



Second Quarter Fiscal Year 2021 Earnings Call

February 9, 2021

Safe Harbor Statement



Safe Harbor Statement

Certain statements contained in this presentation constitute “forward-looking statements” within the meaning of federal securities laws, including the Private Securities Litigation Reform Act of 1995. Forward-looking statements are predictions based on expectations and projections about future events and are not statements of historical fact. You can identify forward-looking statements by the use of forward-looking terminology such as “plan”, “continue”, “expect”, “anticipate”, “intend”, “predict”, “project”, “estimate”, “likely”, “believe”, “might”, “seek”, “may”, “will”, “remain”, “potential”, “can”, “should”, “could”, “future” and similar expressions, or the negative of those expressions, or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. You can also identify forward-looking statements by discussions of the Company’s strategic initiatives, including productivity and transformation, the Company’s guidance for fiscal year 2021 and our future performance and results of operations.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, levels of activity, performance or achievements of the Company, or industry results, to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements, and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods that may be incorrect or imprecise and may not be able to be realized. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). Such factors include, among others, challenges and uncertainty resulting from the COVID-19 pandemic, the impact of competitive products and changes to the competitive environment, changes to consumer preferences, general economic and financial market conditions, the United Kingdom’s exit from the European Union, consolidation of customers or the loss of a significant customer, reliance on independent distributors, risks associated with our international sales and operations, our ability to manage our supply chain effectively, volatility in the cost of commodities, ingredients, freight and fuel, our ability to implement cost reduction initiatives, the impact of our debt covenants, the potential discontinuation of LIBOR, our ability to manage our financial reporting and internal control system processes, potential liabilities due to legal claims, government investigations and other regulatory enforcement actions, costs incurred due to pending and future litigation, potential liability, including in connection with indemnification obligations to our former officers and members of our Board of Directors that may not be covered by insurance, potential liability if our products cause illness or physical harm, impairments in the carrying value of goodwill or other intangible assets, our ability to consummate divestitures, the availability of organic ingredients, disruption of operations at our manufacturing facilities, loss of one or more independent co-packers, disruption of our transportation systems, risks relating to the protection of intellectual property, the risk of liabilities and claims with respect to environmental matters, the reputation of our brands, our reliance on independent certification for a number of our products, and other risks detailed from time-to-time in the Company’s reports filed with the United States Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and our subsequent reports on Forms 10-Q and 8-K. As a result of the foregoing and other factors, the Company cannot provide any assurance regarding future results, levels of activity and achievements of the Company, and neither the Company nor any person assumes responsibility for the accuracy and completeness of these statements. All forward-looking statements contained herein apply as of the date hereof or as of the date they were made and, except as required by applicable law, the Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors or new methods, future events or other changes.

Non-GAAP Financial Measures

This presentation and the accompanying appendix include non-GAAP financial measures, including adjusted operating income and its related margin, adjusted gross margin, adjusted net income, adjusted earnings per diluted share, net sales adjusted for the impact of foreign exchange, divestitures, discontinued brands and SKU rationalization, as applicable in each case, adjusted EBITDA and its related margin and operating free cash flow. The reconciliations of these non-GAAP financial measures to the comparable GAAP financial measures are included in this presentation and the appendix to this presentation. Management believes that the non-GAAP financial measures presented provide useful additional information to investors about current trends in the Company’s operations and are useful for period-over-period comparisons of operations. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures. In addition, these non-GAAP measures may not be the same as similar measures provided by other companies due to potential differences in methods of calculation and items being excluded. They should be read only in connection with our financial results that are presented in accordance with GAAP.

Hain Performance Has Been Driven by Four Core Transformation Strategies



1



SIMPLIFY

the portfolio &
organization

2



STRENGTHEN

capabilities

3



EXPAND

margins and
cash flow

4



REINVIGORATE

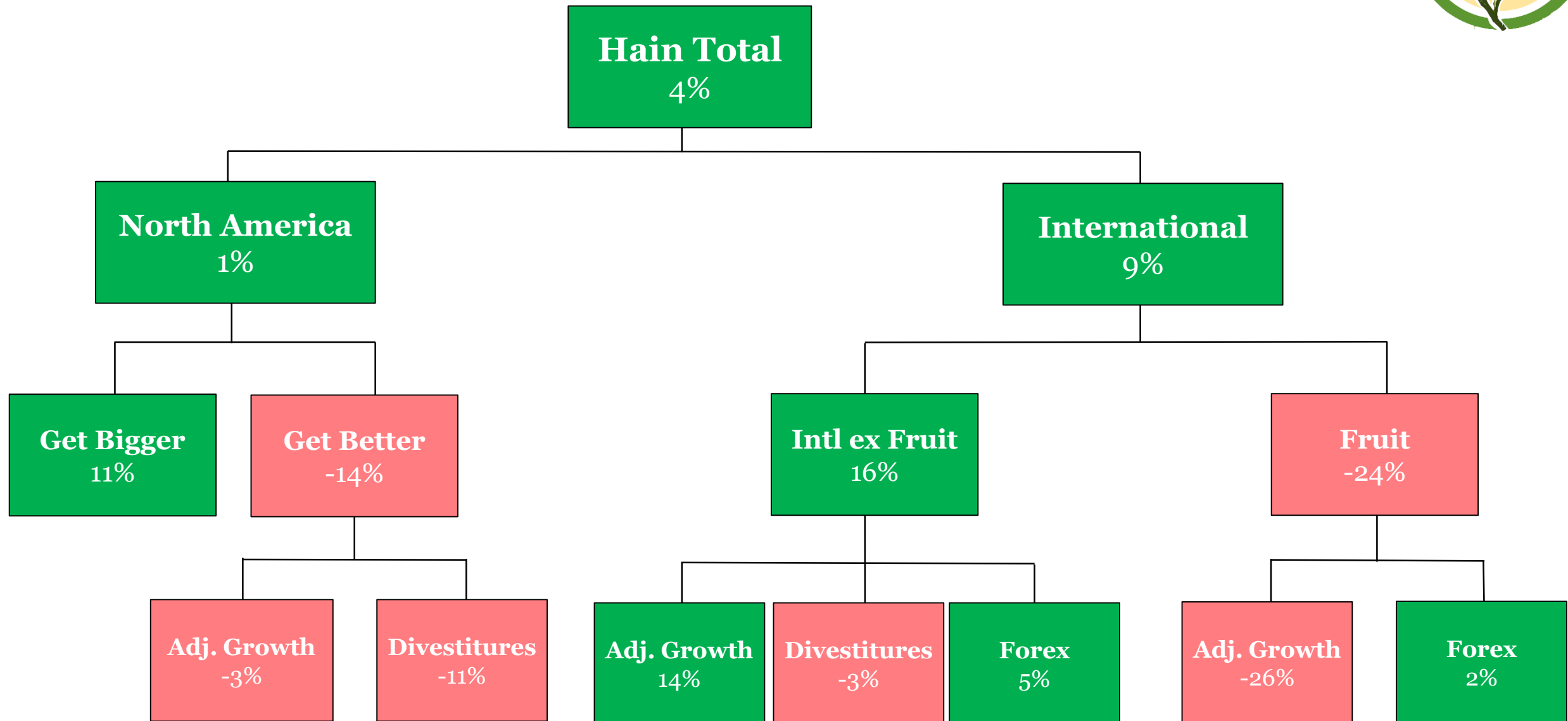
profitable topline
growth

Q2 2021 Performance Delivered Against Guidance



	Q2 2021	Q2 2021 Guidance
Adj Net Sales Growth	+6%	Mid-single digit net sales growth
Adj Gross Margin Improvement	+331 bps	Several hundred basis points of gross margin improvement
Adj EBITDA \$ Growth	+38%	25% (Comparable to 2H FY20)
Adj EBITDA Margin Improvement	+288 bps	Solid Margin Expansion

Q2 2021 Topline Decomposition

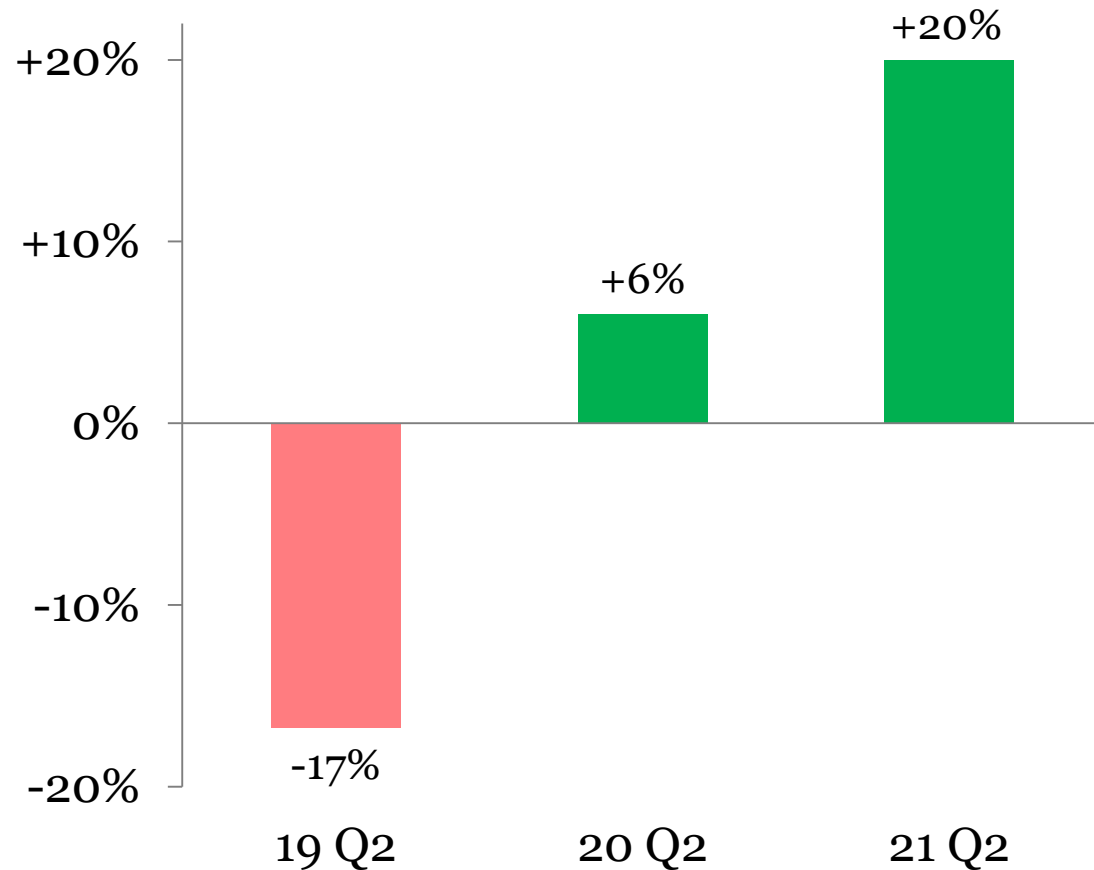


Total Hain adjusted growth rate of 6% (ex divestitures and forex) and 9% (ex fruit, divestitures and forex)

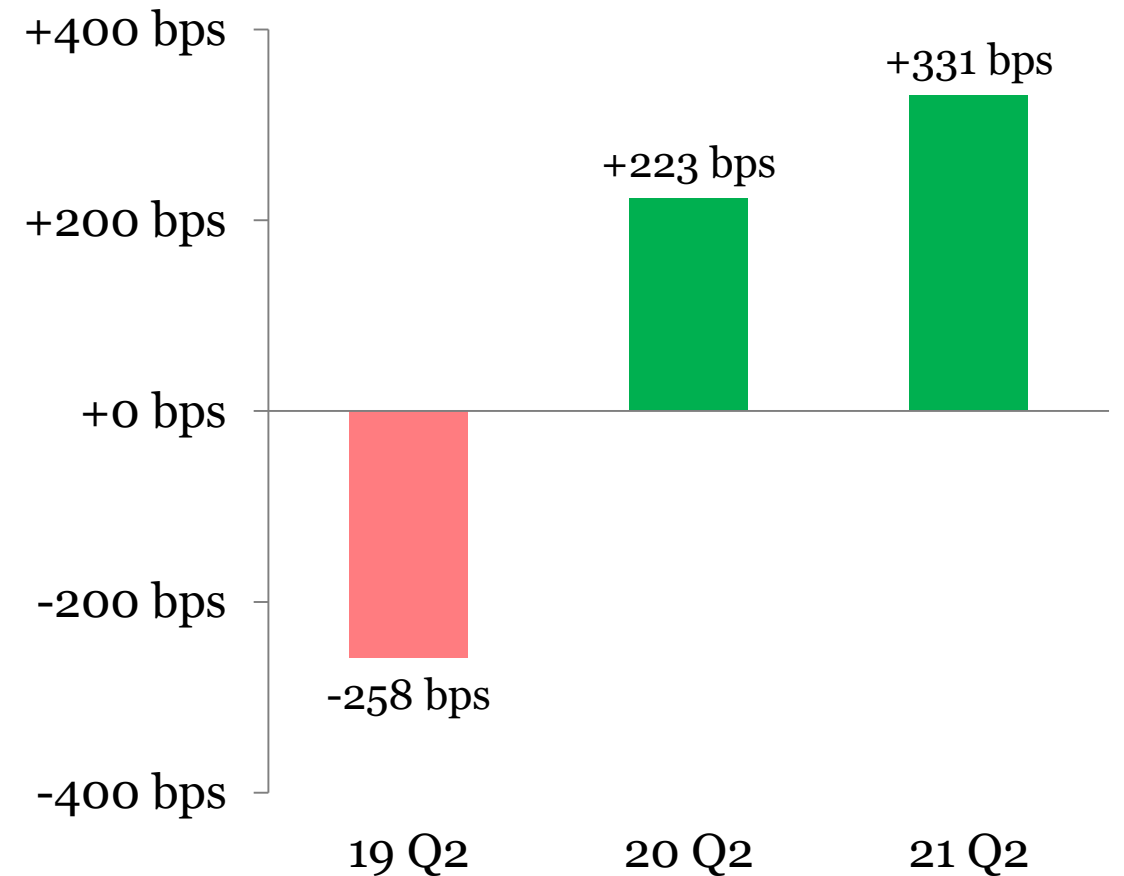
Consolidated Gross Profit \$ and Margin Performance Accelerating



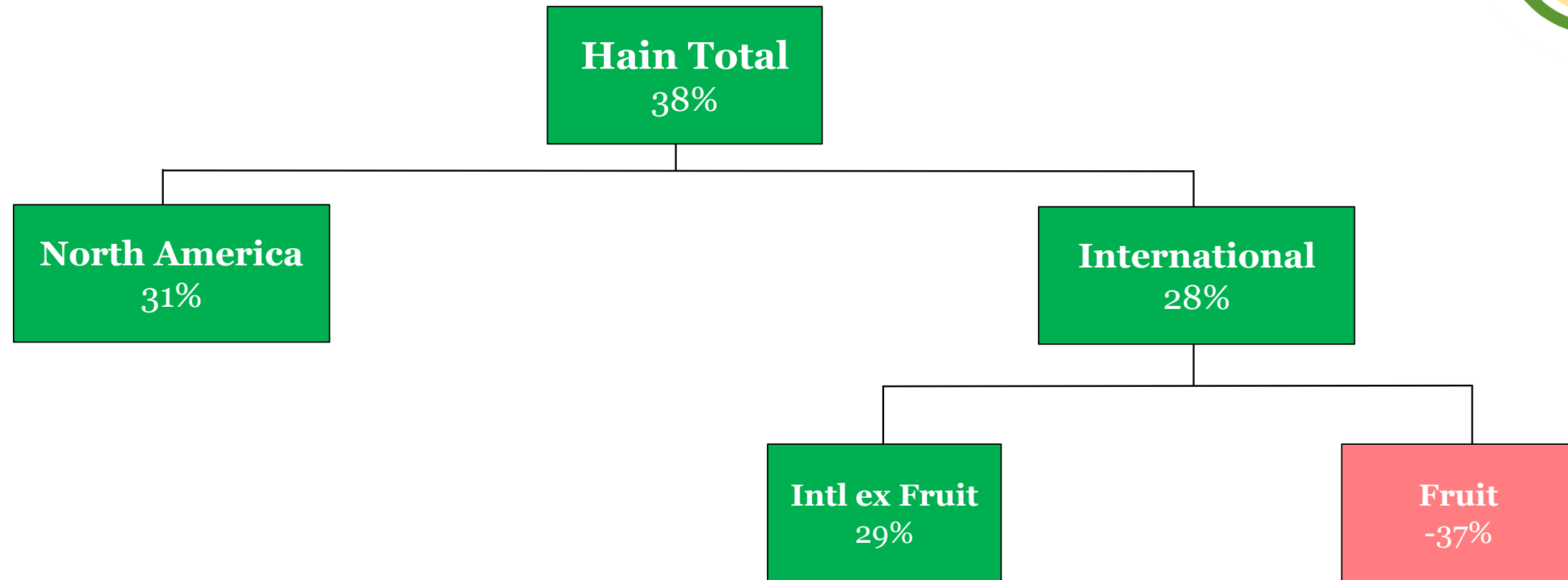
Adjusted Gross Profit \$ Growth



Adjusted Gross Margin (bps) Growth



Q2 2021 Adj EBITDA Growth Decomposition

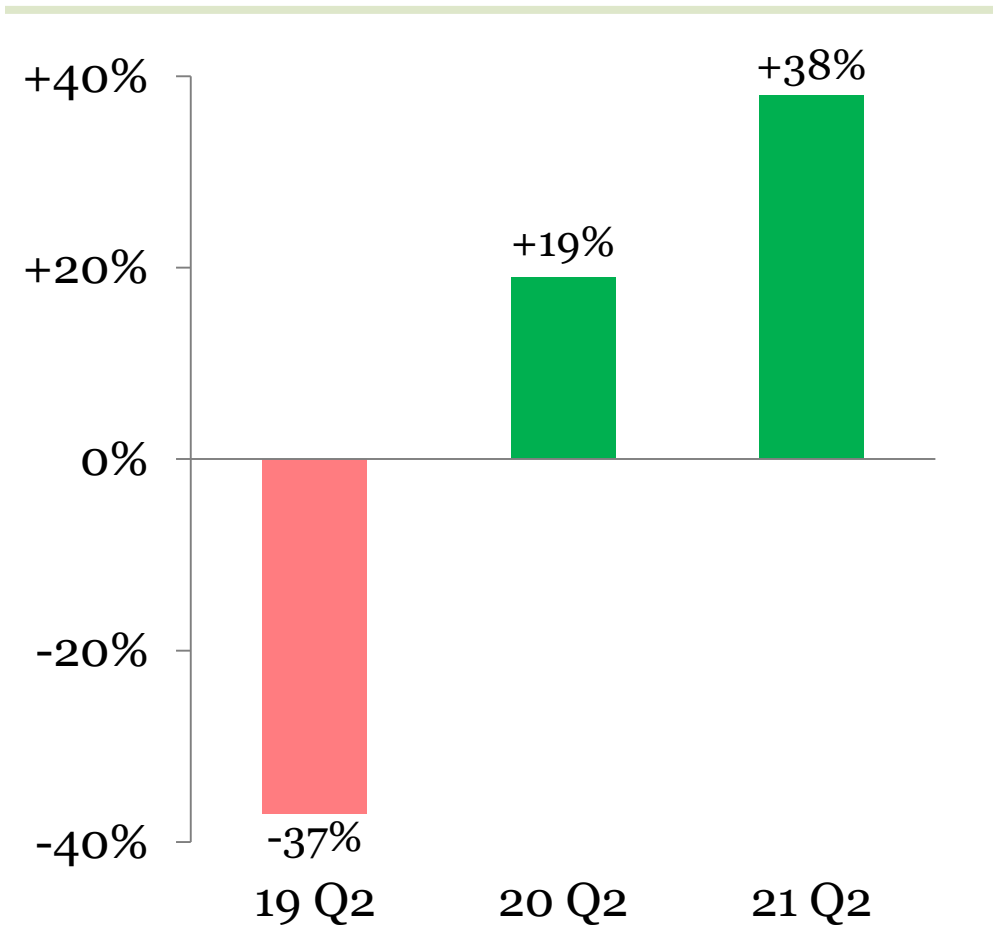


See appendix for reconciliation between adjusted and GAAP figures.

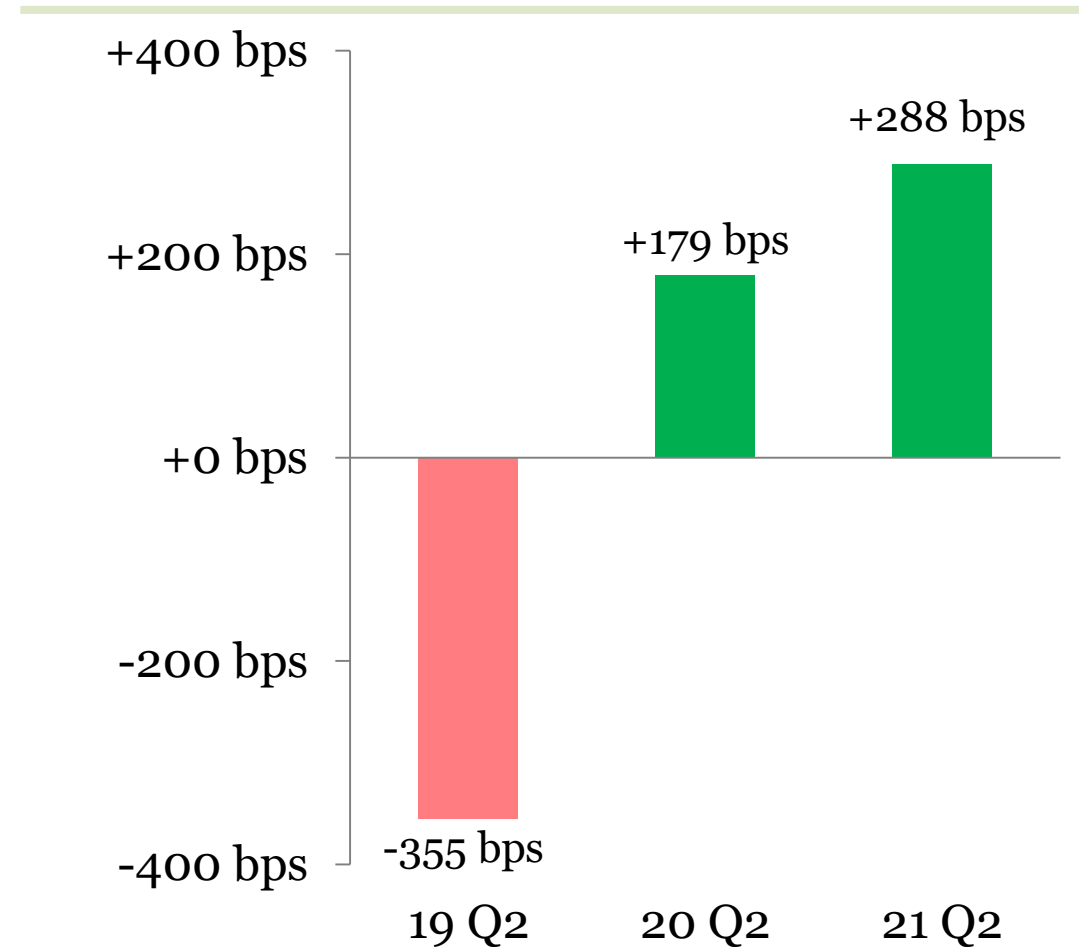
Consolidated EBITDA \$ and Margin Growth also Accelerating



Adjusted EBITDA \$ Growth



Adjusted EBITDA Margin (bps) Growth

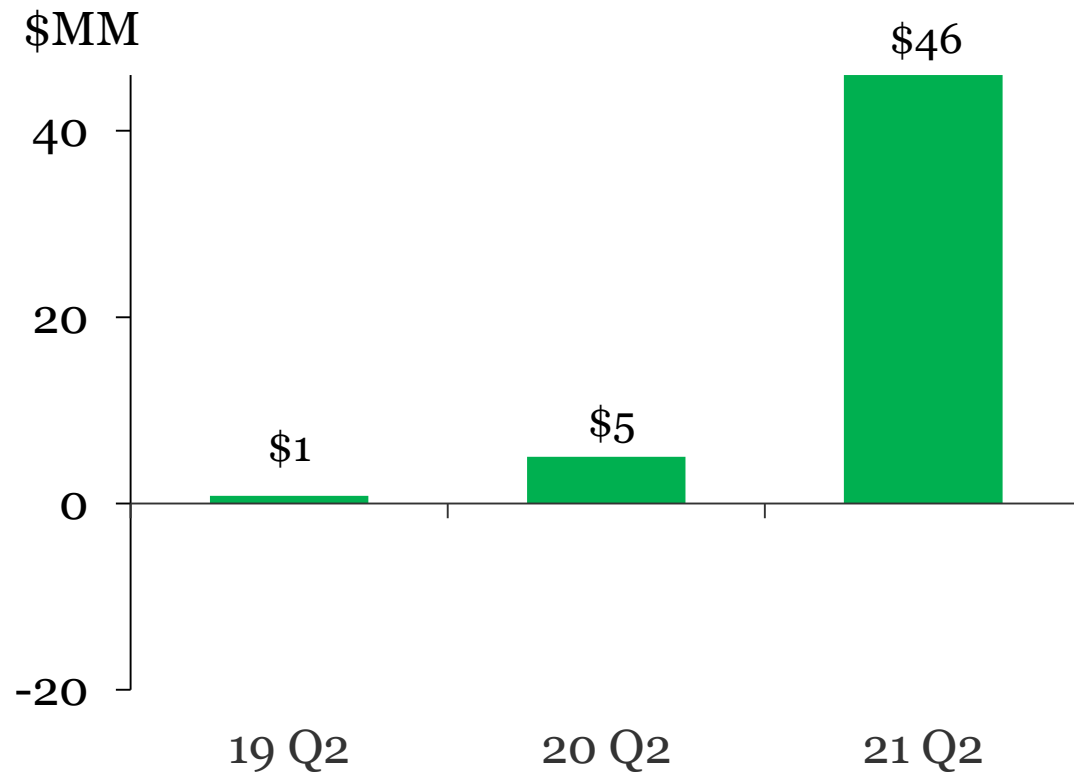


Note: Growth vs. Year ago. See appendix for reconciliation between adjusted and GAAP figures

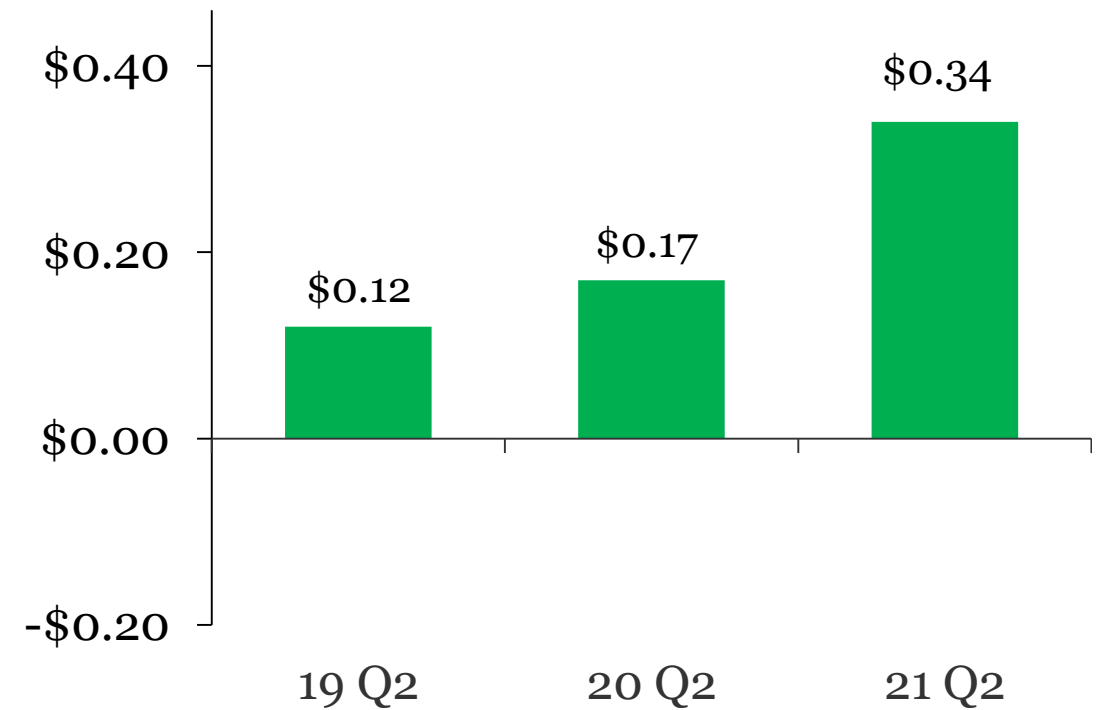
Significant Free Cash Flow and Adj EPS Growth



Free Cash Flow



Adj EPS



Note: See appendix for reconciliation of Free Cash Flow to Operating Cash Flow and Adj. EPS to EPS



APPENDIX

Adjusted Gross Profit, Adjusted Operating Income, Adjusted Net Income & Adjusted EPS (2021 and 2020 Q2)



THE HAIN CELESTIAL GROUP, INC.
Adjusted Gross Profit, Adjusted Operating Income, Adjusted Net Income and Adjusted EPS
(unaudited and in thousands, except per share amounts)

	Second Quarter					
	2021 GAAP	Adjustments	2021 Adjusted	2020 GAAP	Adjustments	2020 Adjusted
Net sales	\$ 528,418	-	\$ 528,418	\$ 506,784	-	\$ 506,784
Cost of sales	398,453	(3,908)	394,545	401,177	(6,029)	395,148
Gross profit	129,965	3,908	133,873	105,607	6,029	111,636
Operating expenses ^(a)	110,992	(25,199)	85,793	84,156	(2,052)	82,104
Productivity and transformation costs	6,016	(6,016)	-	12,260	(12,260)	-
Operating income	12,957	35,123	48,080	9,191	20,341	29,532
Interest and other expense (income), net ^(b)	1,292	(234)	1,058	5,981	(1,298)	4,683
Provision for income taxes	8,438	2,827	11,265	1,020	5,889	6,909
Net income from continuing operations	2,151	32,530	34,681	1,852	15,750	17,602
Net (loss) income from discontinued operations, net of tax	(11)	11	-	(2,816)	2,816	-
Net income (loss)	2,140	32,541	34,681	(964)	18,566	17,602
Diluted net income per common share from continuing operations	0.02	0.32	0.34	0.02	0.15	0.17
Diluted net (loss) income per common share from discontinued operations	-	-	-	(0.03)	0.03	-
Diluted net income (loss) per common share	0.02	0.32	0.34	(0.01)	0.18	0.17

^(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangibles impairment.

^(b) Interest and other expense (income), net includes interest and other financing expenses, net and other expense, net.

Adjusted Gross Profit, Adjusted Operating Income, Adjusted Net Income & Adjusted EPS (2021 and 2020 Q2, cont.)



Detail of Adjustments:

	<u>Q2 FY21</u>	<u>Q2 FY20</u>
Warehouse/manufacturing consolidation and other costs	\$ 3,325	\$ 476
Plant closure related costs	476	1,626
SKU rationalization and inventory write-down	107	3,927
Cost of sales	<u>3,908</u>	<u>6,029</u>
Gross profit	<u>3,908</u>	<u>6,029</u>
Long-lived asset impairment	25,179	-
Plant closure related costs	20	-
Intangibles impairment	-	1,889
Warehouse/manufacturing consolidation and other costs	-	163
Operating expenses ^(a)	<u>25,199</u>	<u>2,052</u>
Productivity and transformation costs	6,016	12,260
Productivity and transformation costs	<u>6,016</u>	<u>12,260</u>
Operating income	<u>35,123</u>	<u>20,341</u>
Unrealized currency losses (gains)	225	(485)
Loss on sale of businesses	9	1,783
Interest and other expense (income), net ^(b)	<u>234</u>	<u>1,298</u>
Income tax related adjustments	(2,827)	(5,889)
Provision for income taxes	<u>(2,827)</u>	<u>(5,889)</u>
Net income from continuing operations	<u>\$ 32,530</u>	<u>\$ 15,750</u>

^(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangibles impairment.

^(b) Interest and other expense (income), net includes interest and other financing expenses, net and other expense, net.

Adjusted Gross Profit, Adjusted Operating Income, Adjusted Net Income & Adjusted EPS (2019 Q2)



THE HAIN CELESTIAL GROUP, INC.
Reconciliation of GAAP Results to Non-GAAP Measures
(unaudited and in thousands, except per share amounts)

	Second Quarter		
	2019 GAAP	Adjustments	2019 Adjusted
Net sales	\$ 533,566	-	\$ 533,566
Cost of sales	432,215	(4,294)	427,921
Gross profit	101,351	4,294	105,645
Operating expenses (a)	101,291	(20,029)	81,262
Productivity and transformation costs	9,872	(9,872)	-
Chief Executive Officer Succession Plan expense, net	10,148	(10,148)	-
Accounting review and remediation costs, net of insurance proceeds	920	(920)	-
Operating income (loss)	(20,880)	45,263	24,383
Interest and other expense (income), net (b)	5,799	(439)	5,360
Provision (benefit) for income taxes	5,097	934	6,031
Net income (loss) from continuing operations	(31,787)	44,768	12,981
Net (loss) income from discontinued operations, net of tax	(34,714)	34,714	-
Net (loss) income	(66,501)	79,482	12,981
Diluted net income (loss) per common share from continuing operations	(0.31)	0.43	0.12
Diluted net (loss) income per common share from discontinued operations	(0.33)	0.33	-
Diluted net (loss) income per common share	(0.64)	0.76	0.12

^(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangibles impairment

^(b) Interest and other expense, net includes interest and other financing

Adjusted Gross Profit, Adjusted Operating Income, Adjusted Net Income & Adjusted EPS (2019 Q2, cont.)



Detail of Adjustments:

	Q2 FY19
SKU rationalization	\$ 1,530
Plant closure related costs	1,056
Warehouse/manufacturing facility start-up costs	1,708
Cost of sales	<u>4,294</u>
Gross profit	<u>4,294</u>
Intangibles impairment	17,900
Litigation and related expenses	122
Long-lived asset impairment charge associated with plant closure	1,573
Plant closure related costs	434
Operating expenses (a)	<u>20,029</u>
Productivity and transformation costs	9,872
Productivity and transformation costs	<u>9,872</u>
Chief Executive Officer Succession Plan expense, net	10,148
Chief Executive Officer Succession Plan expense, net	<u>10,148</u>
Accounting review and remediation costs, net of insurance proceeds	920
Accounting review and remediation costs, net of insurance proceeds	<u>920</u>
Operating income (loss)	<u>45,263</u>
Unrealized currency (gains) losses	439
Interest and other expense (income), net (b)	<u>439</u>
Income tax related adjustments	(934)
Provision (benefit) for income taxes	<u>(934)</u>
Net income (loss) from continuing operations	<u>\$ 44,768</u>

^(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangibles impairment.

^(b) Interest and other expense, net includes interest and other financing expenses,

Adjusted Net Sales Growth (2021 and 2020 Q2)



THE HAIN CELESTIAL GROUP, INC.
Adjusted Net Sales Growth
(unaudited and in thousands)

	<u>North America</u>	<u>International</u>	<u>Hain Consolidated</u>
Q2 FY21			
Net sales	\$ 282,612	\$ 245,806	\$ 528,418
Divestitures and discontinued brands	(406)	-	(406)
Impact of foreign currency exchange	(465)	(9,819)	(10,284)
Net sales on a constant currency basis adjusted for divestitures and discontinued brands	<u>\$ 281,741</u>	<u>\$ 235,987</u>	<u>\$ 517,728</u>
Q2 FY20			
Net sales	\$ 280,693	\$ 226,091	\$ 506,784
Divestitures and discontinued brands	(13,694)	(4,048)	(17,742)
Net sales adjusted for divestitures and discontinued brands	<u>\$ 266,999</u>	<u>\$ 222,043</u>	<u>\$ 489,042</u>
Net sales growth	0.7%	8.7%	4.3%
Impact of foreign currency exchange	(0.2)%	(4.3)%	(2.0)%
Impact of divestitures and discontinued brands	5.0%	1.9%	3.6%
Net sales growth on a constant currency basis adjusted for divestitures and discontinued brands	<u>5.5%</u>	<u>6.3%</u>	<u>5.9%</u>

Adjusted EBITDA (2021 and 2020 Q2)



THE HAIN CELESTIAL GROUP, INC.

Adjusted EBITDA

(unaudited and in thousands)

	Second Quarter	
	2021	2020
Net income (loss)	\$ 2,140	\$ (964)
Net (loss) income from discontinued operations	(11)	(2,816)
Net income (loss) from continuing operations	\$ 2,151	\$ 1,852
Provision for income taxes	8,438	1,020
Interest expense, net	1,300	4,000
Depreciation and amortization	11,193	13,219
Equity in net loss of equity-method investees	1,076	338
Stock-based compensation, net	3,823	3,083
Unrealized currency losses (gains)	225	(485)
Productivity and transformation costs	5,363	12,260
Proceeds from insurance claim	-	-
Long-lived asset and intangibles impairment	25,179	1,889
Warehouse/manufacturing consolidation and other costs	3,325	639
SKU rationalization and inventory write-down	107	3,927
Loss (gain) on sale of businesses	9	1,783
Plant closure related costs	2	1,522
Litigation and related expenses	-	-
Adjusted EBITDA	\$ 62,191	\$ 45,047

Adjusted EBITDA by Segment (2021 and 2020 Q2)



THE HAIN CELESTIAL GROUP, INC.
Adjusted EBITDA by Segment
(unaudited and in thousands)

	<u>North America</u>	<u>International</u>	<u>Corporate/Other</u>	<u>Hain Consolidated</u>
Q2 FY21				
Operating income (loss)	\$ 32,440	\$ (2,741)	\$ (16,742)	\$ 12,957
Depreciation and amortization	4,117	6,418	658	11,193
Productivity and transformation costs	751	2,529	2,083	5,363
Long-lived asset impairment	-	23,596	1,583	25,179
Warehouse/manufacturing consolidation and other costs	1,622	1,703	-	3,325
SKU rationalization and inventory write-down	107	-	-	107
Plant closure related costs	29	(27)	-	2
Loss (gain) on sale of businesses	16	-	(7)	9
Other	518	695	2,843	4,056
Adjusted EBITDA	<u>\$ 39,600</u>	<u>\$ 32,173</u>	<u>\$ (9,582)</u>	<u>\$ 62,191</u>
	<u>North America</u>	<u>International</u>	<u>Corporate/Other</u>	<u>Hain Consolidated</u>
Q2 FY20				
Operating income (loss)	\$ 20,062	\$ 12,899	\$ (23,770)	\$ 9,191
Depreciation and amortization	4,201	8,339	679	13,219
Productivity and transformation costs	332	2,056	9,872	12,260
Intangibles impairment	-	-	1,889	1,889
SKU rationalization and inventory write-down	3,927	-	-	3,927
Loss on sale of business	1,783	-	-	1,783
Warehouse/manufacturing consolidation and other costs	639	-	-	639
Plant closure related costs	35	1,487	-	1,522
Other	(838)	367	1,088	617
Adjusted EBITDA	<u>\$ 30,141</u>	<u>\$ 25,148</u>	<u>\$ (10,242)</u>	<u>\$ 45,047</u>

Operating Free Cash Flow (2021 and 2020 Q2)



THE HAIN CELESTIAL GROUP, INC.
Operating Free Cash Flow
(unaudited and in thousands)

	Second Quarter	
	2021	2020
Net cash provided by operating activities from continuing operations	\$ 63,861	\$ 20,729
Purchases of property, plant and equipment	(17,516)	(16,173)
Operating free cash flow from continuing operations ⁽¹⁾	<u>\$ 46,345</u>	<u>\$ 4,556</u>

⁽¹⁾ The increase in operating free cash flow resulted primarily from an improvement in net income adjusted for non-cash charges in the current period and greater cash generation from our working capital accounts.

Operating Free Cash Flow (2019 Q2)



THE HAIN CELESTIAL GROUP, INC.
Operating Free Cash Flow
(unaudited and in thousands)

	<u>Second Quarter</u> <u>2019</u>
Net cash provided by operating activities from continuing operations	\$ 19,566
Purchases of property, plant and equipment	<u>(18,737)</u>
Operating free cash flow from continuing operations	<u>\$ 829</u>

Quarterly Year over Year Adjusted Net Sales Growth



\$ in thousands	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21
Net sales as reported	\$ 533,566	\$ 547,257	\$ 505,305	\$ 482,076	\$ 506,784	\$ 553,297	\$ 511,746	\$ 498,627	\$ 528,418
Divestitures and discontinued brands	(7,205)	(11,685)	(15,790)	-	(181)	(1,412)	(2,123)	(4,287)	(406)
SKU rationalization	(17,342)	(11,495)	(8,545)	(6,436)	(3,531)	(1,354)	(1,710)	-	-
Impact of foreign currency exchange	8,455	18,628	14,395	11,694	2,012	5,572	8,192	(9,523)	(10,284)
Net sales on a constant currency basis adjusted for divestitures, discontinued brands and SKU rationalization	\$ 517,474	\$ 542,705	\$ 495,365	\$ 487,334	\$ 505,084	\$ 556,103	\$ 516,105	\$ 484,817	\$ 517,728
Net sales - prior year	\$ 567,770	\$ 582,563	\$ 568,247	\$ 518,478	\$ 533,566	\$ 547,257	\$ 505,305	\$ 482,076	\$ 506,784
Divestitures and discontinued brands	(12,529)	(17,598)	(25,250)	(1,931)	(7,205)	(11,685)	(15,790)	(21,321)	(17,742)
SKU rationalization	(28,393)	(22,471)	(18,990)	(25,906)	(17,342)	(11,495)	(8,545)	-	-
Castle contract termination	(4,381)	(2,036)	-	-	-	-	-	-	-
Acquisitions	1,774	-	-	-	-	-	-	-	-
Net sales adjusted for divestitures, discontinued brands, SKU rationalization and other	\$ 524,241	\$ 540,458	\$ 524,007	\$ 490,641	\$ 509,019	\$ 524,077	\$ 480,970	\$ 460,755	\$ 489,042
Net sales growth on a constant currency basis adjusted for divestitures, discontinued brands, SKU rationalization and other	-2%	0%	-5%	-1%	-1%	6%	7%	5%	6%

Net Sales Growth Excluding Divestitures, Discontinued Brands and Fruit (2021 Q2)



\$ in thousands

Q2 FY21	North America	International	Hain Consolidated
Net sales	\$ 282,612	\$ 245,806	\$ 528,418
Divestitures and discontinued brands	(406)	-	(406)
Impact of foreign currency exchange	(465)	(9,819)	(10,284)
Net sales on a constant currency basis excluding divestitures and discontinued brands	\$ 281,741	\$ 235,987	\$ 517,728
Fruit impact	-	(30,778)	(30,778)
Net sales on a constant currency basis excluding divestitures, discontinued brands and Fruit	\$ 281,741	\$ 205,209	\$ 486,950
Q2 FY20			
Net sales	\$ 280,693	\$ 226,091	\$ 506,784
Divestitures and discontinued brands	(13,694)	(4,048)	(17,742)
Net sales excluding divestitures and discontinued brands	\$ 266,999	\$ 222,043	\$ 489,042
Fruit impact	-	(41,602)	(41,602)
Net sales excluding divestitures, discontinued brands and Fruit	\$ 266,999	\$ 180,441	\$ 447,440
Net sales growth excluding Fruit	1%	16%	7%
Net sales growth in constant currency excluding divestitures, discontinued brands and Fruit	6%	14%	9%
Impact of divestitures and discontinued brands	-5%	-3%	-4%
Impact of foreign currency exchange	0%	5%	2%

Quarterly Adjusted Gross Profit and Adjusted Gross Margin



\$ in thousands	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21
Net Sales	\$ 533,566	\$ 547,257	\$ 505,305	\$ 482,076	\$ 506,784	\$ 553,297	\$ 511,746	\$ 498,627	\$ 528,418
Gross profit	\$ 101,351	\$ 113,208	\$ 95,030	\$ 97,831	\$ 105,607	\$ 132,395	\$ 129,937	\$ 119,164	\$ 129,965
SKU rationalization and inventory write-down	1,530	505	10,346	(11)	3,927	1,362	(1,103)	204	107
Warehouse/manufacturing consolidation and other costs	1,708	3,222	8,107	1,879	476	511	385	390	3,325
Plant closure related costs	1,056	426	1,138	933	1,626	-	3	579	476
Adjusted gross profit	\$ 105,645	\$ 117,361	\$ 114,622	\$ 100,632	\$ 111,636	\$ 134,268	\$ 129,222	\$ 120,337	\$ 133,873
Gross margin	19.0%	20.7%	18.8%	20.3%	20.8%	23.9%	25.4%	23.9%	24.6%
Adjusted gross margin	19.8%	21.4%	22.7%	20.9%	22.0%	24.3%	25.3%	24.1%	25.3%

Q2 Year over Year Adjusted Gross Profit and Adjusted Gross Margin Growth



\$ in thousands	Q2 FY18	Q2 FY19	Q2 FY20	Q2 FY21
Net Sales	\$ 567,774	\$ 533,566	\$ 506,784	\$ 528,418
Gross profit	\$ 121,235	\$ 101,351	\$ 105,607	\$ 129,965
SKU rationalization and inventory write-down	-	1,530	3,927	107
Warehouse/manufacturing consolidation and other costs	418	1,708	476	3,325
Plant closure related costs	700	1,056	1,626	476
Losses on terminated chilled desserts contract	2,143	-	-	-
Co-packer disruption	1,567	-	-	-
Regulated packaging change	1,007	-	-	-
Adjusted gross profit	\$ 127,070	\$ 105,645	\$ 111,636	\$ 133,873
Adjusted gross profit growth (%)		-17%	6%	20%
Gross margin	21.4%	19.0%	20.8%	24.6%
Adjusted gross margin	22.4%	19.8%	22.0%	25.3%
Adjusted gross margin growth (bps)		(258)	223	331

Quarterly Adjusted EBITDA



\$ in thousands	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21
Net (loss) income	(66,501)	(65,837)	(13,551)	(107,021)	(964)	24,339	3,239	485	2,140
Net (loss) income from discontinued operations	(34,714)	(74,620)	(6,215)	(102,068)	(2,816)	(697)	(460)	11,266	(11)
Net (loss) income from continuing operations	\$ (31,787)	\$ 8,783	\$ (7,336)	\$ (4,953)	\$ 1,852	\$ 25,036	\$ 3,699	\$ (10,781)	\$ 2,151
Provision (benefit) for income taxes	5,097	2,943	(1,306)	(531)	1,020	(10,242)	15,958	12,962	8,438
Interest expense, net	4,884	5,278	5,484	4,552	4,000	3,332	2,467	2,154	1,300
Depreciation and amortization	12,205	12,483	13,350	13,923	13,219	12,927	12,019	13,761	11,193
Equity in net loss of equity-method investees	11	205	264	317	338	564	770	19	1,076
Stock-based compensation, net	1,776	3,927	3,982	2,737	3,083	3,761	3,497	4,367	3,823
Stock-based compensation expense in connection with Former Chief Executive Officer Succession Plan	117	-	-	-	-	-	-	-	-
Goodwill impairment	-	-	-	-	-	-	394	-	-
Long-lived asset and intangibles impairment	19,473	-	10,010	-	1,889	13,525	12,079	32,497	25,179
Unrealized currency losses (gains)	439	1,522	(3,401)	1,684	(485)	(1,011)	355	(1,202)	225
Productivity and transformation costs	9,872	9,259	10,494	14,175	12,260	10,967	10,194	1,150	5,363
Former Chief Executive Officer Succession Plan expense, net	10,031	455	-	-	-	-	-	-	-
Proceeds from insurance claim	-	-	(4,460)	(2,562)	-	(400)	-	-	-
Accounting review and remediation costs, net of insurance proceeds	920	-	-	-	-	-	-	-	-
(Gain) loss on sale of businesses	-	-	(534)	-	1,783	332	1,448	(620)	9
Warehouse/manufacturing consolidation and other costs	1,708	3,222	8,107	1,879	639	537	385	390	3,325
Plant closure related costs	1,490	184	1,232	832	1,522	-	3	(6)	2
SKU rationalization and inventory write-down	1,530	505	10,346	(11)	3,927	1,362	(1,103)	204	107
Litigation and related expenses	122	371	455	48	-	-	-	-	-
Realized currency loss on repayment of international loans	-	-	2,706	-	-	-	-	-	-
Adjusted EBITDA	\$ 37,888	\$ 49,137	\$ 49,393	\$ 32,090	\$ 45,047	\$ 60,690	\$ 62,165	\$ 54,895	\$ 62,191

Q2 Year over Year Adjusted EBITDA and Adjusted EBITDA Margin Growth



\$ in thousands	Q2 FY18	Q2 FY19	Q2 FY20	Q2 FY21
Net Sales	\$ 567,774	\$ 533,566	\$ 506,784	\$ 528,418
Net income (loss)	47,103	(66,501)	(964)	2,140
Net income (loss) from discontinued operations	6,515	(34,714)	(2,816)	(11)
Net income (loss) from continuing operations	\$ 40,588	\$ (31,787)	\$ 1,852	\$ 2,151
(Benefit) provision for income taxes	(18,049)	5,097	1,020	8,438
Interest expense, net	3,201	4,884	4,000	1,300
Depreciation and amortization	13,315	12,205	13,219	11,193
Equity in net (income) loss of equity-method investees	(194)	11	338	1,076
Stock-based compensation, net	4,158	1,776	3,083	3,823
Stock-based compensation expense in connection with Former Chief Executive Officer Succession Plan	-	117	-	-
Long-lived asset and intangibles impairment	3,449	19,473	1,889	25,179
Unrealized currency (gains) losses	(286)	439	(485)	225
Productivity and transformation costs	4,008	9,872	12,260	5,363
Former Chief Executive Officer Succession Plan expense, net	-	10,031	-	-
Accounting review and remediation costs, net of insurance proceeds	4,451	920	-	-
Loss on sale of businesses	-	-	1,783	9
Warehouse/manufacturing consolidation and other costs	418	1,708	639	3,325
Plant closure related costs	700	1,490	1,522	2
SKU rationalization and inventory write-down	-	1,530	3,927	107
Litigation and related expenses	-	122	-	-
Losses on terminated chilled desserts contract	2,143	-	-	-
Co-packer disruption	1,567	-	-	-
Regulated packaging change	1,007	-	-	-
Adjusted EBITDA	\$ 60,476	\$ 37,888	\$ 45,047	\$ 62,191
Adjusted EBITDA growth (%)		-37%	19%	38%
Adjusted EBITDA margin	10.7%	7.1%	8.9%	11.8%
Adjusted EBITDA margin growth (bps)		(355)	179	288

Adjusted EBITDA Growth Excluding Divestitures, Discontinued Brands and Fruit (2021 Q2)



\$ in thousands

Q2 FY21	North America	International	Hain Consolidated
Adjusted EBITDA	\$ 39,600	\$ 32,173	\$ 62,191
Divestitures and discontinued brands	42	-	42
Impact of foreign currency exchange	(72)	(1,528)	(1,600)
Adjusted EBITDA on a constant currency basis excluding divestitures and discontinued brands	\$ 39,570	\$ 30,645	\$ 60,633
Fruit impact	-	2,332	2,332
Adjusted EBITDA on a constant currency basis excluding divestitures, discontinued brands and Fruit	\$ 39,570	\$ 32,977	\$ 62,965
Q2 FY20			
Adjusted EBITDA	\$ 30,141	\$ 25,148	\$ 45,047
Divestitures and discontinued brands	374	(115)	260
Adjusted EBITDA excluding divestitures, discontinued brands and Fruit	\$ 30,515	\$ 25,033	\$ 45,307
Fruit impact	-	1,704	1,704
Adjusted EBITDA excluding divestitures, discontinued brands and Fruit	\$ 30,515	\$ 26,738	\$ 47,011
Adjusted EBITDA growth excluding Fruit	31%	29%	38%
Adjusted EBITDA growth in constant currency excluding divestitures, discontinued brands and Fruit	31%	23%	34%
Impact of divestitures and discontinued brands	0%	-1%	1%
Impact of foreign currency exchange	0%	6%	3%