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FOR IMMEDIATE RELEASE

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Edgewell Personal Care Announces Second Quarter Fiscal 2022 Results

*Net Sales Increase of 5.5%, or 2.1% Organic
Exclusive Launch of Billie Brand at Walmart
Company Updates Previously Provided Outlook for Fiscal 2022*

Shelton, Conn - May 10, 2022 - Edgewell Personal Care Company (NYSE: EPC) today announced results for its second fiscal quarter 2022 ended March 31, 2022.

Executive Summary

- Net sales were \$547.7 million, an increase of 5.5% compared to the prior year period.
- Organic net sales increased 2.1% compared to the prior year period. (Organic basis excludes the impact of the Billie acquisition and the negative translational impact from currency.)
- GAAP Diluted Earnings Per Share ("EPS") were \$0.43 for the second quarter compared to \$0.26 in the prior year period.
- Adjusted EPS were \$0.50 for the second quarter, compared to \$0.70 in the prior year period.
- Ended the fiscal second quarter with \$188 million in cash on hand, access to an additional \$240 million revolving credit facility and a net debt leverage ratio of 3.6x.
- The Company repurchased \$51 million of its common stock and paid \$8.2 million of dividends in the second fiscal quarter in support of its capital allocation strategy.
- Board of Directors declared a cash dividend of \$0.15 per common share on May 6th, 2022 for the second fiscal quarter.
- Increasing organic net sales outlook to reflect continued strong demand and incremental pricing, while lowering adjusted EPS and adjusted EBITDA estimates to reflect increased inflationary pressure.

The Company reports and forecasts results on a GAAP and non-GAAP basis and has reconciled non-GAAP results and outlook to the most directly comparable GAAP measures later in this release. See non-GAAP Financial Measures for a more detailed explanation, including definitions of various non-GAAP terms used in this release. All comparisons used in this release are with the same period in the prior fiscal year unless otherwise stated.

"In Q2, we delivered another quarter of solid growth reflecting strong demand for our products, continued market share gains and improving trends across many key brands, despite a higher-than-expected inflationary environment and significant supply chain disruptions," said Rod Little, Edgewell's President and Chief Executive Officer. "Looking ahead, we believe the supply chain disruptions are largely behind us, as evidenced by signs of a normalization within our product flow and an improvement of our on-shelf position; however, we expect increased commodity and transportation-related cost headwinds to persist, which is reflected in our revised outlook."

Little continued, "Encouragingly, our results demonstrate the continued progress we are making in executing against our strategic priorities to transform Edgewell amidst a dynamic operating environment, while also maintaining our returns-focused investment stance – returning to shareholders over \$59 million in the quarter."

Fiscal 2Q 2022 Operating Results (Unaudited)

Net sales were \$547.7 million in the quarter, an increase of 5.5% including a net impact of \$27.4 million or 5.3% from the acquisition of Billie and a \$10.1 million or 1.9% negative impact from currency. Organic net sales increased 2.1%, reflecting strong Sun Care, Grooming and Women's Shave performance across both North America and International markets, partially offset by the impact of supply constraints on Feminine Care and certain Wet Shave brands, and lower consumption in Wet Ones.

Gross profit was \$230.1 million, as compared to \$241.7 million in the prior year period. **Gross margin** as a percent of net sales for the second quarter of fiscal 2022 was 42.0%. Adjusted gross margin decreased 450-basis points compared to the prior year quarter, as 110-basis points of favorable pricing and 200-basis points of productivity gains were more than offset by a 560-basis point impact from higher commodity costs and increased transportation and air-freight costs, and a 140-basis point impact from negative mix and higher non-trade spend, and a 60-basis inorganic impact from Billie and unfavorable foreign exchange.

Advertising and sales promotion expense ("A&P") increased \$1.5 million to \$69.9 million, or 12.8% of net sales, as compared to \$68.4 million, or 13.2% of net sales in the prior year quarter, primarily reflecting increases in support of sun season execution, the Schick Masterbrand launch and continued investments behind commercial activation in Japan and the U.K.

Selling, general and administrative expense ("SG&A") was \$101.3 million, or 18.5% of net sales, as compared to \$93.4 million, or 18.0% of net sales in the prior year quarter. Adjusted SG&A increased 90-basis points as a percent of net sales driven by higher compensation expense and the additional costs associated with the Billie acquisition, including increased amortization expense. The Company recorded pre-tax restructuring and other non-recurring expenses of \$3.7 million in the quarter in support of restructuring programs, consisting largely of severance and outplacement, as well as \$1.1 million in acquisition and integration costs related to the Billie acquisition.

Operating income was \$41.7 million compared to \$62.9 million in the prior year quarter. Adjusted operating income was \$46.7 million, or 8.5% of net sales compared to \$68.7 million in the prior year quarter.

The effective tax rate for the first six months of fiscal 2022 was 20.5% compared to 28.4% in the prior year period. The adjusted effective tax rate for the first six months of fiscal 2022 was 20.5%, down from the prior year quarter's adjusted effective tax rate of 26.5%. The fiscal 2022 effective and adjusted tax rates reflects a favorable mix of earnings in low tax jurisdictions combined with a favorable impact of a change in prior estimates.

GAAP net earnings for the quarter were \$23.2 million or \$0.43 per share compared to \$14.4 million or \$0.26 per share in the second quarter of fiscal 2021. Adjusted net earnings in the quarter were \$27.0 million or \$0.50 per share, compared to \$38.5 million or \$0.70 per share in the prior year period, and adjusted EBITDA was \$73.7 million compared to \$90.9 million in the prior year period.

Net cash used by operating activities was \$39.9 million for the six months ending March 31, 2022 compared to \$18.8 million used in the prior year period, driven by lower adjusted net earnings.

Capital Allocation

On May 6, 2022, the Board of Directors declared a quarterly cash dividend of \$0.15 per common share for the second fiscal quarter. The dividend will be payable on July 7, 2022 to shareholders of record as of the close of business on June 2, 2022. During the second quarter of fiscal 2022, the Company paid dividends totaling \$8.2 million to stockholders.

During the second quarter of fiscal 2022, the Company completed share repurchases of approximately 1.4 million shares at a total cost of \$50.9 million. The Company has 7.8 million shares of common stock available for repurchase in the future under the Board's 2018 authorization as of March 31, 2022.

Fiscal 2Q 2022 Operating Segment Results (Unaudited)

Wet Shave (Men's Systems, Women's Systems, Disposables, and Shave Preps)

Net sales increased \$12.3 million, or 4.2%. Organic net sales decreased \$6.1 million or 2.1%, driven by declines in Men's systems primarily from lower volumes and unfavorable trade promotional spend in North America, partially offset by growth in Women's Systems in North America and International. Organic Net Sales in North American were impacted by supply constraints and resultant out of stocks in certain Women's Systems and Men's and Women's Shave Preps products. Wet Shave segment profit decreased \$18.3 million, or 39.9%, as commodity inflation and increased transportation and air freight costs were partially offset by favorable pricing across all markets.

Sun and Skin Care (Sun Care, Wet Ones, Bulldog, Jack Black and Cremo)

Net sales increased \$23.8 million, or 14.9%. Organic net sales increased \$24.8 million, or 15.5%, primarily driven by Sun Care growth of over 28%, reflecting distribution and market share gains in North America and continued category recovery in certain International markets. Additionally, Grooming grew 5.7%, primarily in North America. Wet Ones organic net sales declined 24.5%, reflecting the impact of reduced demand cycling last year's COVID-19 driven demand. Sun and Skin Care segment profit increased \$6.1 million, as higher sales in Sun Care were partially offset by inflationary cost pressures, higher A&P spend and sales declines in Wet Ones.

Feminine Care (Tampons, Pads, and Liners)

Net sales decreased \$7.7 million, or 11.5%. The decrease in net sales reflected the impact of supply constraints due to manufacturing labor shortages and certain ingredient shortages. Consumption increased approximately 9% driven by higher pricing, while market share increased slightly in the quarter. Feminine Care segment profit decreased \$3.7 million, driven by driven by the aforementioned supply chain constraints and increased commodity and transportation costs.

Full Fiscal Year 2022 Financial Outlook

The Company is updating its previously provided outlook assumptions for fiscal 2022 to reflect the impact of fiscal second quarter results and projected increases in cost inflation.

- Reported net sales expected to increase mid-single digits
 - Includes an estimated 400-basis point increase from the acquisition of Billie, net of Edgewell sales to Billie
 - Updated to include a 200-basis point negative impact from currency translation (previously 160-basis point negative impact)
- Organic sales expected to increase approximately 400-basis points (previously low-single digits)
- GAAP EPS expected to be in the range of \$1.93 to \$2.21 (previously \$2.23 to \$2.51)

- Includes: Restructuring charges,* acquisition and integration costs, Sun Care reformulation costs, and value added tax settlement costs
- Adjusted EPS expected to be in the range of \$2.38 to \$2.66 (previously \$2.74 to \$3.02)
 - Updated to reflect incremental estimated cost headwinds from higher commodities and transportation related costs, with the full year inflation impact now expected to be 650-basis points. Adjusted Gross Margin is now expected to decline 350-basis points (previously 200-basis point decline)
 - The EPS outlook reflects the impact of total fiscal year-to-date share repurchases through March
- Adjusted EBITDA expected to be in the range of \$330 to \$345 million (previously \$357 to \$377)
- Adjusted effective tax rate expected to be in the range of 21% to 22% (previously 22% to 23%)
- Total depreciation and amortization expense expected to be \$91.5 million (previously \$93.5 million)
- Expected capital expenditures expected to be approximately 3.0% of net sales
- Free cash flow expected to be above 100% of GAAP net earnings

*In Fiscal 2022, the Company expects to take specific actions to strengthen its operating model, simplify the organization and improve manufacturing and supply chain efficiency and productivity. As a result of these actions, the Company expects to incur one-time charges of approximately \$15 million, inclusive of \$5.9 million incurred in the first six months of fiscal 2022.

Webcast Information

In conjunction with this announcement, the Company will hold an investor conference call beginning at 8:00 a.m. Eastern Time today. All interested parties may access a live webcast of this conference call at www.edgewell.com, under the "Investors," and "News and Events" tabs or by using the following link: <http://ir.edgewell.com/news-and-events/events>

For those unable to participate during the live webcast, a replay will be available on www.edgewell.com, under the "Investors," "Financial Reports," and "Quarterly Earnings" tabs.

About Edgewell

Edgewell is a leading pure-play consumer products company with an attractive, diversified portfolio of established brand names such as Schick®, Wilkinson Sword® and Billie® men's and women's shaving systems and disposable razors; Edge and Skintimate® shave preparations; Playtex®, Stayfree®, Carefree® and o.b.® feminine care products; Banana Boat®, Hawaiian Tropic®, Bulldog®, Jack Black®, and CREMO® sun and skin care products; and Wet Ones® products. The Company has a broad global footprint and operates in more than 50 markets, including the U.S., Canada, Mexico, Germany, Japan, the U.K. and Australia, with approximately 6,900 employees worldwide.

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Forward-Looking Statements. This document contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. You should not place undue reliance on these statements. Forward-looking statements generally can be identified by the use of words or phrases such as "believe," "expect," "expectation," "anticipate," "may," "could," "intend," "belief," "estimate," "plan," "target," "predict," "likely," "will," "should," "forecast," "outlook," or other similar words or phrases. These statements are not based on historical facts, but instead reflect the Company's expectations, estimates or projections concerning future results or events, including, without limitation, the future earnings and performance of Edgewell or any of its businesses, and the integration of the Billie acquisition and expected benefits from this transaction, including growth opportunities and cost savings. Many factors outside our control could affect the realization of these estimates. 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 the Company's actual results to differ materially from those indicated by those statements. The Company cannot assure you that any of its 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 the Company disclaims any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances, except as required by law. You should not place undue reliance on these statements.

In addition, other risks and uncertainties not presently known to the Company or that it presently considers immaterial could significantly affect the accuracy of any such forward-looking statements. Risks and uncertainties include those detailed from time to time in the Company's publicly filed documents, including in Item 1A. Risk Factors of Part I of the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on November 19, 2021.

Non-GAAP Financial Measures. While the Company reports financial results in accordance with generally accepted accounting principles ("GAAP") in the U.S., this discussion also includes non-GAAP measures. These non-GAAP measures are referred to as "adjusted" or "organic" and exclude items such as restructuring costs, acquisition and integration costs and non-standard items. Reconciliations of non-GAAP measures, including reconciliations of measures related to the Company's fiscal 2022 financial outlook, are included within the Notes to Condensed Consolidated Financial Statements included with this release.

This non-GAAP information is provided as a supplement to, not as a substitute for, or as superior to, measures of financial performance prepared in accordance with GAAP. The Company uses this non-GAAP information internally to make operating decisions and believes it is helpful to investors because it allows more meaningful period-to-period comparisons of ongoing operating results. The information can also be used to perform analysis and to better identify operating trends that may otherwise be masked or distorted by the types of items that are excluded. This non-GAAP information is a component in determining management's incentive compensation. Finally, the Company believes this information provides a higher degree of transparency. The following provides additional detail on the Company's non-GAAP measures:

- The Company analyzes its net sales and segment profit on an organic basis to better measure the comparability of results between periods. Organic net sales and organic segment profit exclude the impact of changes in foreign currency and the impact of the Billie acquisition.
 - Organic net sales will be unfavorably impacted in fiscal 2022 by the Billie acquisition, as sales that were previously reported as third party sales to Billie are now included as intercompany sales.
 - Segment profit will be unfavorably impacted in fiscal 2022 as a result of a change in the timing of profit recognition due to the Billie acquisition. Subsequent to the acquisition of Billie, profit previously earned on sales to Billie will be deferred until Billie sells to a third party.
- The Company utilizes “adjusted” non-GAAP measures including gross profit, SG&A, operating income, income taxes, net earnings, diluted earnings per share, and EBITDA to internally make operating decisions. The following items are excluded when analyzing non-GAAP measures: restructuring and related costs, acquisition and integration costs and non-standard items.
- Free cash flow is defined as net cash from operating activities less capital expenditures plus collections of deferred purchase price of accounts receivable sold and proceeds from sales of fixed assets. Free cash flow conversion is defined as free cash flow as a percentage of net earnings adjusted for the net impact of non-cash impairments.
- Net debt leverage ratio is defined as total debt less cash divided by adjusted EBITDA.

EDGEWELL PERSONAL CARE COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(unaudited, in millions, except per share data)

	Quarter Ended March 31,		Six Months Ended March 31,	
	2022	2021	2022	2021
Net sales	\$ 547.7	\$ 519.3	\$ 1,011.0	\$ 970.4
Cost of products sold	317.6	277.6	591.0	535.4
Gross profit	230.1	241.7	420.0	435.0
Selling, general and administrative expense	101.3	93.4	198.2	186.5
Advertising and sales promotion expense	69.9	68.4	116.1	109.6
Research and development expense	13.7	14.3	26.5	28.0
Restructuring charges	3.5	2.7	5.7	6.4
Operating income	41.7	62.9	73.5	104.5
Interest expense associated with debt	18.0	17.3	35.3	34.7
Cost of early retirement of long-term debt	—	26.1	—	26.1
Other income, net	(3.4)	—	(5.1)	(1.0)
Earnings before income taxes	27.1	19.5	43.3	44.7
Income tax provision	3.9	5.1	8.9	12.6
Net earnings	\$ 23.2	\$ 14.4	\$ 34.4	\$ 32.1
Earnings per share:				
Basic net earnings per share	0.43	0.26	0.64	0.59
Diluted net earnings per diluted share	0.43	0.26	0.63	0.58
Weighted-average shares outstanding:				
Basic	53.6	54.3	54.0	54.4
Diluted	54.3	54.9	54.6	54.9

See Accompanying Notes.

EDGEWELL PERSONAL CARE COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in millions)

	March 31, 2022	September 30, 2021
Assets		
Current assets		
Cash and cash equivalents	\$ 188.1	\$ 479.2
Trade receivables, less allowance for doubtful accounts	183.8	150.7
Inventories	429.1	345.7
Other current assets	167.7	160.1
Total current assets	968.7	1,135.7
Property, plant and equipment, net	355.4	362.6
Goodwill	1,340.6	1,162.8
Other intangible assets, net	1,024.2	906.4
Other assets	104.4	107.1
Total assets	\$ 3,793.3	\$ 3,674.6
Liabilities and Shareholders' Equity		
Current liabilities		
Notes payable	25.8	26.5
Accounts payable	224.7	209.5
Other current liabilities	293.7	300.8
Total current liabilities	544.2	536.8
Long-term debt	1,414.3	1,234.2
Deferred income tax liabilities	139.1	129.0
Other liabilities	180.2	190.3
Total liabilities	2,277.8	2,090.3
Shareholders' equity		
Common shares	0.7	0.7
Additional paid-in capital	1,597.2	1,631.1
Retained earnings	883.5	865.7
Common shares in treasury at cost	(814.6)	(776.3)
Accumulated other comprehensive loss	(151.3)	(136.9)
Total shareholders' equity	1,515.5	1,584.3
Total liabilities and shareholders' equity	\$ 3,793.3	\$ 3,674.6

See Accompanying Notes.

EDGEWELL PERSONAL CARE COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in millions)

	Six Months Ended March 31.	
	2022	2021
Cash Flow from Operating Activities		
Net earnings	\$ 34.4	\$ 32.1
Depreciation and amortization	44.6	44.4
Share-based compensation expense	12.2	12.0
Loss on sale of assets	0.4	0.4
Deferred compensation payments	(7.1)	(8.8)
Deferred income taxes	(10.5)	(0.8)
Cost of early retirement of long-term debt	—	26.1
Other, net	(0.9)	(1.6)
Changes in operating assets and liabilities	(113.0)	(122.6)
Net cash used by operating activities	<u>(39.9)</u>	<u>(18.8)</u>
Cash Flow from Investing Activities		
Capital expenditures	(25.0)	(22.2)
Acquisition of Billie	(309.4)	—
Proceeds from sale of Infant and Pet Care business	5.0	7.5
Acquisition of Cremo	—	(0.3)
Collection of deferred purchase price on accounts receivable sold	4.7	2.2
Other, net	(1.0)	(0.8)
Net cash used by investing activities	<u>(325.7)</u>	<u>(13.6)</u>
Cash Flow from Financing Activities		
Cash proceeds from the issuance of Senior Notes due 2029	—	500.0
Cash payments on Senior Notes due 2022	—	(500.0)
Cash proceeds from debt with original maturities greater than 90 days	399.0	—
Cash payments on debt with original maturities greater than 90 days	(220.0)	—
Net increase in debt with original maturities of 90 days or less	0.7	0.7
Debt issuance costs for Senior Notes due 2029	—	(5.9)
Cost of early retirement of long-term debt	—	(26.5)
Dividends to common shareholders	(16.7)	(8.4)
Repurchase of shares	(75.4)	(9.2)
Net financing (outflow) inflow from the Accounts Receivable Facility	(0.2)	0.7
Employee shares withheld for taxes	(9.7)	(3.0)
Other, net	0.6	(0.5)
Net cash from (used by) financing activities	<u>78.3</u>	<u>(52.1)</u>
Effect of exchange rate changes on cash	(3.8)	1.9
Net decrease in cash and cash equivalents	(291.1)	(82.6)
Cash and cash equivalents, beginning of period	479.2	364.7
Cash and cash equivalents, end of period	<u>\$ 188.1</u>	<u>\$ 282.1</u>

See Accompanying Notes.

EDGEWELL PERSONAL CARE COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in millions, except per share data)

Note 1 — Segments

The Company conducts its business in the following three segments: Wet Shave, Sun and Skin Care, and Feminine Care (collectively, the “Segments,” and each individually, a “Segment”). Segment performance is evaluated based on segment profit, exclusive of general corporate expenses, share-based compensation costs, restructuring charges, and certain costs deemed non-recurring in nature, including acquisition and integration costs, value added tax settlement costs, Sun Care reformulation costs, and the amortization of intangible assets. Financial items, such as interest income and expense, are managed on a global basis at the corporate level. The exclusion of such charges from segment results reflects management's view on how it evaluates segment performance.

The Company completed the acquisition of Billie on November 29, 2021. As a result, Net Sales and Segment Profit associated with Billie products have been reported in the Wet Shave segment since the acquisition date.

Segment net sales and profitability are presented below:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2022	2021	2022	2021
Net Sales				
Wet Shave	\$ 305.0	\$ 292.7	\$ 591.1	\$ 571.8
Sun and Skin Care	183.3	159.5	288.1	262.5
Feminine Care	59.4	67.1	131.8	136.1
Total net sales	<u>\$ 547.7</u>	<u>\$ 519.3</u>	<u>\$ 1,011.0</u>	<u>\$ 970.4</u>
Segment Profit				
Wet Shave	\$ 27.6	\$ 45.9	\$ 79.1	\$ 98.5
Sun and Skin Care	42.3	36.2	46.0	41.4
Feminine Care	1.9	5.6	10.3	14.4
Total segment profit	71.8	87.7	135.4	154.3
General corporate and other expenses	(17.2)	(13.4)	(28.0)	(25.5)
Restructuring and related costs	(3.7)	(5.5)	(5.9)	(9.9)
Acquisition and integration costs	(1.1)	(0.3)	(7.1)	(3.3)
Value added tax settlement costs	—	—	(3.4)	—
Sun Care reformulation costs	(0.2)	—	(3.5)	—
Cost of early retirement of long-term debt	—	(26.1)	—	(26.1)
Amortization of intangibles	(7.9)	(5.6)	(14.0)	(11.1)
Interest and other expenses, net	(14.6)	(17.3)	(30.2)	(33.7)
Total earnings before income taxes	<u>\$ 27.1</u>	<u>\$ 19.5</u>	<u>\$ 43.3</u>	<u>\$ 44.7</u>

Refer to Note 2 GAAP to Non-GAAP Reconciliations for the income statement location of non-GAAP adjustments to earnings before income taxes.

Note 2 — GAAP to Non-GAAP Reconciliations

The following tables provide a GAAP to Non-GAAP reconciliation of certain line items from the Condensed Consolidated Statement of Earnings:

Three Months Ended March 31, 2022							
	Gross Profit	SG&A	Operating Income	EBIT	Income taxes	Net Earnings	Diluted EPS
GAAP — Reported	\$ 230.1	\$ 101.3	\$ 41.7	\$ 27.1	\$ 3.9	\$ 23.2	\$ 0.43
Restructuring and related costs	—	0.2	3.7	3.7	1.0	2.7	0.05
Acquisition and integration costs	0.5	0.6	1.1	1.1	0.2	0.9	0.02
Sun Care reformulation costs	0.2	—	0.2	0.2	—	0.2	—
Total Adjusted Non-GAAP	<u>\$ 230.8</u>	<u>\$ 100.5</u>	<u>\$ 46.7</u>	<u>\$ 32.1</u>	<u>\$ 5.1</u>	<u>\$ 27.0</u>	<u>\$ 0.50</u>
GAAP as a percent of net sales	42.0 %	18.5 %	7.6 %	GAAP effective tax rate		14.4 %	
Adjusted as a percent of net sales	42.1 %	18.3 %	8.5 %	Adjusted effective tax rate		16.0 %	

Three Months Ended March 31, 2021							
	Gross Profit	SG&A	Operating Income	EBIT	Income taxes	Net Earnings	Diluted EPS
GAAP — Reported	\$ 241.7	\$ 93.4	\$ 62.9	\$ 19.5	\$ 5.1	\$ 14.4	\$ 0.26
Restructuring and related costs	—	2.8	5.5	5.5	1.3	4.2	0.08
Acquisition and integration costs	—	0.3	0.3	0.3	0.1	0.2	—
Cost of early retirement of long-term debt	—	—	—	26.1	6.4	19.7	0.36
Total Adjusted Non-GAAP	<u>\$ 241.7</u>	<u>\$ 90.3</u>	<u>\$ 68.7</u>	<u>\$ 51.4</u>	<u>\$ 12.9</u>	<u>\$ 38.5</u>	<u>\$ 0.70</u>
GAAP as a percent of net sales	46.6 %	18.0 %	12.1 %	GAAP effective tax rate		26.6 %	
Adjusted as a percent of net sales	46.6 %	17.4 %	13.2 %	Adjusted effective tax rate		25.3 %	

Six Months Ended March 31, 2022							
	Gross Profit	SG&A	Operating Income	EBIT	Income taxes	Net Earnings	Diluted EPS
GAAP — Reported	\$ 420.0	\$ 198.2	\$ 73.5	\$ 43.3	\$ 8.9	\$ 34.4	\$ 0.63
Restructuring and related costs	—	0.2	5.9	5.9	1.6	4.3	0.08
Acquisition and integration costs	0.8	6.3	7.1	7.1	0.5	6.6	0.12
Value added tax settlement costs	—	3.4	3.4	3.4	1.1	2.3	0.04
Sun Care reformulation costs	3.5	—	3.5	3.5	0.9	2.6	0.05
Total Adjusted Non-GAAP	<u>\$ 424.3</u>	<u>\$ 188.3</u>	<u>\$ 93.4</u>	<u>\$ 63.2</u>	<u>\$ 13.0</u>	<u>\$ 50.2</u>	<u>\$ 0.92</u>
GAAP as a percent of net sales	41.5 %	19.6 %	7.3 %	GAAP effective tax rate		20.5 %	
Adjusted as a percent of net sales	42.0 %	18.6 %	9.2 %	Adjusted effective tax rate		20.5 %	

Six Months Ended March 31, 2021							
	Gross Profit	SG&A	Operating Income	EBIT	Income taxes	Net Earnings	Diluted EPS
GAAP — Reported	\$ 435.0	\$ 186.5	\$ 104.5	\$ 44.7	\$ 12.6	\$ 32.1	\$ 0.58
Restructuring and related costs	0.1	3.4	9.9	9.9	2.5	7.4	0.14
Acquisition and integration costs	1.3	2.0	3.3	3.3	0.7	2.6	0.05
Cost of early retirement of long-term debt	—	—	—	26.1	6.4	19.7	0.36
Total Adjusted Non-GAAP	<u>\$ 436.4</u>	<u>\$ 181.1</u>	<u>\$ 117.7</u>	<u>\$ 84.0</u>	<u>\$ 22.2</u>	<u>\$ 61.8</u>	<u>\$ 1.13</u>
GAAP as a percent of net sales	44.8 %	19.2 %	10.8 %	GAAP effective tax rate		28.4 %	
Adjusted as a percent of net sales	45.0 %	18.7 %	12.1 %	Adjusted effective tax rate		26.5 %	

Note 3 - Net Sales and Profit by Segment

Operations for the Company are reported via three Segments. The impact of acquisition includes the operations of Billie which was acquired in November 2021 and included in the Wet Shave segment. The following tables present changes in net sales and segment profit for the second quarter and first six months ended March 31, 2022, as compared to the corresponding period in the prior quarter.

Net Sales

Quarter Ended March 31, 2022

	Wet Shave		Sun and Skin Care		Feminine Care		Total	
Net Sales - Q2 FY21	\$	292.7	\$	159.5	\$	67.1	\$	519.3
Organic	(6.1)	(2.1)%	24.8	15.5 %	(7.6)	(11.4)%	11.1	2.1 %
Impact of Billie acquisition, net	27.4	9.4 %	—	— %	—	— %	27.4	5.3 %
Impact of currency	(9.0)	(3.1)%	(1.0)	(0.6)%	(0.1)	(0.1)%	(10.1)	(1.9)%
Net Sales - Q2 FY22	\$	305.0	\$	183.3	\$	59.4	\$	547.7
		4.2 %		14.9 %		(11.5)%		5.5 %

Net Sales

Six Months Ended March 31, 2022

	Wet Shave		Sun and Skin Care		Feminine Care		Total	
Net Sales - Q2 FY21	\$	571.8	\$	262.5	\$	136.1	\$	970.4
Organic	(0.1)	— %	26.8	10.2 %	(4.3)	(3.2)%	22.4	2.3 %
Impact of Billie acquisition, net	34.2	6.0 %	—	— %	—	— %	34.2	3.5 %
Impact of currency	(14.8)	(2.6)%	(1.2)	(0.4)%	—	— %	(16.0)	(1.6)%
Net Sales - Q2 FY22	\$	591.1	\$	288.1	\$	131.8	\$	1,011.0
		3.4 %		9.8 %		(3.2)%		4.2 %

Organic net sales were unfavorably impacted in fiscal 2022 by the change in classification of sales from third party to intercompany as a result of the Billie acquisition in fiscal 2022. The impact of the Billie acquisition, net is calculated as Billie net third party sales after the acquisition date less shipments to Billie by the Company in the comparable prior year period, which totaled \$6.7.

Segment Profit

Quarter Ended March 31, 2022

	Wet Shave		Sun and Skin Care		Feminine Care		Total	
Segment Profit - Q2 FY21	\$	45.9	\$	36.2	\$	5.6	\$	87.7
Organic	(10.9)	(23.7)%	6.0	16.6 %	(3.7)	(66.1)%	(8.6)	(9.8)%
Impact of Billie acquisition, net	(5.2)	(11.3)%	—	— %	—	— %	(5.2)	(5.9)%
Impact of currency	(2.2)	(4.9)%	0.1	0.3 %	—	— %	(2.1)	(2.4)%
Segment Profit - Q2 FY22	\$	27.6	\$	42.3	\$	1.9	\$	71.8
		(39.9)%		16.9 %		(66.1)%		(18.1)%

Segment Profit

Six Months Ended March 31, 2022

	Wet Shave		Sun and Skin Care		Feminine Care		Total	
Segment Profit - Q2 FY21	\$	98.5	\$	41.4	\$	14.4	\$	154.3
Organic	(7.7)	(7.8)%	4.7	11.4 %	(4.2)	(29.2)%	(7.2)	(4.7)%
Impact of Billie acquisition, net	(7.6)	(7.7)%	—	— %	—	— %	(7.6)	(4.9)%
Impact of currency	(4.1)	(4.2)%	(0.1)	(0.3)%	0.1	0.7 %	(4.1)	(2.7)%
Segment Profit - Q2 FY22	\$	79.1	\$	46.0	\$	10.3	\$	135.4
		(19.7)%		11.1 %		(28.5)%		(12.3)%

Segment profit will be unfavorably impacted in fiscal 2022 as a result of the Billie acquisition due to timing of profit recognition. The Company eliminates profit earned on its shipments to Billie as part of the intercompany consolidation process, and recognizes this profit when Billie completes net sales to third parties. Organic segment profit excludes the deferral of Billie related profits in fiscal 2022.

Note 4 - EBITDA

The Company reports financial results on a GAAP and adjusted basis. The table below is used to reconcile Net earnings to EBITDA and Adjusted EBITDA, which are Non-GAAP measures, to improve comparability of results between periods.

	Three Months Ended March 31,		Six Months Ended March 31,	
	2022	2021	2022	2021
Net earnings	\$	23.2	\$	14.4
Income tax provision		3.9		8.9
Interest expense, net		18.4		17.3
Depreciation and amortization		23.2		22.2
EBITDA	\$	68.7	\$	59.0
			\$	123.5
			\$	123.8
Restructuring and related costs		3.7		5.5
Acquisition and integration costs		1.1		0.3
Value added tax settlement costs		—		—
Sun Care reformulation costs		0.2		—
Cost of early retirement of long-term debt		—		26.1
Adjusted EBITDA	\$	73.7	\$	90.9
			\$	143.4
			\$	163.1

Note 5 - Outlook

The following tables provide reconciliations of Adjusted EPS and Adjusted EBITDA, Non-GAAP measures, included within the Company's outlook for projected fiscal 2022 results:

Adjusted EPS Outlook	
Fiscal 2022 GAAP EPS	\$1.93 - \$2.21
Restructuring and related costs	approx. 0.27
Acquisition and integration costs	approx. 0.17
Value added tax settlement costs	approx. 0.06
Sun Care reformulation costs	approx. 0.06
Income taxes ⁽¹⁾	approx. (0.11)
Fiscal 2022 Adjusted EPS Outlook (Non-GAAP)	\$2.38 - \$2.66

(1) Income tax effect of the adjustments to Fiscal 2022 GAAP EPS noted above.

Adjusted EBITDA Outlook		
Fiscal 2022 GAAP Net Income	approx.	\$105 - \$120
Income tax provision	approx.	32
Interest expense, net	approx.	71
Depreciation and amortization	approx.	92
EBITDA	approx.	\$300 - \$315
Restructuring and related costs	approx.	15
Acquisition and integration costs	approx.	9
Value added tax settlement costs	approx.	3
Sun Care reformulation costs	approx.	3
Fiscal 2022 Adjusted EBITDA	approx.	<u>\$330 - \$345</u>