

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K/A
Amendment No. 1

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

Date of Report (Date of earliest event reported): January 2, 2019

SPECTRUM BRANDS HOLDINGS, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation)

1-4219
(Commission
File Number)

74-1339132
(I.R.S. Employer
Identification No.)

3001 Deming Way
Middleton, Wisconsin 53562
(Address of principal executive offices)

(608) 275-3340
(Registrant's telephone number, including area code)

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Emerging growth company ☐

If an emerging growth company, indicate by checkmark 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. ☐

Item 2.01 Completion of Acquisition or Disposition of Assets.

As previously reported in a Current Report filed on Form 8-K with the Securities and Exchange Commission (the “SEC”) on November 19, 2018, Spectrum Brands Holdings, Inc., a Delaware corporation (the “Company”), entered into an Amended and Restated Acquisition Agreement (the “GBL Amended Agreement”) with Energizer Holdings, Inc., a Missouri corporation (“Energizer”), on November 15, 2018.

On January 2, 2019, pursuant to the terms and conditions of the GBL Amended Agreement, Energizer completed its previously announced acquisition of the Company’s global battery, lighting and portable power business (the “GBL Business”) for an aggregate purchase price of \$2.0 billion in cash.

The foregoing description of the GBL Amended Agreement does not purport to be complete and is qualified in its entirety by reference to the GBL Amended Agreement filed on the Current Report on Form 8-K filed by the Company on November 15, 2018, which agreement is incorporated herein by reference in its entirety.

Pursuant to Article 11 of Regulation S-X, the Company files this report to disclose certain pro forma financial information regarding the divestiture of the GBL Business. For further information, see Item 9.01 below.

The exhibits filed herewith have been attached to provide investors with information regarding their terms. They are not intended to provide any other factual information about the Company, Energizer or the GBL Business. In particular, the assertions embodied in the representations and warranties in the GBL Amended Agreement were made as of a specified date, are modified or qualified by information in a confidential disclosure letter prepared in connection with the execution and delivery of the GBL Amended Agreement, may be subject to a contractual standard of materiality different from what might be viewed as material to shareholders, or may have been used for the purpose of allocating risk between the parties. Accordingly, the representations and warranties in the GBL Amended Agreement are not necessarily characterizations of the actual state of facts about the Company, Energizer or the GBL Business at the time they were made or otherwise and should only be read in conjunction with the other information that the Company makes publicly available in reports, statements and other documents filed with the SEC.

Item 9.01 Financial Statements and Exhibits.

- (a) Not applicable.
- (b) Pro Forma Financial Information – Pursuant to Article 11 of Regulation S-X, filed as Exhibit 99.1 to this report and incorporated herein, are (i) Unaudited Pro Forma Condensed Consolidated Balance Sheet of the Company as of September 30, 2018, as if the divestiture of the GBL Business had occurred as of that date, (ii) Unaudited Pro Forma Condensed Consolidated Statements of Operations of the Company for the year ended September 30, 2018, as if the GBL Divestiture had occurred on October 1, 2017, and the related notes thereto.
- (c) Not applicable.
- (d) Exhibits.

The following exhibits are being filed with this Current Report on Form 8-K.

Exhibit No.	Description
99.1	<u>The (i) Unaudited Pro Forma Condensed Consolidated Balance Sheet of the Company as of September 30, 2018, as if the divestiture of the GBL Business had occurred as of that date, (ii) Unaudited Pro Forma Condensed Consolidated Statements of Operations of the Company for the year ended September 30, 2018, as if the GBL Divestiture had occurred on October 1, 2017, and the related notes thereto.</u>

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 hereunto duly authorized.

Date: January 4, 2019

SPECTRUM BRANDS HOLDINGS, INC.

By:

/s/ Ehsan

Zargar

Name: Ehsan Zargar

Title: Executive Vice President, General Counsel
and Secretary

SPECTRUM BRANDS HOLDINGS, INC. (formerly HRG Group, Inc.)
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On January 15, 2018, Spectrum Brands Legacy, Inc. (formerly Spectrum Brands Holdings, Inc., “Spectrum”) a wholly owned subsidiary of Spectrum Brands Holdings, Inc. (formerly HRG Group, Inc., “SBH”, the “Company”) entered into a definitive Acquisition Agreement (“Agreement”) with Energizer Holdings, Inc. (“Energizer”) where Energizer would acquire from Spectrum its Global Battery and Lighting (“GBL”) business for an aggregate purchase price of \$2.0 billion in cash, subject to customary purchase price adjustments. The Agreement provides that Energizer will purchase the equity of certain subsidiaries of Spectrum, and acquire certain assets and assume certain liabilities of other subsidiaries used or held for the purpose of the GBL business. Effective January 2, 2019, Spectrum closed on the sale of its GBL business to Energizer in accordance with the Agreement.

The unaudited pro forma condensed consolidated financial statements as of and for the year ended September 30, 2018, the date of the latest publicly available financial information for SBH, gives effect to Spectrum’s divestiture of its GBL business pursuant to Article 11 of Regulation S-X or Rule 8-05 of Regulation S-X. Spectrum had previously recognized the GBL business, along with the net assets and operations of its Home and Personal Care (“HPC”) appliances business, as discontinued operations within the condensed consolidated financial statements and therefore all historical financial statements of Spectrum were previously reported to exclude the results of operations from its GBL and HPC businesses from its continuing operations. Additionally, the net assets of the GBL and HPC businesses were previously recognized as assets held for sale within its statement of financial position.

The following unaudited pro forma consolidated statement of financial position at September 30, 2018 is presented on a basis to reflect the GBL divestiture as if it had occurred on September 30, 2018. The following unaudited pro forma condensed consolidated statements of income for the year ended September 30, 2018 are presented on a basis to reflect the GBL divestiture as if it had occurred on October 1, 2017.

The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the notes to unaudited pro forma condensed consolidated financial statements. The unaudited pro forma condensed consolidated financial statements and the notes to unaudited pro forma condensed consolidated financial statements are based on, and should be read in conjunction with, Spectrum’s historical audited consolidated financial statements and notes thereto included in SBH’s Annual Report on Form 10-K for the fiscal year ended September 30, 2018.

Spectrum’s historical consolidated financial information has been adjusted in the unaudited pro forma condensed financial statements to give effect to pro forma events that are (i) directly attributable to the GBL divestiture, (ii) factually supportable, and (iii) with respect to the unaudited pro forma condensed statement of operations, expected to have a continuing impact on results. The resulting pro forma condensed consolidated financial statements do not include any adjustments related to cost savings, operating synergies, tax benefits or revenue enhancements (or the necessary costs to achieve such benefits) that are expected to result from the GBL divestiture.

The pro forma adjustments are based upon available information and assumptions that management believes reasonably reflect the GBL divestiture. The unaudited pro forma condensed financial statements are provided for illustrative purposes only and do not purport to represent what actual results of operations or the consolidated financial position would have been had the GBL divestiture occurred on the date assumed, nor are they necessarily indicative of our future consolidated results of operations or financial position.

SPECTRUM BRANDS HOLDINGS, INC. (formerly HRG GROUP, INC.)
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of September 30, 2018

(in millions)	Beginning balance	Pro forma adjustments	Notes	Total
Assets				
Cash and cash equivalents	\$ 552.5	\$ 1,942.2	(A)	\$ 2,494.7
Trade receivables, net	254.2	—		254.2
Other receivables	35.7	—		35.7
Inventories	503.4	—		503.4
Prepaid expenses and other current assets	54.7	—		54.7
Current assets of business held for sale	1,958.2	(983.7)	(B)	974.5
Total current assets	3,358.7	958.5		4,317.2
Property, plant and equipment, net	494.9	—		494.9
Deferred charges and other	184.0	—		184.0
Goodwill	2,178.5	—		2,178.5
Intangible assets, net	1,531.6	—		1,531.6
Total assets	\$ 7,747.7	\$ 958.5		\$ 8,706.2
Liabilities and Shareholders' Equity				
Current portion of long-term debt	\$ 21.2	\$ 1,209.1	(C)	\$ 1,230.3
Accounts payable	436.1	—		436.1
Accrued wages and salaries	45.7	—		45.7
Accrued interest	65.0	—		65.0
Other current liabilities	125.3	—		125.3
Current liabilities of business held for sale	656.9	(358.3)	(B)	298.6
Total current liabilities	1,350.2	850.8		2,201.0
Long-term debt, net of current portion	4,651.3	(1,209.1)	(C)	3,442.2
Deferred income taxes	35.0	—		35.0
Other long-term liabilities	121.6	—		121.6
Total liabilities	6,158.1	(358.3)		5,799.8
Commitments and contingencies				
Shareholders' equity				
Common Stock	0.5	—		0.5
Additional paid-in capital	1,996.7	—		1,996.7
Accumulated (deficit) earnings	(180.1)	1,276.1	(B)	1,096.0
Accumulated other comprehensive loss	(235.8)	40.7	(B)	(195.1)
Total shareholders' equity	1,581.3	1,316.8		2,898.1
Noncontrolling interest	8.3	—	(B)	8.3
Total equity	1,589.6	1,316.8		2,906.4
Total liabilities and equity	\$ 7,747.7	\$ 958.5		\$ 8,706.2

SPECTRUM BRANDS HOLDINGS, INC. (formerly HRG GROUP, INC.)
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended September 30, 2018

(in millions, except per share)	Beginning balance	Pro forma adjustments	Notes	Total
Revenue	\$ 3,145.9	\$ —		\$ 3,145.9
Cost of goods sold	1,992.3	—		1,992.3
Selling, acquisition, operating and general expenses	1,051.6	—		1,051.6
Operating income	102.0	—		102.0
Interest expense	264.6	—		264.6
Other income, net	(6.3)	—		(6.3)
Loss from continuing operations before income taxes	(156.3)	—		(156.3)
Income tax benefit	(460.7)	—		(460.7)
Net income from continuing operations	304.4	—		304.4
Net income from continuing operations attributable to noncontrolling interest	74.3			74.3
Net income from continuing operations attributable to controlling interest	\$ 230.1	\$ —		\$ 230.1
Earnings Per Share				
Basic earnings per share from continuing operations	\$ 6.23	\$ —		\$ 6.23
Diluted earnings per share from continuing operations	\$ 6.21	\$ —		\$ 6.21
Weighted Average Shares Outstanding				
Basic	36.9	—		36.9
Diluted	37.0	—		37.0

SPECTRUM BRANDS HOLDINGS, INC. (formerly HRG GROUP, INC.)
Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements (Unaudited)
(in millions, except per share figures)

NOTE 1 – Significant Accounting Policies

The unaudited pro forma condensed consolidated statement of financial position as of September 30, 2018 is presented as if the Global Batteries & Lights (“GBL”) business divestiture had occurred on September 30, 2018. The unaudited pro forma condensed consolidated statement of operations for the year ended September 30, 2018 are presented as if the GBL divestiture occurred on October 1, 2017. Spectrum previously recognized the GBL business, along with the net assets and operations of its HPC business, as discontinued operations within the condensed consolidated financial statements and therefore all historical financial statements of Spectrum were recasted to exclude the results of operations from its GBL and HPC businesses from its continuing operations. Additionally, the net assets of the GBL and HPC businesses were previously recognized as assets held for sale within its statement of financial position.

The Company reports the results of operations of a business as discontinued operations if a disposal represents a strategic shift that has (or will have) a major effect on an entity’s operations and financial results when a business is sold and classified as held for sale, in accordance with the criteria of Accounting Standards Codification (“ASC”) Topic 205 *Presentation of Financial Statements* and ASC Topic 360 *Property, Plant and Equipment*. The results of discontinued operations are reported in Income From Discontinued Operations, Net of Tax in the accompanying Consolidated Statements of Income for the current and prior periods commencing in the period in which the business meets the criteria of a discontinued operations, and include any gain or loss recognized on closing, or adjustment of the carrying amount to fair value less cost to sell. Assets and liabilities of a business classified as held for sale are recorded at the lower of its carrying amount or estimated fair value less cost to sell. If the carrying amount of the business exceeds its estimated fair value less cost to sell, a loss is recognized. Assets and liabilities related to a business classified as held for sale are segregated in the current and prior balance sheets in the period in which the business is classified as held for sale. Transactions between the businesses held for sale and businesses held for use that are expected to continue to exist after the disposal are not eliminated to appropriately reflect the continuing operations and balances held for sale.

NOTE 2 – Pro Forma Adjustments for the GBL divestiture

- (A) Adjustments reflect the increase in cash and cash equivalents resulting from the cash consideration received based upon the \$2.0 billion purchase price, net customary purchase price adjustments, less closing transaction expenses.
- (B) Adjustments reflect the elimination of the assets and liabilities of Spectrum’s GBL business that were previously classified as held for sale as of September 30, 2018, as well as the other comprehensive loss attributable to Spectrum’s GBL business as of September 30, 2018. The elimination of the other comprehensive loss attributable to Spectrum’s GBL business is offset by a gain on the sale of the GBL business which is reflected in accumulated (deficit) earnings.
- (C) Adjustments reflect the reclassification of the Company’s Spectrum Brands, Inc. Term Loans from long-term to current as of September 30, 2018 as the Company has the intent and ability to paydown the respective outstanding debt using current assets and funds received upon the consummation of the GBL divestiture. The annual interest expense related to the Term Loans is approximately \$50.6 million.

NOTE 3 – Subsequent Events

HPC Divestiture

On November 15, 2018, subsequent to the year ended September 30, 2018, the Company made a strategic decision to cease marketing the Home and Personal Care (“HPC”) Division as held for sale, which was recognized as a component of discontinued operations from its GBA business. As of September 30, 2018, HPC continued to meet the criteria for recognition of assets held for sale, as a component of its GBA business, along with GBL, in accordance with ASC 360 as the Company was actively marketing and was in active discussions with third parties for the potential sale of the HPC business. As a result, the HPC business was classified as held for sale by the Company and discontinued operations for the year ended September 30, 2018. Subsequent to September 30, 2018, management made a strategic decision to no longer actively market and pursue a sale of the HPC business and recognize HPC as a component of the ongoing operations of the consolidated group and retroactively adjust the comparable prior periods. The pro forma financial statements have not been adjusted to reflect this presentation for the respective periods presented.

GAC Divestiture

On November 15, 2018, subsequent to the year ended September 30, 2018, the Company entered into an agreement with Energizer Holdings, Inc. (“Energizer”) to sell its GAC business to Energizer for a \$1.25 billion purchase price comprised of \$937.5 million of cash and \$312.5 million of Energizer equity. As of September 30, 2018, GAC did not meet the criteria for recognition of assets held for sale in accordance with ASC 360 and therefore was classified as held for use by the Company and included as a component of the continuing operations for the year ended September 30, 2018. Subsequent to the year ended September 30, 2018, the Company will report the net assets of GAC as held for sale and discontinued operations and retroactively adjust comparable prior periods. The net assets of GAC will be measured at their fair value, less an estimated cost to sell beginning the first quarter of the fiscal year ended September 30, 2019. The pro forma financial statements have not been adjusted to reflect this presentation for the respective periods presented.
