ENERGIZER HOLDINGS, INC.
Form 424B2
January 17, 2019

Filed Pursuant to Rule 424(b)(2)

Registration No. 333-229244

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Maximum offering price per share	Maximum aggregate offering price	Amount of registration fee
Common Stock, $0.01 par value per share	4,687,498(1)	$46.00	$215,624,908	$26,133,74(2)

(1) Assumes the underwriters option to purchase 611,412 additional shares of Common Stock is exercised in full.
(2) Estimated pursuant to Rule 457(r) under the Securities Act of 1933, as amended (the Securities Act). This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the registrant s Registration Statement on Form S-3 (File No. 333-229244) in accordance with Rules 456(b) and 457(r) under the Securities Act.

Table of Contents

PROSPECTUS SUPPLEMENT

(To Prospectus dated January 14, 2019)

4,076,086 Shares

Common Stock

$46.00 per share

We are offering 4,076,086 shares of our common stock, par value $0.01 per share. The public offering price is $46.00 per share.

Our common stock is listed on the New York Stock Exchange (NYSE) under the symbol ENR.

Concurrently with this offering, we are making a public offering (the Preferred Stock Offering) of 1,875,000 shares of common stock amount (and up to an additional 281,250 if the underwriters in the Preferred Stock Offering exercise their option to purchase additional shares to cover over-allotments in full) of shares of our 7.50% Series A Mandatory Convertible Preferred Stock, par value $0.01 per share, which we refer to as the Mandatory Convertible Preferred Stock , pursuant to a separate prospectus supplement and accompanying prospectus. We cannot assure you that the offering of shares of our Mandatory Convertible Preferred Stock will be completed or, if completed, on what terms it will be completed. The offering of shares of our common stock pursuant to this prospectus supplement and the accompanying prospectus is not contingent upon the closing of the Preferred Stock Offering, and the Preferred Stock Offering is not contingent upon the closing of the offering of shares of our common stock hereunder.

We intend to use the net proceeds of this offering and if completed, the Preferred Stock Offering and $600 million of debt financing (the Additional Financing), as well as cash on hand, to fund the cash portion of the Acquisition Consideration (as defined herein) for the Auto Care Acquisition (as defined herein) and to pay fees and expenses related to the Transactions (as defined herein). See Summary The Financing Transactions and Use of Proceeds.

The closing of this offering is not conditioned on the consummation of the Auto Care Acquisition, which, if consummated, will occur subsequent to the closing of this offering. Accordingly, if you decide to purchase shares of our common stock in this offering, you should be willing to do so whether or not we complete the Auto Care Acquisition.

Investing in our common stock involves risks. You should carefully consider the risk factors beginning on page S-36 of this prospectus supplement and page 8 of our 2018 Form 10-K (as defined herein) before purchasing

our common stock.

	Per Share	Total
Public offering price	$ 46.00	$ 187,499,956.00
Underwriting discounts and commissions	$ 2.07	$ 8,437,498.02
Proceeds to Energizer Holdings, Inc., before expenses	$ 43.93	$ 179,062,457.98

We have granted the underwriters an option for a period of 30 days from the date of this prospectus supplement to purchase up to 611,412 additional shares of our common stock at the public offering price, less the underwriting discounts and commissions.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock on or about January 18, 2019.

Joint Book-Running Managers

J.P. Morgan **Barclays** **Citigroup**

BofA Merrill Lynch **Evercore ISI** **MUFG**

Co-Manager

TD Securities

January 15, 2019.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

We have not, and the underwriters have not, authorized anyone else to provide you with any information other than that contained in this prospectus supplement, any accompanying prospectus or any free writing prospectus that we authorize. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not, and the underwriters are not, making an offer of these securities or soliciting an offer to buy these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus or

Table of Contents

any free writing prospectus we have authorized for use in connection with this offering is accurate on any date subsequent to the date set forth on the front of this prospectus supplement, the date of the document incorporated by reference, or the date of any such free writing prospectus, as the case may be, even though this prospectus supplement, the accompanying prospectus or any free writing prospectus is delivered or securities are sold on a later date.

In this prospectus supplement, except as otherwise indicated or as the context requires, all references to:

Acquired Auto Care Business or Spectrum Auto Care refers to Spectrum s global auto care business.

Acquired Battery Business refers to Spectrum s global battery, portable lighting and power business after giving effect to the disposition of the Varta Divestment Business.

Acquired Businesses refers collectively to the Acquired Battery Business and the Acquired Auto Care Business.

Acquisition Consideration refers to the consideration that we agreed to pay Spectrum for the Acquired Auto Care Business, consisting of an aggregate of $937.5 million in cash, subject to adjustments described in more detail in the Auto Care Acquisition Agreement, plus stock consideration equal to that number of shares of our common stock that is equal to, subject to certain adjustments, $312.5 million divided by the volume-weighted average sales price per share of our common stock for the 10 consecutive trading days immediately preceding the date of the Auto Care Acquisition Agreement, which equals 5,278,921 shares. Among other adjustments, pursuant to the Auto Care Acquisition Agreement, the cash portion of the Acquisition Consideration will be adjusted based on any difference between the volume-weighted average sales price per share of our common stock for the 10 consecutive trading day period used for determining the number of shares issuable to Spectrum at closing, and the volume weighted average sales price per share of our common stock for the 20 consecutive trading day period beginning on the 10th trading day immediately preceding the date of the Auto Care Acquisition Agreement. Such adjustment will result in an additional payment by Energizer of approximately $36.8 million.

Additional Financing refers to our planned issuance of $600 million of debt financing (the Acquisition Debt Financing) or, to the extent any of this offering, the Preferred Stock Offering and the Acquisition Debt Financing are unsuccessful or fail to raise sufficient proceeds, borrowings under our Backstop Facilities, as described in this prospectus supplement, to finance the remaining portion of the Auto Care Acquisition and associated transaction costs.

Auto Care Acquisition refers to the acquisition of the Acquired Auto Care Business by Energizer pursuant to the terms and conditions of the Acquisition Agreement, dated as of November 15, 2018, by and between Energizer and Spectrum (as may be amended from time to time, the Auto Care Acquisition Agreement).

Battery Acquisition refers to the acquisition of Spectrum Batteries by Energizer which was consummated on January 2, 2019 (collectively with the Auto Care Acquisition, the Acquisitions) and the related disposition of the Varta Divestment Business, pursuant to the terms and conditions of the Acquisition Agreement, dated as of January 15, 2018, by and between Energizer and Spectrum, as amended as of November 15, 2018 (the Battery Amended Agreement and as may be further amended from time to time, the Battery Acquisition Agreement).

Capped call transactions refers to one or more privately negotiated capped call option transactions with the option counterparties we expect to enter into in connection with the Preferred Stock Offering.

Common Stock Offering refers to the public offering and issuance of the Company s Common Stock pursuant to this prospectus supplement.

Credit Agreement refers to the credit agreement dated as of December 17, 2018 by and among Energizer Gamma Acquisition, Inc. and succeeded by the Company, the lenders and issuing banks

Table of Contents

from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, as amended, restated, supplemented, modified, renewed, refunded, replaced (whether at maturity or thereafter) or refinanced from time to time in one or more agreements (in each case with the same or new agents, lenders or institutional investors), including any agreement adding or changing the borrower or any guarantor or extending the maturity thereof or otherwise restructuring all or any portion of the indebtedness thereunder or increasing the amount loaned or issued thereunder or altering the maturity thereof.

Unless the context otherwise requires, Energizer, the Company, we, us, our and ours refer to Energi Holdings, Inc. and its consolidated subsidiaries, together with the entities that will be its consolidated subsidiaries following the Auto Care Acquisition.

Financing Transactions refers to (a) the Common Stock Offering, (b) the Preferred Stock Offering together with the capped call transactions and (c) the Additional Financing.

Fiscal Year refers to in any given year, the 12-month period ended September 30 of such year.

Preferred Stock Offering refers to the concurrent public offering and issuance of the Mandatory Convertible Preferred Stock.

Spectrum refers to Spectrum Brands Holdings, Inc., a Delaware corporation, and its consolidated subsidiaries.

Spectrum Batteries refers to the global battery, portable lighting and power business of Spectrum, prior to giving effect to the Battery Acquisition and the divestiture of the Varta Divestment Business.

Transactions refers to (a) the consummation of the Auto Care Acquisition, including the expected issuance of 5,278,921 shares of Common Stock to Spectrum Brands as part of the Acquisition Consideration, (b) the consummation of the Battery Acquisition and the divestiture of the Varta Divestment Business and subsequent repayment of a portion of the term loans outstanding under the Credit Agreement, (c) the Financing Transactions and (d) all other transactions related or incidental to, or in connection with, any of the foregoing (including, without limitation, the payment of fees and expenses in connection with each of the foregoing).

Varta Divestment Business refers to the Varta® consumer battery, chargers, portable power and portable lighting business in the Europe, the Middle East and Africa region, including manufacturing and distribution facilities in Germany.

Energizer s historical assets, liabilities, products, businesses or activities generally refer to the historical assets, liabilities, products, businesses or activities of Energizer as conducted prior to the completion of either of the Acquisitions.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering, and other matters relating to us. The second part, the attached prospectus, gives more general information about us, the other securities we may offer from time to time, some of which does not apply to this offering. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If the description of the shares of common stock in this prospectus supplement differs from the description of the shares of common stock in the accompanying prospectus, you should rely on the information in this prospectus supplement.

This document may only be used where it is legal to sell the shares of common stock. Certain jurisdictions may restrict the distribution of these documents and the offering of the shares of common stock. We require persons receiving these documents to inform themselves about and to observe any such restrictions. We have not taken any action that would permit an offering of the shares of common stock or the distribution of these documents in any jurisdiction that requires such action.

Table of Contents

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference information into this prospectus supplement. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be a part of this prospectus supplement, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (other than the portions provided pursuant to Item 2.02 or Item 7.01 of Form 8-K or other information furnished to the SEC) after the date of this prospectus supplement and before the end of the offering of the securities pursuant to this prospectus supplement:

- our Annual Report on Form 10-K for the fiscal year ended September 30, 2018, filed with the SEC on November 16, 2018 (the 2018 Form 10-K);

- our Current Reports on Form 8-K, filed with the SEC on November 15, 2018 (Film No. 181188121), December 17, 2018 and January 2, 2019 (together with an amendment filed with the SEC on January 14, 2019); and

- the description of our common stock contained in our Registration Statement on Form 10, as amended, declared effective on June 1, 2015, provided under the heading Description of New Energizer Capital Stock in the information statement attached as Exhibit 99.1 to our Registration Statement on Form 10, together with the descriptions of amendments to our organizational documents filed with our Current Reports on Form 8-K, filed with the SEC on January 31, 2017, January 29, 2018, and any other amendments or reports filed with the SEC for the purpose of updating such description.

Table of Contents

MARKET AND INDUSTRY INFORMATION

Unless indicated otherwise, the information concerning our industry contained in this prospectus supplement is based on Energizer s general knowledge of and expectations concerning the industry. Energizer s and the Acquired Business market position, market share and industry market size are based on estimates using Energizer s internal data and estimates, based on data from various industry sources and analyses, its internal research and adjustments and assumptions that it believes to be reasonable as well as from industry and general publications and research, surveys and studies conducted by third parties, including copyrighted information from 1010data, IRI, NPD Group, 4i and Nielsen. Third-party industry and general publications, research, surveys and studies generally state that the information contained therein has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. Energizer has not independently verified data from industry analyses and cannot guarantee their accuracy or completeness. In addition, Energizer believes that data regarding the industry, market size and its market position and market share within such industry provide general guidance but are inherently imprecise. Further, Energizer s estimates and assumptions involve risks and uncertainties and are subject to change based on various factors, including those discussed in the Risk Factors and Cautionary Statement Concerning Forward-Looking Statements sections. These and other factors could cause results to differ materially from those expressed in the estimates and assumptions.

TRADEMARKS AND TRADE NAMES

Energizer owns or has rights to use the trademarks and trade names that we use in conjunction with the operation of our business. Two of the more important trademarks that we own or have rights to use that appear in this prospectus supplement are Energizer® and Eveready®. As of September 30, 2018 the Energizer trademark was registered in 169 jurisdictions, and the Eveready trademark was registered in 143 jurisdictions, including, in each case, in the United States. Additionally, the Energizer Bunny design trademark was registered in 48 jurisdictions, including in the United States, and the Mr. Energizer design trademark was registered in 69 jurisdictions, including the European Union. As of September 30, 2018, the total number of registered Energizer, Eveready, Energizer Bunny design and Mr. Energizer design trademarks, including related designs, slogans and sub-brands in their portfolios, was over 2,700. With respect to our auto care business, as of September 30, 2018, the Refresh Your Car!® trademark was registered in 26 jurisdictions, the California Scents® trademark was registered in 28 jurisdictions, the Driven® trademark was registered in 25 jurisdictions, the Bahama & Co.® trademark was registered in 24 jurisdictions, the LEXOL® trademark was registered in eight jurisdictions, the Eagle One® trademark was registered in 101 jurisdictions and the Nu Finish trademark registered in 19 jurisdictions, including in each case, in the United States. The primary trademarks acquired in connection with the Battery Acquisition include Rayovac® and Varta® (subject to the exclusions that relate to our obligation to divest the Varta Divestment Business). The primary trademarks included in the Auto Care Acquisition include Armor All®, STP® and A/C Pro®. Solely for convenience, we only use the TM or ® symbols the first time any trademark or trade name is mentioned. Each trademark or trade name of any other company appearing in this prospectus supplement is, to our knowledge, owned by such other company.

Table of Contents

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the documents incorporated by reference herein contain certain forward-looking statements regarding business strategies, market potential, future financial performance, including synergies, and other matters that are forward-looking statements under the Private Securities Litigation Reform Act of 1995 and that are intended to enjoy the protection of the safe harbor for forward-looking statements provided by that Act. The words believe, expect, expectation, anticipate, may, could, intend, belief, estimate, plan, target, prec forecast, outlook, or other similar words or phrases, among others, generally identify forward-looking statements, which speak only as of the date the statements were made. The matters discussed in these forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those projected, anticipated or implied in the forward-looking statements. In particular, information included under Summary, Risk Factors, Business, Use of Proceeds, Capitalization, Unaudited Pro Forma Condensed Combine Financial Statements, Preferred Stock Offering, and The Acquisitions contain forward looking statements. Where, in any forward-looking statement, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of our management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Except as may be required by law, we undertake no obligation to modify or revise any forward-looking statements to reflect events or circumstances occurring after the date of this prospectus supplement. Factors that could cause actual results or events to differ materially from those anticipated include, without limitation, the matters described under Risk Factors in addition to the following other factors:

- market and economic conditions;
- market trends in the categories in which we compete;
- our ability to close the Auto Care Acquisition on the contemplated terms, which may be delayed or may not close at all due to the failure to satisfy closing conditions;
- our ability to obtain financing for the Auto Care Acquisition on favorable terms;
- our ability to acquire and integrate businesses and to realize the projected results of acquisitions, including our ability to promptly and effectively integrate the Acquired Battery Business and the Acquired Auto Care Business after the Auto Care Acquisition has closed, and to obtain expected cost savings, synergies and other anticipated benefits of the Acquisitions within the expected timeframe or at all;
- the impact of the Battery Acquisition and the pending Auto Care Acquisition on the business operations of ours and the Acquired Businesses;
- our ability to divest the Varta Divestment Business on terms favorable to us in the time frame required by regulators;

the success of new products and the ability to continually develop and market new products;

our ability to attract, retain and improve distribution with key customers;

our ability to continue planned advertising and other promotional spending;

our ability to timely execute strategic initiatives, including restructurings, and international go-to-market changes in a manner that will positively impact our financial condition and results of operations and does not disrupt our business operations;

the impact of strategic initiatives, including restructurings, on our relationships with employees, customers and vendors;

our ability to maintain and improve market share in the categories in which we operate despite heightened competitive pressure;

Table of Contents

- our ability to improve operations and realize cost savings;

- the impact of foreign currency exchange rates and currency controls, as well as offsetting hedges;

- the impact of the United Kingdom s announced intention to exit the European Union;

- the impact of raw materials and other commodity costs;

- the impact of legislative changes or regulatory determinations or changes by federal, state and local, and foreign authorities, including customs and tariff determinations, as well as the impact of potential changes to tax laws, policies and regulations;

- costs and reputational damage associated with cyber-attacks or information security breaches or other events;

- the impact of advertising and product liability claims and other litigation; and

- compliance with debt covenants and maintenance of credit ratings as well as the impact of interest and principal repayment of our existing and any future debt.

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 described 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 detailed in this prospectus supplement, the documents incorporated by reference herein and in Energizer s other publicly filed documents.

NON-GAAP FINANCIAL MEASURES AND

PRESENTATION OF CERTAIN FINANCIAL INFORMATION

While Energizer reports financial results in accordance with accounting principles generally accepted in the U.S. (GAAP), this prospectus supplement includes certain non-GAAP measures, including, without limitation, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Gross Margin, Free Cash Flow, Adjusted Free Cash Flow, pro forma Adjusted Free Cash Flow including synergies, Combined Business Adjusted Free Cash Flow, and organic revenue or net sales, and ratios or calculations derived therefrom for the Company (including on pro forma basis), Spectrum Auto Care, Spectrum Batteries and the Acquired Businesses. Energizer s adjusted EBITDA measure removes the impact of the Company s, Spectrum s and the Acquired Businesses restructurings, spin-off costs and restructuring, gain on sale of real estate, acquisition and integration items, the addition of HandStands EBITDA (EBITDA attributable to the acquisition of HandStands Holding Corporation), the settlement loss on pension plan termination, share-based payments, the carve out allocations made to the Acquired Businesses historical results by Spectrum, the write-off for impairment of goodwill for the Acquired Auto Care Business and certain other adjustments as set forth under Summary Historical and Pro Forma Financial Data of the Company Supplemental Non-GAAP Financial Information. Energizer believes non-GAAP measures provide a meaningful comparison to the corresponding historical or future period, assist investors in performing their analysis, and provide investors with visibility into the underlying financial performance of Energizer s business. Energizer believes that these non-GAAP measures are presented in such a way as to allow investors to more clearly understand the nature and amount of the adjustments to arrive at the non-GAAP measures. Investors should consider non-GAAP measures in addition to, not as a substitute for, or superior to, the comparable GAAP measures. Additionally, these non-GAAP measures may differ from similarly titled measures presented by other companies. We consider free cash flow and adjusted free cash flow to be a liquidity measure.

The pro forma financial information set forth herein has assumed $550 million in divestiture proceeds from the expected divestiture of the Varta Divestment Business, however, actual proceeds may differ materially from the actual estimate based on a variety of factors, including buyer interest, due diligence and the performance of

Table of Contents

the business. In the event that actual proceeds, including specified adjustments, exceed $600 million, Energizer has agreed to pay Spectrum 25% of such excess. In the event that actual proceeds, including specified adjustments, are less than $600 million, Spectrum has agreed to pay Energizer the lesser of 75% of the shortfall and $200 million. See Risk Factors We may not be able to successfully complete the divestiture of the Varta Divestment Business.

Pro Forma Adjusted EBITDA and Pro Forma Adjusted Free Cash Flow measures used in this prospectus supplement are adjusted to reflect the estimated full year impact of cost savings and run-rate synergies we estimate to ultimately realize by the third year following the consummation of the Acquisitions, including as a result of operating improvements. Investors should understand that the Company expects to incur substantial cash expenditures (in excess of the anticipated annual synergies) to realize such synergies, and such expenditures are not taken into account in presenting such measures adjusted for estimated synergies. The actual amount of synergies that the Company ultimately realizes, and the costs of implementation, could differ materially from the estimates set forth herein for each Acquisition. Energizer s results are not adjusted for such synergies in the unaudited pro forma financial statements included herein under Unaudited Pro Forma Condensed Combined Financial Statements, because adjustments for such synergies are not permitted under Article 11 of Regulation S-X. Accordingly, equivalent pro forma financial measures presented pursuant to Article 11 of Regulation S-X differ from the measures adjusted for synergies set forth herein. We present these adjustments as they are permitted under the Credit Agreement, and the indentures pursuant to which the Existing Notes were issued, and it permits investors to understand the calculation of EBITDA under the covenants in such agreements. You should not view these adjustments as a projection of results in any period. Our ability to realize these anticipated annual run-rate synergies and savings is subject to significant uncertainties and take a significant time to realize, and you should not place undue reliance on these adjustments.

SUMMARY

The following is a summary of material information discussed in this prospectus supplement. This summary may not contain all of the details concerning the offering or other information that may be important to you. To better understand the offering and our business and financial position, you should carefully review this entire prospectus supplement.

Unless the context otherwise requires, references in this prospectus supplement to our historical assets, liabilities, products, businesses or activities of Energizer are generally intended to refer to the historical assets, liabilities, products, businesses or activities of Energizer as conducted prior to completion of the Battery Acquisition, the Auto Care Acquisition and the divestiture of the Varta Divestment Business. Unless the context otherwise requires, information included or incorporated by reference in this prospectus supplement with respect to Energizer s battery business, Spectrum Batteries and Spectrum Auto Care, describes each of Energizer and Spectrum s businesses as stand-alone businesses prior to giving effect to the Battery Acquisition, the Auto Care Acquisition and the divestiture of the Varta Divestment Business.

Our Company

Energizer, through its operating subsidiaries, is one of the world s largest manufacturers, marketers and distributors of household batteries, specialty batteries and portable lighting products, and a leading designer and marketer of automotive fragrance and appearance products.

Energizer is the beneficiary of over 100 years of expertise in the battery and portable lighting products industries. Its brand names, Energizer and Eveready, have worldwide recognition for innovation, quality and dependability, and are marketed and sold around the world.

On January 2, 2019, Energizer closed its previously announced acquisition of Spectrum Batteries. On December 11, 2018, the European Commission approved the acquisition of Spectrum Batteries conditioned on the divestment by Energizer of the Varta Divestment Business. Energizer is targeting to complete the disposition of the Varta Divestment Business in the first half of calendar year 2019.

On November 15, 2018, Energizer announced that it had entered into a definitive acquisition agreement to acquire Spectrum s Auto Care business for a purchase price of $1,250.0 million in a cash and stock transaction, subject to certain purchase price adjustments. The Auto Care Acquisition is expected to close by February 2019.

Energizer operates as an independent, publicly traded company on the New York Stock Exchange, trading under the symbol ENR . For fiscal year 2018, Energizer s net sales, net income and adjusted EBITDA were approximately $1,797.7 million, $93.5 million and $399.1 million, respectively. Pro forma for the Transactions, for fiscal year 2018, Energizer s net sales, net income and adjusted EBITDA were $2,773.7 million, $92.1 million and $668.7 million, respectively.

Our Products

Energizer s product offerings consist of consumer batteries that include household and specialty batteries, including hearing aid batteries. These products are sold under the Energizer and Eveready brands in the performance, premium and price segments. The Battery Acquisition has added battery and lighting products sold under the Rayovac® brand globally and under the Varta® brand in Latin America and Asia Pacific, including Rayovac®-branded hearing aid batteries sold globally. Energizer manufactures, distributes, and markets an extensive line of portable lighting products, including flashlights, headlamps, lanterns, novelty lights and area lights, designed to meet a variety of consumer needs. In addition to the Energizer® and Eveready® brands, Energizer markets its lighting products under the Hard Case®, Professional Dolphin®, and Weatheready® sub-brands. Energizer also licenses the Energizer and Eveready brands to companies delivering consumer

S-1

Table of Contents

solutions in gaming, automotive batteries, portable power, smartphones, generators, power tools, household light bulbs, and other products. The Auto Care Acquisition will add auto care products sold under the iconic brands of Armor All®, STP® and A/C Pro® as well as other well-known auto care brands, which will complement Energizer s existing auto care portfolio, including the Nu Finish®, Refresh Your Car! ®, California Scents®, Driven®, Bahama & Co.®, LEXOL®, and Eagle One® brands.

Energizer has a long history of innovation within its categories. Since its commercialization of the first dry-cell battery in 1893 and the first flashlight in 1899, Energizer has been committed to developing and marketing new products to meet evolving consumer needs and consistently advancing battery technology as the universe of devices has evolved. Over the past 100+ years Energizer has developed or brought to market:

- the first flashlight;
- the first dry cell alkaline battery;
- the first mercury-free alkaline battery; and
- Energizer Ultimate Lithium®, the world s longest-lasting AA and AAA battery for high-tech devices.

The chart below further illustrates the Company s long history of innovation within its categories.

Our product development approach is focused on meeting the needs of consumers. In household batteries, we offer a broad portfolio of batteries that deliver long-lasting performance, reliability and quality, which we believe provide consumers the best overall experience. We also offer specialty batteries, including hearing aid and miniature batteries that provide consumers with solutions that address the needs of devices that continue to shrink while demanding more power.

Our innovative line of portable lighting products is designed to meet a breadth of consumer needs, from outdoor activities to emergency situations. With our experience and insight, we are bringing portable lighting solutions to market that are designed to enhance the lives of consumers worldwide. Energizer s portable lighting product offerings focus on:

- headlights that deliver performance, mobility and improved vision;
- Light Fusion Technology, which is a combination of new technology and creative design ideas to make Energizer s most powerful and portable light ever;

the Dolphin brand, which is designed for a range of outdoor and work activities, is impact resistant, waterproof and floats;

a full line of lanterns and area lights, which are a safe, reliable way to provide area illumination where it is needed; and

the Hard Case professional line of solutions for do-it-yourself and professional users.

Table of Contents

Following the Transactions, Energizer s portfolio of innovative products will include battery and lighting products sold under the Rayovac brand globally and the Varta brand in Latin America and Asia Pacific, as well as automotive appearance, fragrance, performance, and air conditioning recharge products marketed under the iconic Armor All, STP, and A/C Pro brands.

The principal raw materials used by Energizer and Spectrum Batteries in the production of batteries and lighting products include electrolytic manganese dioxide, zinc, silver, nickel, lithium, graphite, steel, plastic, brass wire, and potassium hydroxide. The prices and availability of these raw materials have fluctuated over time. The principal raw material used for Spectrum Auto Care is refrigerant R-134a. Given Energizer s extensive experience purchasing raw materials, we believe that adequate supplies of the raw materials required for all of our operations are available at the present time, although we cannot predict their future availability or prices. These raw materials are generally available from a number of different sources, and the prices of those raw materials are susceptible to currency fluctuations and price fluctuations due to supply and demand, transportation, government regulations, price controls, tariffs, economic climate, or other unforeseen circumstances. In the past, we have not experienced any significant interruption in availability of raw materials. We believe we have extensive experience in purchasing raw materials in the commodity markets. From time to time, our management has purchased materials or entered into forward commitments for raw materials to assure supply and to protect margins on anticipated sales volume.

Our Strengths

We possess a number of competitive advantages, including:

Universally recognized brands. Our reputation and the strength of our globally recognized brands permit us to meet the needs of consumers around the world, leading to strong market positions in our categories and the ability to generate strong margins through the attractive pricing that our brand strength currently permits us to enjoy. Our current portfolio consists of the well-known battery brands Energizer and Eveready, which we believe have significant brand equity with consumers and retailers.

S-3

The Battery Acquisition adds the leading battery brands Rayovac globally and Varta in Latin America and Asia Pacific. Spectrum Auto Care contributes the iconic brands Armor All, STP and A/C Pro, which build upon our highly complementary auto care business and provide Energizer with leading positions in the categories in which the Company competes. In addition, our portfolio also includes automotive fragrance and appearance products marketed under the Nu Finish, Refresh Your Car!, California Scents, Driven, Bahama & Co., LEXOL, and Eagle One brands.

The following table sets forth our brands by product category on pro forma for the Transactions:

Broad and differentiated product offerings. Our broad range of products, from Energizer Ultimate Lithium to Eveready Gold, enables us to meet the needs of more consumers in a multitude of markets around the world. The Battery Acquisition broadens our product portfolio and expands our scale across categories, including everyday batteries, hearing aid batteries, rechargeable batteries and lighting products. Spectrum Auto Care complements our existing auto care business, while further diversifying Energizer into the automotive appearance and fragrance categories and other automotive segments in which we currently do not compete. These segments are comprised of automotive performance, including automotive fuel and oil additives, and automotive air conditioning recharge, including do-it-yourself automotive air conditioner recharge products as well as refrigerant and recharge kits. The following charts present our net sales broken down by product category for fiscal year 2018 on an actual basis and pro forma for the Transactions.

Strong market positions across the globe. Our brands maintain strong market shares supported by a presence in approximately 150 markets globally. The Battery Acquisition will strengthen our global

Table of Contents

position given the Acquired Battery Business presence in attractive regions in North America, Latin America and Asia Pacific. Leveraging Energizer s extensive global distribution network, we believe we can also drive international growth for Spectrum Auto Care. We strive to have leading brands in markets where we compete. Our market positions are primarily the result of continued strong organic growth driven by geographic expansion and marketing innovation including product, packaging and retail innovation. Our net sales increased 2.4% for fiscal year 2018, with organic growth increasing 1.3%. Excluding the year over year impact of hurricanes, organic sales increased 2.2%.

Focus on cost management. We believe the success of our multi-year working capital initiatives and of the 2013 restructuring project led by the combined company prior to the spin-off from Edgewell Personal Care has contributed to a culture that facilitates a relentless focus on costs and productivity improvements. For example, we continue to enhance our supply chain operations, including optimizing our manufacturing footprint to help cut costs and maximize utilization. As of September 30, 2018, we have streamlined our manufacturing footprint and reduced our packaging facilities from four to one and our distribution centers from 41 to 25, compared to September 30, 2009, while continuing to meet the demand we have seen for our products. In fiscal year 2018, we have further consolidated our operations by moving our Shenzhen, China plant into our existing facility in Singapore. As a result of strategic execution, we have delivered gross margin and adjusted gross margin expansion including 260 and 190 basis points, respectively, of improvement through fiscal year 2018 as compared to fiscal year 2016. Additional initiatives that have been identified in order to maximize profitability include increased focus on SKUs that drive the most volume and profitability and revenue management refinement through pricing architecture, trade spending ROI and mix optimization. In addition to the focus on a more efficient supply chain through improved productivity, we are also focused on effective cost control of our selling, general and administrative (SG&A) expenses. During our separation from Edgewell, we initiated Go-to Market changes utilizing distributors or exiting several sub-scale markets to improve profitability. We also initiated zero based budgeting efforts to imbed a cost conscious mind set across our global organization. In addition, we executed continuous improvement initiatives globally, including reorganizing our international operations. These combined efforts have reduced SG&A expense as a percent of net sales, excluding acquisition, integration and spin related expenses, by 90 basis points from fiscal year 2016 to fiscal year 2018. We will continue to focus on optimizing our cost structure. The following charts illustrate the savings achieved from the 2013 restructuring project and the optimization of our manufacturing footprint as compared to September 30, 2009.

* This figure includes one facility acquired through the HandStands acquisition. Organically, Energizer reduced manufacturing facilities to eight, or by 50%, from fiscal year 2009 to fiscal year 2018.

Successful track record of separating, acquiring and integrating businesses. Energizer successfully completed its spin-off from Edgewell Personal Care in 2015, as evidenced by the minimal customer interruptions after the spin. We have also opportunistically pursued acquisitions that enhance our product portfolio and create operational benefits, including the successful acquisition and integration of two auto care businesses, HandStands in 2016, which is a manufacturer, marketer and supplier of auto

Table of Contents

air fresheners and auto appearance products, and Nu Finish in 2018, which is a marketer and supplier of automotive appearance products. We have been able to integrate these businesses and realize cost savings while maintaining a conservative balance sheet and consistently generating strong free cash flow.

Strong financial performance, conservative balance sheet and significant cash generation. Energizer has grown its net sales from $1,631.6 million in fiscal year 2015 to $1,797.7 million in fiscal year 2018, representing a CAGR of 3.3%. Energizer has also grown its net income and adjusted EBITDA from ($4.0 million) and $345.5 million, respectively, in fiscal year 2015 to $93.5 million and $399.1 million, respectively, in fiscal year 2018. During this period, capital expenditures have averaged between 1% and 2.5% of net sales. We have achieved this growth while maintaining a conservative balance sheet, keeping leverage at approximately 3.0x since the spin. The Transactions are expected to create opportunities to realize incremental revenue growth as well as estimated cost synergies of $70-80 million expected to be achieved over three years. In fiscal year 2018, Energizer, Spectrum Batteries and Spectrum Auto Care generated cash from operating activities of $390.3 million on a combined basis (based on $228.7 million for Energizer, $96.3 million for Spectrum Batteries and $65.3 million for Spectrum Auto Care). Combined business adjusted free cash flow in fiscal year 2018 would have been approximately $340 million, excluding the estimated impact of the Varta Divestment Business. The estimated cost synergies of $70 - $80 million expected to be achieved over three years are expected to mostly offset the estimated additional annual interest expense from the Company s debt financing for the Acquisitions. These favorable characteristics should allow Energizer to generate significant free cash flow that we can use to repay debt over time. Pro forma for the Transactions we expect to have net leverage of approximately 4.4x.