ELEVATION CAPITAL MANAGEMENT LIMITED:
EDGEWELL PERSONAL CARE COMPANY [EPC:US]

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This presentation was published in November, 2016.

Edgewell Personal Care Company [EPC:US] is referred to as Edgewell throughout this presentation.

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INVESTMENT SUMMARY

EDGEWELL: A GREAT BUSINESS MODEL…

“you can sleep pretty well at night if you think of a couple billion men with their hair growing on their faces. It is growing all night while you sleep. Women have two legs, it is even better. So it beats counting sheep. And those are the kinds of business (you look for)…”

Warren Buffett on the shaving business
15th October 1998

EDGEWELL: INVESTMENT SUMMARY

Energizer Holdings, Inc. -> Edgewell Personal Care Company
Edgewell is the personal care business of the old Energizer Holdings. In 2015, the Company spun off the battery business to the new Energizer Holdings, Inc. (ENR – NYSE listed) and renamed itself Edgewell Personal Care Company (EPC – NYSE listed).
EPC reported annual net sales of US$2.4B (in 2015).

Challenger* Position in Personal Care Market
Edgewell has a portfolio of personal care brands that it acquired in the years since 2003. These brands include Schick, Wilkinson Sword, Edge, Skintimate, Playtax, Hawaiian Tropic, Banana Boat, Carefree, Stayfree, o.b. and others. These brands hold competitive positions in attractive categories within the Personal Care market.

Four Reporting Business Segments:
- Wet Shave (60% of revenue)
- Sun & Skin Care (17% of revenue)
- Feminine Care (16% of revenue)
- Infant Care and Other (7% of revenue)

Disappointment and Uncertainty Creates Investment Opportunity
The disappointing results after the separation, and the uncertainty with regard to the Company's future has seen the share price decline 24% between July 2015 and September 2016. The elimination of dividends also saw a sell-off from institutional investors which require companies to pay dividends.

Channel Shifting
The rise of new (e-commerce based) competitors such as Dollar Shave Club and Harry's has "disrupted" the two major players in the wet shave market – P&G and Edgewell. Edgewell is currently developing its own Direct-To-Consumer (DTC) proposition for the fast growing online/DTC market.

Potential Catalysts
1. To be acquired by one of the larger players in the personal care industry once two year period from Separation lapses (1 July 2016)
2. International market expansion in existing categories
3. Capital returns through opportunistic share repurchase and the possibility of reinstating the dividend
4. The launch and successful execution of the Company's DTC proposition that is under development

Risks
1. Negative macro trends in men's shaving systems
2. Slow response to channel shifting and new competitors
3. Customer concentration – Wal-Mart accounts for 24% net sales
4. Relatively leveraged balance sheet post separation
5. Re-rating downward to 10.7x EV/EBITDA

Conclusion
Edgewell is a relatively small company (Market Cap = US$4.5B) in a highly competitive global personal care industry. Its portfolio of strong brands in attractive categories makes it a likely acquisition target for larger players in the industry.
The stock is currently trading at a meaningful discount to our estimated Private Market Value and takeover target price range providing upside potential of +20% to +49%.

* A firm that has a market share below that of the market leader, but enough of a market presence that it can exert upward pressure in its effort to gain more control.

EDGEWELL FORMED VIA A SEPARATION FROM ENERGIZER HOLDINGS, INC.

EDGEWELL: 1 JULY 2015 SEPARATION TAKES EFFECT

Energizer Holdings, Inc.

1. Renamed as Edgewell Personal Care Company (EPC:US)

2. Spun off the battery business to the new Energizer Holdings, Inc. (ENR:US)

1 July 2015

Edgewell™ PERSONAL CARE

Energizer Holdings, Inc.

Following the separation, each standalone company will be able to:

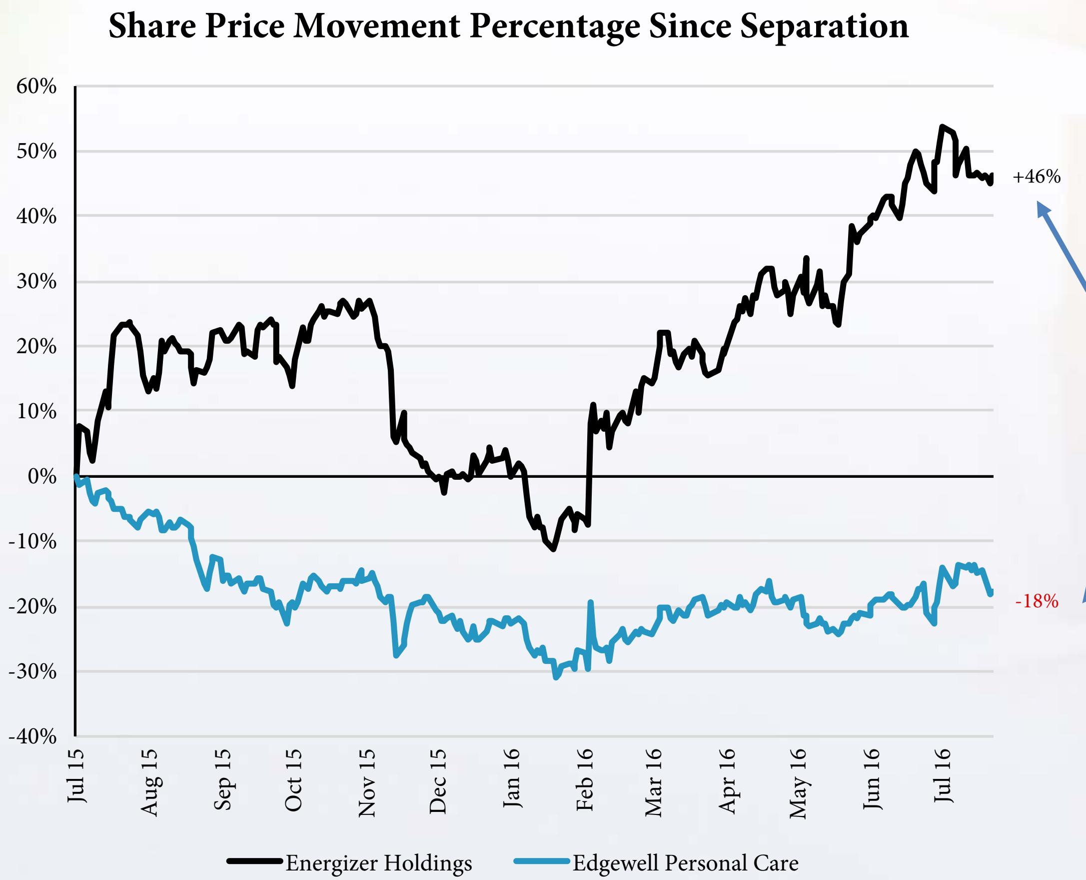
- *Intensify focus on its distinct commercial priorities;*
- *Allocate its own resources to meet the needs of its business;*
- *Pursue distinct capital structures and capital allocation strategies; and*
- *Provide a clear investment thesis and visibility to attract a long-term investor base suited to each business.*

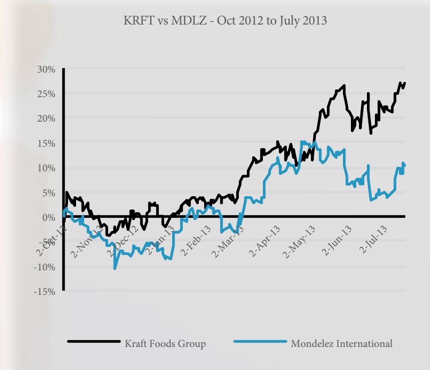
As an independent entity, we believe Personal Care will be able to:

- *Accelerate growth across all categories;*
- *Execute a focused global go-to-market strategy;*
- *Grow through disciplined strategic acquisitions; and*
- *Generate substantial free cash flow that will enable investments and capital return.*

Source: Energizer announces intent to separate into two publicly trade companies on 30 April 2014

EDGEWELL: SHARE PRICE MOVEMENT POST SEPARATION





We have seen this before in the separation of Mondelez and Kraft!

- No dividends
- Dis-synergies / FY16 – transition year
- Not meeting short-term growth expectations

EDGEWELL : TAX-FREE TREATMENT OF THE SEPARATION

- In its 2015 Annual Report, Edgewell listed the activities which would void its tax-free treatment of the Separation within a two-year period, among them the acquisition of separated Energizer.
- We suspect Edgewell may also wish to wait for the two-year period to end (1 July 2017) to seriously open up merger/acquisition discussions to avoid a potential dispute with the IRS.
- In the meanwhile, the lack of M&A news since the Separation is causing impatient investors to divest the stock.

If the Separation, together with certain related transactions, fails to qualify as a transaction that is generally tax-free, for U.S. federal income tax purposes, under Sections 355 and 368(a)(1)(D) of the Code, in general, we would recognize taxable gain as if we had sold the New Energizer common shares in a taxable sale for its fair market value and our shareholders who received New Energizer shares in the distribution would be subject to tax as if they had received a taxable distribution equal to the fair market value of such shares.

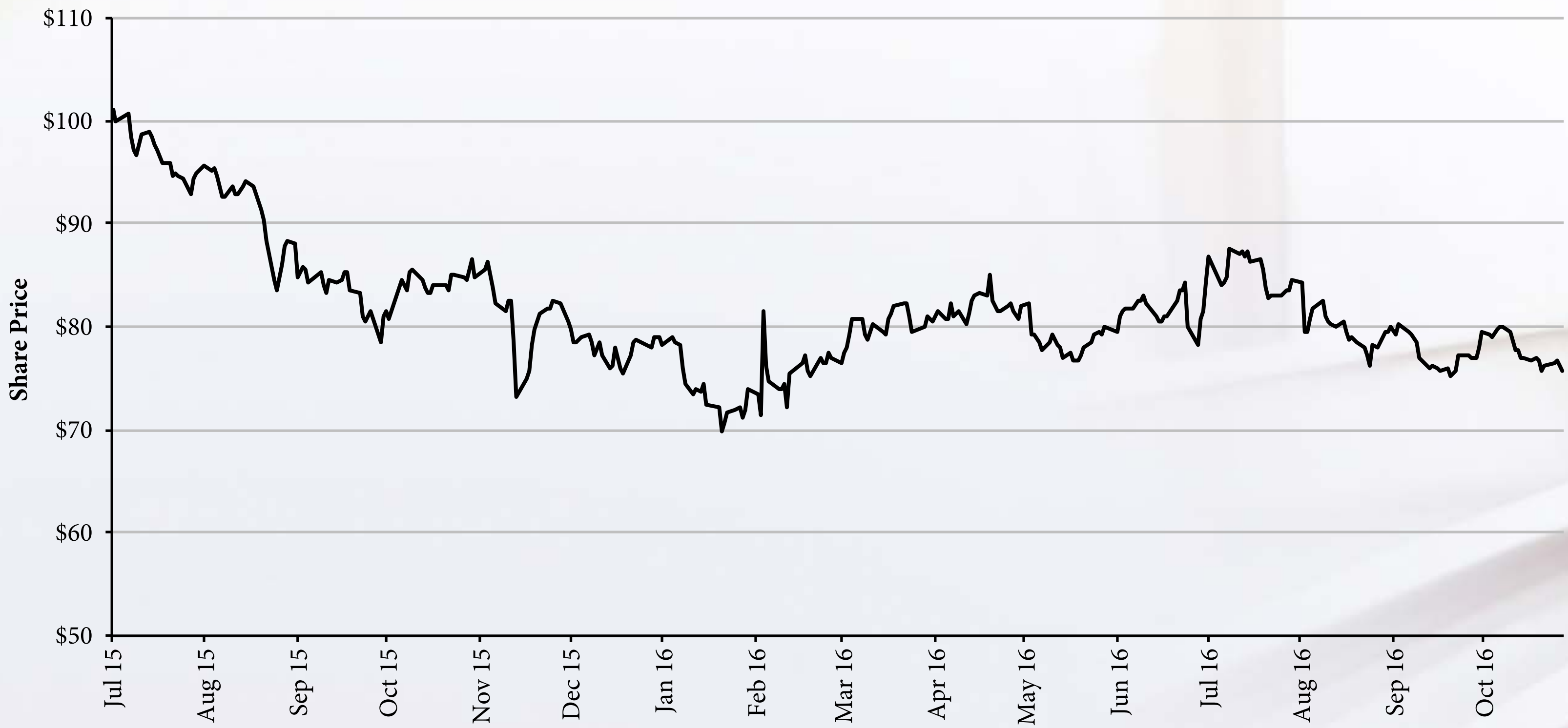
Under the tax matters agreement that we entered into with New Energizer, New Energizer may be required to indemnify us against any additional taxes and related amounts resulting from (i) an acquisition of all or a portion of the equity securities or assets of New Energizer, whether by merger or otherwise (and regardless of whether New Energizer participated in or otherwise facilitated the acquisition), (ii) other actions or failures to act by New Energizer or (iii) any of New Energizer's representations or undertakings in connection with the Separation and the distribution being incorrect or violated. Any such indemnity obligations could be material, and there can be no assurance that New Energizer will be able to pay any such indemnification.

Under current law, a spin-off can be rendered taxable to the parent corporation and its shareholders as a result of certain post-spin-off acquisitions of shares or assets of the spun-off corporation. For example, a spin-off may result in taxable gain to the parent corporation under Section 355(e) of the Code if the spin-off were later deemed to be part of a plan (or series of related transactions) pursuant to which one or more persons acquire, directly or indirectly, shares representing a 50% or greater interest (by vote or value) in the spun-off corporation. To preserve the tax-free treatment of the Separation and the distribution, and in addition to New Energizer's indemnity obligation, the tax matters agreement will restrict New Energizer, for the two-year period following the Separation, except in specific circumstances, from: (i) entering into any transaction pursuant to which all or a portion of shares of New Energizer common stock would be acquired, whether by merger or otherwise, (ii) issuing equity securities beyond certain thresholds, (iii) repurchasing New Energizer shares other than in certain open-market transactions, (iv) ceasing to actively conduct the Household Products businesses or (v) taking or failing to take any other action that prevents the distribution and related transactions from qualifying as a transaction that is generally tax-free, for U.S. federal income tax purposes, under Sections 355 and 368(a)(1)(D) of the Code. There can be no assurance that New Energizer will comply with these restrictions. Failure of New Energizer to satisfy its obligations could have a substantial impact on our tax obligations, consolidated financial condition and cash flows.

Edgewell 2015 Annual Report p21

EDGEWELL: WEAK RECENT RESULTS & IMPATIENCE PRESENT OPPORTUNITY

- The weakening of developing market economies and the depreciation of currencies around the world versus the US Dollar saw investors exit US domiciled multinationals in 2015, including Edgewell.
- Investors have also being disappointed with Edgewell's below-expectation results and the lack of M&A news since the Separation. The share price has declined ~24% between July 2015 and October 2016.
- We have slowly established our position since the separation in July 2015, at an average cost of US$85.00*.
- Current share price** = US$75.74 (Market Capitalisation = US$4.5B)



* Elevation Capital Value Fund cost basis as at 31 October 2016

** As at 27 October 2016

OVERVIEW & HISTORY

EDGEWELL: KEY BRANDS

Wet Shave

Feminine Care

Sun Care

Skin Care

Infant Care

Pet Care

Source: http://edgewell.com/brands/

EDGEWELL: CHALLENGER POSITION IN PERSONAL CARE

Edgewell has a portfolio of over 25 brands and a broad global footprint in more than 50 countries.

WET SHAVE

#2

(Shaving - Male/Female)
Key Markets:
US, Canada, Japan, Germany

SUN & SKIN CARE

#1

(Sun)
Key Markets:
US, Mexico, Australia

FEMININE CARE

#2/#3

(Tampons/Liners and Pads)
Key Markets:
US and Canada

INFANT CARE

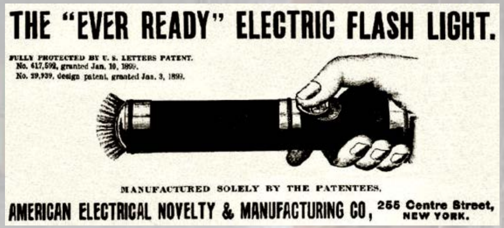
#1

(Diaper Disposal)
Key Markets:
US and Canada

Source: Edgewell 2015 Annual Report

EDGEWELL: HISTORY – FROM EVER READY TO EDGEWELL

1898	Conrad Hubert invents the first handheld flashlight, and forms the American Electrical Novelty & Manufacturing Company.
1905	Conrad Hubert renames his company The American Ever Ready Company.
1914	The American Ever Ready Company becomes part of National Carbon Company.
1917	National Carbon Company merges with Union Carbide to form the Union Carbide and Carbon Company.
1986	Union Carbide sells the Eveready Battery Company to Ralston Purina Company.
1989	The Energizer Bunny is born – his TV debut.
2000	Eveready Battery Company is spun-off from Ralston Purina Company. Energizer Holdings, Inc. is created.
2014	Energizer Holdings, Inc. announces intent to separate the Household Products and Personal Care divisions into two independent, publicly traded companies.
2015	Energizer Holdings, Inc. becomes Edgewell Personal Care Co., spinning off the battery business into the new Energizer Holdings, Inc.



Energizer Holdings, Inc.

Edgewell PERSONAL CARE

EDGEWELL: PERSONAL CARE BRANDS ACQUISITION HISTORY

2003

Energizer Holdings, Inc. purchases the Schick-Wilkinson Sword business from Pfizer Inc. for US$930M. Schick-Wilkinson Sword is the second largest manufacturer and marketer of men's and women's wet shave products in the world.

2007

Energizer Holdings, Inc. purchases Playtex Products, Inc. for US$1.9B. Playtex is a leading manufacturer and marketer in the skin, feminine and infant care industries, with a diversified portfolio of well-recognised branded consumer products.

2009

Energizer Holdings, Inc. acquires the Edge and Skintimate shave preparation business of S.C. Johnson & Son, Inc. for US$275M.

2011

Energizer Holdings, Inc. is the winning bidder for American Safety Razor (ASR) in bankruptcy court proceedings for a purchase price of US$301M in cash and the assumption of certain liabilities. ASR is the fourth largest manufacturer and distributor of wet shave products and is a leading supplier of private-label razors and blades.

2014

Energizer Holdings, Inc. acquires Johnson & Johnson's feminine hygiene brands for US$185M. The deal includes Carefree liners, Stayfree pads and o.b. tampon brands in the U.S., Canada and the Caribbean.

Total acquisition cost for Wet Shave related brands = US$1.52B
Total acquisition cost for Other brands = US$2.09B

BUSINESS SEGMENTS

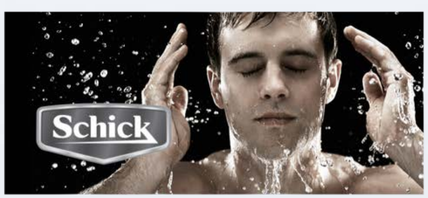
EDGEWELL: BUSINESS SEGMENTS BY REVENUE & OPERATING PROFITS

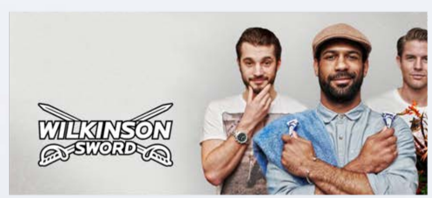
- The Wet Shave business is the foundation of Edgewell. It generates 60% of the revenue and 68% of the operating profits.
- Additional acquisitions in other segments (particularly pet care) could aid revenue/income diversification, reducing concentration/business risk in the wet shave segment.

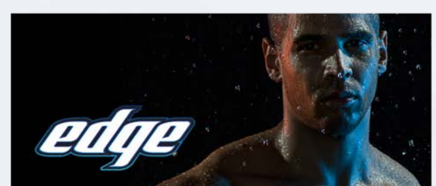
Source: Edgewell 2015 Annual Report

EDGEWELL: WET SHAVE – 60% OF REVENUE

- Historically, the Wet Shave business has been attractive due to its high margin, high barriers to entry, and international growth opportunities.
- Key Brands: Schick, Wilkinson Sword, Edge, Skintimate and Personna.
- Key Markets: U.S., Canada, Japan, Germany, France and UK.
- Key Competitors: Gillette (P&G), BIC Group, Dollar Shave Club (Unilever) and Harry's.
- The Company holds the #2 global market share position in wet shaving.
- In the U.S., the Edgewell Wet Shave business has grown share for five consecutive quarters*.
- **Branded Products** – It manufactures and distributes razor systems (razor handles and refillable blades), and disposable shave products for men and women.
- **Private Label and Value Brands** – It also manufactures, distributes and sells a complete line of private label and value-priced wet shaving disposable razors, shaving systems and replacement blades.
- **Shave Preparation Products** – Including shaving gels and creams.







Source: Edgewell 2015 Annual Report
* Edgewell Q3 2016 earnings call transcript – 2 August 2016

EDGEWELL: SUN & SKIN CARE – 17% OF REVENUE

Sun Care

- An attractive category with international growth opportunities (especially in Latin America & Asia).
- Key Brands: Banana Boat, Hawaiian Tropic
- Key Markets: U.S., Mexico and Australia
- Key Competitors: Bayer AG, Johnson & Johnson
- On a combined basis, the Company holds a leading market share position in the sun care category in the U.S., Mexico and Australia.

Skin Care

- Key Brands: Wet Ones and Playtex
- Key Markets: U.S.
- Key Competitors: Bayer AG, Johnson & Johnson
- Wet Ones is the leader in the U.S. portable hand wipes category, and Playtex household gloves is the branded household glove leader in the U.S.

Source: Edgewell 2015 Annual Report

EDGEWELL: FEMININE CARE / INFANT CARE / OTHER – 23% OF REVENUE

Feminine Care – 16% of Revenue

- Meaningful scale, predictable sales and high barriers to entry.
- Key Brands: Playtex, Stayfree, Carefree and o.b.
- Key Markets: North America
- Key Competitors: P&G, Kimberly-Clark
- It is one of the top three manufacturers of feminine care products in North America.

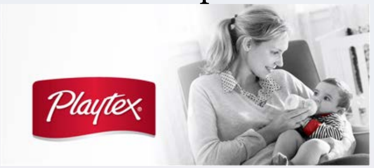
Infant Care and Other – 7% of Revenue

<u>Infant Care</u>

- Key Brand: Playtex
- Key Markets: North America
- Key Competitors: Variety of competitors in a fragmented infant care market.
- Products: Bottles, cups, mealtime products, pacifiers and diaper disposal systems
- The Playtex Diaper Genie brand of diaper disposal systems is the leader in the U.S. diaper pail category.

<u>Other</u>

- Little Genie - A waste disposal solution for cat owners originating from Edgewell's Diaper Genie technology.
- Industrial Blades Business – Sold on 1 September 2015.

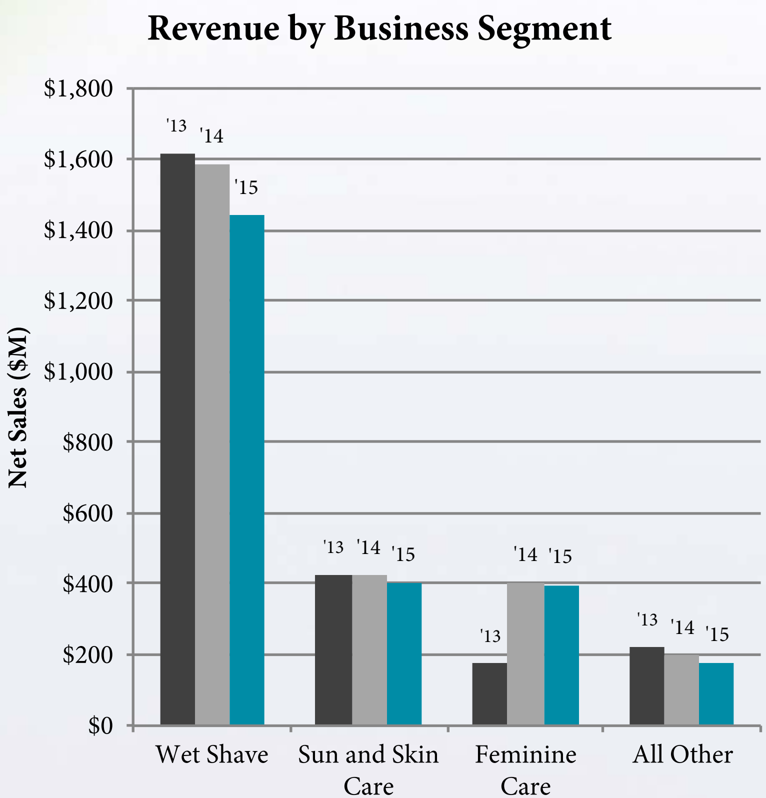


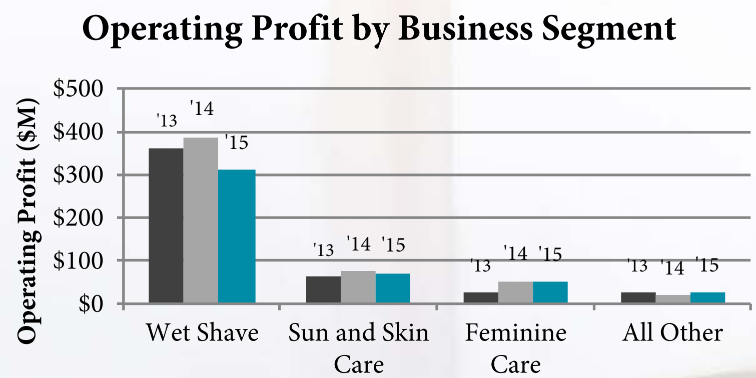
Source: Edgewell 2015 Annual Report

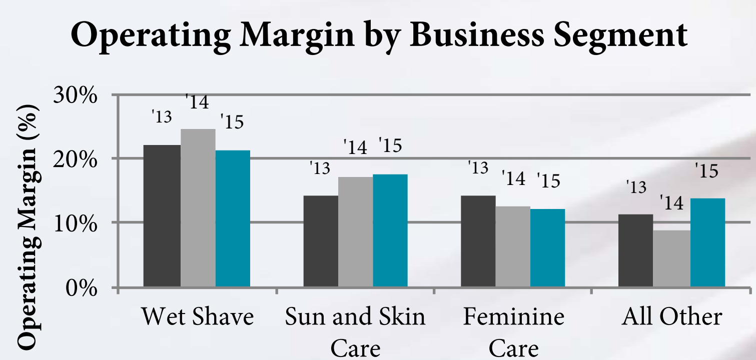
FINANCIALS, FINANCIAL STRUCTURE & CAPITAL RETURN HISTORY

EDGEWELL: BUSINESS SEGMENT REVENUES, OPERATING PROFIT & MARGINS

- The four reporting business segments show different revenue and margin characteristics.
- Wet Shave is by far the most important business for the Company. It currently generates 60% of revenue, and 68% of operating profit. However, it is facing increased competition from existing competitors and new entrants.
- The other three business segments combined generate 40% of revenue, and 32% of operating profits.



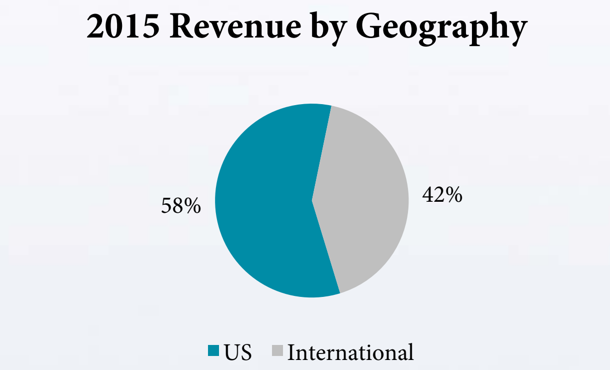


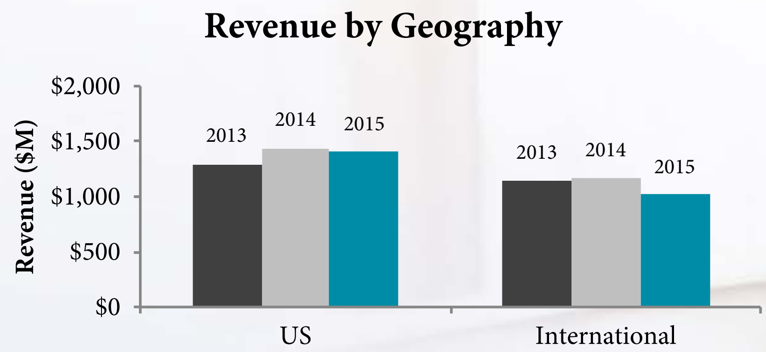


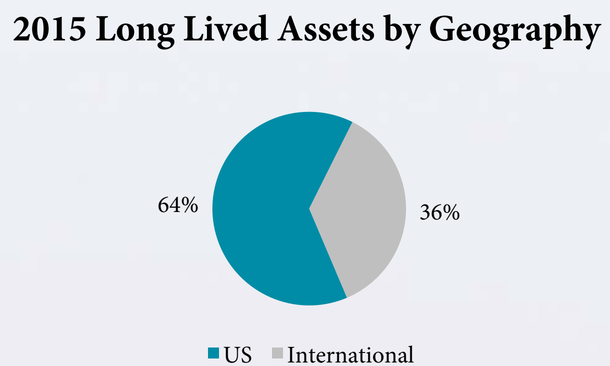
Source: Thomson Reuters Eikon data as at 20 July 2016

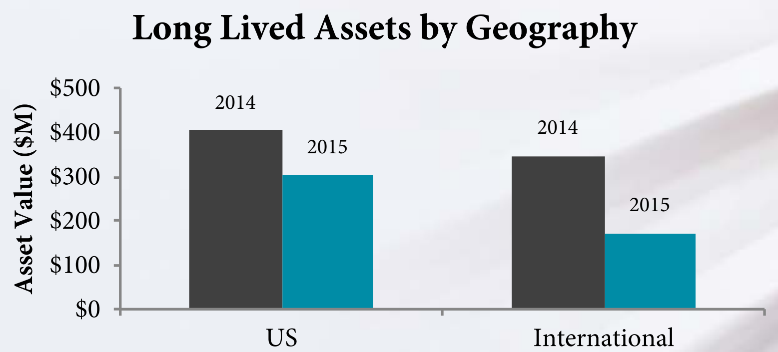
EDGEWELL: GEOGRAPHIC SEGMENT REVENUES & ASSETS

- The core of the Company's revenue is generated from developed markets, with the US as its largest market (58% of 2015 Revenue).
- The strengthening USD has continued to have a negative translation effect on Edgewell's international business since 2014. The international business is 42% of revenue in 2015, compared to 47% in 2013.
- We believe in the long run, currency should have a neutral effect on the Company's long-term results.
- Furthermore, we believe Management is correct in focusing on the international growth opportunities for its core businesses. However, it will be a long and less profitable road versus the US market for Edgewell due to its limited distribution networks.









Source: Thomson Reuters Eikon data as at 20 July 2016

EDGEWELL: CAPITAL EXPENDITURE & FREE CASH FLOW GENERATION

- The Company has historically generated significant free cash flow* due to its low capex requirements.
- The cash expenditures relating to the separation and related debt restructuring are the main reasons for the significant decline in cash flow from operations in FY2015.
- We note that the FY2015 cash flow statements were not required to be adjusted for discontinued operations. Therefore, cash flow figures for FY2015 includes nine months of activity for the Household Products business (i.e., Energizer).
- For FY2016, the Company stated that**:
  1. "*due to the seasonality of our business and the timing of our fiscal year end, operating cash is expected to be primarily generated in the last half of the fiscal year*".
  2. "*For the full year, we expect to generate positive operating cash flow, and made our full-year objective of approximately 100% free cash flow conversion*".
- Looking forward, the Company expects Capex to be in the range of 2%-3% of sales.

Operating Cash Flow, Capex and Free Cash Flow

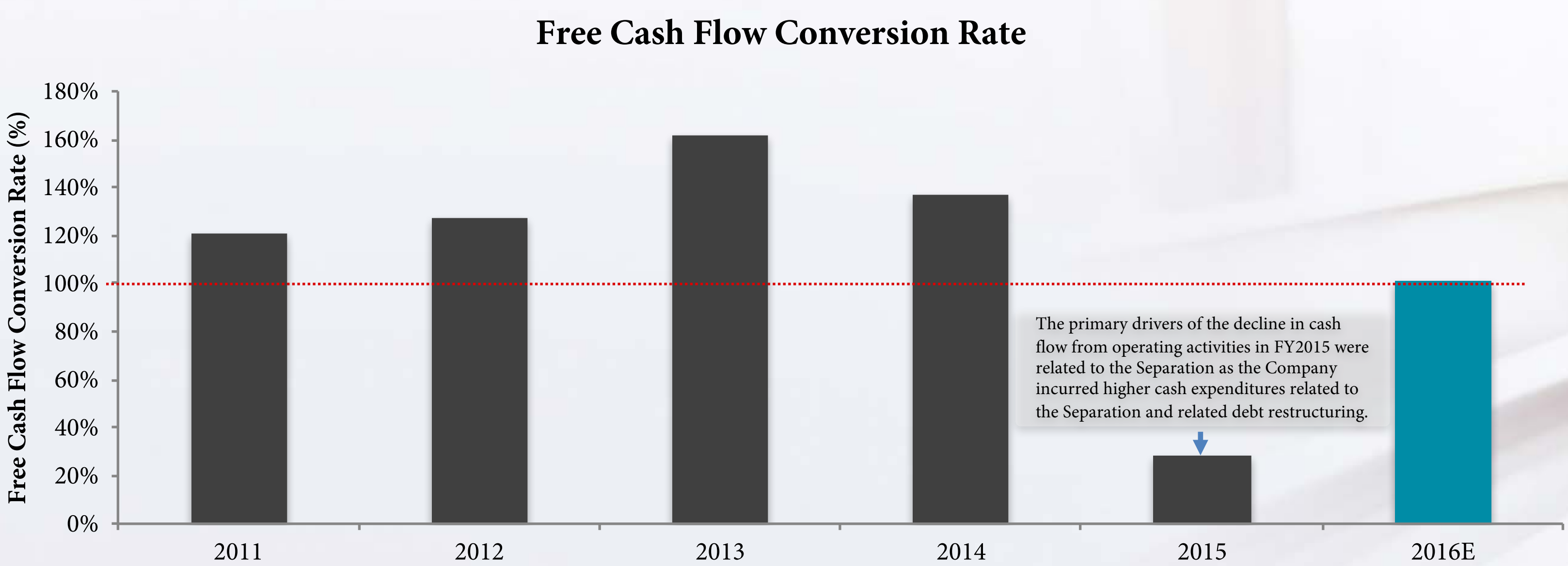
Data Source: Thomson Reuters Eikon as at 27 September 2016

* Free Cash Flow (FCF) is defined as cash from operating activities minus capital expenditures

** Edgewell Q2 2016 Earnings Call – 29 April 2016

EDGEWELL: FREE CASH FLOW CONVERSION RATE

- It is important to understand a company's ability to generate cash without external financings. We look at measures such as Free Cash Flow (FCF) Conversion Rate* to help gauge the resources available for strategic opportunities such as undertaking acquisitions, investing in the business, strengthening the balance sheet, and to assess the robustness of a company's earnings performance.
- Historically, the Company has been able to achieve 100%+ FCF Conversion Rate. After the 1 July 2015 Separation, Management reiterated its goal to "*maintain a free cash flow conversion rate of 100% or better*" so it can further reinvest in the business, return value to shareholders and pursue a disciplined approach to acquisitions.
- As mentioned in the previous page (p25), Management is expecting to achieve its full-year objective of approximately 100% free cash flow conversion for FY2016.



* Free Cash Flow Conversion Rate (Efficiency) is defined as Free Cash Flow / Net Income. This measure illustrates how efficient the business is at generating free cash flow versus its reported / accounting net income.

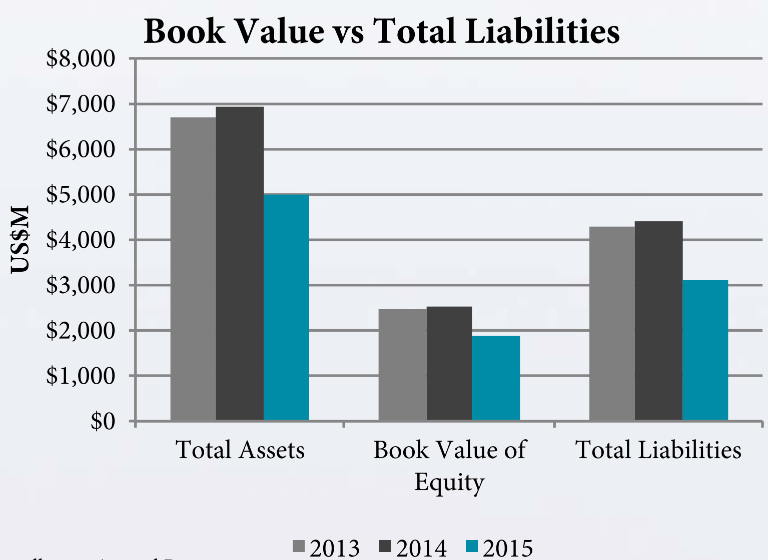
EDGEWELL: FINANCIAL POSITION

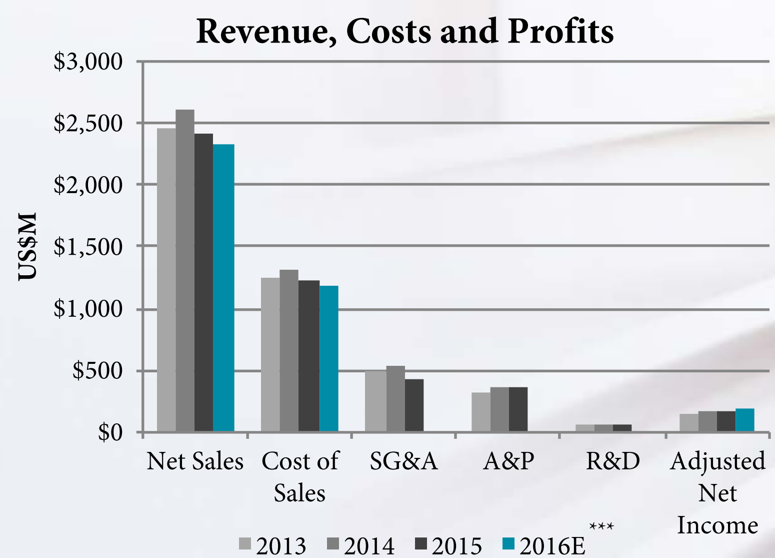
BALANCE SHEET

- The chart below shows the effect of Separation on the Balance Sheet in 2015*.
- Management commented that "*We believe our leverage levels are manageable due to our margin structure and ability to generate free cash flow, which will accelerate over the next few quarters*"**.

INCOME STATEMENT

- The figures in the chart are adjusted for the Separation*.
- Revenue is expected to decline again in FY2016 due to continued "Go-to-Market" changes.
- Adjusted Net income is estimated to be in the range of US$176M – US$185M, slightly higher than FY2015 (US$175M) on an adjusted basis.





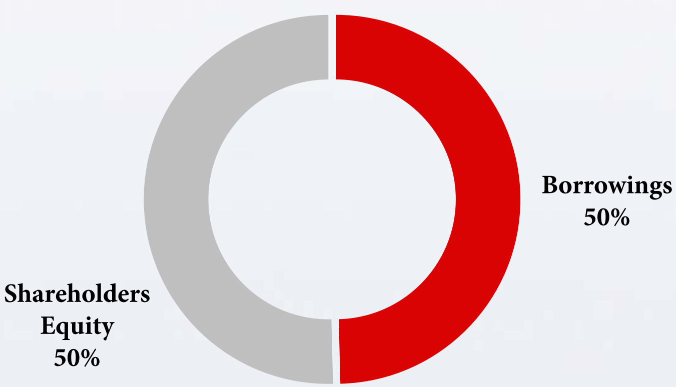
* Edgewell 2015 Annual Report
** Edgewell Q2 2016 Earnings Call – 29 April 2016
*** Thomson Reuters Eikon as at 27 September 2016

EDGEWELL: DEBT & TERM STRUCTURE

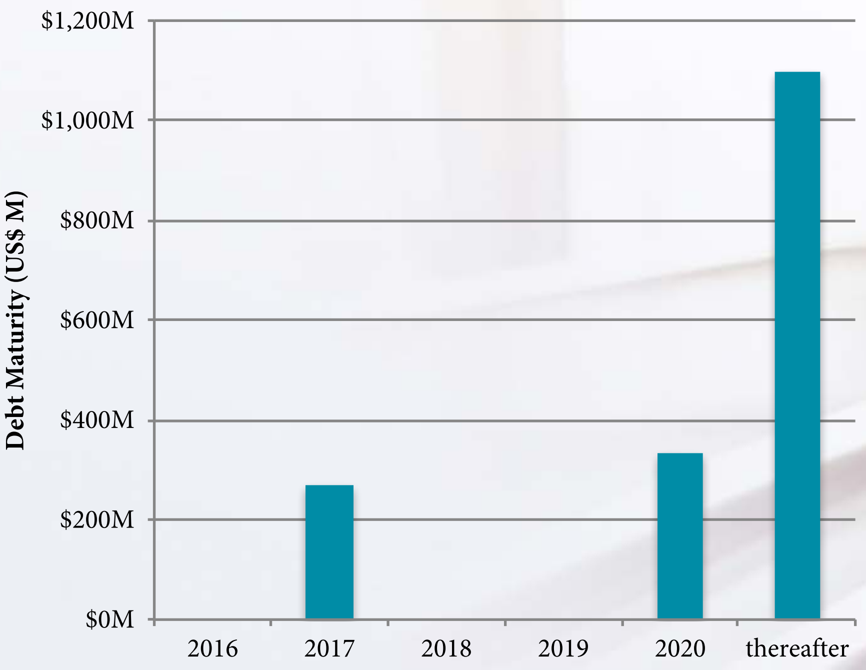
DEBT

- Debt makes up half of Edgewell's capital structure, which is higher than its industry peers as a results of US$1.72B of Total Debt being left with the Company on Separation.
- Currently, the Company has Total Debt of US$1.86B (Net Debt = US$1.17B)*, with 65% of the debt maturing after 2020.
- Edgewell has a S&P Long-term Issuer Rating of BB+, and Moody's Long-term Issuer Rating of Ba2.

Total Equity vs Borrowings



Debt Maturity Profile**



* Q3 FY2016 - as at 30 June 2016. Cash approximately US$692M

** Edgewell 2015 Annual Report

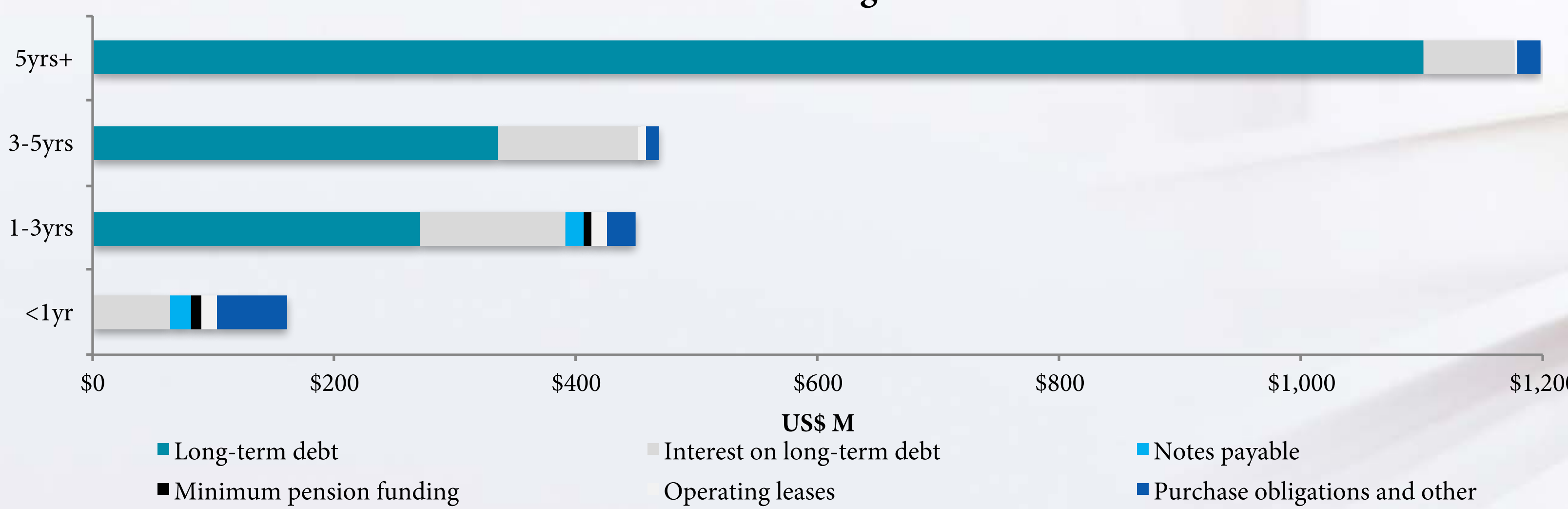
EDGEWELL: CONTRACTUAL OBLIGATIONS

- We consider the Company's contractual obligations to be at reasonable levels, assuming a 100%+ free cash flow conversion rate and based on Company's guided FY2016 Adjusted EPS of US$3.45-US$3.60* and improvement thereon.
- Approximately 53% of the contractual obligations are due in more than five years. While 75% of the contractual obligations are long-term debt principal payments that can be paid by issuance of new debt instruments (assuming functioning credit markets).

PENSION LIABILITIES

- The minimum required contribution to pension plans in FY2016 is US$9.2M.
- The Company made a discretionary contribution of US$100M in Q2 FY2016.
- Currently, Pension and Other Retirement Benefits liability totals US$128.3M** (<3% of Market Cap).

Contractual Obligations***



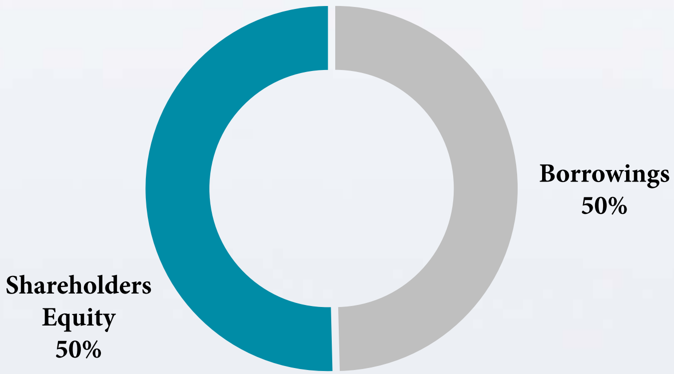
* Edgewell Q3 2016 Earnings Call – 2 August 2016
** As at 30 June 2016
*** Source: Edgewell 2015 Annual Report

EDGEWELL: EQUITY OWNERSHIP

EQUITY

- Number of Shares Outstanding = 58,950,886*
- Total Equity = US$1.87B**
- Market Capitalisation = US$4.5B*
- The Company has a relatively concentrated shareholder register. The Top-10 Shareholders represent 43% ownership of the Company (Top-50 Shareholders represent 70%+ ownership).

Total Equity vs Borrowings



Top 10 Shareholders*	%*
The Vanguard Group, Inc.	7.67%
BlackRock Institutional Trust Company, N.A.	6.72%
Gabelli Funds, LLC	5.41%
Putnam Investment Management, L.L.C.	3.71%
JP Morgan Asset Management State	3.70%
Street Global Advisors (US)	3.67%
APG Asset Management	3.36%
The London Company	3.34%
BlackRock Financial Management, Inc.	3.27%
T. Rowe Price Associates, Inc.	2.29%
	43.14%

* Data Source: Thomson Reuters Eikon as at 27 October 2016
** As at 30 June 2016

EDGEWELL: CAPITAL RETURN POLICY FOR THE NEW EDGEWELL…

DIVIDENDS

- The Company eliminated the quarterly dividends following the separation from Energizer.
- The priority of uses of cash is first business development, followed by M&A and then share repurchase, although a dividend policy is reviewed by the Board regularly.

SHARE REPURCHASE PROGRAM

- The Board authorised share repurchases of up to 10 million shares on 21 May 2015.
- In the first nine months of fiscal 2016, the Company completed share repurchases of more than 1.4 million shares for US$114.5 million (average cost = ~US$80*), including nearly half a million shares in the third quarter.
- We believe in the short term, opportunistic share repurchasing will be the main facility for Management to return capital and create long-term value for shareholders.

"We do not currently expect to declare or pay dividends on our common shares for the foreseeable future. Instead, we intend to retain earnings to finance the growth and development of our business, for our share repurchase program and for working capital and general corporate purposes."

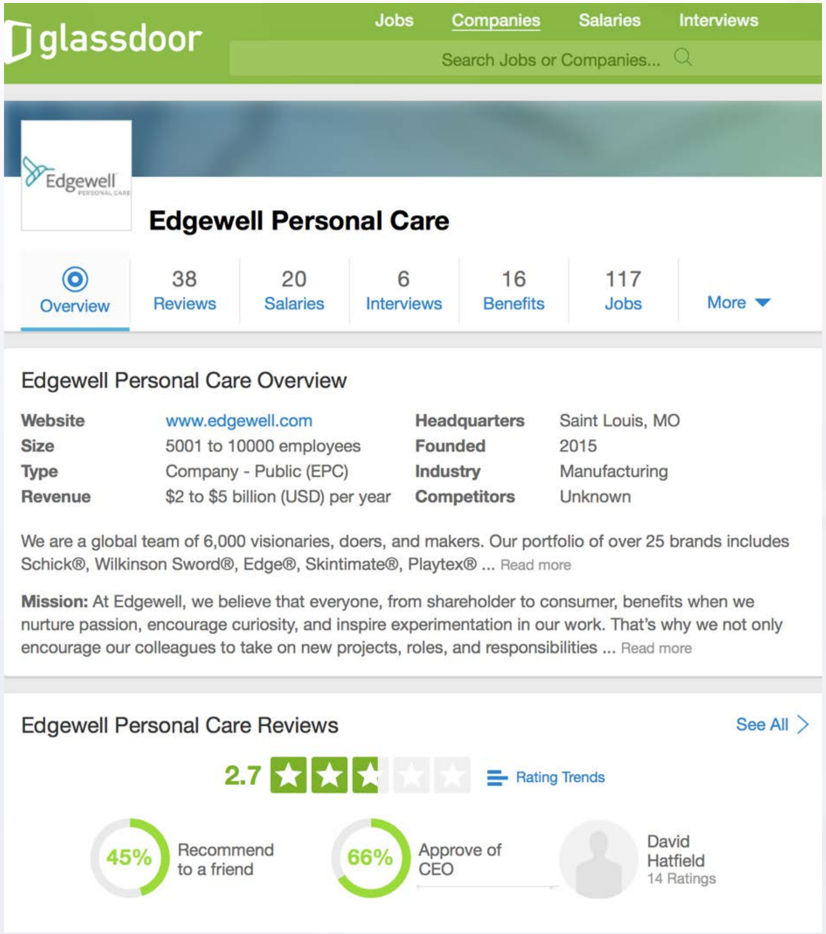
Edgewell 2015 Annual Report

* Based on FY2016 Q3 Results Announcement

COMPANY CULTURE & EMPLOYEE EFFICIENCY

EDGEWELL: COMPANY CULTURE / WORKPLACE

- We investigated Glassdoor (www.glassdoor.com) where employees and former employees anonymously review companies and their management.
- Edgewell is going through a transitional period which we believe is reflected in the online reviews. Additionally, the uncertainty/possibility of being acquired may be adding to the uncertainty & anxiety evident among its employees.

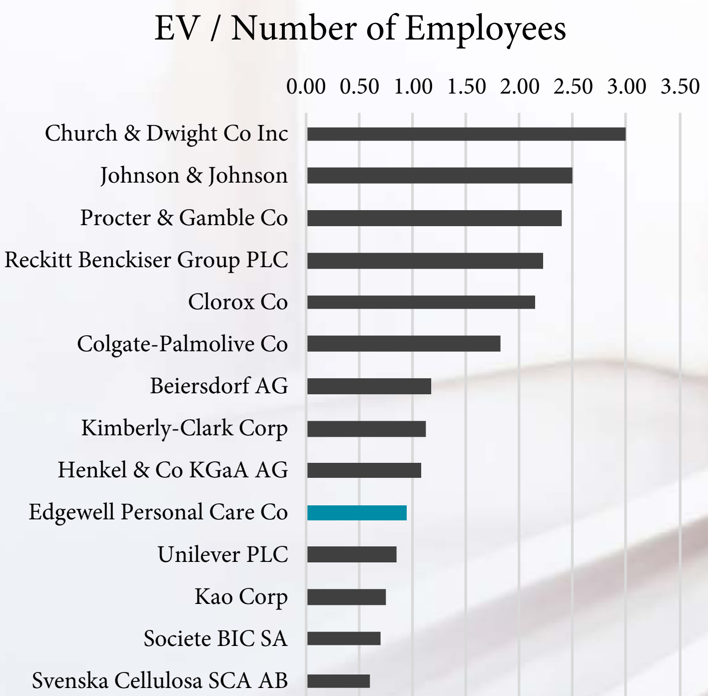


https://www.glassdoor.com/Overview/Working-at-Edgewell-Personal-Care-EI_IE1028523.11,33.htm

EDGEWELL: EMPLOYEE EFFICIENCY

- We utilise the Enterprise Value to Employee Ratio to measure how worker-intensive a business or an industry is. We also use this metric to compare businesses within the same industry to rank their relative efficiency.
- Currently, Edgewell has a below average EV/Employee ratio. We believe there is still significant inefficiency in its operations. Edgewell's core businesses should support a higher EV/Employee ratio.
- If Management is unable to improve operational efficiency, it should consider selling the Company to a larger entity who (it is reasonable to expect) could benefit from economies of scale.

Company Name	Current EV (USD M)	Number of Employees	EV / Number of Employees
Church & Dwight Co Inc	$13,167	4,400	2.99
Johnson & Johnson	$316,541	127,100	2.49
Procter & Gamble Co	$250,459	105,000	2.39
Reckitt Benckiser Group PLC	$76,999	34,700	2.22
Clorox Co	$17,205	8,000	2.15
Colgate-Palmolive Co	$68,552	37,900	1.81
Beiersdorf AG	$20,909	17,806	1.17
Kimberly-Clark Corp	$47,845	43,000	1.11
Henkel & Co KGaA AG	$52,851	49,250	1.07
Edgewell Personal Care Co	$5,648	6,000	0.94
Unilever PLC	$144,894	168,921	0.86
Kao Corp	$24,619	33,026	0.75
Societe BIC SA	$6,583	9,373	0.70
Svenska Cellulosa SCA AB	$26,776	44,000	0.61
Median			**1.14**
Mean			**1.52**

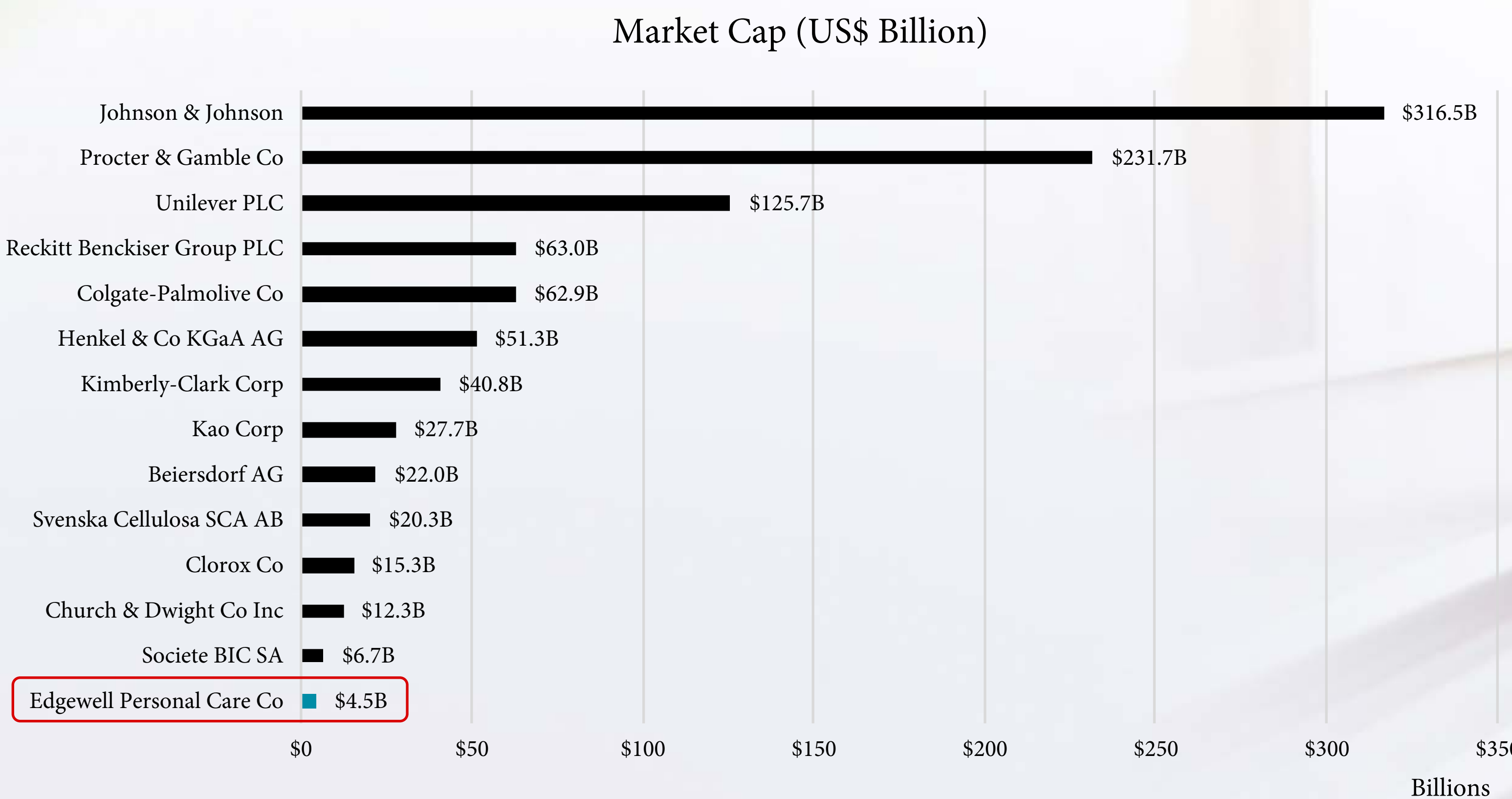


Data Source: Thomson Reuters Eikon as at 27 October 2016

COMPARABLE COMPANIES

EDGEWELL: COMPARABLE COMPANIES – MARKET CAPITALISATION

- Edgewell is one of the smaller players in the global personal care products industry - Market Capitalisation only US$4.5B (as at 27 October 2016).
- However, its strong/challenger position in several attractive categories make it an attractive acquisition target to larger players in the industry.
- We note the recent news of Unilever acquiring Dollar Shave Club for a "speculated" purchase price of US$1B, which has a turnover of US$152M in 2015, provides us a new perspective into the potential opportunities / risks to Edgewell which had net sales of US$2.4B in 2015.



Data Source: Thomson Reuters Eikon as at 27 October 2016

EDGEWELL: COMPARABLE COMPANIES – MARGINS AND RETURNS (1)

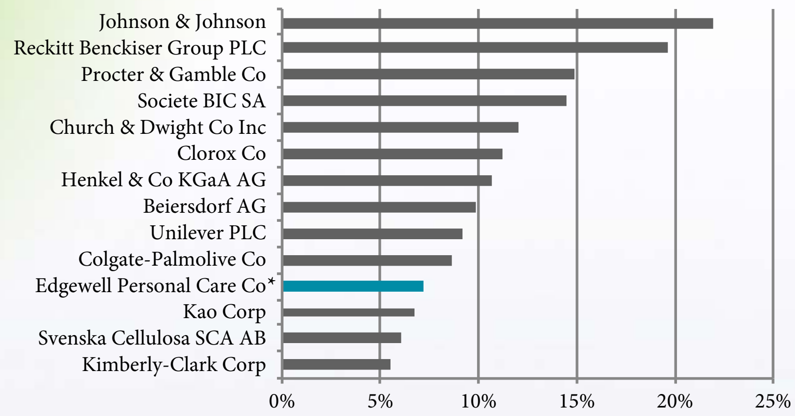
- The separation of Energizer and Edgewell in July 2015 means the FY2015 and FY2016 financials are less useful for gauging the Edgewell's absolute and relative performance.
- We recognise that overall, Edgewell's margins are below average when compared to its peers. This can be partially attributed to the fact that the Company is still going through its go-to-market and functional realignment initiatives around the world necessitated due to the Separation.
- It is interesting to note that BIC, another important player in the shaving business has maintained respectable margins. However, we attribute this to BIC's high margin lighter business.

Company Name	Net Profit Margin	Gross Profit Margin	EBITDA Margin	EBIT Margin	ROE	ROA
Kimberly-Clark Corp	5.4%	35.6%	12.9%	8.9%	1,129.7%	6.0%
Svenska Cellulosa SCA AB	6.1%	25.9%	16.3%	11.1%	10.2%	4.9%
Kao Corp	6.7%	55.3%	16.2%	11.2%	17.4%	7.9%
Colgate-Palmolive Co	8.6%	58.7%	27.6%	24.8%	0.0%	12.2%
Unilever PLC	9.2%	42.2%	17.3%	14.8%	33.2%	10.5%
Beiersdorf AG	9.9%	58.3%	16.3%	14.3%	16.5%	10.2%
Henkel & Co KGaA AG	10.6%	48.3%	18.6%	16.1%	15.3%	9.1%
Clorox Co	11.2%	45.1%	21.3%	18.4%	312.3%	14.9%
Church & Dwight Co Inc	12.1%	44.5%	22.9%	19.9%	22.8%	9.5%
Societe BIC SA	14.5%	49.7%	23.2%	19.2%	0.0%	13.2%
Procter & Gamble Co	14.8%	50.7%	26.7%	22.0%	16.5%	7.8%
Reckitt Benckiser Group PLC	19.6%	59.1%	28.6%	26.8%	23.2%	11.3%
Johnson & Johnson	22.0%	69.3%	32.6%	27.3%	0.0%	11.7%
Edgewell Personal Care Co	**7.2%***	**49.1%**	**18.3%**	**13.5%**	**9.4%***	**3.6%***
Median	10.6%	49.7%	21.3%	18.4%	16.5%	10.2%
Mean	11.6%	49.4%	21.6%	18.1%	122.8%	9.9%

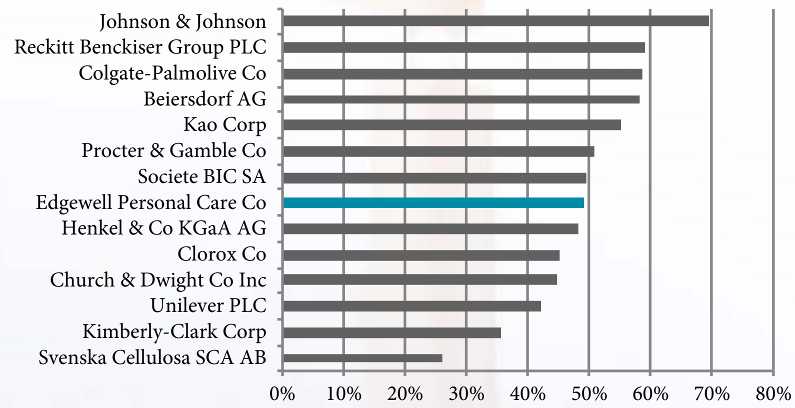
Data Source: Thomson Reuters Eikon as at 27 October 2016 (Data = Last Fiscal Year)
* Based on Company's FY2015 Adjusted Net Income

EDGEWELL: COMPARABLE COMPANIES – MARGINS AND RETURNS (2)

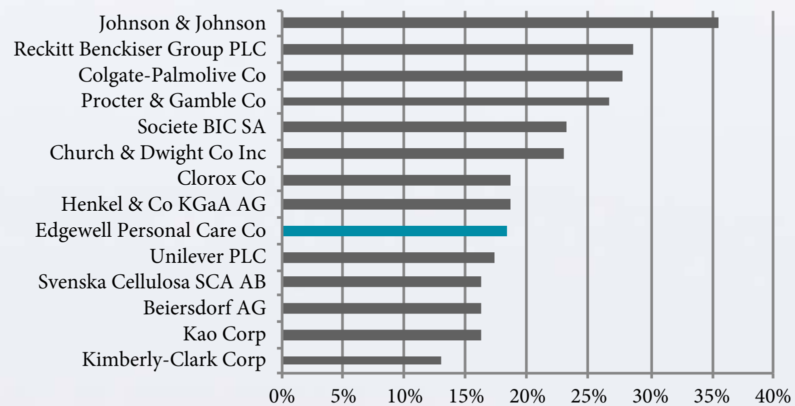
Net Profit Margin



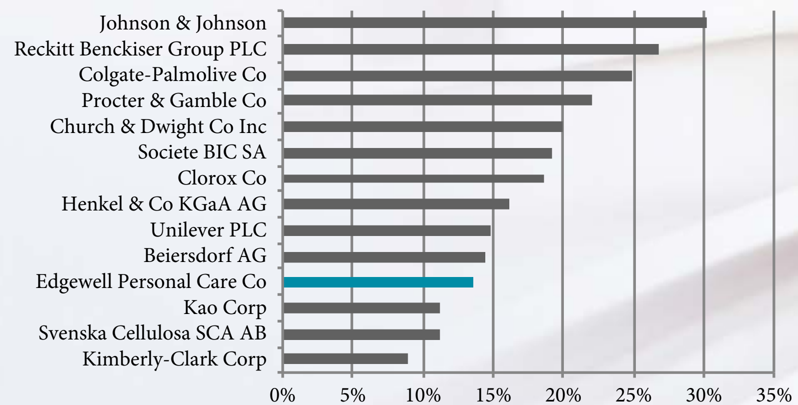
Gross Profit Margin



EBITDA Margin



EBIT Margin



Data Source: Thomson Reuters Eikon as at 27 October 2016 (Data = Last Fiscal Year)
* Based on Company's FY2015 Adjusted Net Income

EDGEWELL: COMPARABLE COMPANIES – FINANCIAL LEVERAGE

- Because of the historically steady nature of the industry, and the high levels of cash flow, FMCG businesses have relatively high levels of financial leverage.
- Edgewell is one of the companies with higher levels of debt relative to industry peers. The debt was left with the Company on Separation of Energizer. This is reflective of the Company's cash generative businesses and its ability to reduce debt and resume returning cash to shareholders quickly. Note that 65% of the debt has maturity dates post 2020, the Company is not under pressure in the short term.
- The elimination of dividends following the separation from Energizer should assist debt reduction, and allow the Company to grow without the need for additional debt funding.

Company Name	Net Debt To EV	Net Debt To EBITDA	Quick Ratio
Societe BIC SA	Net Cash	Net Cash	2.45
Johnson & Johnson	Net Cash	Net Cash	1.88
Beiersdorf AG	Net Cash	Net Cash	1.77
Kao Corp	Net Cash	Net Cash	1.46
Henkel & Co KGaA AG	Net Cash	Net Cash	0.82
Reckitt Benckiser Group PLC	3.3%	66.1%	0.44
Church & Dwight Co Inc	6.6%	106.3%	0.72
Procter & Gamble Co	6.8%	97.9%	0.94
Colgate-Palmolive Co	7.8%	117.1%	0.91
Unilever PLC	9.8%	135.2%	0.42
Clorox Co	11.2%	155.3%	0.67
Kimberly-Clark Corp	14.3%	178.9%	0.55
Svenska Cellulosa SCA AB	15.3%	177.3%	0.66
Edgewell Personal Care Co	**20.9%**	**235.0%**	**1.96**
Median	**8.8%**	**126.2%**	**0.82**
Mean	9.4%	129.3%	1.05

Data Source: Thomson Reuters Eikon as at 27 October 2016 (Data = Last Fiscal Year)

EDGEWELL: COMPARABLE COMPANIES – VALUATION/S

- After a ~25% stock price decline since its separation from Energizer, Edgewell is now trading at a similar valuation to several of its global peers on some of the key valuation metrics below.
- It is our view that Edgewell remains a likely acquisition target and therefore should be valued based on historical industry transaction/M&A multiples which have been at a premium to the current peer group averages.

Company Name	Forward P/E	P/S	EV/ EBITDA	P/B	Gross Div Yield
Kimberly-Clark Corp	19.0	2.2	22.2	136.4	3.2%
Reckitt Benckiser Group PLC	24.5	5.7	18.2	7.2	2.0%
Clorox Co	21.5	2.7	16.2	51.4	2.6%
Beiersdorf AG	26.8	3.0	15.9	4.3	0.9%
Church & Dwight Co Inc	27.0	3.6	15.1	6.1	1.4%
Colgate-Palmolive Co	25.2	4.1	14.7	-223.9	2.7%
Procter & Gamble Co	22.2	3.5	14.0	4.0	3.1%
Unilever PLC	21.5	2.2	13.6	7.5	3.3%
Henkel & Co KGaA AG	18.4	2.8	13.3	3.7	1.3%
Societe BIC SA	20.6	2.7	12.6	3.5	2.7%
Kao Corp	23.0	2.0	12.5	4.3	1.5%
Johnson & Johnson	17.2	4.4	11.6	4.4	2.0%
Svenska Cellulosa SCA AB	19.7	1.6	11.0	2.7	2.2%
Edgewell Personal Care Co	**21.8**	**1.9**	**13.4**	**2.4**	**0.0%**
Median	**21.5**	**2.8**	**14.0**	**4.3**	**2.2%**
Mean	22.0	3.1	14.7	0.9	2.2%

Data Source: Thomson Reuters Eikon as at 27 October 2016 (Consensus Earnings Forecasts and Last Fiscal Year)
B = Book Value, S = Sales, Div = Dividend

KEY COMPETITORS, RISKS & OPPORTUNITIES

EDGEWELL: KEY COMPETITORS

GLOBAL SHAVING PRODUCTS

- P&G/Gillette – Leading company in the global wet shave segment
- BIC Group – Competes primarily in the disposable segment
- Dollar Shave Club (acquired by Unilever) / Harry's – Direct Sell/Online

The Company estimates that, collectively, the Gillette brand and Schick-Wilkinson Sword business represent 80% of the global wet shave market.

FEMININE CARE

- P&G
- Kimberly-Clark

SUN & SKIN CARE

- Bayer AG
- Johnson & Johnson

INFANT CARE

- Variety of competitors in the fragmented infant care market.

Source: Edgewell 2015 Annual Report

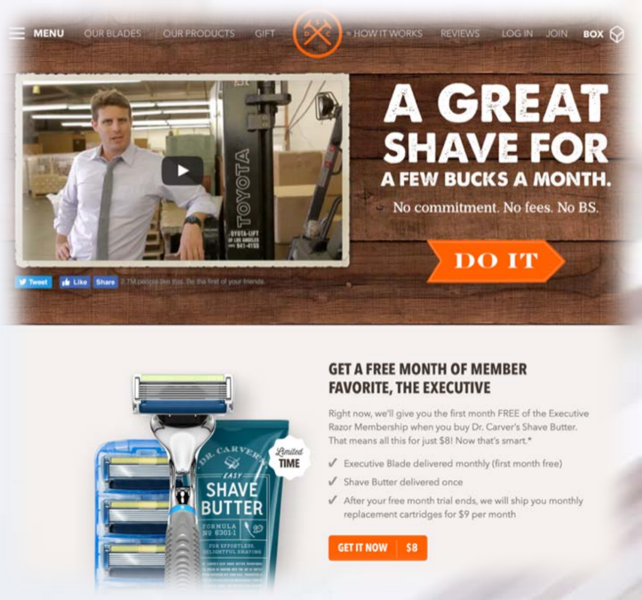
EDGEWELL: UNILEVER + DOLLAR SHAVE CLUB

Intensified Competition

Unilever declared its intention to get into the shaving business when it acquired Dollar Shave Club for a "speculated" US$1B price tag recently. If Unilever does not acquire Edgewell, it will result in a more intensive competitive landscape going forward, as the "disruptive" Dollar Shave Club now has the backing and support of Unilever, a global giant (Market Cap = GBP 103B) in food, home and personal care products, with a distribution network to more than 190 countries.

Unilever & Male Grooming*

- Global Male Grooming is a ~US$40B market (Shaving business ~US$9B).
- Unilever is number one in Global Male Grooming (excl. Shaving).
- Unilever CFO noted that the purchase of Dollar Shave Club ("DSC") allows Unilever to study DSC's subscription model which provides a high degree of engagement, personal contact and lock-in to a very fragmented market. This subscription model could then be applied to Unilever's other products.
- We suggest that Unilever's acquisition of DSC also provides it with optionality to get into the shaving business in a larger scale quickly - i.e., acquiring Edgewell, at the same time holding off other large personal care players who were thinking of getting into this space through acquiring Edgewell, as they would now have to face not just the existing large players such as P&G/Gillette and BIC, but also Unilever.



* Unilever CFO's comments at Bernstein 13th European Strategic Decisions Conference

EDGEWELL: KEY RISKS (1)

Negative Macro Trends in Key Category – Men's Shaving System (~30% of Wet Shave Revenue)

Edgewell, and other players in the Wet Shave market have faced/are facing negative macro trends in recent years:

- **Extended Blade Usage** – Improved technology, longevity communication, higher prices and more cost-sensitive consumers.
- **Decreased Shaving Frequency** – Acceptance of facial hair in the workplace, etc.
- **Declining Weekly Penetration** – Consumers turn to disposable blades and other alternatives.

We believe some of these trends/factors are correlated to consumer confidence in the US and globally (e.g., increased frugality) and hence are cyclical. It is harder to predict cultural change (acceptance/non-acceptance of facial hair) and technology advances (in materials science).

http://www.nytimes.com/2014/11/30/opinion/sunday/why-ceos-are-growing-beards.html

http://gillette.com/en-us/products/razors-trimmers-and-blades/mach3-razors/mach3-razor

EDGEWELL: KEY RISKS (2)

Channel Shifting

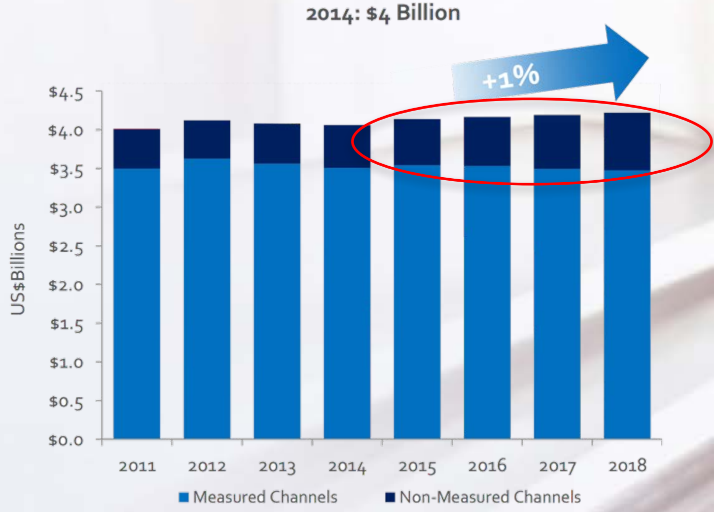
The rise of new (e-commerce based) competitors such as Dollar Shave Club and Harry's has "disrupted" the two major players in the wet shave market – P&G and Edgewell.

Investors have questioned whether the widely claimed "economic moat" around the wet shave business is indeed still wide and defendable for both P&G and Edgewell versus the fast growing online channel.

We note that Dollar Shave Club has not turned profit since 2012. Edgewell Management commented recently that "*We actually sell to many shave clubs around the world... And when you look at them generally, they are not profitable while we actually enjoy pretty good margins through them*"*.

P&G/Gillette chose to fight back with its own version of a shave club in June 2015. In the meantime, Edgewell has decided against the idea, as it has "*concerns about the profitability of existing direct-to-consumer models but we are committed to serving consumers wherever they choose to shop. So we are developing a direct-to-consumer (DTC) proposition that is scalable, that is differentiated, that it builds brand equity and that complements our channel strategy. So, we are developing that. If and when we can meet those hurdles, we will consider entering DTC*" *.

We believe Edgewell will need to participate in the DTC market sooner rather than later. This fast growing market (8% of US market) is too important to not participate in now.



*Wet Shave: Razors & Blades + Shave Prep

Source: Measured: Nielsen Scantrack, Non-Measured: Nielsen Panel. 2015-2018 Edgewell Projected

* Edgewell Q3 2016 Earnings Call – 2 August 2016

EDGEWELL: KEY RISKS (3)

Customer Concentration

From the Company's 2015 Annual Report:

- **Wal-Mart** – accounted for 24% of the Company's FY2015 Net Sales
- **Target** – accounted for 11.3%, 11.9% and 12.3% of the Company's FY2015 Net Sales for Sun/Skin Care, Feminine Care and All Other segments.

Although Amazon is not currently mentioned by the Company, we believe as the world's largest online retailer, it is a very important online channel for the Company's future sales strategy. However, Amazon is famous for its aggressive pricing policy and buying power which compresses suppliers' margins.

Leverage

Edgewell is a relatively small company (Market Cap = US$4.5B) in the highly competitive global personal care industry. At the same time it is more leveraged than many of its global competitors post separation from Energizer. This creates additional risk in many aspects of its business. For example, it is hard for the Company to pursue its growth strategy without eliminating dividends. Also, the Company might miss out on important growth opportunities (e.g., mergers & acquisitions) when it has to focus on reducing debt/s, and is not able to access additional funding. Lastly, with a levered balance sheet, the Company is potentially less likely to be acquired.

Edgewell introduced Amazon Dash buttons for six of its brands in early 2016

EDGEWELL: KEY OPPORTUNITIES (1)

International Growth Opportunities

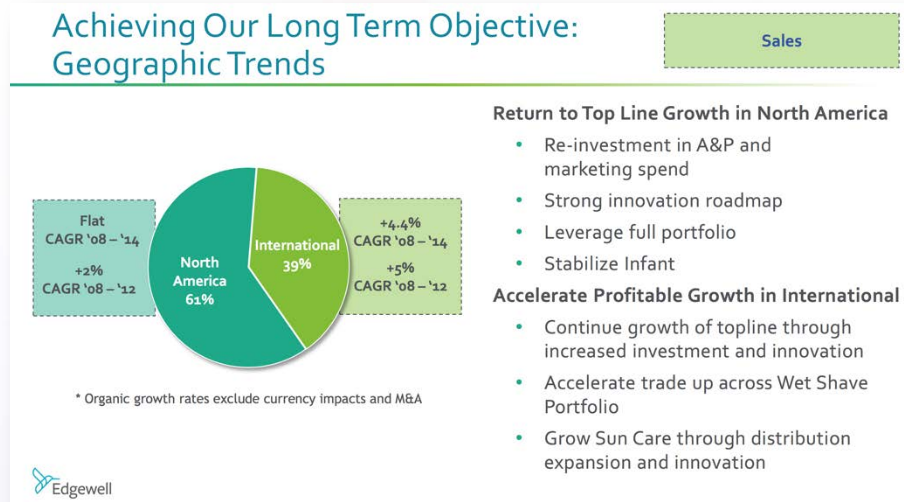
Edgewell has a global footprint in only 50 countries (vs P&G/Unilever in 180+ markets).

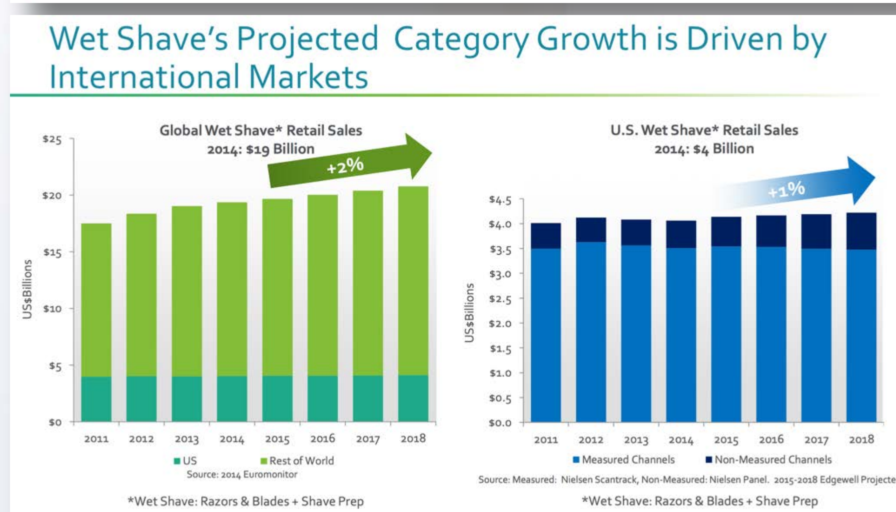
Currently, the Company derives 42%* of its revenue from its international business, which is the faster growing market segment for all its products.

As the Company continues execution of its go-to-market changes, the simplified and streamlined distribution model will also allow the Company to enter new markets with greater agility and lower costs.

Example: Wet Shave Category

As an example, the all important but extremely competitive Men's Wet Shave in the U.S. represents only 9% of global wet shave category sales**. Edgewell is seeking growth opportunities in the other 91% (i.e., internationally), and other adjacent product segments.





Source: Edgewell Investor Kickoff 2015 Presentation – 2 June 2015

* Edgewell 2015 Annual Report
** Measured by Nielsen

EDGEWELL: KEY OPPORTUNITIES (2)

E-Commerce And Direct-To-Consumer

As noted in the Risks section (pages 44-46), we are concerned with the Company's lack of proactive engagement/participation in the fast growing online/e-commerce market, especially with regard to Direct-to-Consumer solutions. We therefore eagerly await the Direct-to-Consumer proposition that the Company is currently investigating.

We see parallels in the media sector where content creators are restricted in their ability to execute aggressive Direct-to-Consumer strategies due to pre-negotiated contracts with distribution partners. This is in contrast to new players who have been able to aggressively expand Direct-to-Consumer solutions, quickly gaining market share.

Disruptive businesses are challenging market fundamentals - we urge Management to review their current business strategy with a focus toward innovation in an effort to remain competitive.

Edgewell Personal Care unveils six Amazon Dash Buttons

chaindrugreview.com/edgewell-personal-care-unveils-six-amazon-dash-buttons/

By Chain Drug Review — March 31, 2016

SHELTON, Conn. — Edgewell Personal Care has made products for six of its brands available via Amazon Dash Buttons.

Edgewell said Thursday that Amazon Prime members can now order Schick Hydro, Schick Hydro Silk, Playtex Sport, Carefree, Stayfree and Litter Genie products by pressing the brands' Amazon Dash Buttons.

EDGEWELL: KEY OPPORTUNITIES (3)

Cost-Cutting

The Company has suffered from cost increases due to the dis-synergies after the separation from Energizer Holdings. However, Management expects the cost saving initiatives / restructuring programmes announced should more than cover the additional corporate and SG&A costs caused by the separation, and target +50bps of operating margin expansion per annum going forward.

Redirect Capital To Invest In New Growth Categories

With Edgewell's low capex requirements in its core business and forecast high free cash flow conversion rate, we believe the Company can fund itself to invest in growing categories in the personal care products industry.

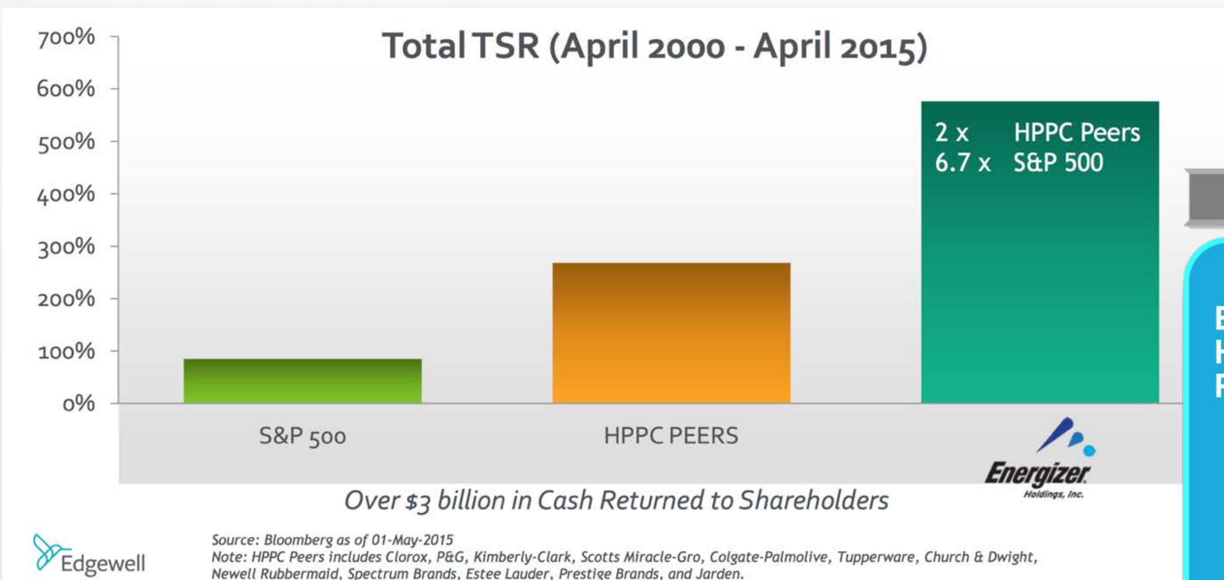
Reinstating Dividend

We suggest the stock will be rerated if/when Edgewell reinstates its dividend. The Company's high free cash flow conversion rate makes it an ideal candidate to be a consistent dividend paying stock. Reinstating its dividends would allow institutional investors which require the stock to pay a dividend to invest in the Company.

EDGEWELL: KEY OPPORTUNITIES (4)

Opportunistic Share Repurchase Programme

- Historically, the Management of Energizer Holdings has been able to create significant value for its shareholders, as demonstrated in the chart below.
- Apart from the regular quarterly dividends (now eliminated), the Company has effectively utilised opportunistic share repurchases to add considerable value to long-term shareholders.
- We believe opportunistic share repurchases currently presents the best way to create long-term value for investors at a time when Management has an asymmetric information advantage with regard to the Company's short to medium-term future.



Successful History

Energizer Holdings: Successful History of Opportunistic Share Repurchase

- 57m shares repurchased at weighted average cost of $49 per share
- $2.8 Billion in cash returned to shareholders through buy back

Source: Edgewell Investor Kickoff 2015 Presentation – 2 June 2015

EDGEWELL: KEY OPPORTUNITIES (5)

Acquisition Target – Attractive Categories in Personal Care / Potential Strong Top-line/Cost Synergies

Edgewell is an attractive acquisition target for larger players in the industry due to it's strong/challenger position in several attractive categories in personal care and the potential strong top-line/cost synergies.

		Potential Acquirer	Financial Capacity	Topline Synergies (International Distribution Story)	Tone of Management around M&A	Additional Comments
Most Likely	1	Unilever	High	Could more than double EPC sales	Open to M&A	Strong topline synergies and more focused on Personal Care
	2	Henkel	High (even after Sun Products acquisition)	Some opportunity	Open to M&A	Missed out on several acquisitions and opportunities
	3	J&J	High	Some opportunity	Open to M&A	Could buy EPC, put back together its Feminine Care business and sell to SCA; get some benefits from Razors, Sun Care, Infant Care
	4	SCA	Medium	Could more than double EPC sales	Open to M&A	SCA may be more interested in Feminine Care business which is only ~16% sales; meanwhile, other categories are seeing pressure
	5	Colgate	High	Could more than double EPC sales	Less open to M&A	*Should* do deal as it has best international exposure; but management seems less open to M&A
	6	Reckitt	High	Some opportunity	Open to M&A, although we believe more interested in OTC	
	7	Beiersdorf	High	Some opportunity	Less open to M&A	Management seems less open to M&A, also conducting limited transactions historically
	8	Kao	High	Limited	Open to M&A	We believe Kao could be interested, but international distribution story seems weaker than others
	9	Church & Dwight	Low	Limited	Open to M&A, although EPC is poor fit	Don't have the international distribution; may get some cost cutting
Least Likely	10	Clorox	Low	Limited	Open to M&A, although EPC is poor fit	Don't have the international distribution; may get some cost cutting; does not match CLX's M&A criteria (e.g., EPC's business is much larger than CLX's target criteria of $50-250mn in sales)

Source: Bernstein Analysis

But just bought Sun for $3.6B in US in June 2016

EDGEWELL: INDUSTRY M&A TRANSACTION HISTORY

- Since we view Edgewell as a likely acquisition target, we have reviewed major M&A transactions in recent years within the household & personal care industry*.
- Considering Edgewell's strong/challenger position in several attractive categories, we believe if the Company were to be acquired, it would have to be acquired at a premium to average historical transaction multiple/s.
- We suggest that depending on the level of synergies the acquirer can extract from the acquisition, they might pay at least +10% - +20% premium to the average transaction multiple/s. This suggests an EBITDA multiple of 16.6x-18.1x.
- Currently, Edgewell is trading below the average historical transaction multiple/s - EV/EBITDA (13.4x vs 15.1x) and EV/Sales (2.5x vs 3.4x).

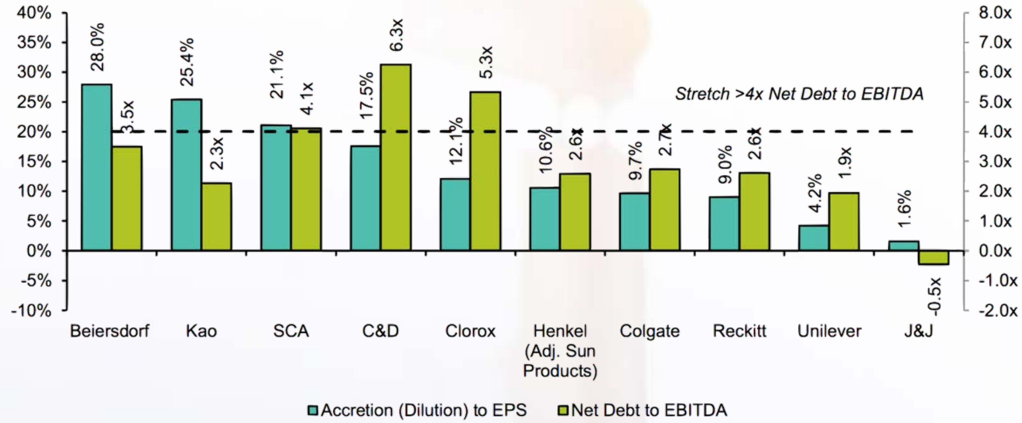
Acquirer	Target	Year	EV (US$ B)	EV/ EBITDA	EV/ Sales
P&G	Clairol	2001	5.0	15.0	3.1
Nestle SA	Ralston Purina	2001	11.2	13.5	3.9
P&G	Wella	2003	6.4	14.1	2.0
Henkel	Dial	2004	3.6	14.2	2.3
Henkel	Sovereign Specialty Chemicals	2004	0.6	11.0	1.4
Church & Dwight	Armkel LLC	2004	0.6	7.9	1.5
P&G	Gillette	2005	59.6	18.9	5.7
Reckitt	Boots Healthcare Int'l (BHI)	2006	3.4	20.9	3.5
J&J	Pfizer (OTC)	2006	16.6	20.8	4.3
L'Oreal	Body Shop	2006	1.1	11.8	1.6
Reckitt	Adams Respiratory	2007	2.2	30.4	6.7
Clorox	Burt's Bee	2007	1.2	27.1	8.3
Henkel	National Starch	2007	5.4	15.3	2.0
Energizer	Playtex	2007	1.9	14.1	2.7
Sanofi-Aventis	Chattem	2009	2.2	13.4	4.7
Unilever	Sara Lee Global Body Care and Euro Detergents	2009	1.8	9.5	1.6
Reckitt	Paras Pharmaceuticals	2010	0.7	30.1	8.1
Reckitt	SSL Int'l (Durex/Scholl)	2010	4.1	19.5	3.3
Unilever	Alberto-Culver	2010	3.9	14.9	2.3
Shiseido	Bare Escentuals	2010	1.9	9.8	3.1
Reynolds Holding	Pactiv	2010	6.2	8.6	1.8
Colgate	Sanex	2011	1.0	15.0	3.6
J&J	Synthes	2011	21.5	12.1	5.2
Reynolds Holding	Graham Packaging Company	2011	4.6	8.8	1.7
Unilever	CL Colombia Laundry	2011	0.2	6.5	2.0
Church & Dwight	Avid Health	2012	0.7	11.2	2.8
L'Oreal	Magic Holdings	2013	0.8	21.2	3.3
Mars Inc.	PG Pet Care (Americas/AsiaPac/E.Europe)	2014	3.1	18.3	2.3
Berkshire Hathaway	Duracell	2014	4.7	7.0	-
Coty	P&G, 43 Beauty Brands	2015	12.5	10.9	2.1
Henkel	Sun	2016	3.6	-	2.3
Unilever	Dollar Shave Club	2016	1.0	-	5.1
			Average:	15.1	3.4
			Median:	14.1	2.8
			Edgewell:	13.4	2.5

Source: Bernstein Research (Who Might Buy Edgewell? A Closer Look At Company Fundamentals and M&A - 19 July 2016), company reports and announcements

EDGEWELL: M&A SYNERGY BENEFITS ANALYSIS

- Since the Separation, Edgewell has struggled to grow its top-line, and to contain its costs.
- We believe one of the larger players in the industry may consider an acquisition of Edgewell due to the potential cost synergies and top-line synergies (or both).

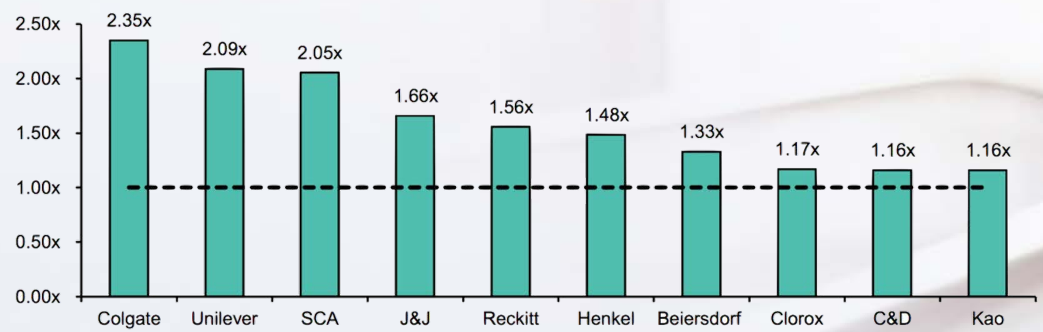
Accretion to EPS and Impact on Acquirer's Leverage from All-Debt Financed Acquisition of EPC Assuming 10% Cost Synergies Alone*



Cost Synergies

- Potential acquirers (without stretching their debt levels) are: Beiersdorf, Kao, Henkel and Colgate

Potential Lift in Edgewell's Sales from International Distribution*



Top-line Synergies

- Potential acquirers: Colgate, Unilever, SCA, J&J, Reckitt, Henkel and Beiersdorf

=> Beiersdorf and Colgate are the two companies that feature on both lists.

They would generate the greatest synergies via an acquisition of Edgewell. However, we note that these two companies historically focus on organic growth opportunities versus M&A.

* Bernstein Research (Who Might Buy Edgewell? A Closer Look At Company Fundamentals and M&A - 19 July 2016)

EDGEWELL: EDGEWELL M&A VALUATION SCENARIOS

US$90.87

Conservative(Estimate #1)
Takeover Scenario
15.1x EV/FY16E EBITDA
(Average Selected Transaction Precedents*)

US$101.86

Conservative (Estimate #2)
Takeover Scenario
16.6x EV/FY16E EBITDA
(10% Premium over Average Selected Transaction Precedents)

US$108.11

Optimistic (Estimate #1)
Takeover Scenario
3.7x EV/FY16E Sales
(40% Discount to P&G/Gillette and Unilever/DSC transaction multiples)

US$113.00

Optimistic (Estimate #2)
Takeover Scenario
18.1x EV/FY16E EBITDA
(20% Premium over Average Selected Transaction Precedents based on Synergies)

Current Share Price = US$75.74 (as at 27 October 2016)

CONCLUSION, ESTIMATED INTRINSIC VALUE RANGE & LIQUIDITY

EDGEWELL: ELEVATION CAPITAL – CONCLUSION

- Disappointing short-term results have caused Edgewell shares to decline since it spun off its battery business in June 2015.
- There are doubts among investors whether the Company will be able to defend its market position in its key wet shave business with attacks from both sides – Top-end from P&G's Gillette and the low-end from the likes of Dollar Shave Club and Harry's.
- Unilever's US$1B acquisition of Dollar Shave Club creates a further complication as to whether the Company will be acquired by one of the larger industry players in the near term.
- We believe Edgewell will need to participate in the DTC market sooner rather than later. This fast growing market (currently 8% of US market) is too important to not participate in now. We are concerned that Management is showing complacency and a lack of urgency on this front.
- Edgewell is a relatively small company (Market Cap = US$4.5B) in a highly competitive global personal care industry. Its portfolio of strong brands in attractive categories makes it a likely acquisition target for larger players in the industry. We continue to believe that the Company will ultimately be acquired at a premium over average transaction multiples – We suggest the most suitable suitors are Beiersdorf and Colgate.
- We also hypothesise the lack of M&A news maybe due to management prudence around the two-year period (from 1/7/2015 to 1/7/2017) restriction from IRS to preserve the tax-free treatment of the Separation.
- Irrespective of M&A, we believe the Company's strong free cash flow conversion rate will provide a foundation for the Company to expand (in growth categories and internationally), and to create long-term value through opportunistic share repurchase. International expansion opportunities are significant over time as the Company is currently only in 50 markets globally.
- Edgewell is currently trading at a meaningful discount to our estimated takeover target price range which offers potential upside of +20% to +49%.

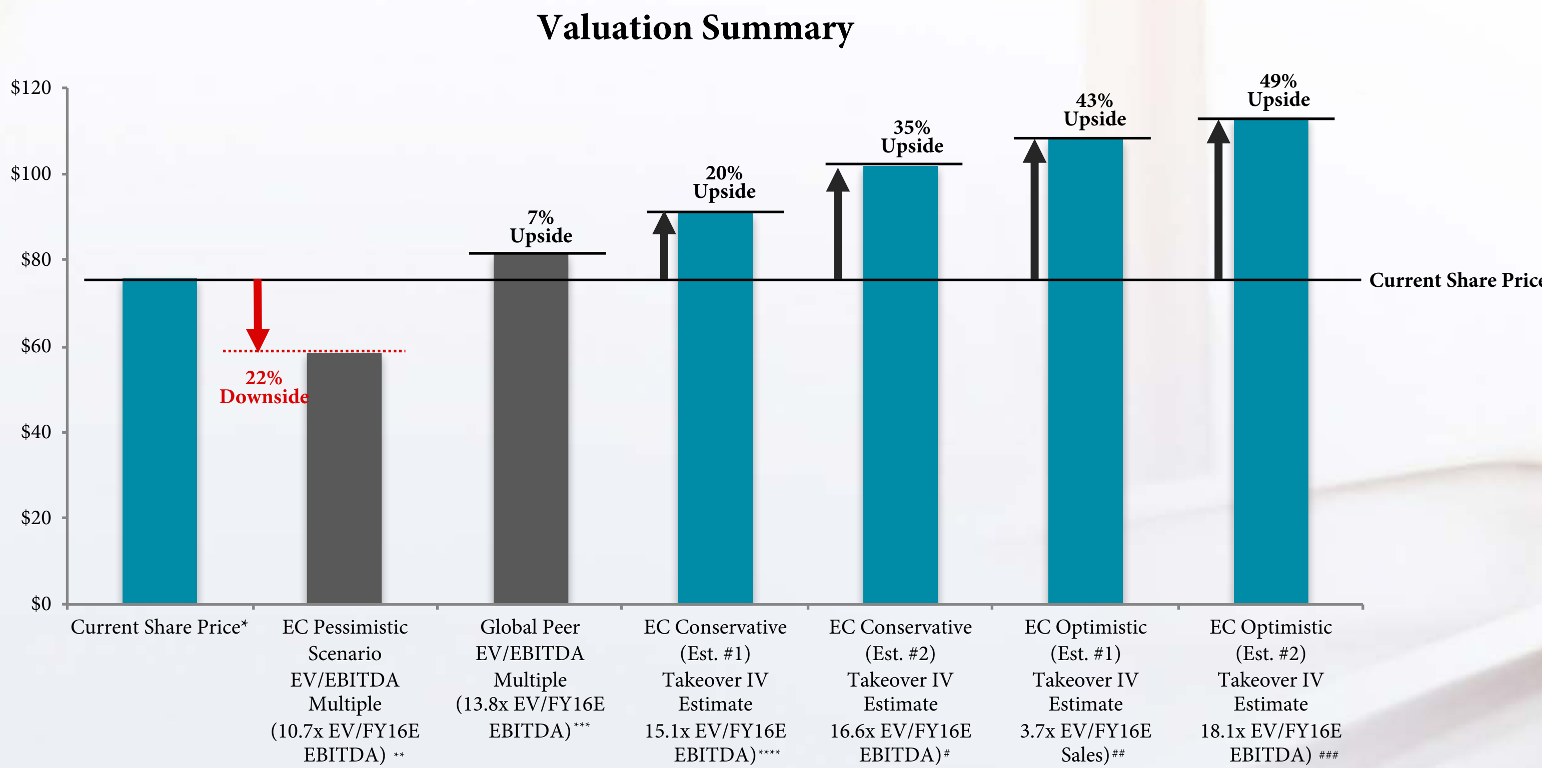
EDGEWELL: ELEVATION CAPITAL – ESTIMATED INTRINSIC VALUE RANGE

Elevation Capital Estimated Intrinsic Value Range:

US$58.78 – US$113.00 PER SHARE

Downside/Upside Potential Range:

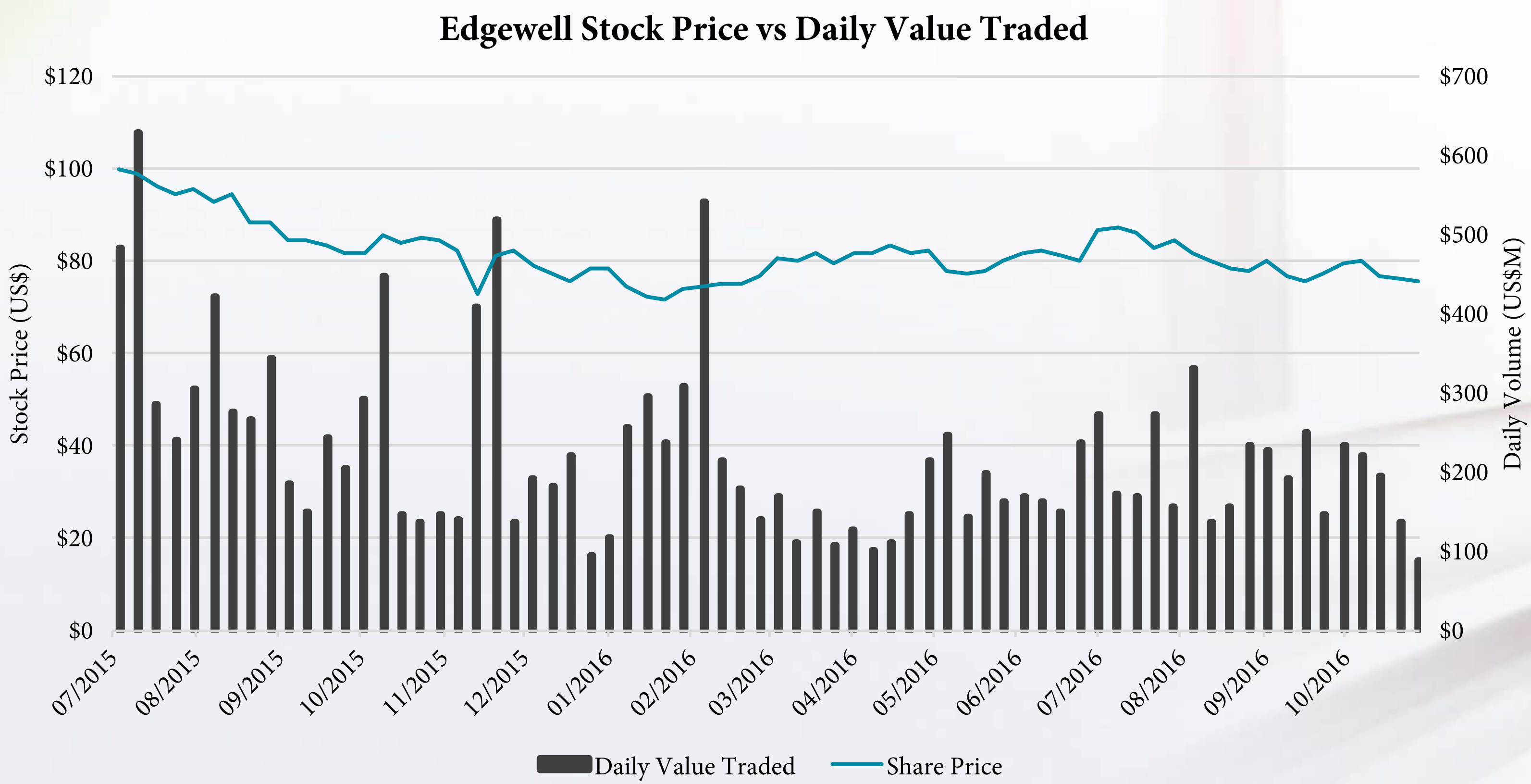
-22% - +49%



* Current Share Price = US$75.74 (as at 27 October 2016)
** Based on FY2016 estimated EBITDA, and EV/EBITDA Multiple of 10.7x, which is a 20% discount to the current EV/EBITDA Multiple of 13.4x
*** Based on FY2016 estimated EBITDA, and EV/EBITDA Multiple of 13.8x, which is the Median EV/EBITDA Multiple of selected global peers
**** Based on FY2016 estimated EBITDA, and EV/EBITDA Multiple of 15.1x, which is the average takeover EV/EBITDA multiple of selected M&A transaction precedents
# Based on FY2016 estimated EBITDA, and EV/EBITDA Multiple of 16.6x, which is at 10% premium to the average takeover EV/EBITDA multiple of selected M&A transaction precedents
Based on FY2016 estimated EBITDA, and EV/Sales Multiple of 3.2x, which is a 40% discount to the average 5.4x EV/Sales multiple of the P&G/Gillette and Unilever/DSC transactions
Based on FY2016 estimated EBITDA, and EV/EBITDA Multiple of 18.1x, which is at 20% premium to the average takeover EV/EBITDA multiple of selected M&A transaction precedents

EDGEWELL: LIQUIDITY

- Since its separation from Energizer, the average daily trading volume in Edgewell totals US$224M (~5% of current market cap of US$4.5B*).



* Based on 27 October 2016 Share Price

APPENDICES – BACKGROUND INFORMATION

APPENDIX #1: POTENTIAL ACQUIRER - BEIERSDORF AG

- Beiersdorf is a world leader in Skin Care with more than 130 years of history.
- Its products are sold in 200+ countries: Western Europe, North America (48%), Eastern Europe, Latin America, Africa, Asia and Australia (52%)
- Its three important global brands are: NIVEA, Eucerin and La Prairie. Other brands include Labello, Hansaplast, Florena, 8x4, tesa, atrix, SLEK and HIDROFUGAL.
- maxingvest Group (Herz family) is the controlling shareholder, which directly owns 51% of shares.

Stock Overview*:

- Listing – Frankfurt Stock Exchange
- Stock Price = EUR 80.14
- Market Cap = ~EUR 20.3B
- Net Cash = ~EUR 1.8B

Key Stats**:

- Revenue = EUR 6.7B
- Net Income = EUR 0.66B
- P/E = 28.9x
- P/B = 4.6x
- EV/EBITDA = 15.6x
- ROE = +16.9%
- ROA = +10.5%
- ROIC = +16.6%

Beiersdorf

* 28/10/2016
** FY2015 – Data Source: Thomson Reuters

APPENDIX #2: POTENTIAL ACQUIRER - COLGATE-PALMOLIVE COMPANY

- Founded in 1806, Colgate-Palmolive Company (Colgate) is a US$16B global consumer products company.
- Its products are sold in 223 countries (49% developed markets, 51% emerging markets) under four core categories: Oral Care (47% of 2015 net sales), Personal Care (20%), Home Care (19%) and Pet Nutrition (14%).
- Its key brands are: Colgate, Palmolive, Protex, Softsoap, Sanex, Irish Spring, Lady Speed Stick, Caprice, Ajax, Fabuloso, Murphy, Suavitel, Soupline, Cuddly and Hill's.

Stock Overview*:

- Listing – NYSE
- Stock Price = US$71.17
- Market Cap = ~US$63.3B
- Net Debt = ~US$5.4B

Key Stats**:

- Revenue = US$16.0B
- Net Income = US$1.4B
- P/E = 43.8x
- EV/EBITDA = 19.5x
- ROA = +11.6%
- ROIC = +20.9%

COLGATE-PALMOLIVE COMPANY

Oral Care 47%
Of Global Net Sales

Personal Care 20%
Of Global Net Sales

Home Care 19%
Of Global Net Sales

Pet Nutrition 14%
Of Global Net Sales

* 28/10/2016
** FY2015 – Data Source: Thomson Reuters

APPENDIX #3: Q4/FULL YEAR FY2016 RESULTS – SUMMARY*

PRIVATE LABEL

Strong sales in private label products, including Mach3-compatible private label products in partnership with US customers.

BULLDOG ACQUISITION

In November 2016, the Company acquired Bulldog Skincare Holdings Ltd, a UK based men's grooming and skincare products company.

US$78.64

The Company repurchased 2.5M of its own shares in FY2016 for US$196.6M, implying an average cost of US$78.64 per share.

PROMOTIONAL ENVIRONMENT

The US shaving market continued to be marked by promotional activities in Q4 FY2016.

SG&A

Edgewell's overall SG&A spending remained higher than target. The recent adoption of a Zero-Based Spending initiative should assist cost reduction/s.

100%+

The Company is guiding 100%+ free cash flow conversion rate for FY2017.

CEO'S COMMENTS ON E-COMMERCE / SHAVING CLUBS

"Within the US when you look at e-commerce, when you look at the omni-channel and the pure play channels, we've been powering up capabilities, putting a lot more resources against that. We've gained share within those segments for each of the last three years.

Now, when you talk about the shave clubs you know the jury is out and we can speculate where they will morph over the last - sequentially over the last two to three quarters, they've been pretty flat. Not versus a year ago, but quarter to quarter to quarter. With the challenge about profitability, I think you see them thinking about how to get their basket size up, become more than a shave club to really survive. I think there's a question about how much aggregation needs to happen. It's a question and I'm not going to speculate how much Unilever uses TSC as a shave club or an entry way to men's grooming or a personal care. That's, I think, the big question mark."

* Period ending 30/9/2016, announced on 10/11/2016

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ELEVATION CAPITAL®

‘INDEPENDENT THINKING – DISCIPLINED INVESTING’

INDEPENDENT THINKING
[In-de-pend-ent Think-ing] **ində’pendənt THiNkiNG** *verb*
Is essential to long-term investment success. We are often contrarian and do not pay attention to index compositions when making investment decisions. We believe that when you’re several thousand miles away from Wall Street in a different nation, it’s easier to be independent and buy the things that other people are selling, and sell the things that other people are buying. We also believe that cash is sometimes the most attractive investment.

DISCIPLINED INVESTING
[Dis-ci-plined In-vest-ing] **disciplinəd inves’ting** *verb*
The market presents opportunities every day, but disciplined investing is as much about the opportunities you do not take. Our investments are premised on the concept of “Margin of Safety” which we believe reduces risk.

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