



First Quarter Fiscal Year 2022 Earnings Call

November 9, 2021

Forward-Looking Statements and Non-GAAP Financial Measures



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. The words “believe,” “expect,” “anticipate,” “may,” “should,” “plan,” “intend,” “potential,” “will” and similar expressions are intended to identify such forward-looking statements. Forward-looking statements include, among other things, our beliefs or expectations relating to our future performance, results of operations and financial condition; our strategic initiatives, business strategy, supply chain, brand portfolio and product performance; the COVID-19 pandemic; current or future macroeconomic trends; and future corporate acquisitions or dispositions.

Risks and uncertainties that may cause actual results to differ materially from forward-looking statements include: challenges and uncertainty resulting from the impact of competition; challenges and uncertainty resulting from the COVID-19 pandemic; our ability to manage our supply chain effectively; disruption of operations at our manufacturing facilities; reliance on independent contract manufacturers; changes to consumer preferences; customer concentration; reliance on independent distributors; the availability of organic ingredients; risks associated with our international sales and operations; risks associated with outsourcing arrangements; our ability to execute our cost reduction initiatives and related strategic initiatives; our reliance on independent certification for a number of our products; the reputation of our Company and our brands; our ability to use and protect trademarks; general economic conditions; input cost inflation; the United Kingdom’s exit from the European Union; cybersecurity incidents; disruptions to information technology systems; the impact of climate change; liabilities, claims or regulatory change with respect to environmental matters; potential liability if our products cause illness or physical harm; the highly regulated environment in which we operate; pending and future litigation; compliance with data privacy laws; compliance with our credit agreement; the discontinuation of LIBOR; concentration in the ownership of our common stock; our ability to issue preferred stock; the adequacy of our insurance coverage; impairments in the carrying value of goodwill or other intangible assets; and other risks and matters described in our most recent Annual Report on Form 10-K and our other filings from time to time with the U.S. Securities and Exchange Commission.

We undertake no obligation to update forward-looking statements to reflect actual results or changes in assumptions or circumstances, except as required by applicable law.

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 and discontinued brands, adjusted EBITDA and its related margin and net debt. 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 the Company’s Consolidated Balance Sheets and Statements of Operations and Cash Flows presented in accordance with GAAP. Certain forward-looking non-GAAP financial measures included in this presentation are not reconciled to the comparable forward-looking GAAP financial measures. The company is not able to reconcile these forward-looking non-GAAP financial measures to their most directly comparable forward looking GAAP financial measures without unreasonable efforts because the company is unable to predict with a reasonable degree of certainty the type and extent of certain measures. Such items may include litigation and related expenses, transaction costs associated with acquisitions and divestitures, productivity and transformation costs, impairments, gains or losses on sales of assets and businesses, foreign exchange movements and other items. The unavailable information could have a significant impact on the Company’s GAAP financial results.

Key Messages



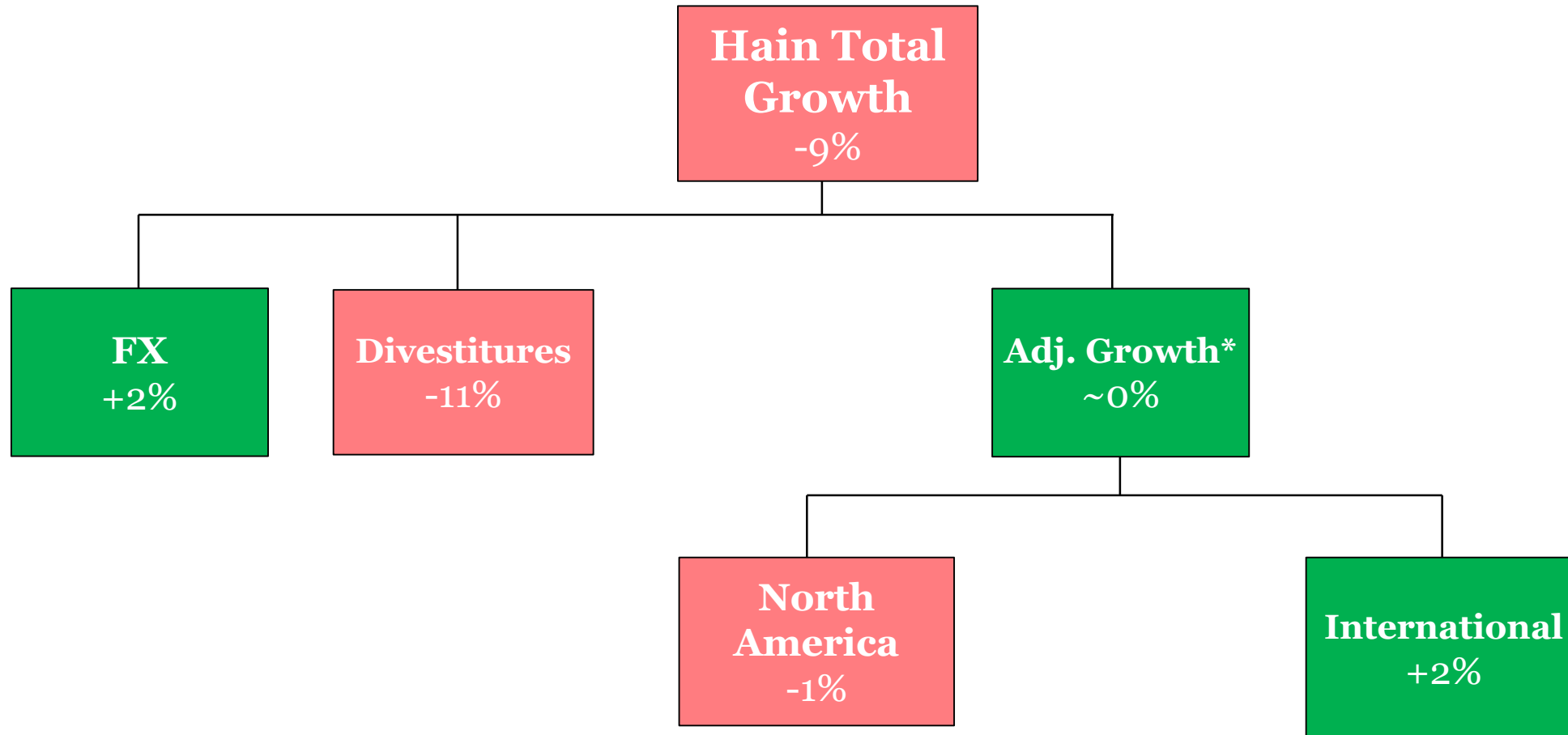
- Q1 results exceeded Net Sales and Adjusted EBITDA guidance
- International delivered another strong quarter with significant margin expansion
- North America topline improving and continued progress within our supply chain
- Actively addressing global supply chain challenges, labor shortages and a highly inflationary environment with strong productivity and pricing
- First round of pricing successfully implemented in North America with minimal volume impact. International price increases effective early in Q2
- Growth brands performing well in the marketplace with double digit growth vs. pre pandemic
- Reaffirming full year FY22 guidance

Q1 2022 Delivered Results That Exceeded Net Sales and Adjusted EBITDA Guidance



	Q1 2022 Guidance	Performance vs. Prior Year	Performance vs. 2 YAG
Net Sales Growth	Down Low Double Digits	-9%	-6%
Adjusted Net Sales Growth ¹	Down Low to Mid Single Digit	0%	+10%
Adjusted Gross Margin Improvement ²	Margin Expansion	-24 bps	+302 bps
Adjusted EBITDA \$ Growth ³	Down Mid to High Teens	-14%	+47%

Q1 Topline Growth Decomposition vs. FY21

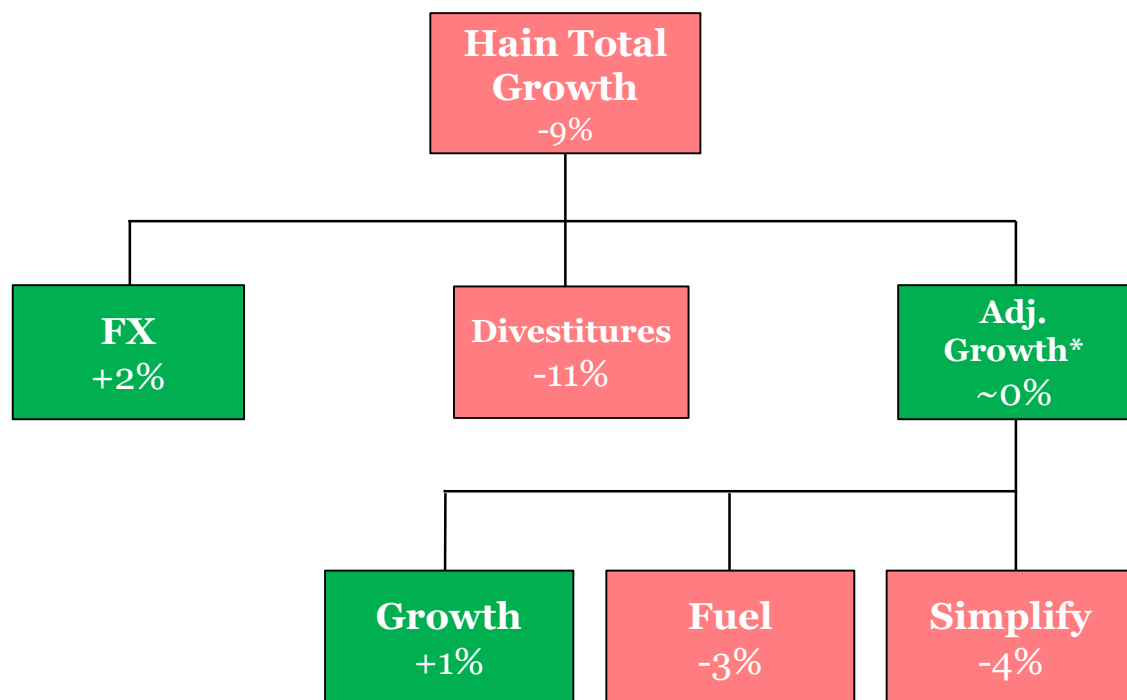


*Adjusted for the impact of foreign currency changes, divestitures and discontinued brands

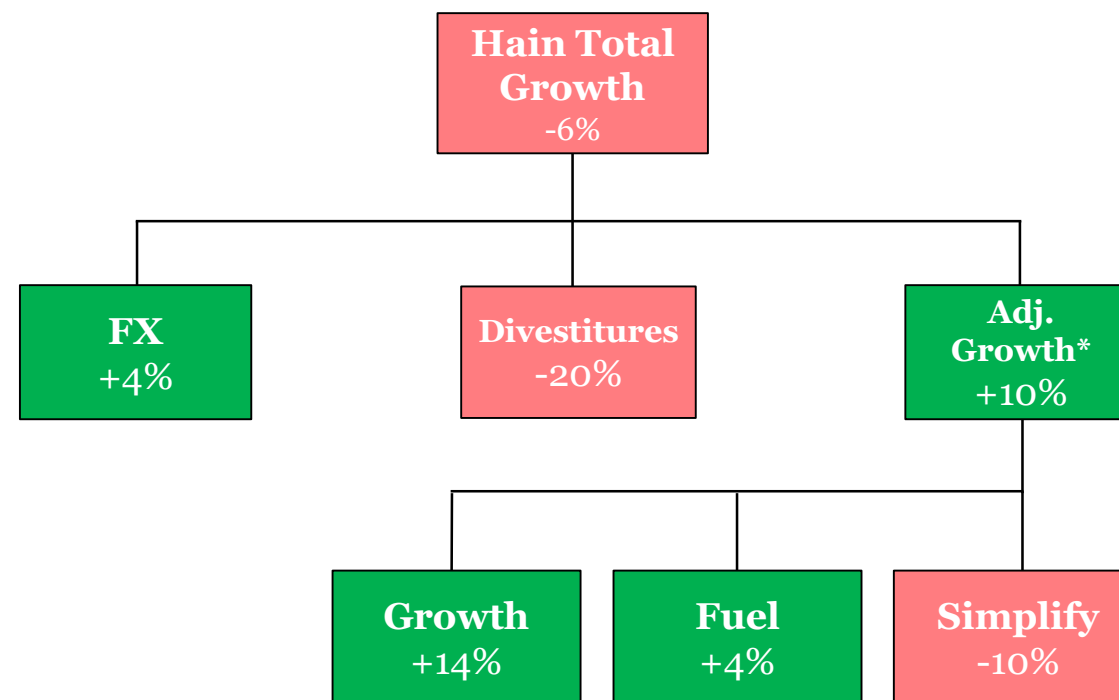
Strong Underlying Growth when excluding COVID impact (comparison vs two years ago)



Q1 FY22 vs. Q1 FY21



Q1 FY22 vs. Q1 FY20

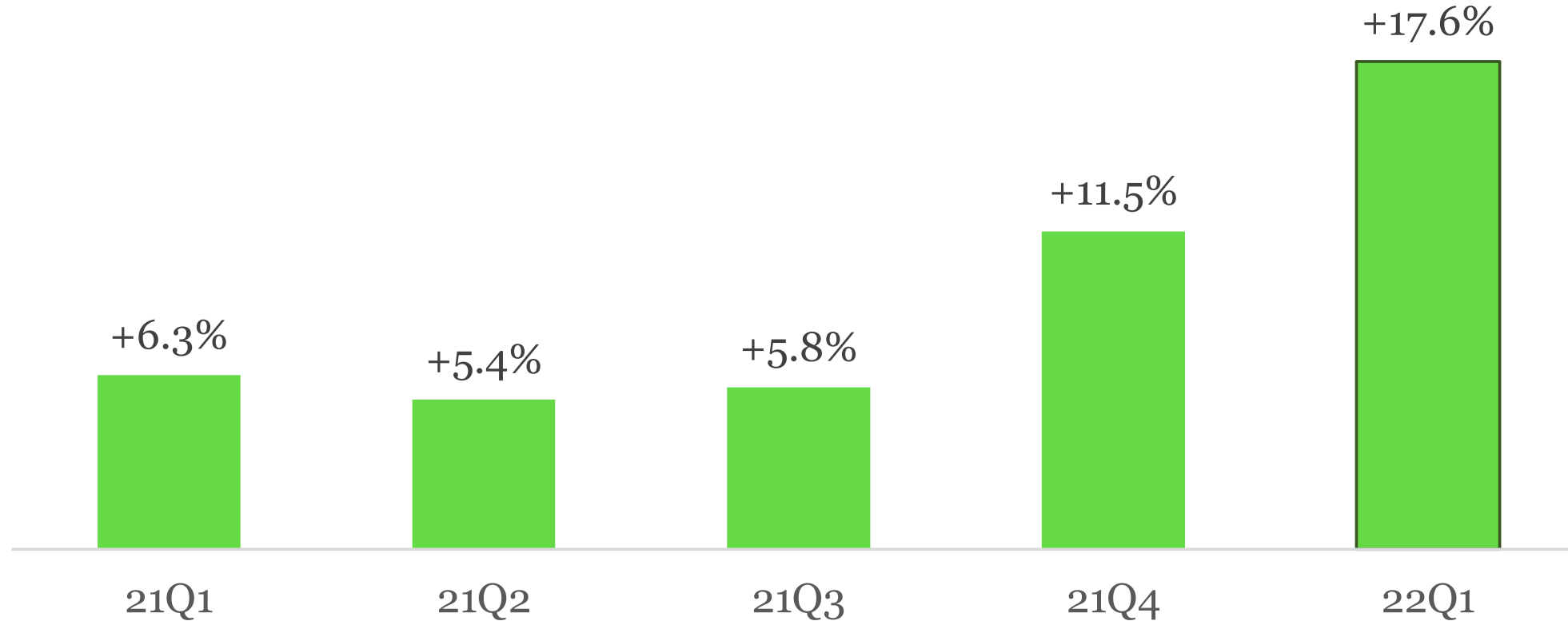


*Adjusted for the impact of foreign currency changes, divestitures and discontinued brands

Strong Consumption Momentum For US Growth Brands



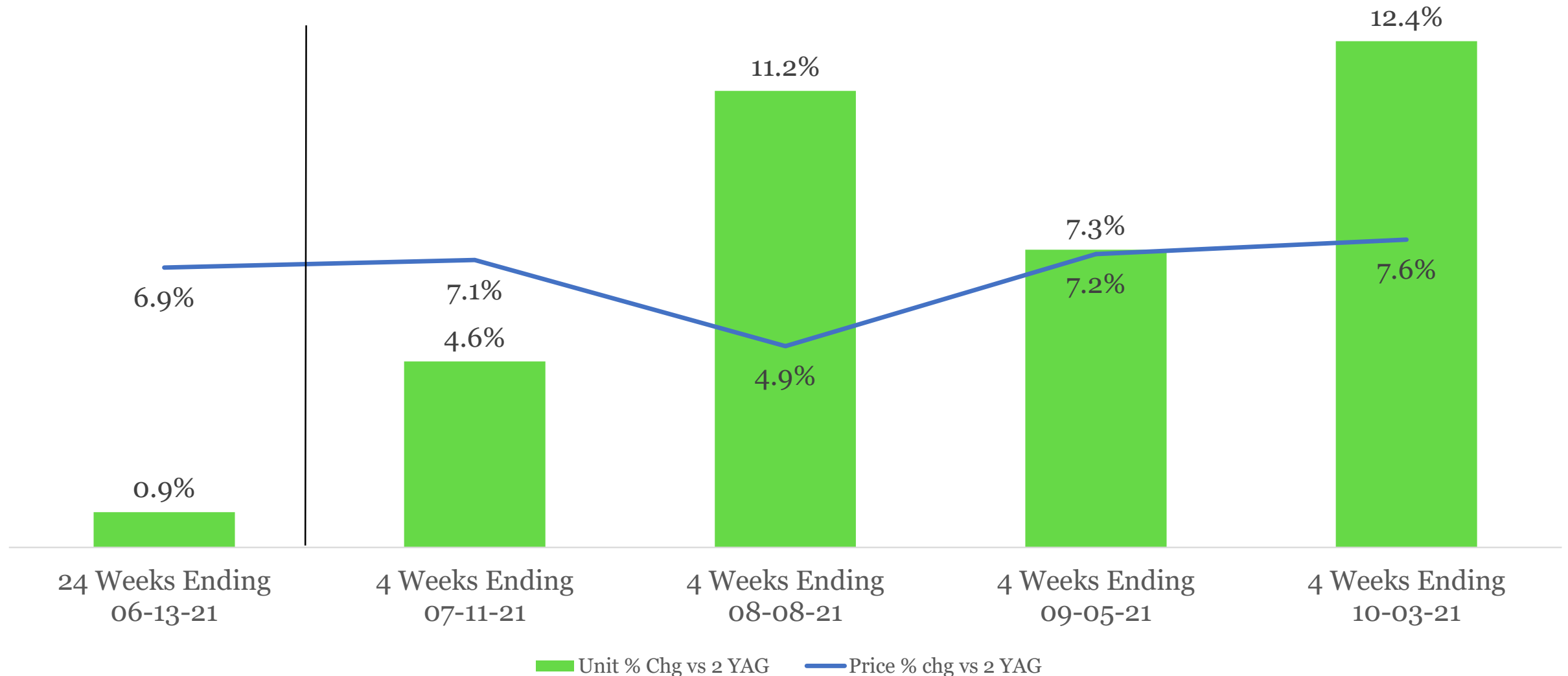
Consumption Growth vs. 2 YAG



Demand Elasticity Better Than Expectations For US Growth Brands



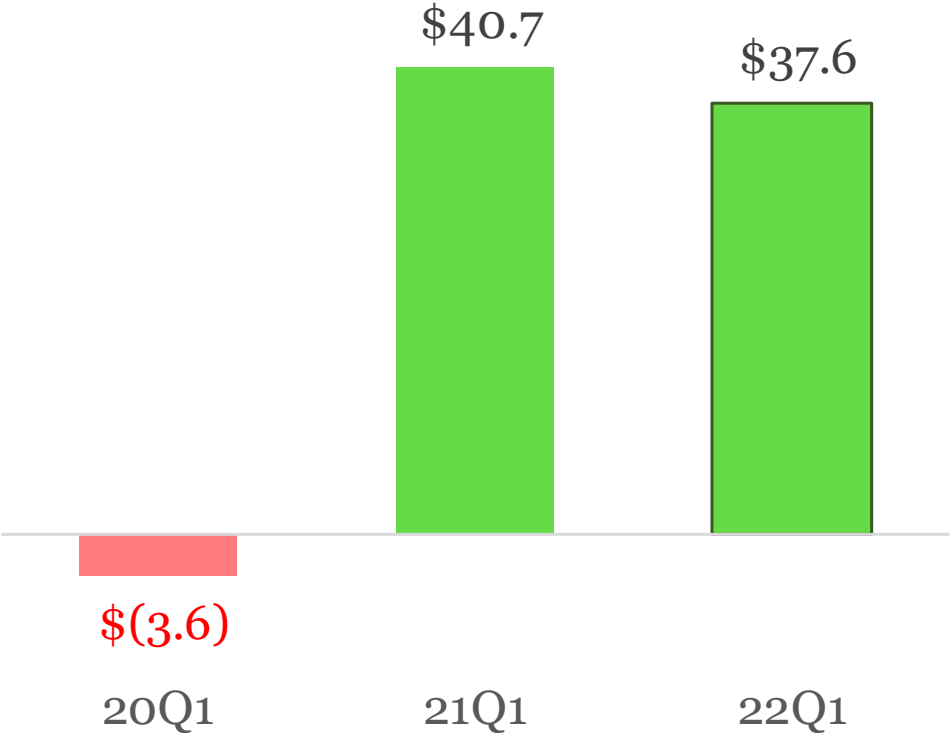
US Growth Brand Price Elasticity vs. 2 YAG



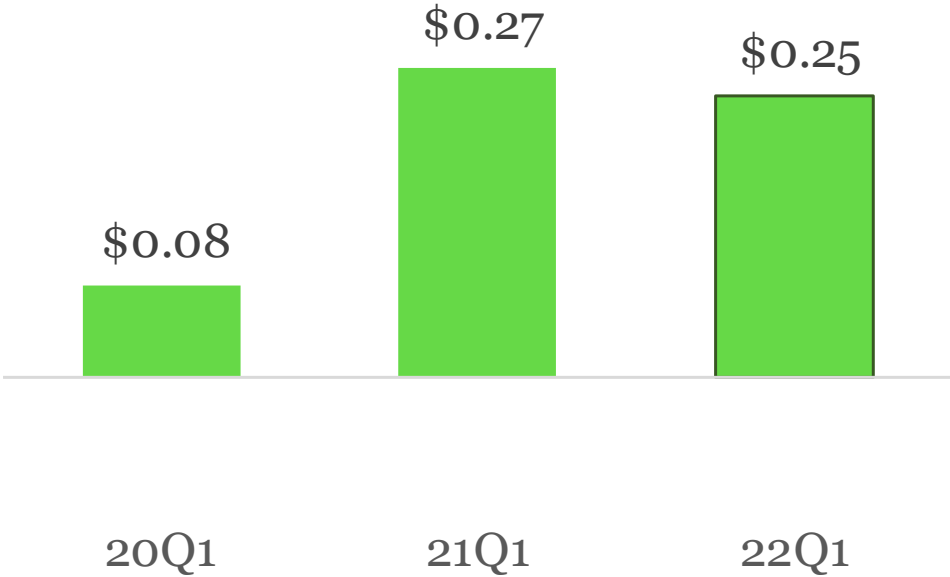
Continued Strong Cash Flow and Profit Generation



Operating Cash Flow (\$M)



Adjusted EPS



Note: See appendix for reconciliation between adjusted EPS and EPS

Reaffirming Full Year FY22 Guidance: Delivering Profitable Growth and Margin Expansion



	FY 22	Revised FY 22 H1	FY 22 H2
Adjusted Sales Growth¹	↑ Low Single Digit Growth	Decline Low Single Digit	↑ Mid to High Single Digit Growth
Adjusted Gross Margin²	↑ Modest Margin Expansion	N/A ⁴	↑ Margin Expansion
Adjusted EBITDA Growth³	↑ Mid to High Single Digit Growth	Decline Mid Single Digit	↑ Low Double Digit Growth

Notes: 1) Net sales growth adjusted for the impact of foreign exchange, divestitures and discontinued brands; 2) Adjusted Gross Margin excludes impact of divestitures and discontinued brands; 3) Adjusted EBITDA growth excludes impact of divestitures and discontinued brands and reflects impact from Corporate overhead; 4) Guidance not provided



APPENDIX

Net Sales, Gross Profit & Operating Income (Loss) by Segment (FY22 and FY21 Q1)



THE HAIN CELESTIAL GROUP, INC.
Net Sales, Gross Profit and Operating Income (Loss) by Segment
(unaudited and in thousands)

	North America	International	Corporate/Other	Hain Consolidated
Net Sales				
Net sales - Q1 FY22	\$ 265,525	\$ 189,378	\$ -	\$ 454,903
Net sales - Q1 FY21	\$ 280,668	\$ 217,959	\$ -	\$ 498,627
% change - FY22 net sales vs. FY21 net sales	(5.4)%	(13.1)%		(8.8)%
Gross Profit				
Q1 FY22				
Gross profit	\$ 56,809	\$ 48,609	\$ -	\$ 105,418
Non-GAAP adjustments ⁽¹⁾	2,410	875	-	3,285
Adjusted gross profit	\$ 59,219	\$ 49,484	\$ -	\$ 108,703
Gross margin	21.4%	25.7%		23.2%
Adjusted gross margin	22.3%	26.1%		23.9%
Q1 FY21				
Gross profit	\$ 75,015	\$ 44,149	\$ -	\$ 119,164
Non-GAAP adjustments ⁽¹⁾	933	240	-	1,173
Adjusted gross profit	\$ 75,948	\$ 44,389	\$ -	\$ 120,337
Gross margin	26.7%	20.3%		23.9%
Adjusted gross margin	27.1%	20.4%		24.1%
Operating income (loss)				
Q1 FY22				
Operating income (loss)	\$ 16,842	\$ 24,069	\$ (15,364)	\$ 25,547
Non-GAAP adjustments ⁽¹⁾	3,695	1,176	3,926	8,797
Adjusted operating income (loss)	\$ 20,537	\$ 25,245	\$ (11,438)	\$ 34,344
Operating income margin	6.3%	12.7%		5.6%
Adjusted operating income margin	7.7%	13.3%		7.5%
Q1 FY21				
Operating income (loss)	\$ 33,256	\$ (15,889)	\$ (14,087)	\$ 3,280
Non-GAAP adjustments ⁽¹⁾	1,488	33,194	805	35,487
Adjusted operating income (loss)	\$ 34,744	\$ 17,305	\$ (13,282)	\$ 38,767
Operating income (loss) margin	11.8%	(7.3)%		0.7%
Adjusted operating income margin	12.4%	7.9%		7.8%

⁽¹⁾ See accompanying table "Adjusted Gross Profit, Adjusted Operating Income, Adjusted Net Income and Adjusted EPS"

Adjusted Gross Profit, Adjusted Operating Income, Adjusted Net Income & Adjusted EPS (FY22, FY21 and FY20 Q1)



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)

	2022			2021			2020		
	GAAP	Adjustments	Adjusted	GAAP	Adjustments	Adjusted	GAAP	Adjustments	Adjusted
					First Quarter				
Net sales	\$ 454,903	\$ -	\$ 454,903	\$ 498,627	\$ -	\$ 498,627	\$ 482,076	\$ -	\$ 482,076
Cost of sales	349,485	(3,285)	346,200	379,463	(1,173)	378,290	384,245	(2,801)	381,444
Gross profit	105,418	3,285	108,703	119,164	1,173	120,337	97,831	2,801	100,632
Operating expenses ^(a)	76,084	(1,725)	74,359	114,451	(32,881)	81,570	87,819	(4,104)	83,715
Productivity and transformation costs	3,983	(3,983)	-	1,433	(1,433)	-	10,119	(10,119)	-
Proceeds from insurance claim	(196)	196	-	-	-	-	(2,562)	2,562	-
Operating income	25,547	8,797	34,344	3,280	35,487	38,767	2,455	14,462	16,917
Interest and other expense (income), net ^(b)	1,068	1,469	2,537	1,080	1,822	2,902	7,622	(2,659)	4,963
Provision (benefit) for income taxes	4,542	2,910	7,452	12,962	(4,562)	8,400	(531)	3,800	3,269
Net income (loss) from continuing operations	19,411	4,418	23,829	(10,781)	38,227	27,446	(4,953)	13,321	8,368
Net income (loss) from discontinued operations, net of tax	-	-	-	11,266	(11,266)	-	(102,068)	102,068	-
Net income (loss)	19,411	4,418	23,829	485	26,961	27,446	(107,021)	115,389	8,368
Diluted net income (loss) per common share from continuing operations	0.20	0.05	0.25	(0.11)	0.38	0.27	(0.05)	0.13	0.08
Diluted net income (loss) per common share from discontinued operations	-	-	-	0.11	(0.11)	-	(0.98)	0.98	-
Diluted net income (loss) per common share	0.20	0.05	0.25	-	0.27	0.27	(1.03)	1.11	0.08

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

^(b) Interest and other expense (income), net includes interest and other financing expenses, net, unrealized currency gains and losses, gain on sale of assets and businesses, deferred financing cost write-off and other

Adjusted Gross Profit, Adjusted Operating Income, Adjusted Net Income & Adjusted EPS (FY22, FY21 and FY20 Q1, cont.)



Detail of Adjustments:

	Q1 FY22	Q1 FY21	Q1 FY20
Inventory write-down	\$ -	\$ 204	\$ (11)
Plant closure related costs	996	579	933
Warehouse/manufacturing consolidation and other costs	2,289	390	1,879
Cost of sales	<u>3,285</u>	<u>1,173</u>	<u>2,801</u>
Gross profit	<u>3,285</u>	<u>1,173</u>	<u>2,801</u>
Acquisitions & divestitures transaction costs, net	(231)	369	4,056
Litigation expenses	1,956	-	48
Long-lived asset impairment	-	32,497	-
Plant closure related costs	-	15	-
Operating expenses ^(a)	<u>1,725</u>	<u>32,881</u>	<u>4,104</u>
Productivity and transformation costs	3,983	1,433	10,119
Productivity and transformation costs	<u>3,983</u>	<u>1,433</u>	<u>10,119</u>
Proceeds from insurance claim	(196)	-	(2,562)
Proceeds from insurance claim	<u>(196)</u>	<u>-</u>	<u>(2,562)</u>
Operating income	<u>8,797</u>	<u>35,487</u>	<u>14,462</u>
Deferred financing cost write-off	-	-	975
Gain on sale of assets	(446)	-	-
Gain on sale of businesses	-	(620)	-
Unrealized currency gains (losses)	(1,023)	(1,202)	1,684
Interest and other (income) expense, net ^(b)	<u>(1,469)</u>	<u>(1,822)</u>	<u>2,659</u>
Income tax related adjustments	(2,910)	4,562	(3,800)
(Benefit) provision for income taxes	<u>(2,910)</u>	<u>4,562</u>	<u>(3,800)</u>
Net income from continuing operations	<u>\$ 4,418</u>	<u>\$ 38,227</u>	<u>\$ 13,321</u>

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

^(b) Interest and other expense (income), net includes interest and other financing expenses, net, unrealized currency gains and losses, gain on sale of assets and businesses, deferred financing cost write-off and other expense,

Adjusted Net Sales Growth (FY22 and FY21 Q1)



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

	<u>North America</u>	<u>International</u>	<u>Hain Consolidated</u>
Q1 FY22			
Net sales	\$ 265,525	\$ 189,378	\$ 454,903
Divestitures and discontinued brands	(178)	-	(178)
Impact of foreign currency exchange	(1,719)	(8,269)	(9,988)
Net sales on a constant currency basis adjusted for divestitures and discontinued brands	<u>\$ 263,628</u>	<u>\$ 181,109</u>	<u>\$ 444,737</u>
Q1 FY21			
Net sales	\$ 280,668	\$ 217,959	\$ 498,627
Divestitures and discontinued brands	(13,621)	(39,630)	(53,251)
Net sales adjusted for divestitures and discontinued brands	<u>\$ 267,047</u>	<u>\$ 178,329</u>	<u>\$ 445,376</u>
Net sales decline	(5.4)%	(13.1)%	(8.8)%
Impact of divestitures and discontinued brands	4.7%	18.5%	10.7%
Impact of foreign currency exchange	(0.6)%	(3.8)%	(2.0)%
Net sales (decline) growth on a constant currency basis adjusted for divestitures and discontinued brands	<u>(1.3)%</u>	<u>1.6%</u>	<u>(0.1)%</u>

Adjusted EBITDA (FY22, FY21 and FY20 Q1)



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

	First Quarter		
	2022	2021	2020
Net income (loss)	\$ 19,411	\$ 485	\$ (107,021)
Net income (loss) from discontinued operations, net of tax	-	11,266	(102,068)
Net income (loss) from continuing operations	\$ 19,411	\$ (10,781)	\$ (4,953)
Depreciation and amortization	10,855	13,761	13,923
Equity in net loss of equity-method investees	526	19	317
Interest expense, net	1,146	2,154	4,552
Provision (benefit) for income taxes	4,542	12,962	(531)
Stock-based compensation	4,287	4,367	2,737
Unrealized currency (gains) losses	(1,023)	(1,202)	1,684
Litigation & related costs			
Litigation expenses	1,956	-	48
Proceeds from insurance claim	(196)	-	(2,562)
Restructuring activities			
Plant closure related costs	996	(6)	832
Productivity and transformation costs	3,204	781	10,119
Warehouse/manufacturing consolidation and other costs	2,289	390	1,879
Acquisitions & divestitures			
Acquisitions & divestitures transaction costs, net	(231)	369	4,056
Gain on sale of assets	(446)	-	-
Gain on sale of businesses	-	(620)	-
Impairment charges			
Inventory write-down	-	204	(11)
Long-lived asset impairment	-	32,497	-
Adjusted EBITDA	<u>\$ 47,316</u>	<u>\$ 54,895</u>	<u>\$ 32,090</u>

Adjusted EBITDA & Adjusted EBITDA Margin by Segment (FY22 and FY21 Q1)



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

	<u>North America</u>	<u>International</u>	<u>Corporate/Other</u>	<u>Hain Consolidated</u>
Q1 FY22				
Operating income (loss)	\$ 16,842	\$ 24,069	\$ (15,364)	\$ 25,547
Depreciation and amortization	3,742	6,410	703	10,855
Stock-based compensation	636	721	2,930	4,287
Acquisitions & divestitures transaction costs, net	(341)	-	110	(231)
Litigation expenses	-	-	1,956	1,956
Proceeds from insurance claim	-	-	(196)	(196)
Plant closure related costs	996	-	-	996
Productivity and transformation costs	1,625	299	1,280	3,204
Warehouse/manufacturing consolidation and other costs	1,413	876	-	2,289
Other	(811)	59	(639)	(1,391)
Adjusted EBITDA	<u>\$ 24,102</u>	<u>\$ 32,434</u>	<u>\$ (9,220)</u>	<u>\$ 47,316</u>
Net sales	\$ 265,525	\$ 189,378		\$ 454,903
Adjusted EBITDA margin	9.1%	17.1%		10.4%
Q1 FY21				
Operating income (loss)	\$ 33,256	\$ (15,889)	\$ (14,087)	\$ 3,280
Depreciation and amortization	4,145	8,862	754	13,761
Stock-based compensation	864	675	2,828	4,367
Acquisitions & divestitures transaction costs, net	(51)	68	352	369
Plant closure related costs	(57)	51	-	(6)
Productivity and transformation costs	605	377	(201)	781
Warehouse/manufacturing consolidation and other costs	200	190	-	390
Inventory write-down	204	-	-	204
Long-lived asset impairment	(11)	32,508	-	32,497
Other	(33)	(138)	(577)	(748)
Adjusted EBITDA	<u>\$ 39,122</u>	<u>\$ 26,704</u>	<u>\$ (10,931)</u>	<u>\$ 54,895</u>
Net sales	\$ 280,668	\$ 217,959		\$ 498,627
Adjusted EBITDA margin	13.9%	12.3%		11.0%

Adjusted EBITDA & Adjusted EBITDA Margin by Segment (FY20 Q1)



	<u>North America</u>	<u>International</u>	<u>Corporate/Other</u>	<u>Hain Consolidated</u>
Q1 FY20				
Operating income (loss)	\$ 15,132	\$ 9,107	\$ (21,784)	\$ 2,455
Depreciation and amortization	4,348	7,926	1,649	13,923
Stock-based compensation	709	351	1,677	2,737
Acquisitions & divestitures transaction costs, net	-	48	4,008	4,056
Litigation expenses	-	-	48	48
Proceeds from insurance claim	-	-	(2,562)	(2,562)
Plant closure related costs	37	795	-	832
Productivity and transformation costs	2,168	1,224	6,727	10,119
Warehouse/manufacturing consolidation and other costs	1,879	-	-	1,879
Inventory write-down	(190)	179	-	(11)
Other	(44)	81	(1,423)	(1,386)
Adjusted EBITDA	<u>\$ 24,039</u>	<u>\$ 19,711</u>	<u>\$ (11,660)</u>	<u>\$ 32,090</u>
Net sales	\$ 271,701	\$ 210,375		\$ 482,076
Adjusted EBITDA margin	8.8%	9.4%		6.7%

Quarterly Year over Year Adjusted Net Sales Growth



\$ in thousands	<u>Q1 FY20</u>	<u>Q2 FY20</u>	<u>Q3 FY20</u>	<u>Q4 FY20</u>	<u>Q1 FY21</u>	<u>Q2 FY21</u>	<u>Q3 FY21</u>	<u>Q4 FY21</u>	<u>Q1 FY22</u>
Net sales as reported	\$ 482,076	\$ 506,784	\$ 553,297	\$ 511,746	\$ 498,627	\$ 528,418	\$ 492,604	\$ 450,653	\$ 454,903
Divestitures and discontinued brands	-	(181)	(1,412)	(2,123)	(4,287)	(406)	(4,464)	(525)	(178)
SKU rationalization	(6,436)	(3,531)	(1,354)	(1,710)	-	-	-	-	-
Impact of foreign currency exchange	11,694	2,012	5,572	8,192	(9,523)	(10,284)	(17,470)	(24,031)	(9,988)
Net sales on a constant currency basis adjusted for divestitures, discontinued brands and SKU rationalization	<u>\$ 487,334</u>	<u>\$ 505,084</u>	<u>\$ 556,103</u>	<u>\$ 516,105</u>	<u>\$ 484,817</u>	<u>\$ 517,728</u>	<u>\$ 470,670</u>	<u>\$ 426,097</u>	<u>\$ 444,737</u>
Net sales - prior year	\$ 518,478	\$ 533,566	\$ 547,257	\$ 505,305	\$ 482,076	\$ 506,784	\$ 553,297	\$ 511,746	\$ 498,627
Divestitures and discontinued brands	(1,931)	(7,205)	(11,685)	(15,790)	(21,321)	(17,742)	(53,179)	(50,602)	(53,251)
SKU rationalization	(25,906)	(17,342)	(11,495)	(8,545)	-	-	-	-	-
Net sales adjusted for divestitures, discontinued brands and SKU rationalization	<u>\$ 490,641</u>	<u>\$ 509,019</u>	<u>\$ 524,077</u>	<u>\$ 480,970</u>	<u>\$ 460,755</u>	<u>\$ 489,042</u>	<u>\$ 500,118</u>	<u>\$ 461,144</u>	<u>\$ 445,376</u>
Net sales (decline) growth on a constant currency basis adjusted for divestitures, discontinued brands and SKU rationalization	-1%	-1%	6%	7%	5%	6%	-6%	-8%	0%

Net Sales Growth (FY22 and FY20 Q1)



\$ in thousands

Q1 FY22

	<u>North America</u>	<u>International</u>	<u>Hain Consolidated</u>
Net sales	\$ 265,525	\$ 189,378	\$ 454,903
Divestitures and discontinued brands	(178)	-	(178)
Impact of foreign currency exchange ⁽¹⁾	(1,469)	(16,691)	(18,160)
Net sales on a constant currency basis excluding divestitures and discontinued brands	<u>\$ 263,878</u>	<u>\$ 172,687</u>	<u>\$ 436,565</u>

Q1 FY20

Net sales	\$ 271,701	\$ 210,375	\$ 482,076
Divestitures and discontinued brands	(19,709)	(1,612)	(21,321)
Net sales adjusted for divestitures and discontinued brands	<u>\$ 251,992</u> #	<u>\$ 208,763</u>	<u>\$ 460,755</u>
Divestitures and discontinued brands from FY22 & FY21 ⁽²⁾	(7,364)	(57,722)	(65,086)
Net sales adjusted for divestitures and discontinued brands	<u>\$ 244,628</u>	<u>\$ 151,041</u>	<u>\$ 395,669</u>
Net sales decline as reported	-2%	-10%	-6%
Impact of foreign currency exchange	-1%	-8%	-4%
Impact of divestitures and discontinued brands	11%	32%	20%
Net sales growth in constant currency excluding divestitures and discontinued brands	8%	14%	10%

⁽¹⁾In relation to FY20

⁽²⁾Impact of FY21 & FY22 divestitures and discontinued brands compared to FY20

Quarterly Adjusted Gross Profit and Adjusted Gross Margin



\$ in thousands	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22
Net Sales	\$ 518,478	\$ 533,566	\$ 547,257	\$ 505,305	\$ 482,076	\$ 506,784	\$ 553,297	\$ 511,746	\$ 498,627	\$ 528,418	\$ 492,604	\$ 450,653	\$ 454,903
Gross profit	\$ 88,908	\$ 101,351	\$ 113,208	\$ 95,030	\$ 97,831	\$ 105,607	\$ 132,395	\$ 129,937	\$ 119,164	\$ 129,965	\$ 129,906	\$ 112,580	\$ 105,418
SKU rationalization and inventory write-down	-	1,530	505	10,346	(11)	3,927	1,362	(1,103)	204	107	-	(732)	-
Warehouse/manufacturing consolidation and other costs	4,599	1,708	3,222	8,107	1,879	476	511	385	390	3,325	3,560	4,038	2,289
Plant closure related costs	2,263	1,056	426	1,138	933	1,626	-	3	579	476	1,666	132	996
Adjusted gross profit	<u>\$ 95,770</u>	<u>\$ 105,645</u>	<u>\$ 117,361</u>	<u>\$ 114,622</u>	<u>\$ 100,632</u>	<u>\$ 111,636</u>	<u>\$ 134,268</u>	<u>\$ 129,222</u>	<u>\$ 120,337</u>	<u>\$ 133,873</u>	<u>\$ 135,132</u>	<u>\$ 116,018</u>	<u>\$ 108,703</u>
Gross margin	17.1%	19.0%	20.7%	18.8%	20.3%	20.8%	23.9%	25.4%	23.9%	24.6%	26.4%	25.0%	23.2%
Adjusted gross margin	18.5%	19.8%	21.4%	22.7%	20.9%	22.0%	24.3%	25.3%	24.1%	25.3%	27.4%	25.7%	23.9%
Adjusted gross profit growth (%) - YoY	-17%	-17%	-12%	-3%	5%	6%	14%	13%	20%	20%	1%	-10%	-10%
Adjusted gross margin growth (bps) - YoY	(256)	(258)	(154)	187	240	223	282	257	326	331	317	49	(24)
Adjusted gross profit growth (%) - vs. FY20													8%
Adjusted gross margin growth (bps) - vs. FY20													302

Quarterly Adjusted EBITDA and Adjusted EBITDA Margin



\$ in thousands	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22
Net Sales	\$ 518,478	\$ 533,566	\$ 547,257	\$ 505,305	\$ 482,076	\$ 506,784	\$ 553,297	\$ 511,746	\$ 498,627	\$ 528,418	\$ 492,604	\$ 450,653	\$ 454,903
Net (loss) income	(37,425)	(66,501)	\$ (65,837)	\$ (13,551)	\$(107,021)	\$ (964)	\$ 24,339	\$ 3,239	\$ 485	\$ 2,140	\$ 34,254	\$ 40,485	\$ 19,411
Net (loss) income from discontinued operations, net of tax	(14,338)	(34,714)	(74,620)	(6,215)	(102,068)	(2,816)	(697)	(460)	11,266	(11)	-	-	-
Net (loss) income from continuing operations	\$ (23,087)	\$ (31,787)	\$ 8,783	\$ (7,336)	\$ (4,953)	\$ 1,852	\$ 25,036	\$ 3,699	\$ (10,781)	\$ 2,151	\$ 34,254	\$ 40,485	\$ 19,411
Depreciation and amortization	12,860	12,205	12,483	13,350	13,923	13,219	12,927	12,019	13,761	11,193	12,814	11,801	10,855
Equity in net loss (income) of equity-method investees	175	11	205	264	317	338	564	770	19	1,076	(70)	566	526
Interest expense, net	3,804	4,884	5,278	5,484	4,552	4,000	3,332	2,467	2,154	1,300	1,327	1,099	1,146
(Benefit) provision for income taxes	(9,966)	5,097	2,943	(1,306)	(531)	1,020	(10,242)	15,958	12,962	8,438	11,797	7,896	4,542
Stock-based compensation	(214)	1,776	3,927	3,982	2,737	3,083	3,761	3,497	4,367	3,823	3,698	3,771	4,287
Stock-based compensation expense in connection with Former Chief Executive Officer Succession Plan	312	117	-	-	-	-	-	-	-	-	-	-	-
Unrealized currency losses (gains)	590	439	1,522	(3,401)	1,684	(485)	(1,011)	355	(1,202)	225	442	1,287	(1,023)
Former Chief Executive Officer Succession Plan expense, net	19,241	10,031	455	-	-	-	-	-	-	-	-	-	-
Accounting review and remediation costs, net of insurance proceeds	3,414	920	-	-	-	-	-	-	-	-	-	-	-
Realized currency loss on repayment of international loans	-	-	-	2,706	-	-	-	-	-	-	-	-	-
Litigation & related costs													
Litigation expenses	569	122	371	455	48	-	-	-	-	-	644	943	1,956
Proceeds from insurance claim	-	-	-	(4,460)	(2,562)	-	(400)	-	-	-	(592)	-	(196)
Restructuring activities													
Plant closure related costs	1,828	1,490	184	1,232	832	1,522	-	3	(6)	2	21	41	996
Productivity and transformation costs	9,969	9,692	9,457	11,992	10,119	9,903	9,192	9,362	781	4,195	3,615	3,604	3,204
Warehouse/manufacturing consolidation and other costs	4,599	1,708	3,222	8,107	1,879	639	537	385	390	3,325	3,598	4,061	2,289
Acquisitions & divestitures													
Acquisitions & divestitures transaction costs, net	364	180	(198)	(1,498)	4,056	2,357	1,775	832	369	1,168	300	1,831	(231)
Gain on sale of assets	-	-	-	-	-	-	-	-	-	-	-	(4,900)	(446)
(Gain) loss on sale of businesses	-	-	-	(534)	-	1,783	332	1,448	(620)	9	1,904	(3,897)	-
Impairment charges													
Goodwill impairment	-	-	-	-	-	-	-	394	-	-	-	-	-
Inventory write-down	-	1,530	505	10,346	(11)	3,927	1,362	(1,103)	204	107	-	(732)	-
Long-lived asset and intangibles impairment	4,236	19,473	-	10,010	-	1,889	13,525	12,079	32,497	25,179	-	244	-
Adjusted EBITDA	<u>\$ 28,694</u>	<u>\$ 37,888</u>	<u>\$ 49,137</u>	<u>\$ 49,393</u>	<u>\$ 32,090</u>	<u>\$ 45,047</u>	<u>\$ 60,690</u>	<u>\$ 62,165</u>	<u>\$ 54,895</u>	<u>\$ 62,191</u>	<u>\$ 73,752</u>	<u>\$ 68,100</u>	<u>\$ 47,316</u>
Adjusted EBITDA margin	5.5%	7.1%	9.0%	9.8%	6.7%	8.9%	11.0%	12.1%	11.0%	11.8%	15.0%	15.1%	10.4%
Adjusted EBITDA growth (%) - YoY	-38%	-37%	-27%	-10%	12%	19%	24%	26%	71%	38%	22%	10%	-14%
Adjusted EBITDA margin growth (bps) - YoY	(297)	(355)	(253)	12	112	179	199	237	435	288	400	296	(61)
Adjusted EBITDA growth (%) - vs. FY20													47%
Adjusted EBITDA margin growth (bps) - vs. FY20													374