinary course of business. The Company reviews our legal proceedings and claims, regulatory reviews and inspections and other legal proceedings on an ongoing basis and follows appropriate accounting guidance when making accrual and disclosure decisions. The Company establishes accruals for those contingencies where the incurrence of a loss is probable and can be reasonably estimated, and discloses the amount accrued and the amount of a reasonably possible loss in excess of the amount accrued, if such disclosure is necessary for our financial statements to not be misleading. The Company does not record liabilities when the likelihood that the liability has been incurred is probable, but the amount cannot be reasonably estimated. Based upon present information, the Company believes that its liability, if any, arising from such pending legal proceedings, asserted legal claims and known potential legal claims which are likely to be asserted, is not reasonably likely to be material to the Company's financial position, results of operations, or cash flows, when taking into account established accruals for estimated liabilities.

Other obligations - In the ordinary course of business, the Company also enters into supply and service contracts. These contracts can include either volume commitments or fixed expiration dates, termination provisions and other standard contractual considerations. At June 30, 2023 December 31, 2023, the Company had approximately $11.3 $7.4 of purchase obligations under these contracts.

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

The following discussion is meant to provide investors with information management believes is helpful in reviewing Energizer’s historical-basis results of operations, operating segment results, and liquidity and capital resources. Statements in this Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) that are not historical may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You should read the following MD&A in conjunction with the Consolidated (Condensed) Financial Statements (unaudited) and corresponding notes included herein.

All amounts discussed are in millions of U.S. dollars, unless otherwise indicated.

Forward-Looking Statements

This document contains both historical and forward-looking statements. Forward-looking statements are not based on historical facts but instead reflect our expectations, estimates or projections concerning future results or events, including, without limitation, the future sales, gross margins, costs, earnings, cash flows, tax rates and performance of the Company. These statements generally can be identified by the use of forward-looking words or phrases such as “believe,” “expect,” “expectation,” “anticipate,” “may,” “could,” "believe," "expect," "expectation," "anticipate," "may," "could," "will," “intend,” “belief,” “estimate,” “plan,” “target,” “predict,” “likely,” “should,” “forecast,” “outlook,” "intend," "belief," "estimate," "plan," "target," "predict," "likely," "should," "forecast," "outlook," or other similar words or phrases. These statements are not guarantees of performance and are inherently subject to known and unknown risks, uncertainties and assumptions that are difficult to predict and could cause our actual results to differ materially from those indicated by those statements. We cannot assure you that any of our expectations, estimates or projections will be achieved. The forward-looking statements included in this document are only made as of the date of this document and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. Numerous factors could cause our actual results and events to differ materially from those expressed or implied by forward-looking statements, including, without limitation:

- Global economic and financial market conditions including the conditions resulting from the COVID-19 pandemic, and actions taken by beyond our customers, suppliers, other business partners and governments in markets in which we compete control might materially and negatively impact us.
- Competition in our product categories might hinder our ability to execute our business strategy, achieve profitability, or maintain relationships with existing customers.
- Changes in the retail environment and consumer preferences could adversely affect our business, financial condition and results of operations.
- We must successfully manage the demand, supply, and operational challenges brought about on by the COVID-19 pandemic and any other disease outbreak, including epidemics, pandemics, or similar widespread public health concerns.
- Loss or impairment of the reputation of our Company or our leading brands or failure of our marketing plans could have an adverse effect on our business.
- Loss of any of our principal customers could significantly decrease our sales and profitability.

- Our ability to meet our growth targets depends on successful product, marketing and operations innovation and successful responses to competitive innovation and changing consumer habits.
- We are subject to risks related to our international operations, including currency fluctuations, which could adversely affect our results of operations.
- If we fail to protect our intellectual property rights, competitors may manufacture and market similar products, which could adversely affect our market share and results of operations.
- Changes in production costs, including raw material prices and transportation costs, from inflation or otherwise, have adversely affected, and in the future could erode, our profit margins and negatively impact operating results.
- Our reliance on certain significant suppliers subjects us to numerous risks, including possible interruptions in supply, which could adversely affect our business.
- Our business is vulnerable to the availability of raw materials, our ability to forecast customer demand and our ability to manage production capacity.
- The manufacturing facilities, supply channels or other business operations of the Company and our suppliers may be subject to disruption from events beyond our control.
- The Company's future results may be affected by its operational execution, including scenarios where the Company generates fewer productivity improvements than estimated. its ability to achieve cost savings as a result of any current or future restructuring events.
- If our goodwill and indefinite-lived intangible assets become impaired, we will be required to record impairment charges, which may be significant.
- A failure of a key information technology system could adversely impact our ability to conduct business.
- We rely significantly on information technology and any inadequacy, interruption, theft or loss of data, malicious attack, integration failure, failure to maintain the security, confidentiality or privacy of sensitive data residing on our systems or

  other security failure of that technology could harm our ability to effectively operate our business and damage the reputation of our brands.
- We have significant debt obligations that could adversely affect our business and our ability to meet our obligations.
- If we pursue strategic acquisitions, divestitures or joint ventures, we might experience operating difficulties, dilution, and other consequences that may harm our business, financial condition, and operating results, and we may not be able to successfully consummate favorable transactions or successfully integrate acquired businesses.
- Our business involves the potential for product liability claims, labeling claims, commercial claims and other legal claims against us, which could affect our results of operations and financial condition and result in product recalls or withdrawals.
- Our business is subject to increasing government regulations in both the U.S. and abroad that could impose material costs.
- Increased focus by governmental and non-governmental organizations, customers, consumers and shareholders on environmental, social and governance (ESG) issues, including those related to sustainability and climate change, may have an adverse effect on our business, financial condition and results of operations and damage our reputation.
- We are subject to environmental laws and regulations that may expose us to significant liabilities and have a material adverse effect on our results of operations and financial condition.

In addition, other risks and uncertainties not presently known to us or that we consider immaterial could affect the accuracy of any such forward-looking statements. The list of factors above is illustrative, but by no means exhaustive. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. Additional risks and uncertainties include those discussed herein and detailed from time to time in our other publicly filed documents, including those described under the heading “Risk Factors” in our Form 10-K filed with the Securities and Exchange Commission on November 15, 2022 November 14, 2023.

Non-GAAP Financial Measures

The Company reports its financial results in accordance with accounting principles generally accepted in the U.S. ("GAAP"). However, management believes that certain non-GAAP financial measures provide users with additional meaningful comparisons to the corresponding historical or future period, and are used for management incentive compensation. These non-GAAP financial measures exclude items that are not reflective of the Company's on-going operating performance, such as restructuring and related costs, acquisition and integration costs, an acquisition earn out, the loss/(gain) on extinguishment of debt the costs of the May 2022 flooding of our Brazilian manufacturing facility, the gain on finance lease termination, and the costs of exiting the Russian market. December 2023 Argentina Economic Reform. In addition, these measures help investors to analyze year over year comparability when excluding currency fluctuations as well as other Company initiatives that are not on-going. We believe these non-GAAP financial measures are an enhancement to assist investors in understanding our business and in performing analysis consistent with financial models developed by research analysts. Investors should consider non-GAAP measures in addition to, not as a substitute for, or superior to, the comparable GAAP measures. In addition, these non-GAAP measures may not be the same as similar measures used by other companies due to possible differences in methods and in the items being adjusted.

We provide the following non-GAAP measures and calculations, as well as the corresponding reconciliation to the closest GAAP measure:

Segment Profit. This amount represents the operations of our two reportable segments including allocations for shared support functions. General corporate and other expenses, intangible Intangible amortization expense, interest Interest expense, loss/ Loss/(gain) on extinguishment of debt, other Other items, net, restructuring and related costs, and the charges related to acquisition and integration costs the costs of the flooding of our Brazilian manufacturing facility, the gain on finance lease termination, the costs of exiting the Russian market and an acquisition earn out have all been excluded from segment profit.

Adjusted Net Earnings and Adjusted Diluted Net Earnings Per Common Share (EPS). These measures exclude the impact of the costs related to restructuring activities, acquisition and integration, an acquisition earn out, the costs of the flooding of our Brazilian manufacturing facility, the gain on finance lease termination, the costs of exiting the Russian market and the loss/ Loss/(gain) on extinguishment of debt. debt and the December 2023 Argentina Economic Reform.

Non-GAAP Tax Rate. This is the tax rate when excluding the pre-tax impact of restructuring activities, acquisition and integration, an acquisition earn out, costs of exiting the Russian market, the costs of the flooding of our Brazilian manufacturing facility, the gain on finance lease termination, and the loss/(gain) on extinguishment of debt and the December 2023 Argentina Economic Reform, as well as the related tax impact for these items, calculated utilizing the statutory rate for where the impact was incurred.

Organic. This is the non-GAAP financial measurement of the change in revenue, segment profit or other margins that excludes or otherwise adjusts for the change in Russia and Argentina Operations and impact of currency from the changes in foreign currency exchange rates as defined below:

Change in Russia Operations. The Company exited the Russian market in the second quarter of fiscal 2022 due to the increased global and economic and political uncertainty resulting from the ongoing conflict between Russia and Ukraine. This adjusts for the change in Russian sales and segment profit from the prior year post exit.

Change in Argentina Operations. The Company is presenting separately all changes in sales and segment profit from our Argentina affiliate due to the designation of the economy as highly inflationary as of July 1, 2018.

Impact of currency. The Company evaluates the operating performance of our Company on a currency neutral basis. The Impact of Currency is the change in foreign currency exchange rates year-over-year on reported results, which is calculated by comparing the value of current year foreign operations at the current period USD exchange rate versus the value of current year foreign operations at the prior period USD exchange rate. The impact of currency also includes gains/(losses) of currency hedging programs, and it excludes hyper-inflationary markets.

Adjusted Selling, General & Administrative Expense (SG&A) and Gross Margin as a percent of sales. Detail for adjusted gross Adjusted Gross margin and adjusted Adjusted SG&A as a percent of sales are also supplemental non-GAAP measures. These measures exclude the impact of costs related to restructuring activities, and acquisition and integration, an acquisition earn out, the costs of the flooding of our Brazilian manufacturing facility, and the costs of exiting the Russian market. integration.

Coronavirus (COVID-19)

We continue to monitor the impact of the COVID-19 pandemic on our businesses and the overall economy. Uncertainty regarding any future impact of the pandemic on our businesses remains, and such impacts will ultimately depend on the length and severity of the pandemic, among other factors.

Macroeconomic Environment

An We continue to operate in an inflationary environment marked by higher manufacturing costs as well as increased commodity costs is where macro-economic pressures and geopolitical instability are expected to continue in fiscal 2023. year 2024. While we did not experience significant disruptions in our operations so far in the first quarter of fiscal 2023, year 2024, the risks of future negative impacts due to transportation, including recent transportation issues in the Red Sea, logistical or supply constraints and higher commodity costs for certain raw materials remain present, and the Company continues could continue to experience corresponding incremental costs and gross margin pressures.

Exit of Russian Market Argentina Economic Reform

During In November 2023, a new president was elected in Argentina who is implementing significant economic reform. Upon his inauguration in December 2023, the second quarter government devalued the Argentine Peso (ARS) approximately 50% over night. The Company's net sales and operating profit in Argentina were not significantly impacted based on the timing of fiscal 2022, the devaluation within the quarter. The Company had net sales of $12.3 and $13.2 and operating profit of $5.1 and $4.1 in the three months ended December 31, 2023 and December 31, 2022, respectively. The Company anticipates that Argentina's operating costs may rise quicker than the Company exited is able to implement future price increases to offset rising costs, which may result in a near term decline to operating profit during fiscal 2024.

This devaluation and economic reform resulted in $21.0 of currency losses recognized in Other items, net in the Russian market due three months ended December 31, 2023. This included exchange losses of $14.7 from the remeasurement of the Company's Argentina monetary assets and liabilities and $6.3 of transactional currency exchange losses on the ARS which are discussed further in Item 3. Quantitative and Qualitative Disclosures About Market Risk.

It is difficult to global determine what continuing impact the new president and his economic and political uncertainty related to reform or the conflict use of highly inflationary accounting for Argentina may have on our consolidated financial statements as such impact is dependent upon movements in the applicable exchange rates between Russia and Ukraine the local currency and the resultant sanctions imposed on Russia. U.S. dollar and the amount of monetary assets and liabilities included in our affiliates' balance sheet, as well as any additional reforms that may be issued by the new Argentine Administration.

While neither Russia nor Ukraine constitutes a material portion of our business, a significant escalation or expansion of economic disruption or the conflict's current scope could disrupt our supply chain, broaden inflationary costs, and have a material adverse effect on our results of operations. Our Russian subsidiary comprised approximately one percent of our business.**Belgium Acquisition**

On October 27, 2023, the Company acquired certain battery manufacturing assets in Belgium from Advanced Power Solutions Belgium NV (APS) for a contractual purchase price of EUR3.5 (Belgium Acquisition). The Company also acquired certain raw materials from APS, procured by APS on the Company's behalf to facilitate the transition, for a total acquisition purchase price of $11.6 (including value added taxes). The Company assumed a building lease as part of the acquisition and acquired these assets to provide a battery manufacturing location in Europe. The Company is still finalizing the valuation of these assets and related income tax considerations, but initially no goodwill has been recognized with this acquisition.

With The Company recorded $2.6 of acquisition and integration costs associated with the decision to exit Belgium Acquisition during the Russian market, three months ended December 31, 2023. The costs included $2.9 of operating costs recorded in Costs of good sold as the Company terminated was awaiting the employment receipt of all our Russian colleagues and reviewed our Russian assets for impairment. Exiting the Russian market resulted in raw materials procured on the impairment Company's behalf by APS. These costs were offset by $1.0 of inventory recorded to Cost of products sold of $0.7, impairment of other assets and severance recorded to SG&A of $5.8, and currency impacts income recorded in Other items, net from producing inventory for APS under a transaction services agreement (TSA) entered into at the closing of $7.5 the transaction. No further income is expected from this TSA. The Company also recorded $0.7 of legal and diligence fees associated with the closing of this acquisition recorded in the second quarter of fiscal 2022. Selling, general and administrative expenses.

Brazil Manufacturing Plant Flood

In May 2022, the Company's Jaboatao, Brazil battery manufacturing facility had severe flooding due to historic levels of rain in the area. The plant was not operational for the month of June, however some production began again in July. The Company has an insurance policy with an approximate $10 deductible. For the three and nine months ended June 30, 2022, the Company recorded costs related to the flood of $9.9 in Cost of products sold, primarily related to damaged inventory at the plant. Based on the insurance plan deductible, the Company anticipates that further losses from the damage should be minimal.

Restructuring Costs

Project Momentum Restructuring Program

In November 2022, the Board of Directors approved a profit recovery program, Project Momentum, which includes an enterprise-wide restructuring focused on recovering operating margins, optimizing our manufacturing, distribution and global supply chain networks, and enhancing our organizational efficiency across the Company. In July 2023, the Company's Board of

Directors approved an expansion of this program to include an additional year, which will allows allow for additional optimization of our battery manufacturing, distribution and global supply chain networks, further review of our global real estate footprint and the implementation of IT systems that will allow us to streamline our organization and fully execute the program and increased the savings by $50 annually. program.

Following the Belgium Acquisition in the first quarter of fiscal 2024, the Company is expanding the Project Momentum program and increasing the savings and cost expectations, partially due to the impact the expanded manufacturing capacity will have on the Company's battery network. The restructuring component of the program is now expected to generate $115 $145 to $130 $160 of annual pre-tax savings, and the Company estimates that it will incur one-time cash operating costs of $95 $140 to $110, $150, non-cash costs of $12, approximately $20, and capital expenditures of $50 $75 to $60 $85 over the three year program. Additionally, along side the restructuring component of the program, Project Momentum includes continuous improvement and working capital initiatives that are designed to strengthen our balance sheet, focus on cash flow, and generate P&L savings of approximately $15 to $20 annually. Total expected pre-tax savings of Project Momentum are between $130 $160 and $150 $180 by the end of fiscal year 2025, with approximately $45 $55 to $50 $65 of those savings to be recognized in fiscal year 2023. 2024.

As of December 31, 2023, the Company has realized approximately $76 of these savings from Project Momentum, with approximately $22 in fiscal year 2024. The savings were primarily within Cost of products sold and SG&A on the Consolidated (Condensed) Statements of Earnings and Comprehensive Income.

In the quarter quarters ended December 31, 2023 and nine months ended June 30, 2023, 2022, the total Project Momentum restructuring and related pre-tax costs were $9.1 $22.4 and $23.2, $6.6, respectively. The expenses primarily consisted of severance and other benefit related costs, accelerated depreciation, asset write-offs, consulting costs, IT enablement, decommissioning, relocation, and other exit related costs. These costs were reflected within Cost of products sold, SG&A and Other items, net on the Consolidated (Condensed) Statements of Earnings and Comprehensive Income.

Although the Company's Project Momentum restructuring costs are recorded outside of segment profit, if allocated to our reportable segments, the restructuring and related costs for the quarter and nine months ended June 30, 2023 December 31, 2023 would be incurred within the Battery & Lights segment in the amounts amount of $8.3 and $20.9 $20.8 and the Auto Care segment in the amount of $0.8 $1.6. The Company's Project Momentum restructuring costs for the quarter ended December 31, 2022 would be incurred within the Battery & Lights segment in the amount of $5.8 and $2.3, respectively. the Auto Care segment in the amount of $0.8.

Project Momentum restructuring and related costs since inception are $24.1. Through the third quarter of fiscal 2023, the Company has realized $32.0 of the Project Momentum restructuring program savings, primarily within Cost of products sold and SG&A on the Consolidated (Condensed) Statements of Earnings and Comprehensive Income.

$83.0. Refer to Note 4, Restructuring, to the Consolidated (Condensed) Financial Statements for additional discussion on the Company's restructuring costs.

2019 and 2020 Restructuring Programs

In the fourth fiscal quarter of 2019, the Company began implementing restructuring related integration plans for our manufacturing and distribution networks. These plans include the closure and combination of distribution and manufacturing facilities in order to reduce complexity and realize greater efficiencies in our manufacturing, packaging and distribution processes. All activities within this plan were substantially complete by December 31, 2021.

Part of this plan was the exit of our Dixon, IL leased packaging facility, which the Company vacated during the first quarter of fiscal 2022. In the third quarter of fiscal 2022, the Company entered into a termination agreement with the landlord. The Company terminated the lease agreement, which went into 2028, reducing our capital lease obligations by $9.8. The termination agreement required the Company to pay a termination fee of $4.0, as well as decommissioning costs and brokerage fees. Since the Company has already vacated the facility as a part of the 2019 restructuring program, most assets associated with the location have already been fully depreciated. The termination of this lease resulted in a gain of $4.5 recognized in Other items, net during the third quarter of fiscal 2022.

In the fourth fiscal quarter of 2020, the Company initiated a new restructuring program with a primary focus on reorganizing our global end-to-end supply chain network and ensuring accountability by category. This program included streamlining the Company's end-to-end supply chain model to enable rapid response to category specific demands and enhancing our ability to better serve our customers. Planning and execution of this program began in fiscal year 2021, and all activities within this program were substantially complete by December 31, 2021.

The Pre-tax gain on capital lease termination of $4.5 recorded in Other items, net was the only restructuring item recognized during the quarter ended June 30, 2022. The total pre-tax expense related to the 2019 and 2020 restructuring plans for the nine months ended June 30, 2022 was $0.8. The expense consisted of charges for employee severance, retention, related benefit costs, accelerated depreciation, asset write-offs, relocation, environmental investigatory and mitigation costs, consulting costs and other exit costs, offset by the gain on capital lease termination in fiscal 2022. The costs were reflected in Cost of products sold and SG&A on the Consolidated (Condensed) Statements of Earnings and Comprehensive Income.

Although the Company's 2019 and 2020 restructuring program costs are recorded outside of segment profit, if allocated to our reportable segments, the restructuring costs noted above for the nine months ended June 30, 2022 would be incurred within the Battery & Lights segment in the amounts of $0.6 and the Auto Care segment in the amount of $0.2.

Total pre-tax charges relating to the 2019 restructuring program and 2020 restructuring program since inceptions were $60.6 and $19.4, respectively. Fiscal 2022 marked the conclusion of the 2019 and 2020 Restructuring programs. The full amount of savings from these projects of approximately $55 to $60 are now included within our annual run-rate cost structure. The primary impact of the savings were reflected in Cost of products sold. We do not expect to incur additional material charges for these programs.

Refer to Note 4, Restructuring, to the Consolidated (Condensed) Financial Statements for additional discussion on the Company's restructuring costs.

Acquisition and Integration Costs

Acquisition and integration costs incurred during fiscal year 2022 relate to the Formulations Acquisition, and the Battery and Auto Care Acquisitions which occurred in fiscal year 2019. The Company incurred pre-tax acquisition and integration costs of $16.5 in the nine months ended June 30, 2022. There were no acquisition and integration costs incurred during the nine months ended June 30, 2023.

Pre-tax acquisition and integration costs recorded in Costs of products sold were $6.0 for the nine months ended June 30, 2022, primarily related to the facility exit and restructuring related costs, discussed in Note 4, Restructuring.

Pre-tax acquisition and integration costs recorded in SG&A were $9.4 for the nine months ended June 30, 2022 and primarily related to the integration of the acquired information technology systems, consulting costs, and retention-related compensation costs.

For the nine months ended June 30, 2022, the Company recorded $1.1 of pre-tax acquisition and integration related costs in research and development related to severance and Research & development expense (R&D) asset write-offs.

Highlights / Operating Results

Financial Results (in millions, except per share data)

Energizer reported third first fiscal quarter Net earnings of $31.8, $1.9, or $0.44 $0.03 per diluted common share, compared to Net earnings of $52.4, $49.0, or $0.73 $0.68 per diluted common share, in the prior year third first fiscal quarter. Adjusted diluted Diluted net earnings per common share was $0.54 $0.59 for the third first fiscal quarter as compared to $0.77 $0.72 in the prior year quarter.

For the nine months ended June 30, 2023, Energizer reported Net earnings of $120.8, or $1.67 per diluted common share, compared to Net earnings of $131.4, or $1.82 per diluted common share, in the prior year comparable period. Adjusted diluted net earnings per common share was $1.90 for the nine months period as compared to the $2.26 in the prior year comparable period.

Net earnings and Diluted net earnings per common share for the time periods presented were impacted by certain items related to restructuring and related costs, acquisition and integration costs, an acquisition earn out, costs to exit the Russian market, the costs of the flooding of our manufacturing facility in Brazil, the gain on the termination of our capital lease, and the loss/ Loss/(gain) on extinguishment of debt and the December 2023 Argentina Economic Reform as described in the tables below. The impact of these items is provided below as a reconciliation of Net earnings and Diluted net earnings per common share to Adjusted net Net earnings and Adjusted diluted Diluted net earnings per common share, which are non-GAAP measures. See disclosure on Non-GAAP Financial Measures above.

	For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
	2023	2022	2023	2022
Net earnings attributable to common shareholders	$ 31.8	$ 52.4	$ 120.8	$ 127.4
Mandatory preferred stock dividends	—	—	—	(4.0)
Net earnings	31.8	52.4	120.8	131.4
Pre-tax adjustments				
Restructuring and related costs (1)	9.1	—	23.2	—
Acquisition and integration (2)	—	—	—	16.5
Acquisition earn out (3)	—	—	—	1.1
Loss/(gain) on extinguishment of debt	0.3	—	(1.7)	—
Exit of the Russian market (4)	—	—	—	14.0
Gain on finance lease termination (5)	—	(4.5)	—	(4.5)
Brazil flood damage (6)	—	9.9	—	9.9
Total adjustments, pre-tax	$ 9.4	$ 5.4	$ 21.5	$ 37.0
Total adjustments, after tax	$ 7.1	$ 3.1	$ 16.4	$ 31.2
Adjusted net earnings (7)	$ 38.9	$ 55.5	$ 137.2	$ 162.6
Mandatory preferred stock dividends	—	—	—	(4.0)
Adjusted net earnings attributable to common shareholders	$ 38.9	$ 55.5	$ 137.2	$ 158.6
Diluted net earnings per common share	$ 0.44	$ 0.73	$ 1.67	$ 1.82
Adjustments (per common share)				
Restructuring and related costs	0.10	—	0.25	—
Acquisition and integration	—	—	—	0.18
Acquisition earn out	—	—	—	0.01
Loss/(gain) on extinguishment of debt	—	—	(0.02)	—
Exit of Russian market	—	—	—	0.20
Gain on finance lease termination	—	(0.05)	—	(0.05)
Brazil flood damage	—	0.09	—	0.09
Impact for diluted share calculation (8)	—	—	—	0.01
Adjusted diluted net earnings per diluted common share (8)	$ 0.54	$ 0.77	$ 1.90	$ 2.26
Weighted average shares of common stock - Diluted	72.5	71.7	72.4	69.9
Adjusted Weighted average shares of common stock - Diluted (8)	72.5	71.7	72.4	71.8

	For the Quarters Ended December 31,	
	2023	2022
Net earnings	$ 1.9	$ 49.0
Pre-tax adjustments		
Restructuring and related costs (1)	22.4	6.6
Acquisition and integration (2)	2.6	—
Loss/(gain) on extinguishment of debt	0.5	(2.9)
December 2023 Argentina Economic Reform (3)	21.0	—
Total adjustments, pre-tax	$ 46.5	$ 3.7
Total adjustments, after tax	$ 40.6	$ 2.8
Adjusted Net earnings (4)	$ 42.5	$ 51.8

Diluted net earnings per common share	$ 0.03	$ 0.68
Adjustments (per common share)		
Restructuring and related costs (1)	0.23	0.07
Acquisition and integration (2)	0.03	—
Loss/(gain) on extinguishment of debt	0.01	(0.03)
December 2023 Argentina Economic Reform (3)	0.29	—
Adjusted Diluted net earnings per diluted common share	$ 0.59	$ 0.72
Weighted average shares of common stock - Diluted	72.6	72.2

Currency, had an adverse impact excluding hyperinflationary markets, benefited the quarter ended December 31, 2023 by $5.6 in the third quarter to Earnings before income tax of $3.4, taxes, or $0.04 $0.06 per share, and of $23.8, or $0.26 per share, in the nine months ended June 30, 2023 over compared to the prior year. year quarter.

(1) Restructuring and related costs were incurred as follows:

		For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
		2023	2022	2023	2022
		For the Quarters Ended December 31,			
		For the Quarters Ended December 31,			
		For the Quarters Ended December 31,			
		2023			
		2023			
		2023			
Cost of products sold					
Cost of products sold					
Cost of products sold	Cost of products sold	$ 6.5	$ —	$ 12.5	$ —
SG&A - Restructuring costs	SG&A - Restructuring costs	2.6	—	10.7	—
SG&A - Restructuring costs					
SG&A - Restructuring costs					
SG&A - IT Enablement	SG&A - IT Enablement	0.2	—	0.2	—
Other items, net		(0.2)	—	(0.2)	—
SG&A - IT Enablement					
SG&A - IT Enablement					
Total Restructuring and related costs	Total Restructuring and related costs	$ 9.1	$ —	$ 23.2	$ —
Total Restructuring and related costs					
Total Restructuring and related costs					

(2) Acquisition and integration costs of $2.6 included $6.0 costs of $2.9 recorded in Cost Costs of products goods sold $9.4 and $0.7 recorded in SG&A, and

$1.1 in Research and development for the nine months ended June 30, 2022.

(3) This represents the earn out achieved through June 30, 2022 under the incentive agreements entered into with the Formulations Acquisition and is recorded in SG&A. No amounts have been recognized for the second or third performance years under the incentive agreements through June 30, 2023.

(4) These are the costs associated with the Company's exit partially offset by TSA income of the Russian market during the second quarter of fiscal 2022. Exiting the Russian market resulted in the impairment of inventory recorded to Cost of products sold of $0.7, impairment of other assets and severance recorded to SG&A of $5.8, and currency impacts $1.0 recorded in Other items, net of $7.5 in the nine months ended June 30, 2022.

(5) This represents the termination of a finance lease in the quarter ended June 30, 2022 associated with a facility that was exited as a part of the Company's 2019 Restructuring program. The gain was recorded in Other items, net in on the Consolidated (Condensed) Statement of Earnings.

(6) These are(3) During December 2023, a new president was inaugurated in Argentina bringing significant economic reform to the costs associated with country including devaluing the May 2022 flooding Argentine Peso by 50% in the month of our Brazilian manufacturing facility, which were December. As a result of this reform and devaluation, the Company recorded $21.0 of exchange losses in Cost of products sold Other items, net on the Consolidated (Condensed) Statement of Earnings. The majority is related to damaged inventory. Earnings.

(7) (4) The effective tax rate for the Adjusted - Non-GAAP Earnings Net earnings and Adjusted Diluted EPS for the quarters ended June 30, 2023 December 31, 2023 and 2022 was 21.9% 24.0% and 21.3%, respectively, and for the nine months ended June 30, 2023 and 2022 was 21.4% and 21.3% 21.5%, respectively, as calculated utilizing the statutory rate for where the costs were incurred.

(8) During the nine months ended June 30, 2022, the mandatory convertible preferred shares were converted to approximately 4.7 million common stock. The full conversion was dilutive and the mandatory preferred stock dividends are excluded from net earnings in the Adjusted dilution calculation.The Company no longer has any MCPS outstanding in fiscal 2023.

Highlights

Total Net sales	**Total Net sales**	**For the Quarter Ended June 30, 2023**			**For the Nine Months Ended June 30, 2023**		
		$ Change	**% Chg**		**$ Change**	**% Chg**	
Total Net sales							
Total Net sales		**$ Change**					
		$ Change					
		$ Change					
Net sales - prior year							
Net sales - prior year							
Net sales - prior year	Net sales - prior year	$ 728.0			$ 2,259.7		
Organic	Organic	(19.3)	(2.7)	%	(47.4)	(2.1)	%
Organic							
Organic							
Change in Argentina Operations	Change in Argentina Operations	(5.1)	(0.7)	%	(3.1)	(0.1)	%
Change in Russia Operations		—	—	%	(12.6)	(0.6)	%
Change in Argentina Operations							
Change in Argentina Operations							
Impact of currency							
Impact of currency							
Impact of currency	Impact of currency	(4.2)	(0.5)	%	(48.0)	(2.1)	%
Net Sales - current year	**Net Sales - current year**	**$ 699.4**	**(3.9)**	**%**	**$ 2,148.6**	**(4.9)**	**%**
Net Sales - current year							
Net Sales - current year							

See non-GAAP measure disclosures above.

Net sales were $699.4 $716.6 for the third first fiscal quarter of 2023, 2024, a decrease of $28.6 $48.5 as compared to the prior year quarter. Organic Net sales decreased 2.7% 7.4%, primarily driven by the following items:

- Volume The battery business experienced volume declines across battery impacted organic revenue by of approximately 4.5% 7% primarily due to earlier holiday orders compared to the prior year, which benefited the fourth quarter of 2023, and weaker performance at a number of non-tracked retail customers during the quarter and general economic headwinds impacting category performance;

- Volume declines from our auto care business of approximately 3.0%, largely due to cooler weather in the quarter negatively impacting refrigerant sales, channels; and

- Volume declines of approximately 1.5% from Pricing was relatively flat in the planned exit of low margin business and period resulting in a decline in our sales to device manufacturers due to their delay of new product launches.

- Partially offsetting the declines was the continued benefit of global pricing actions in both the battery and auto care businesses contributing approximately 6.5% to organic sales.

Net sales were $2,148.6 for the nine months ended June 30, 2023, a net decrease of $111.1 as compared to the prior year period. Organic Net sales decreased 2.1%, primarily driven by the following items:

- Approximately 8.0% of the decline to organic sales was due to lower battery volumes driven by the timing of holiday orders, category declines from higher retail pricing and general economic conditions impacting category performance and weaker performance at several non-tracked customers;

- Volume declines of approximately 2.5% across the auto care business due to lower volumes from category declines from higher retail pricing and general economic conditions impacting category performance, cooler spring weather negatively impacting our refrigerant sales, and retailer inventory management; and

- Volume declines of approximately 1.5% from the planned exit of low margin business and a decline in our sales to device manufacturers due to their delay of new product launches.

- Partially offsetting these declines was the continued benefit of global pricing actions in both the battery and auto care businesses which increased organic sales by approximately 10.0% 0.4%.

Gross margin percentage on a reported basis for the third first fiscal quarter of 2023 2024 was 37.9% 37.3%, compared to 39.0% in the prior year. Excluding $6.5 of restructuring costs in the current year and Brazilian flood damage of $9.9 in the prior year quarter, adjusted gross margin was 38.8% compared to 40.4% in the prior year, a decrease of 160 basis points.

Gross margin percentage on a reported basis for the nine months ended June 30, 2023 was 38.0%, compared to 36.9% in the prior year. Excluding $12.5 $12.8 and $0.3, respectively, and integration costs of restructuring costs $2.9 in the current year, and prior year costs $0.7 to exit the Russian market, Brazilian flood damage of $9.9 and $6.0 in acquisition and integration costs, adjusted gross Adjusted Gross margin was 38.6% 39.5% compared to 37.6% 39.0% in the prior year, an increase of 100 50 basis points.

	For the Quarter Ended December 31, 2023
Gross margin - FY'23 Reported and Adjusted	39.0 %
Project Momentum continuous improvement initiatives	2.0 %
Product mix impact	(0.6)%
Product cost impacts	(0.5)%
Pricing	(0.4)%
Gross margin - FY'24 Adjusted	39.5 %
Current year impact of restructuring and integration costs	(2.2)%
Gross margin - FY'24 Reported	37.3 %

	For the Quarter Ended June 30, 2023	For the Nine Months Ended June 30, 2023
Gross margin - FY'22 Reported	39.0 %	36.9 %
Prior year impact of exiting the Russian market, Brazilian flood and integration costs	1.4 %	0.7 %
Gross margin - FY'22 Adjusted	40.4 %	37.6 %
Pricing	3.7 %	5.6 %
Project Momentum continuous improvement initiatives	1.2 %	1.2 %
Mix impact	0.1 %	0.2 %
Product cost impacts	(6.5)%	(5.3)%
Currency impact and other	(0.1)%	(0.7)%
Gross margin - FY'23 Adjusted	38.8 %	38.6 %
Current year impact of restructuring costs	(0.9)%	(0.6)%
Gross margin - FY'23 Reported	37.9 %	38.0 %

For the quarter, the Adjusted Gross margin decline improvement was largely driven by higher operating costs, including raw materials, timing Project Momentum which delivered savings of inventory builds approximately $16 in the prior year, ongoing inflationary trends and adverse currency impacts. The decline quarter. This benefit was partially offset by the continued benefit of the pricing initiatives, Project Momentum savings of $10.7 mix impacts, modestly increased product costs, and the benefit of exiting to a lesser extent, lower margin battery business. pricing.

For the nine months ended June 30, 2023, the Gross margin increase was largely driven by the continued benefit of pricing initiatives and Project Momentum savings of $27.9, as well as the positive impact from exiting lower margin business. These benefits were partially offset by higher operating costs, including raw material costs, consistent with ongoing inflationary trends, as well as adverse currency impacts. Higher ocean freight costs also impacted the nine months ended June 30, 2023.

SG&A was $116.1 $128.1 in the third first fiscal quarter of 2023, 2024, or 16.6% 17.9% of Net sales, as compared to $118.9, $120.4, or 16.3% 15.7% of Net sales, in the prior year period. Included in SG&A during the third first fiscal quarter of 2024 were acquisition and integration costs of $0.7, and included in both the first fiscal quarter of 2024 and 2023 results were restructuring and related costs of $2.8. $9.6 and $6.3, respectively. Excluding these restructuring and related costs and acquisition and integration costs, adjusted SG&A was $113.3, $117.8, or 16.2% 16.4% of Net sales in the third first fiscal quarter of 2023, 2024, as compared to $118.9, $114.1, or 16.3% 14.9% of Net sales in the prior year period. The year-over-year decrease increase was primarily driven by Project Momentum savings, favorable currency impacts higher labor and lower benefit costs, factoring fees and an environmental costs this period expense due to a charge taken in the prior year related to a legacy facility that has been sold by the Company. These declines were This increase was partially offset by higher compensation expense and factoring fees in the current year.

SG&A was $354.8 in the nine months ended June 30, 2023, or 16.5% of Net sales, as compared to $364.4, or 16.1% of Net sales, in the prior year period. Included in the nine months ended June 30, 2023 results were restructuring and related costs of $10.9 and included in the nine months ended June 30, 2022 results were costs of exiting the Russian market of $5.8, integration costs of $9.4 and acquisition earn out costs of $1.1. Excluding restructuring and integration costs, costs of exiting the Russian market, and the acquisition earn out, adjusted SG&A was $343.9, or 16.0% of Net sales in the nine months ended June 30, 2023, as compared to $348.1, or 15.4% of Net sales in the prior year period. The year-over-year decrease was primarily driven by Project Momentum savings favorable currency impacts and lower environmental costs this period due to a charge taken of approximately $6 in the prior year related to a legacy facility that has been sold by the Company. These decreases were partially offset by higher compensation expense and factoring fees in the current year. quarter.

Advertising and sales promotion expense (A&P) was $37.6, $47.0, or 5.4% 6.6% of net sales, in the third first fiscal quarter of 2023, 2024, as compared to $38.5, $53.4, or 5.3% 7.0% of Net sales, in the third first fiscal quarter of 2022. A&P 2023.

R&D was $109.4, $7.8, or 5.1% 1.1% of net Net sales, in for the nine months quarter ended June 30, 2023 December 31, 2023, as compared to $109.8, $7.6, or 4.9% 1.0% of Net sales, in the prior year comparative period.

R&D was $8.8, or 1.3% of Net sales, for the quarter ended June 30, 2023, as compared to $8.5, or 1.2% of Net sales, in the prior year comparative period. R&D was $24.4, or 1.1% of Net sales, for the nine months ended June 30, 2023, as compared to $25.3, or 1.1% of Net sales, in the prior year comparative period, which included integration costs of $1.1.

Interest expense was $42.2 $40.7 for the third first fiscal quarter of 2023 2024 compared to $41.1 for the prior year comparative period. For the nine months ended June 30, 2023 interest expense was $127.1 as compared to $116.4 $42.9 for the prior year comparative period. The increased lower interest expense was due to higher interest rates in fiscal 2023 compared to fiscal 2022, partially offset by a lower average outstanding debt balance in the current period. year due to the Company's initiatives to pay down debt.

Loss/(gain) on extinguishment of debt was a loss of $0.3 $0.5 for the third first fiscal quarter of 2023, 2024, and relates to the Company's early repayment of $41.0 $75.0 outstanding on the term loan. For the nine months ended June 30, 2023 the The gain on extinguishment of debt was $1.7 and of $2.9 for the first fiscal quarter of 2023 related to the Company's retirement of $25.0 of outstanding Senior Notes at a discount and the early repayment of $166.0 $25.0 outstanding on the term loan in the current year. loan.

Other items, net was expense of $5.2 $19.0 and a benefit of $3.5 $1.4 for the third first fiscal quarters of 2024 and 2023, respectively.

	For the Quarters Ended December 31,	
	2023	2022
Other items, net		
Interest income	$ (5.6)	$ (0.2)
Foreign currency exchange loss/(gain) (1)	23.7	(1.0)
Pension cost other than service costs	1.0	0.7
Acquisition and integration - TSA income	(1.0)	—
Other	0.9	(0.9)
Total Other items, net	$ 19.0	$ (1.4)

(1) Foreign currency exchange loss includes the currency impact from the December 2023 Argentina economic reform. During December 2023, a new president was inaugurated in Argentina bringing significant economic reform to the country including devaluing the Argentine Peso by 50% in the month of December. As a result of this reform and 2022, respectively. devaluation, the Company recorded $21.0 of exchange losses in Other items, net was expense on the Consolidated (Condensed) Statement of $4.6 and $2.7 for the nine months ended June 30, 2023 and 2022, respectively. Earnings.

	For the Quarters Ended June 30,		For the Nine Months Ended June 30,	
	2023	2022	2023	2022
Other items, net				

Interest income	$ (0.4)	$ (0.2)	$ (1.7)	$ (0.7)
Foreign currency exchange loss	5.1	2.5	8.6	3.7
Pension cost/(benefit) other than service costs	0.7	(1.0)	2.0	(3.2)
Exit of the Russian market	—		—	7.5
Gain on termination of finance lease	—	(4.5)	—	(4.5)
Other	(0.2)	(0.3)	(4.3)	(0.1)
Total Other items, net	$ 5.2	$ (3.5)	$ 4.6	$ 2.7

The effective tax rate on a year to date basis was 21.1% 79.8% as compared to 22.5% 21.3% in the prior year. The current year rate is driven by the charges from the December 2023 Argentina Reform which did not result in a statutory tax benefit. Excluding the impact of restructuring and related costs, acquisition and integration costs, costs of exiting the Russian market,

Brazil flood damage,acquisition earn out, gain on finance lease termination, and the loss/ Loss/(gain) on extinguishment in debt and the December 2023 Argentina Economic Reform, the year to date adjusted effective tax rate was 21.4% 24.0% as compared to 21.3% 21.5% in the prior year. The higher current year rate is driven by the higher foreign rate differential compared to the prior year.

Segment Results

Operations for Energizer are managed via two product segments: Batteries & Lights and Auto Care.Segment performance is evaluated based on segment operating profit, exclusive of general corporate expenses (including share-based compensation costs), amortization of intangibles, acquisition and integration activities, restructuring and related costs, acquisition earn out, the costs of the May 2022 flooding of our Brazilian manufacturing facility, costs of exiting the Russian market and other items determined to be corporate in nature. Financial items, such as interest income and expense and the (loss)/gain on extinguishment of debt, and the gain on finance lease termination, are managed on a global basis at the corporate level. The exclusion of restructuring and related costs and acquisition and integration costs from segment results reflects management's view on how it evaluates segment performance.

Energizer's operating model includes a combination of standalone and shared business functions between the product segments, varying by country and region of the world. Shared functions include the sales and marketing functions, as well as human resources, IT and finance shared service costs. Energizer applies a fully allocated cost basis, in which shared business functions are allocated between segments. Such allocations are estimates, and may not represent the costs of such services if performed on a standalone basis.

Segment Net Sales	**Quarter Ended June 30, 2023**		**Nine Months Ended June 30, 2023**	
	$ Change	**% Chg**	**$ Change**	**% Chg**
Batteries & Lights				
Net sales - prior year	$ 531.6		$ 1,788.3	
Organic	(11.0)	(2.1)%	(38.5)	(2.2)%
Change in Argentina Operations	(5.1)	(1.0)%	(3.3)	(0.2)%
Change in Russia Operations	—	— %	(12.3)	(0.7)%
Impact of currency	(4.2)	(0.7)%	(45.4)	(2.5)%
Net sales - current year	**$ 511.3**	**(3.8)%**	**$ 1,688.8**	**(5.6)%**
Auto Care				
Net sales - prior year	$ 196.4		$ 471.4	
Organic	(8.3)	(4.2)%	(8.9)	(1.9)%
Change in Argentina Operations	—	— %	0.2	— %
Change in Russia Operations	—	— %	(0.3)	(0.1)%
Impact of currency	—	— %	(2.6)	(0.5)%
Net sales - current year	**$ 188.1**	**(4.2)%**	**$ 459.8**	**(2.5)%**
Total Net Sales				
Net sales - prior year	$ 728.0		$ 2,259.7	
Organic	(19.3)	(2.7)%	(47.4)	(2.1)%
Change in Argentina Operations	(5.1)	(0.7)%	(3.1)	(0.1)%
Change in Russia Operations	—	— %	(12.6)	(0.6)%
Impact of currency	(4.2)	(0.5)%	(48.0)	(2.1)%

Net sales - current year	**$**	**699.4**	**(3.9)%**	**$**	**2,148.6**	**(4.9)%**

Segment Net Sales		Quarter Ended December 31, 2023	
		$ Change	% Chg
Batteries & Lights			
Net sales - prior year	$	671.6	
Organic		(60.8)	(9.1)%
Change in Argentina Operations		(0.7)	(0.1)%
Impact of currency		7.7	1.2 %
Net sales - current year	**$**	**617.8**	**(8.0)%**
Auto Care			
Net sales - prior year	$	93.5	
Organic		4.5	4.8 %
Change in Argentina Operations		(0.2)	(0.2)%
Impact of currency		1.0	1.1 %
Net sales - current year	**$**	**98.8**	**5.7 %**
Total Net Sales			
Net sales - prior year	$	765.1	
Organic		(56.3)	(7.4)%
Change in Argentina Operations		(0.9)	(0.1)%
Impact of currency		8.7	1.2 %
Net sales - current year	**$**	**716.6**	**(6.3)%**

Results for the Quarter Ended June 30, 2023 December 31, 2023

Battery & Lights reported Net Sales decreased 3.8% 8.0% as compared to the prior year. year period. Organic net sales decreased $11.0, $60.8, or 2.1% 9.1%, for the third first fiscal quarter. The organic decrease was due to earlier holiday orders compared to the prior year, which benefited the fourth quarter of fiscal 2023 and weaker performance at a number of non-tracked retail customers during the quarter and general economic headwinds impacting category performance channels (approximately 7.5% 8.0%), as well as from the planned exit of low margin business slight impact in pricing (approximately 0.8%) and a decline lost distribution in our sales to device international markets (approximately 0.3%).

manufacturers due Auto Care reported Net Sales increase of 5.7% as compared to their delay the prior year period, driven by an organic net sales increase of new product launches (approximately 1.0%) $4.5, or 4.8%. This The increase was partially offset driven by the continued benefits of global pricing actions (approximately 6.5% 2.4%), increased volumes from timing of refrigerant sales (approximately 1.4%) and increased distribution internationally (approximately 1.0%).

Auto Care reported and organic Net sales decrease of $8.3, or 4.2%, for the third fiscal quarter. The decrease was driven by deceased volumes largely due to cooler weather in the quarter negatively impacting refrigerant sales (approximately 10.5%), decreased distribution in North America (approximately 1.0%), and was partially offset by the continued benefits of global pricing actions (approximately 7.5%).

Results for the Nine Months Ended June 30, 2023

Battery & Lights reported Net sales decreased 5.6% as compared to the prior year. Organic net sales decreased $38.5, or 2.2%, for the nine months ended June 30, 2023. The organic decrease was driven by the timing of holiday orders, category declines from higher retail pricing and general economic conditions impacting category performance and weaker performance at several non-tracked customers (approximately 10.5%), as well as from the planned exit of low margin business and a decline in our sales to device manufacturers due to their delay of new product launches (approximately 1.5%). This was partially offset by the continued benefits of global pricing actions (approximately 10.0%).

Auto Care reported Net sales decreased 2.5%, as compared to the prior year. Organic Net sales decreased $8.9, or 1.9%. The organic decrease in Net sales was due to lower volumes from category declines from higher retail pricing and general economic conditions impacting category performance, cooler spring weather negatively impacting our refrigerant sales, and retailer inventory management (approximately 11.0%). This was partially offset by the continued benefits of global pricing actions (approximately 9.0%).

Segment Profit	Segment Profit	Quarter Ended June 30, 2023		Nine Months Ended June 30, 2023	
		$ Change	% Chg	$ Change	% Chg

Segment Profit

Segment Profit

$ Change

$ Change

$ Change

Batteries & Lights

Batteries & Lights

Batteries & Lights	***Batteries & Lights***								
Segment profit - prior year	Segment profit - prior year	$	142.7			$	406.4		
Segment profit - prior year									
Segment profit - prior year									
Organic									
Organic									
Organic	Organic		(16.7)	(11.7)	%		(4.8)	(1.2)	%
Change in Argentina Operations	Change in Argentina Operations		(1.7)	(1.2)	%		(1.0)	(0.2)	%
Change in Russia Operations			—	—	%		(1.2)	(0.3)	%
Change in Argentina Operations									
Change in Argentina Operations									
Impact of currency	Impact of currency		(2.4)	(1.7)	%		(24.7)	(6.1)	%
Impact of currency									
Impact of currency									
Segment profit - current year									
Segment profit - current year									
Segment profit - current year	**Segment profit - current year**	**$**	**121.9**	**(14.6)**	**%**	**$**	**374.7**	**(7.8)**	**%**
Auto Care	***Auto Care***								
Auto Care									
Auto Care									
Segment profit - prior year									
Segment profit - prior year									
Segment profit - prior year	Segment profit - prior year		12.9				37.0		
Organic	Organic		4.5	34.9	%		22.4	60.5	%
Organic									
Organic									
Change in Argentina Operations									
Change in Argentina Operations									
Change in Argentina Operations	Change in Argentina Operations		—	—	%		—	—	%
Impact of currency	Impact of currency		—	—	%		(2.0)	(5.4)	%
Impact of currency									
Impact of currency									
Segment profit - current year									
Segment profit - current year									
Segment profit - current year	**Segment profit - current year**	**$**	**17.4**	**34.9**	**%**	**$**	**57.4**	**55.1**	**%**
Total Segment Profit	***Total Segment Profit***								

Total Segment Profit									
Total Segment Profit									
Segment profit - prior year									
Segment profit - prior year									
Segment profit - prior year	Segment profit - prior year		155.6				443.4		
Organic	Organic		(12.2)	(7.8)	%		17.6	4.0	%
Organic									
Organic									
Change in Argentina Operations	Change in Argentina Operations		(1.7)	(1.1)	%		(1.0)	(0.2)	%
Change in Russia Operations			—	—	%		(1.2)	(0.3)	%
Change in Argentina Operations									
Change in Argentina Operations									
Impact of currency									
Impact of currency									
Impact of currency	Impact of currency		(2.4)	(1.6)	%		(26.7)	(6.0)	%
Segment profit - current year	**Segment profit - current year**	**$**	**139.3**	**(10.5)**	**%**	**$**	**432.1**	**(2.5)**	**%**
Segment profit - current year									
Segment profit - current year									

Refer to Note 6, 5, Segments, in the Consolidated (Condensed) Financial Statements for a reconciliation from segment profit to earnings before income taxes.

Results for the Quarter Ended June 30, 2023 December 31, 2023

Global reported segment profit decreased 10.5% 6.4% as compared to the prior year. Organic profit decrease was $12.2, $11.4, or 7.8% 7.7%. The organic decrease was driven by the organic net sales decline discussed above lower gross margin due to higher operating costs and the timing of inventory build in the prior year, partially offset by reduced SG&A and A&P spending compared to the prior year.
Battery & Lights reported segment profit decreased by 14.6% 4.3% as compared to the prior year. Organic segment profit decreased by $16.7, $6.8, or 11.7% 4.9%, due to the organic net sales decline discussed above, lower gross margin due to higher operating costs and the timing of inventory build in the prior year, higher A&P spend compared to prior year, partially offset by lower SG&A.

Auto Care reported segment profit increased by 34.9% as compared to the prior year driven by the favorable organic segment profit increase of $4.5, or 34.9%. The increase was driven an improvement in gross margin due to Project Momentum and pricing initiatives, as well as a decrease in A&P, partially offset by the organic net sales decrease discussed above.

Results for the Nine Months Ended June 30, 2023

Global reported segment profit decreased 2.5% as compared to the prior year. Organic operating profit increased $17.6, or 4.0%. The increase was driven by an improvement in gross margin due to Project Momentum and pricing initiatives and decreased SG&A. Partially offsetting this increase was the decline in organic Net Sales discussed above and higher A&P spend.
Battery & Lights reported segment profit decreased by 7.8% as compared to the prior year. Organic segment profit decreased by $4.8, or 1.2%. The organic decrease was driven by the decline in organic Net sales discussed above and higher A&P spend, partially offset by improved gross margin due to from Project Momentum savings and pricing initiatives and lower reduced SG&A spend and A&P spending compared to the prior year.

Auto Care reported segment profit increased 55.1% decreased by 34.9% as compared to the prior year driven by organic year. Organic segment profit growth of $22.4, declined by $4.6, or 60.5% 43.4%. The organic increase decline was driven by an improvement in lower gross margin due to Project Momentum increased product cost, overall product mix and pricing initiatives and slightly decreased A&P, higher SG&A. This was partially offset by higher organic net sales and reduced A&P spending over the decline in organic Net sales discussed above and higher SG&A and R&D spend. prior year.

General Corporate	**General Corporate**	**For the Quarters Ended June 30,**		**For the Nine Months Ended June 30,**	
		2023	**2022**	**2023**	**2022**
General Corporate					
General Corporate					

		2023											
		2023											
		2023											
General corporate and other expenses													
General corporate and other expenses													
General corporate and other expenses	General corporate and other expenses	$	27.4		$	27.6		$	80.6		$	74.9	
% of Net Sales	% of Net Sales		3.9	%		3.8	%		3.8	%		3.3	%
% of Net Sales													
% of Net Sales													

For the quarter ended June 30, 2023 December 31, 2023, general corporate and other expenses were $27.4, a decrease of $0.2 as compared to the prior year comparative period. For the nine months ended June 30, 2023, General corporate and other expenses were $80.6, $29.2, an increase of $5.7 $3.8 as compared to the prior year comparative period. The increase for the nine months ended June 30, 2023 was primarily driven by higher mark to market expenses on our deferred compensation plans as well as increased stock compensation in the current year.

Liquidity and Capital Resources

Energizer's primary future cash needs will be centered on operating activities, working capital, strategic investments and debt reductions. We believe that our future cash from operations, together with our access to capital markets, will provide adequate resources to fund our operating and financing needs. Our access to, and the availability of, financing on acceptable terms in the future will be affected by many factors, including: (i) our financial condition and prospects, (ii) for debt, our credit rating, (iii) the liquidity of the overall capital markets and (iv) the current state of the economy. There can be no assurances that we will continue to have access to capital markets on terms acceptable to us. See the "Risk Factors" section of our Annual Report on Form 10-K for the year ended September 30, 2022 September 30, 2023 filed with the Securities and Exchange Commission on November 15, 2022 November 14, 2023 for additional information.

Cash is managed centrally with net earnings reinvested locally and working capital requirements met from existing liquid funds. At June 30, 2023 December 31, 2023, Energizer had $202.4 $241.7 of cash and cash equivalents, approximately 81% 84% of which was held outside of the U.S. Given our extensive international operations, a significant portion of our cash is denominated in foreign currencies. We manage our worldwide cash requirements by reviewing available funds among the many subsidiaries through which we conduct our business and the cost effectiveness with which those funds can be accessed. The repatriation of cash balances from certain of our subsidiaries could have adverse tax consequences or be subject to regulatory capital requirements; however, those balances are generally available without legal restrictions to fund ordinary business operations.

In December 2020, the Company entered into a Credit Agreement which provided for a 5-year $400.0 revolving credit facility (2020 Revolving Facility) and a $1,200.0 Term Loan due December 2027. In December 2021, the Company amended the Credit Agreement to increase the 2020 Revolving Facility to $500.0.

In February 2023, the Company amended this Credit Agreement and the existing interest rate swap to transition the interest reference rate from the London Interbank Offered Rate (LIBOR) to the Secured Overnight Finance Rate (SOFR). There were no other changes to the Company's Credit Agreement or timing of cash flows. The amendment was entered into because the LIBOR rate historically used was no longer published after June 30, 2023. The Company utilized expedients within ASC 848 to conclude that this amendment should be treated as a non-substantial modification of the existing contract, resulting in no impact to the Company's financial statement.

Borrowings under the Term Loan require quarterly principal payments at a rate of 0.25% of the original principal balance, or $3.0. Borrowings under the 2020 Revolving Facility bear interest at a rate per annum equal to, at the option of the Company, SOFR or the Base Rate (as defined) plus the applicable margin. The Term Loan bears interest at a rate per annum equal to SOFR plus the applicable margin.

During the nine months quarter ended June 30, 2023, December 31, 2023 the Company repurchased $16.3 of the 4.750% Senior Notes due in 2028 and $8.7 of the 4.375% Senior Notes due in 2029 at a total discount of $3.4. The Company also paid down $175.0 company pre-paid $75.0 of the Term Loan. The extinguishment of this debt, less the write-off of associated deferred financing fees resulted in a loss Loss on extinguishment of debt for during the three months ended June 30, 2023 quarter of $0.3 and a gain for the nine months ended June 30, 2023 of $1.7. $0.5. Subsequent to the quarter, the Company pre-paid an additional $20.0 $55.0 of the Term Loan.

As of June 30, 2023 December 31, 2023, the Company had no outstanding borrowing borrowings under the 2020 Revolving Facility and $7.1 $7.6 of outstanding letters of credit. Taking into account outstanding letters of credit, $492.9 $492.4 remained available under the 2020 Revolving Facility as of June 30, 2023 December 31, 2023. The Company is in compliance with the provisions and covenants associated with its debt agreements, and expects to remain in compliance throughout the next twelve months.

Operating Activities

Cash flow from operating activities was $296.3 $178.1 in the nine three months ended June 30, 2023 December 31, 2023, as compared to cash flow used by operating activities of $106.2 $161.0 in the prior year period. This change in cash flows of $402.5 $17.1 was primarily driven by working capital changes, year over year, of approximately $414. $31, partially offset by the decline in Net earnings. The working capital change of approximately $414 $31 was primarily a result of the following:

- Approximately $101 is due to collections of increased accounts receivable collections, net of trade spend, in the current year compared to the prior year. The Company had reduced its factoring at the end over year, of fiscal approximately $64. This was partially offset by increased inventory, year 2022 compared to the prior over year, which resulted in higher collections in the first quarter of fiscal 2023;

- Approximately $230 approximately $19 and decreased accounts payable, year over year, of less inventory investment compared to the prior year as the Company was proactively building safety stock in the prior year and reduced the investment in the current year as inventory levels return to a more normalized level; and

- Approximately $108 approximately $16 due to changes in accounts payable and accrued liabilities driven by timing of payments.

Investing Activities

Net cash used by investing activities was $34.7 $37.1 and $78.9 $8.8 for the nine three months ended June 30, 2023 December 31, 2023 and 2022, respectively, and consisted of the following:

- Capital expenditures of $35.4 $25.5 and $65.8 $9.5 in the nine three months ended June 30, 2023 December 31, 2023 and 2022, respectively;

- Proceeds from assets sales were $0.7 and $0.5 in the nine three months ended June 30, 2023 and 2022, respectively;

- Acquisitions of intangible assets of $14.6 relating to the auto care appearance trade names and formulas acquired in Latin America during the nine months ended June 30, 2022 December 31, 2022; and

- Acquisitions, net of cash acquired, and working capital settlements was an inflow outflow of $1.0 $11.6 from the Formulations Acquisition working capital settlement purchase of battery manufacturing assets in fiscal 2022. Belgium in the quarter ended December 31, 2023.

Investing cash outflows of approximately $55 $95 to $65 $105 are anticipated in fiscal 2023 2024 for capital expenditures relating to expenditures. This includes normal maintenance, product development and cost reduction investments, including as well as approximately $35 to $45 of investment from Project Momentum capital initiatives. initiatives including IT systems.

Financing Activities

Net cash used by financing activities was $261.2 $110.8 for the nine three months ended June 30, 2023 December 31, 2023 as compared to cash from financing activities of $158.4 $79.4 in the prior fiscal year period. For the nine three months ended June 30, 2023 December 31, 2023, cash used by financing activities consists of the following:

- Payments of debt with maturities greater than 90 days of $197.0, $78.2, primarily related to term loan principal payments of $78.0;

- Net decrease in debt with original maturities of 90 days or less of $5.2 primarily related to international borrowings;

- Dividends paid on common stock of $22.7 (see below); and

- Taxes paid for withheld share-based payments of $4.7.

For the three months ended December 31, 2022, cash used by financing activities consisted of the following:

- Payments of debt with maturities greater than 90 days of $49.8, primarily related to the early retirement of Senior notes of $21.6 and the term loan principal payments of $175.0;

- Net increase in debt with original maturities of 90 days or less of $2.5 primarily related to international borrowings;

- Dividends paid on common stock of $64.8 (see below); and

- Taxes paid for withheld share-based payments of $1.9.

For the nine months ended June 30, 2022, cash from financing activities consisted of the following:

- Cash proceeds from the issuance of debt with original maturities greater than 90 days of $300.0 relating to the new Senior Note due in 2027 issuance the second quarter of fiscal 2022;
- Payments of debt with original maturities greater than 90 days of $10.6, primarily related to the quarterly principal payments on the Term Loan; $28.0;
- Net decrease in debt with original maturities of 90 days or less of $43.8 $5.9 primarily related to borrowing under our 2020 Revolving Facility;
- Payments to terminate finance lease obligations repayment of $5.1 related to the termination of our Dixon, IL. packaging facility lease;
- Debt issuance costs of $7.6 relating to the amendment of the Credit Agreement in December 2021 and the issuance of the $300 Senior Note due in 2027; international borrowings;
- Dividends paid on common stock of $64.1;
- Dividends paid on mandatory convertible preferred stock (MCPS) of $8.1; $21.8; and
- Taxes paid for withheld share-based payments of $2.3. $1.9.

Dividends

On November 7, 2022 November 6, 2023, the Board of Directors declared a cash dividend for the first quarter of fiscal 2023 2024 of $0.30 per share of common stock, payable on December 16, 2022 December 14, 2023. On January 30, 2023 Subsequent to the end of the fiscal quarter, on January 29, 2024, the Board of Directors declared a cash dividend for the second quarter of 2023 2024 of $0.30 per share of common stock, payable on March 16, 2023. On May 1, 2023, the Board of Directors declared a cash dividend for the third quarter of fiscal 2023 of $0.30 per share of common stock, payable on June 13, 2023.

Subsequent to the end of the fiscal quarter, on July 30, 2023, the Board of Directors declared a cash dividend for the fourth quarter of fiscal 2023 of $0.30 per share of common stock, payable on September 15, 2023 March 14, 2024, to all shareholders of record as of the close of business on August 22, 2023 February 21, 2024.

Share Repurchases

In November 2020, the Company's Board of Directors put in place an authorization for the Company to acquire up to 7.5 million shares of its common stock. The Company has 5.0 million shares remaining under this authorization.

Future share repurchases, if any, will be determined by the Company based on its evaluation of the market conditions, capital allocation objectives, legal and regulatory requirements and other factors. Share repurchases may be effected through open market purchases or privately negotiated transactions, including repurchase plans that satisfy the conditions of Rule 10b5-1 of the Securities Exchange Act of 1934.

The timing, declaration, amount and payment of future dividends to shareholders or repurchases of the Company's Common stock will fall within the discretion of our Board of Directors. The Board's decisions regarding the payment of dividends or repurchase of shares will depend on many factors, such as our financial condition, earnings, capital requirements, debt service obligations, covenants associated with certain of our debt service obligations, industry practice, legal requirements, regulatory constraints and other factors that our Board of Directors deems relevant.

Other Matters

Environmental Matters

Accrued environmental costs at June 30, 2023 December 31, 2023 were $14.0. $14.7. It is difficult to quantify with certainty the cost of environmental matters, particularly remediation and future capital expenditures for environmental control equipment. Total environmental capital expenditures and operating expenses are not expected to have a material effect on our total capital and operating expenditures, earnings or competitive position. However, current environmental spending estimates could be modified as a result of changes in our plans or our understanding of underlying facts, changes in legal requirements, including any requirements related to global climate change, or other factors.

Contractual Obligations

The Company believes it has sufficient liquidity to fund its operations and meet its short-term and long-term obligations. The Company's material future obligations include the contractual and purchase commitments described below.

The Company has a contractual commitment to repay its long-term debt of $3,391.1 $3,296.4 based on the defined terms of our debt agreements. Within the next twelve months, the Company is obligated to pay $12.0 of this total debt. Our interest commitments based on the current debt balance and SOFR rate on drawn debt at June 30, 2023 December 31, 2023 is $807.1, $705.2, with $152.4 $145.2 expected within the next twelve months. The Company has entered into an interest rate swap agreement that fixed the variable benchmark component (SOFR) on $700.0 of variable rate debt. Refer to Note 8, 9, Debt, for further details.

The Company has an obligation to pay a mandatory transition tax of $16.7. $16.7 over the next three years. The first payment of $3.6 $3.9 is due in the second quarter of fiscal 2024.

Additionally, Energizer has material future purchase commitments for goods and services which are legally binding and that specify all significant terms including price and/or quantity. Total future commitments for these obligations over the next 5 years is $11.3. $7.4. Of this amount, $6.6 $4.0 is due within the next twelve months. Refer to Note 14, Legal proceeding/contingencies and other obligations, for additional details.

Energizer is also party to various service and supply contracts that generally extend approximately one to three months. These arrangements are primarily individual, short-term purchase orders for routine goods and services at market prices, which are part of our normal operations and are reflected in historical operating cash flow trends. These contracts can generally be canceled at our option at any time. We do not believe such arrangements will adversely affect our liquidity position.

Finally, Energizer has operating and financing leases for real estate, equipment, and other assets that include future minimum payments with initial terms of one year or more. Total future operating and finance lease payments at June 30, 2023 December 31, 2023 are $144.9 $142.7 and $66.7, $92.7, respectively. Within the next twelve months, operating and finance lease payments are expected to be $19.4 $20.3 and $2.5, $4.0, respectively.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market Risk Sensitive Instruments and Positions

The market risk inherent in the Company's financial instruments' positions represents the potential loss arising from adverse changes in currency rates, commodity prices and interest rates. The following risk management discussion and the estimated amounts generated from the sensitivity analysis are forward-looking statements of market risk assuming certain adverse market conditions occur. The Company's derivatives are used only for identifiable exposures, and we have not entered into hedges for trading purposes where the sole objective is to generate profits.

Derivatives Designated as Cash Flow Hedging Relationships

A significant share of Energizer's product cost is more closely tied to the U.S. dollar than to the local currencies in which the product is sold. As such, a weakening of currencies relative to the U.S. dollar results in margin declines unless mitigated through pricing actions, which are not always available due to the economic or competitive environment. Conversely, strengthening of currencies relative to the U.S. dollar can improve reported results. The primary currencies to which Energizer is exposed include the Euro, the British pound, the Canadian dollar and the Australian dollar. However, the Company also has significant exposures in many other currencies which, in the aggregate, may have a material impact on the Company's operations.

The Company has entered into a series of forward currency contracts to hedge the cash flow uncertainty of forecasted payment of inventory purchases due to short term currency fluctuations. Energizer's foreign affiliates, which have the largest exposure to U.S. dollar purchases, have the Euro, the British pound, the Canadian dollar and the Australian dollar as their local currencies. These foreign currencies represent a significant portion of Energizer's foreign currency exposure. At June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, Energizer had an unrealized pre-tax loss of $3.0 $3.7 and an unrealized pre-tax gain of $16.3, $3.3, respectively, on these forward currency contracts accounted for as cash flow hedges, included in Accumulated other comprehensive loss on the Consolidated (Condensed) Balance Sheets. Assuming foreign exchange rates versus the U.S. dollar remain at June 30, 2023 December 31, 2023 levels over the next twelve months, $2.9 $3.3 of the pre-tax loss included in Accumulated other comprehensive loss at June 30, 2023 December 31, 2023 is expected to be recognized in earnings. Contract maturities for these hedges extend into fiscal year 2024. 2025.

Derivatives Not Designated as Cash Flow Hedging Relationships

Energizer's foreign subsidiaries enter into internal and external transactions that create nonfunctional currency balance sheet positions at the foreign subsidiary level. These exposures are generally the result of intercompany purchases, intercompany loans and to a lesser extent, external purchases, and are revalued in the foreign subsidiary's local currency at the end of each period. Changes in the value of the non-functional currency balance sheet positions in relation to the foreign subsidiary's local currency results in an exchange gain or loss recorded in Other items, net on the Consolidated (Condensed) Statements of Earnings and Comprehensive Income. The primary currency to which Energizer's foreign subsidiaries are exposed is the U.S. dollar.

The Company enters into foreign currency derivative contracts which are not designated as cash flow hedges for accounting purposes to hedge balance sheet exposures. Any gains or losses on these contracts are expected to be offset by exchange gains or losses on the underlying exposures, thus they are not subject to significant market risk.

The change in estimated fair value of the foreign currency contracts for the quarter ended December 31, 2023 and nine months ended June 30, 2023 resulted in a loss of $1.6 and $1.0, respectively. The change in estimated fair value of the foreign currency contracts for the quarter and nine months ended June 30, 2022 2022, resulted in a gain of $1.9 $3.2 and $5.3, $0.5, respectively. These gains and losses were recorded in Other items, net on the Consolidated (Condensed) Statements of Earnings and Comprehensive Income.

Commodity Price Exposure

The Company uses raw materials that are subject to price volatility. At times, the Company uses hedging instruments to reduce exposure to variability in cash flows associated with future purchases of certain materials and commodities.

The Company has entered into hedging contracts on future zinc purchases to reduce exposure to variability in cash flows associated with price volatility. The contracts are determined to be cash flow hedges and qualify for hedge accounting. The contract maturity for these hedges extend into fiscal 2025. There were 18 open contracts at June 30, 2023 December 31, 2023, with a total notional value of approximately $52. $34. The Company had an unrealized pre-tax gain of $0.7 and an unrealized pre-tax loss of $0.7 on the zinc contracts was $7.5 and $6.1 these hedges for the quarter ended June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, respectively, and was included in Accumulated other comprehensive loss on the Consolidated (Condensed) Balance Sheet.

Interest Rate Exposure

The Company has interest rate risk with respect to interest expense on variable rate debt. At June 30, 2023 December 31, 2023, Energizer had variable rate debt outstanding of $1,007.0 $904.0 under the 2020 Term Loan and the 2020 Revolving Facility. Loan.

In December 2020, the The Company entered into has an interest rate swap (2020 Interest rate swap) with an effective date of December 22, 2020, that fixed fixes the variable benchmark component (LIBOR) (SOFR) at an interest rate of 0.95% 1.042% on variable rate debt of $550.0. $700.0. The notional value increased to $700.0 on January 22, 2021, and of the swap will stay at that this value through December 22, 2024. The notional value and then will decrease by $100.0 on December 22, 2024 and by $100.0 each year thereafter until its termination date on December 22, 2027. The notional value of the swap was $700.0 at December 31, 2023.

In February 2023, the Company amended its Credit Agreement to transition the interest reference rate from LIBOR to SOFR. The amendment was entered into because the LIBOR rate historically used was no longer published after June 30, 2023. The Company also amended the 2020 Interest rate swap to coincide with the amended credit agreement, effectively fixing the variable benchmark component (SOFR) at an interest rate of 1.042%. There were no other changes to the interest rate swap agreement or expected timing of cash flows associated with the swap. The Company utilized expedients within ASC 848 to conclude that this modification should be accounted for as a continuation of the existing swap agreement, resulting in no impact on the Company's financial statements.

At June 30, 2023 December 31, 2023 and September 30, 2022 September 30, 2023, Energizer recorded a unrealized pre-tax gain of $77.1 $59.2 and $86.4 $79.8 on the 2020 Interest rate swap, respectively. For the quarter ended June 30, 2023 December 31, 2023, our weighted average interest rate on variable rate debt, inclusive of the interest rate swap, was 4.58% 4.30%.

Argentina Currency Exposure and Hyperinflation

Effective July 1, 2018, the financial statements for our Argentina subsidiary were consolidated under the rules governing the translation of financial information in a highly inflationary economy. Under U.S. GAAP, an economy is considered highly inflationary if the cumulative inflation rate for a three year period meets or exceeds 100 percent. The Argentina economy exceeded the three year cumulative inflation rate of 100 percent as of June 2018. 2018 and remains highly inflationary as of December 31, 2023. If a subsidiary is considered to be in a highly inflationary economy, the financial statements of the subsidiary must be remeasured into the Company’s reporting currency (U.S. dollar) Dollar or USD) and future exchange gains and losses from the remeasurement of monetary assets and liabilities are reflected in current earnings, rather than exclusively in the equity section of the balance sheet, until such time as the economy is no longer considered highly inflationary.

In November 2023, a new president was elected in Argentina who is implementing significant economic reform. Upon his inauguration in December 2023, the government devalued the Argentine Peso (ARS) approximately 50%. On December 13th, the ARS exchange rate moved from 367:1 to 800:1 with the USD. The rate remained around this level throughout the month, ending December 31, 2023 at a rate of 808:1. This devaluation had a significant impact on the remeasurement of the Company's monetary assets and liabilities at December 31, 2023.

As of September 30, 2023, the Company's assets and liabilities on the Argentina legal subsidiary balance sheet translated to USD was $40.1 and $14.7, respectively. The translated asset and liability balances declined to $25.8 and $14.6, respectively, at December 31, 2023, and resulted in an exchange loss of $14.7 in Other items, net during the month of December. The Company does not manufacture in Argentina and is an importer primarily of batteries in this region. As a result, the liability balances included USD denominated debt of $10.3 and $8.8 at December 31 and September 30, 2023, respectively. In addition to the revaluation, the Company also recorded $6.3 of transactional currency exchange losses in Other items, net during December 2023.

It is difficult to determine what continuing impact the new president and his economic reforms or the use of highly inflationary accounting for Argentina may have on our consolidated financial statements as such impact is dependent upon movements in the applicable exchange rates between the local currency and the U.S. dollar USD and the amount of monetary assets and liabilities included in our affiliates' balance sheet. sheet, as well as any additional reforms that may be issued by the new Argentine Administration.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain a comprehensive set of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) designed to ensure that information required to be disclosed in our filings under the Exchange Act is recorded, processed, summarized and reported accurately and within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to Energizer's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. Based on that evaluation performed, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of June 30, 2023 December 31, 2023, to provide reasonable assurance of the achievement of these objectives. Notwithstanding the foregoing, there can be no assurance that the Company's disclosure controls and procedures will detect or uncover all failures of persons within the Company and its consolidated subsidiaries to report material information otherwise required to be set forth in the Company's reports.

The Chief Executive Officer and Chief Financial Officer have also determined in their evaluation that there was no change in the Company's internal control over financial reporting during the quarter ended June 30, 2023 December 31, 2023 that has materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting.

PART II -- OTHER INFORMATION

Item 1. Legal Proceedings

The Company and its affiliates are subject to a number of legal proceedings in various jurisdictions arising out of its operations. Many of these legal matters are in preliminary stages and involve complex issues of law and fact, and may proceed for protracted periods of time. The amount of liability, if any, from these proceedings cannot be determined with certainty. We are a party to legal proceedings and claims that arise during the ordinary course of business. We review our legal proceedings and claims, regulatory reviews and inspections and other legal proceedings on an ongoing basis and follow appropriate accounting guidance when making accrual and disclosure decisions. We establish accruals for those contingencies where the incurrence of a loss is probable and can be reasonably estimated, and we disclose the amount accrued and the amount of a reasonably possible loss in excess of the amount accrued, if such disclosure is necessary for our financial statements to not be misleading. We do not record liabilities when the likelihood that the liability has been incurred is probable, but the amount cannot be reasonably estimated. Based upon present information, the Company believes that its liability, if any, arising from such pending legal proceedings, asserted legal claims and known potential legal claims which are likely to be asserted, is not reasonably likely to be material to the Company's financial position, results of operations, or cash flows, when taking into account established accruals for estimated liabilities.

Item 1A. Risk Factors

Our Annual Report on Form 10-K for the year ended September 30, 2022 September 30, 2023, which was filed with the Securities and Exchange Commission on November 15, 2022 November 14, 2023, contains a detailed discussion of risk factors that could materially adversely affect our business, operating results or financial condition. There have been no material changes to the risk factors included in our Annual Report on Form 10-K.

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

The following table reports purchases of equity securities during the third first quarter of fiscal 2023 2024 by Energizer and any affiliated purchasers pursuant to SEC rules.

Issuer Purchases of Equity Securities				
Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number That May Yet Be Purchased Under the Plans or Programs
April October 1 - April October 31	—	—	—	5,041,940
November 1 - November 30	—	—	—	5,041,940
May December 1 - May December 31	—	—	—	5,041,940
June 1 - June 30	—	—	—	5,041,940
Total	—	—	—	5,041,940

Item 5. Other Information

During the three months ended June 30, 2023 December 31, 2023, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Energizer Holdings, Inc. (Company), through its subsidiary, Energizer Brands, LLC, entered into a Separation Transition Agreement, dated August 4, 2023 (Agreement), with Susan K. Drath, the Company’s Chief Human Capital Officer. Pursuant to the Agreement, Ms. Drath’s employment with the Company will end effective March 31, 2024 (Separation Date) and she will support the orderly transition of her responsibilities through the Separation Date (Transition Period). Ms. Drath will cease to serve as the Company’s Chief Human Resources Officer effective as of December 31, 2023 and thereafter will serve as a Special Advisor to the Company through the Separation Date.

Pursuant to the Agreement, which includes a release of claims, and provided Ms. Drath otherwise complies with the terms of the Agreement, during the Transition Period, Ms. Drath will continue to receive payment of her base salary and will remain eligible to participate in the Company’s benefit plans and programs in effect during the Transition Period.

Additionally, in consideration for her waiver of her right to receive a cash bonus payment pursuant to the Company's Executive Bonus Plan for the plan year ending September 30, 2023 and the restricted stock units (RSUs) and performance-based RSUs (PSUs) previously granted to Ms. Drath that were otherwise scheduled to vest in 2023, Ms. Drath will receive payments in the aggregate amount of approximately $237,042 and a payment equal to the amount Ms. Drath would have been due for fiscal 2023 based on performance achievement under the Bonus Plan, subject to her remaining employed through the Separation Date.

Following the Separation Date, subject to Ms. Drath remaining employed through such date and her execution of a release of claims, she will be entitled to receive severance payments in an aggregate amount of approximately $1,130,718, payable no later than December 31, 2024.

If Ms. Drath's employment is terminated by the Company without cause prior to the Separation Date, Ms. Drath will remain entitled to receive all payments under the Agreement. The Agreement contains customary confidentiality, cooperation and non-disparagement provisions, which are perpetual, and non-competition and non-solicitation provisions.

The foregoing description of the Agreement is a summary and is qualified in its entirety by the full text of the Agreement, a copy of which will be filed with the Company's Annual Report on Form 10-K for the fiscal year ending September 30, 2023.

Item 6. Exhibits

See the Exhibit Index hereto.

EXHIBIT INDEX

The exhibits below are numbered in accordance with the Exhibit Table of Item 601 of Regulation S-K.

Exhibit No.	Description of Exhibit
3.1	Third Amended and Restated Articles of Incorporation of Energizer Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed January 29, 2018).
3.2	Fourth Fifth Amended and Restated Bylaws of Energizer Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed November 17, 2020 November 9, 2023).
31(i)*	Certification of periodic financial report by the Chief Executive Officer of Energizer Holdings, Inc. pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31(ii)*	Certification of periodic financial report by the Chief Financial Officer of Energizer Holdings, Inc. pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32(i)*	Certification of periodic financial report pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, by the Chief Executive Officer of Energizer Holdings, Inc.
32(ii)*	Certification of periodic financial report pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, by the Chief Financial Officer of Energizer Holdings, Inc.
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

SIGNATURES

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

ENERGIZER HOLDINGS, INC.

Registrant

By: /s/ John J. Drabik

John J. Drabik

Executive Vice President and Chief Financial Officer

Date: August 8, 2023 February 6, 2024

52 41

Exhibit 31.1

Certification of Chief Executive Officer

I, Mark S. LaVigne, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Energizer Holdings, Inc.;

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 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 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: August 8, 2023 February 6, 2024

/s/ Mark S. LaVigne

Mark S. LaVigne

President and Chief Executive Officer

Exhibit 31.2

Certification of Executive Vice President and Chief Financial Officer

I, John J. Drabik, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Energizer Holdings, Inc.;

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 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 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: August 8, 2023 February 6, 2024

/s/ John J. Drabik

John J. Drabik

Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION 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 of Energizer Holdings, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2023 December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark S. LaVigne, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my best 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.

Dated: August 8, 2023 February 6, 2024

/s/ Mark S. LaVigne
Mark S. LaVigne
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION 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 of Energizer Holdings, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2023 December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John J. Drabik, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my best 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.

Dated: August 8, 2023 February 6, 2024

/s/ John J. Drabik
John J. Drabik
Executive Vice President and Chief Financial Officer

DISCLAIMER