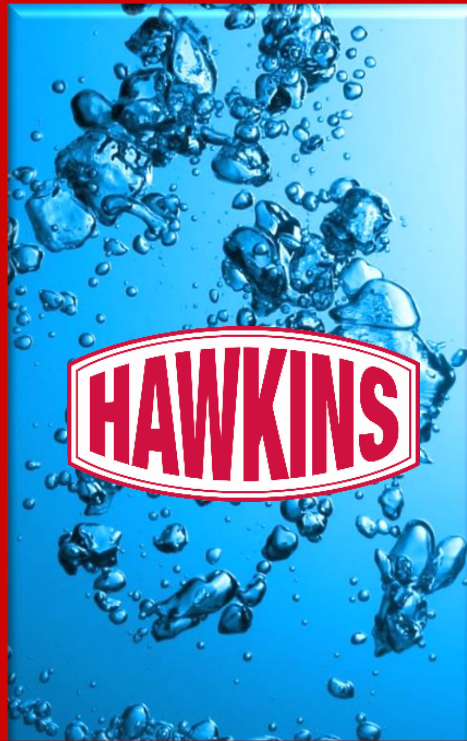


Investor Presentation

Nasdaq: HWKN



Solid Company • Proven Performance • Strong Future

Celebrating 80+ years of serving our customers

FORWARD-LOOKING STATEMENTS

The information contained in this presentation includes “forward-looking statements” which reflect management’s expectations or belief as of the date of this presentation. Hawkins, Inc. cautions that actual future results could differ materially from the forward-looking statements in this presentation. Actual results may be affected by many important factors including risks and uncertainties identified in the section captioned Risk Factors in Item 1A of Hawkins, Inc.’s Annual Report on Form 10-K. Hawkins disclaims any intention or obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

- Overview
- Locations / Capabilities and Products
- Business Strategy
- Industrial
- Water Treatment
- Health and Nutrition
- Financials
- Summary



❑ What we do:

- Distribute
- Formulate
- Blend and Manufacture

Value-added chemicals and specialty ingredients for our customers in a wide variety of industries

❑ Vision:

Be the preferred partner for our customers' specialty, nutritional, industrial and water treatment product needs in the markets we serve.

❑ Three reporting segments:

- Industrial
- Water Treatment
- Health & Nutrition

❑ 42 facilities, in 19 states, with 650+ employees

❑ Fiscal 2019 Performance

- Sales of \$556.3M
- Operating income of \$36.8M
- EBITDA* of \$60.7M
- \$2.28 diluted Earnings Per Share (EPS)

**Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) is a non-GAAP number, see reconciliation at end of presentation*

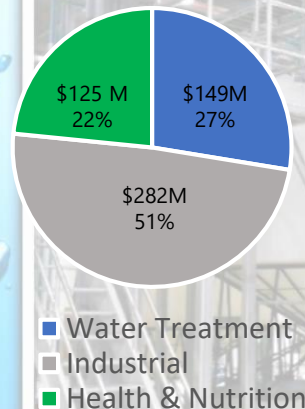
COMPANY SNAPSHOT

Three Business Segments:

- ◆ Industrial
- ◆ Water Treatment
- ◆ Health & Nutrition

Hawkins' diversified market segments provide multiple avenues for sustainable and profitable growth and create synergies among the different segments.

Fiscal 2019 Revenue By Segment



Locations



Pharmaceutical

- Sugars
- Excipients
- Phosphates
- Cleaners, Acid, Alkaline

Food and Beverage

- Preservatives
- Dairy Processing Aids
- Acidulants
- Brewery Additives
- Ingredients

Water usage

- Waste water
- Drinking water
- Pools
- Bioaugmentation

Industrial / Manufacturing

- Mining and Oil Fields
- Metal salts
- Cleaners and Acids
- Plating additives

Health and Nutrition

- Vitamins
- Amino acids
- Minerals
- Botanicals and herbs
- Joint products
- Sweeteners

Agriculture

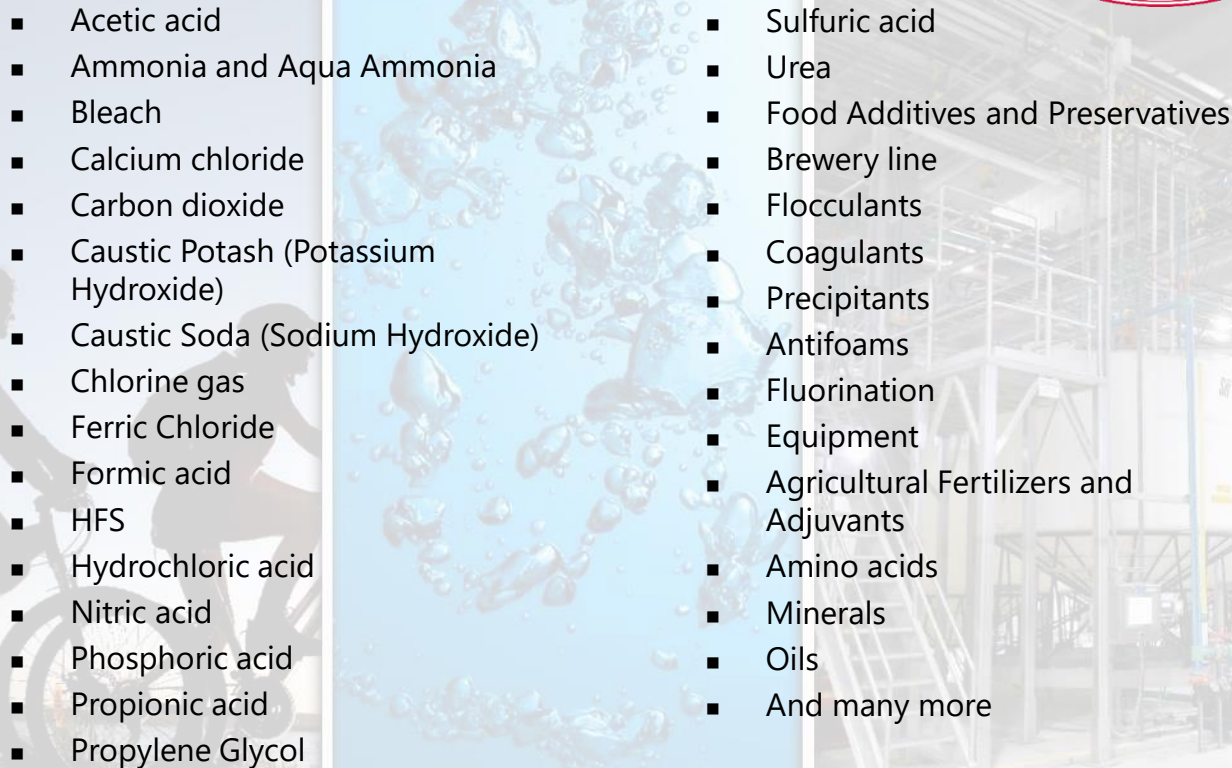
- Fertilizers
- Barn water treatment
- Crop preservation

Other Markets

- Custom blending
- Toll manufacturing
- Customer formulations

Products (sub-set)



- 
- The background of the slide is a collage of three images. On the left, a silhouette of a person riding a bicycle. In the center, a close-up of water with many bubbles. On the right, an industrial facility with tall structures and pipes.
- Acetic acid
 - Ammonia and Aqua Ammonia
 - Bleach
 - Calcium chloride
 - Carbon dioxide
 - Caustic Potash (Potassium Hydroxide)
 - Caustic Soda (Sodium Hydroxide)
 - Chlorine gas
 - Ferric Chloride
 - Formic acid
 - HFS
 - Hydrochloric acid
 - Nitric acid
 - Phosphoric acid
 - Propionic acid
 - Propylene Glycol
 - Sulfuric acid
 - Urea
 - Food Additives and Preservatives
 - Brewery line
 - Flocculants
 - Coagulants
 - Precipitants
 - Antifoams
 - Fluorination
 - Equipment
 - Agricultural Fertilizers and Adjuvants
 - Amino acids
 - Minerals
 - Oils
 - And many more

- **Expand our specialty and value-added services**
 - Customer formulation
 - Technical and quality
 - Sales
- **Bolster and improve our extensive supplier base**
- **Add new Water Treatment facilities annually**
- **Invest in production capabilities in higher margin / growth areas**
- **Foster strong people culture**
 - Hire and develop employees
 - Safe and ethical
 - Continuous Improvement



INDUSTRIAL GROUP



The Industrial Group formulates, manufactures, and distributes specialty and industrial chemicals.

Hawkins also offers custom toll blending and product development services for our customers.



INDUSTRIAL Focus Areas

Typical end markets:

- Industrial Manufacturers
- Food Processors
- Pharmaceutical
- Oil Fields
- Surface Finishers
- Agricultural Operations

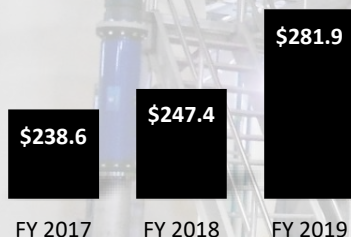
Market Focus Areas:

- Food Ingredients
- Pharmaceutical
- Oil and Gas
- Chemical Processing
- Agricultural
- Electronics
- Plating
- Energy

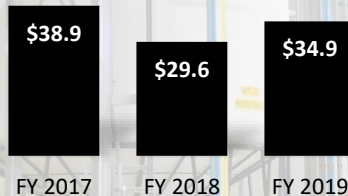
INDUSTRIAL Group Financials (millions)



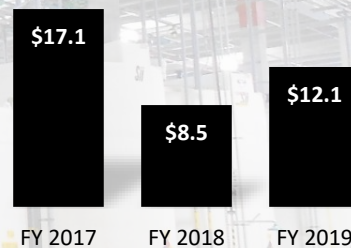
Sales



Gross Profit



Operating Income



INDUSTRIAL Differentiators



- Technical Knowledge – 80+ Years of experience
- Geographic Distribution – Multiple manufacturing facilities with extensive storage capacity
- Custom Solutions, Toll Blending, Large and Diverse Product Lines
- Packaging to Fit Customers' Needs:
 - Bulk, Drums, Totes, Custom Packaging
- Services Include:
 - Contract Manufacturing and Packaging
 - Regulatory and Safety Assistance
 - Inventory Management
 - Remote Tank Monitoring
 - Technical and Engineering Support



WATER TREATMENT

Specializes in providing chemicals, equipment, and solutions for potable water, municipal and industrial wastewater, agricultural water, and industrial process water.

Our salesperson/route driver is a trained technician who can deliver our products and diagnose our customers' water treatment needs.

We believe that the high level of service provided by these individuals allows us to serve as the trusted water treatment expert for the municipalities and other customers that we serve.



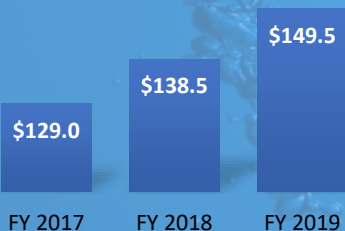
WATER TREATMENT Differentiators

- Large Geographic Territory
 - Locations in 30 Cities in 18 States
- Full Line Product Offering
 - Chemistries and Equipment
- Route Sales/Service Business Model
 - Technical Application Specialists

WATER TREATMENT Group Financials (millions)



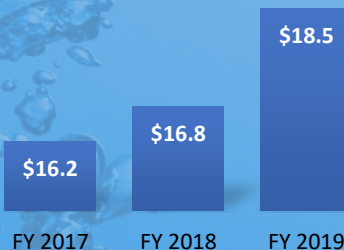
Sales



Gross Profit



Operating Income





WATER TREATMENT Focus Areas

- Municipal Drinking Water
- Municipal Wastewater
- Municipal Swimming Pools
- Industrial Wastewater
- Industrial Process Water
- Heating / Boiler
- Cooling Systems / Cooling Towers

- Breweries / Wineries

Agricultural Water Treatment:

- Poultry
- Swine
- Dairy
- Citrus Groves
- Farm Crops



HEALTH & NUTRITION

The background of the slide features a silhouette of two people riding bicycles on a grassy bank. They are positioned in the lower half of the frame, with the sun setting behind them, creating a bright glow on the horizon and reflecting on the water. The sky is a clear, deep blue.

The Health & Nutrition segment provides high-quality ingredients to manufacturers of nutraceutical, functional food & beverage, dietary supplement, other health and wellness products.

The Health & Nutrition Group relies on a specially trained sales and product development staff that works directly with customers on their specific needs.



HEALTH & NUTRITION Products Categories

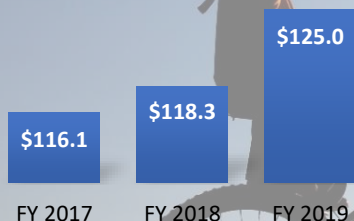
This segment's product line includes:

- Energy and weight loss ingredients
- Amino acids
- Antioxidants
- Botanicals
- Enzymes
- Green foods
- Minerals
- Oils
- Probiotics
- Proteins
- Vitamins

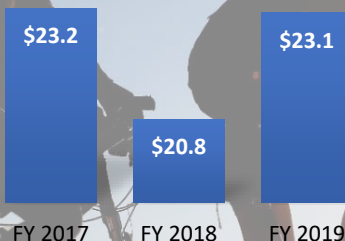


HEALTH & NUTRITION Group Financials (millions)

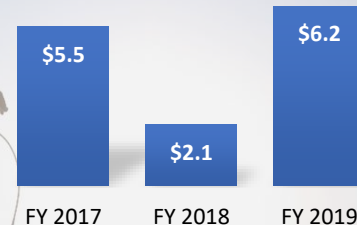
Sales



Gross Profit



Operating Income*



*Fiscal 2018 Adjusted for goodwill impairment of \$39.1 M



HEALTH & NUTRITION Differentiators

- Branded Partners: Extensive product portfolio
- Value-added services, including product formulation, sourcing and distribution
- Processing and blending, quality control and compliance

Health & Nutrition is positioned as a one-stop ingredient solutions provider to its customers.

Our Stauber brand is known as the leader in the industry.

HEALTH & NUTRITION Partners (sample)



☐ **Strong Supplier Relationships**

- Strong partnerships with key suppliers including caustic soda, hydrochloric acid, phosphates and specialty products

☐ **Tenured Employees**

- Average tenure 7 years
- 650+ employees
- Median employee pay \$87k and CEO pay ratio of 18:1
- Average Hawkins Executive tenure - 21 years

☐ **Long-Term Customers**

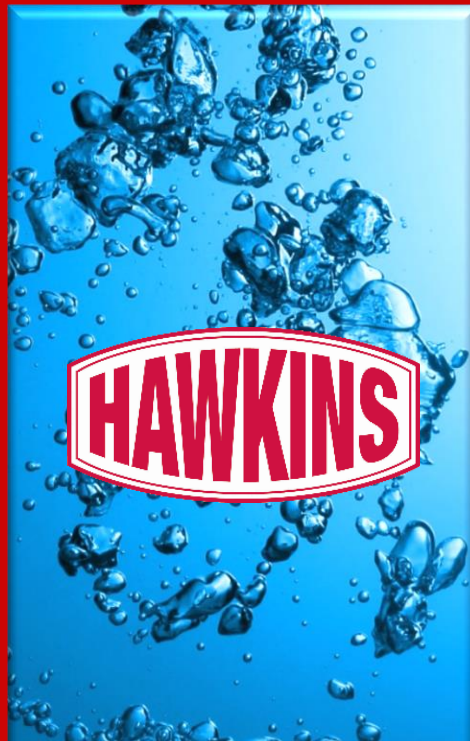
- Strong, long-term relationships with average customer tenure over 20 years
- Deliveries 365 days/year

☐ **Involved in our Communities**

☐ **Sustainability Efforts**

- Focused on reducing waste through returnable totes, bulk deliveries, less fuel consumption, etc.
- Products that help keep environment clean

Financials



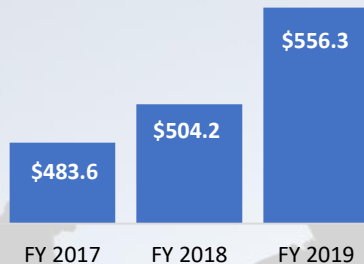
Solid Company • Proven Performance • Strong Future

Celebrating 80+ years of serving our customers

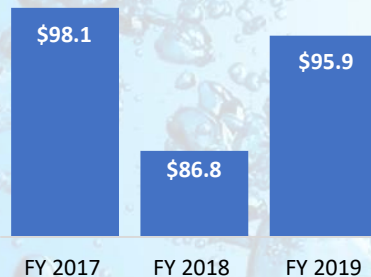
Fiscal 2017-2019 Financials (in millions)



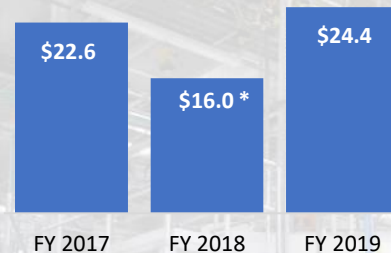
Sales



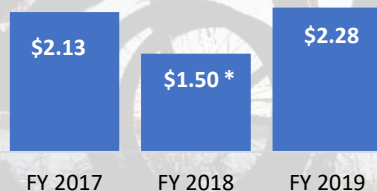
Gross Profit



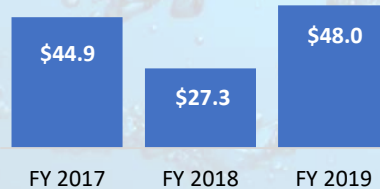
Net Income



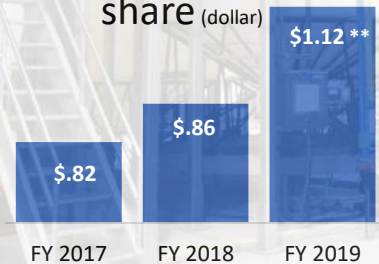
Diluted Earnings Per Share (dollar)



Operating Cash Flow



Dividend paid per share (dollar)



*Adjusted for goodwill impairment change of \$39.1 million (\$3.68 per diluted share) related to our Health & Nutrition segment and a one-time tax benefit of \$13.9 million (\$1.31 per diluted share)

** FY19 changed to quarterly dividends, current annualized dividend \$0.92

Consistent growth, 9% Sales CAGR, 8% Gross Profit CAGR



FY19 Sales \$556.3M

- Gross profit \$95.9M
- Net Income \$24.4M

FY18 Sales \$504.2M

- Gross profit \$86.8M
- Net Income \$16.0M*

FY17 Sales \$483.6M

- Gross profit \$98.1M
- Net Income \$22.6M

FY16 Sales \$414.0M

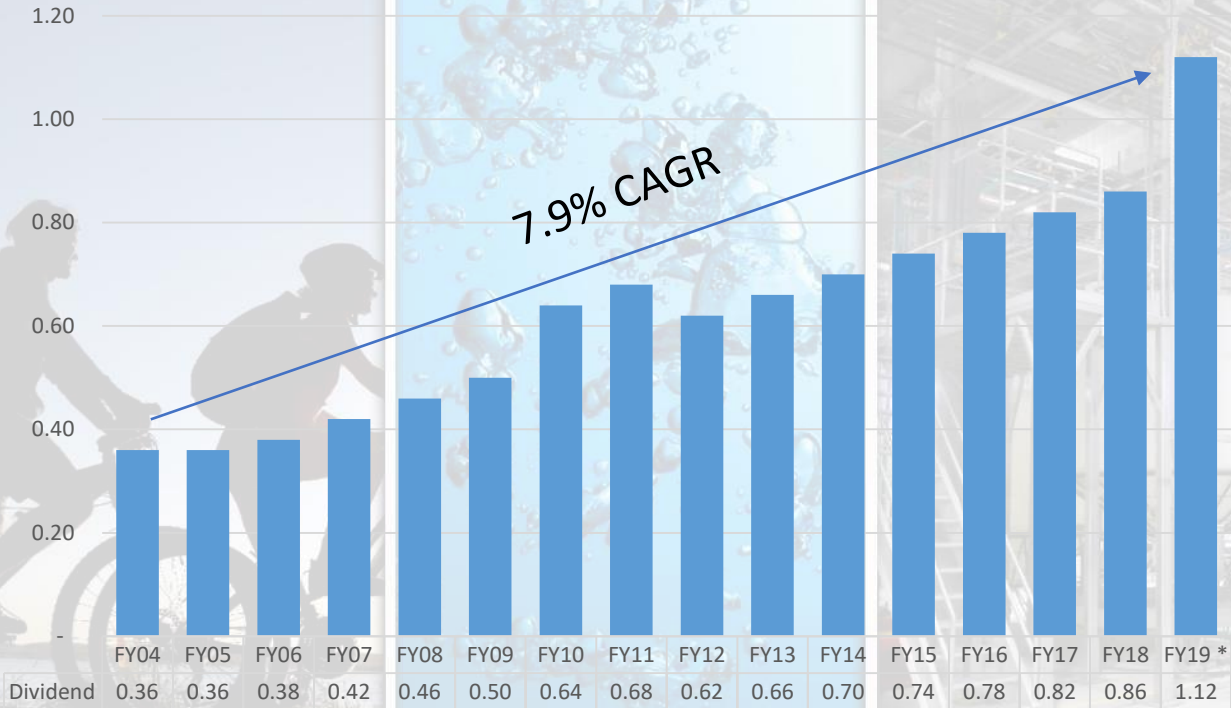
- Gross profit \$80.3M
- Net Income \$18.1M

FY15 Sales \$364.0M

- Gross profit \$65.8M
- Net Income \$19.2M

**Adjusted for goodwill impairment change of \$39.1 million (\$3.68 per diluted share) related to our Health & Nutrition segment and a one-time tax benefit of \$13.9 million (\$1.31 per diluted share)*

Dividend History



* FY19 changed to quarterly dividends,
current annualized dividend \$0.92

☐ **Invest in the business:**

- Capital Expenditures of 3-4% of Revenue
- Add employees as business grows
- Add new Water Treatment facilities annually
- Acquisitions as appropriate opportunities arise

☐ **Continue quarterly dividend payments (dividends have been paid continuously since 1985)**

☐ **Focus on paying down debt, with a targeted leverage ratio not to exceed 3x EBITDA on a long-term basis, currently at 1.4x EBITDA**

☐ **Share repurchases to offset dilution**

- **Expand our specialty and value-added services**
 - **Customer formulation**
 - **Technical and quality**
 - **Sales**
- **Bolster and improve our extensive supplier base**
- **Add new Water Treatment facilities annually**
- **Invest in production capabilities in higher margin / growth opportunities**
- **Foster strong people culture**
- **Grow Earnings**



*Celebrating 80+ years of
serving our customers*



Appendix



Solid Company • Proven Performance • Strong Future

Celebrating 80+ years of serving our customers

Non-GAAP Measures



(In thousands, except share and per share data)

As Reported (GAAP)

Revaluation of net deferred tax liabilities

Goodwill impairment

As Adjusted

(1) 10,726,176 shares used in calculating diluted earnings per share

(2) 10,643,719 shares used in calculating diluted earnings per share

Fiscal Year Ended

March 31, 2019		April 1, 2018	
Net Income	Diluted earnings per share (1)	Net Loss	Diluted (loss) earnings per share (2)
\$ 24,433	\$ 2.28	\$ (9,177)	\$ (0.86)
—	—	(13,943)	(1.31)
—	—	39,116	3.68
\$ 24,433	\$ 2.28	\$ 15,996	\$ 1.50

Adjusted EBITDA

(In thousands)

Net income (loss) (GAAP)

Interest expense

Income tax expense (benefit)

Amortization of intangibles

Depreciation expense

Goodwill impairment

Non-cash compensation expense

Non-recurring debt refinancing costs

Adjusted EBITDA

Fiscal Year Ended

March 31, 2019	April 1, 2018
\$ 24,433	\$ (9,177)
3,361	3,409
9,097	(5,899)
5,454	5,704
16,302	16,686
—	39,116
2,010	1,371
92	—
\$ 60,749	\$ 51,210