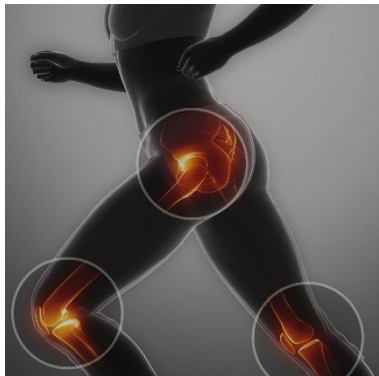


Hn

Health &
Nutrition



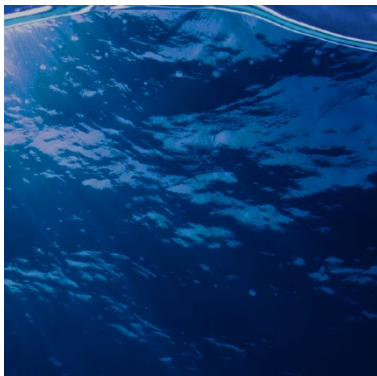
In

Industrial



Wt

Water
Treatment



Nasdaq: HWKN

Investor Presentation

May 2021



FORWARD-LOOKING STATEMENTS

The information contained in this presentation includes “forward-looking statements” which reflect management’s expectations or beliefs 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.



Investment Highlights

- **83-year track record of growth**
- **36 consecutive years of dividends**
- **Critical products and services**
- **Executing on growth strategy**



GROWTH STRATEGY

- **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 capabilities for higher margin / growth products**
- **Foster strong people culture**
 - Hire and develop employees
 - Safe and ethical
 - Continuous improvement

ACQUISITIONS

INTRODUCE NEW PRODUCTS
& PRODUCT LINES

EXPAND CURRENT MARKETS
& GROW NEW MARKETS

CONTINUE TO ADD
DISTRIBUTION PARTNERS

MAINTAIN CURRENT CUSTOMER AND
SUPPLIER RELATIONSHIPS



STRONG TRACK RECORD OF ACCRETIVE ACQUISITIONS

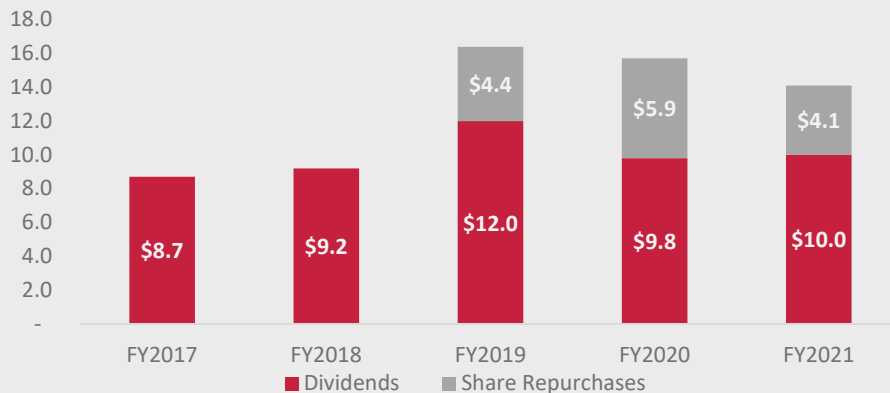
- 01/2021 – C&L Aqua and LC Blending, Inc. in Louisiana (Water Treatment)
- 07/2020 – American Development Corporation of Tennessee (Water Treatment)
- 12/2015 – Stauber Performance Ingredients (Health and Nutrition)
- 09/2015 – Davis (Water Treatment)
- 10/2014 – Dumont (Water Treatment)
- 09/2012 – Ingredient Works (Industrial)
- 01/2011 – Vertex (Industrial)





CONSISTENT RETURN OF CAPITAL TO SHAREHOLDERS

DIVIDENDS & SHARE REPURCHASES (IN MILLIONS)



	FY2017	FY2018	FY2019	FY2020	FY2021
Dividends per Share*:	\$0.41	\$0.43	\$0.56	\$0.46	\$0.47

1.4%

DIVIDEND
YIELD

36

CONSECUTIVE
YEARS OF
CASH
DIVIDENDS

3.6%

FY21
DIVIDEND
CAGR

**FY19 changed to quarterly dividends, FY19 annualized quarterly dividend would have equated to \$0.45.*

Share repurchases are to offset dilution. FY17 and FY18, there were no share repurchases as focus was to pay down debt after the Health and Nutrition acquisition

Dividends are adjusted for the stock split that occurred in March 2021.



CAPITAL ALLOCATION

FREE CASH FLOW (IN MILLIONS)

- Invest in the business
- Pay quarterly dividends
- Manage Debt
- Repurchase shares to offset dilution
- Opportunistic acquisitions



	FY2017	FY2018	FY2019	FY2020	FY2021
Operating Cash Flow:	\$44.9	\$27.4	\$48.0	\$58.9	\$43.8
Capital Expenditures:	(\$21.6)	(\$19.7)	(\$12.6)	(\$24.5)	(\$20.8)



Environmental, Social, and Governance

▪ Environmental

- Products we sell can be neutralized to a safe pH balance reducing their impact on the environment
- Many of our products can be used to help our customers improve efficiencies and reduce emissions

▪ Social

- Supply the products that keep water safe and clean for millions of people throughout the United States
- Contribute to local non-profit organizations, enhancing the communities we serve

▪ Governance

- Core to our business is ensuring product quality, safety, and responsible distribution
- Diversity throughout company, 42% among employee base, 29% within the Board, and 22% at Executive Management



COVID-19 SNAPSHOT

**HAWKINS IS CONSIDERED PART OF
OUR COUNTRY'S ESSENTIAL CRITICAL
INFRASTRUCTURE**

- **Hawkins impacts millions of people daily across the U.S. We provide:**
 - Critical products needed to maintain safe drinking water
 - Ingredients essential for large-scale food, pharmaceutical and other health product manufacturing
 - Products needed to support our critical infrastructure
- **Employee and Customer safety is always a priority**
 - Hawkins strives to comply with all CDC requirements
 - Implemented additional processes and procedures to ensure safety
- **Redundant plant capabilities**
- **Increased inventory to meet customer needs**
- **All sites continued to operate during the entire pandemic, with no significant impact to manufacturing**



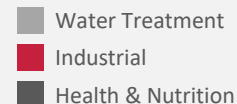
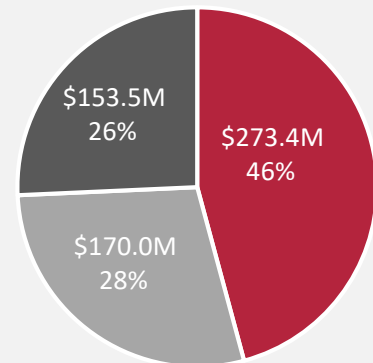
COMPANY SNAPSHOT

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

Three Business Segments:



FISCAL 2021 REVENUE BY SEGMENT





Segment Growth Focus

▪ Industrial

- Grow pharmaceutical, food, and agricultural business through new product development, capital and people investments
- Maintain large bulk purchases and sales to leverage supply chain

▪ Water Treatment

- Grow all 33 water treatment facilities, while adding one to two new locations per year, through acquisitions or new greenfield locations
- Continued focus on superior service with local expertise

▪ Health and Nutrition

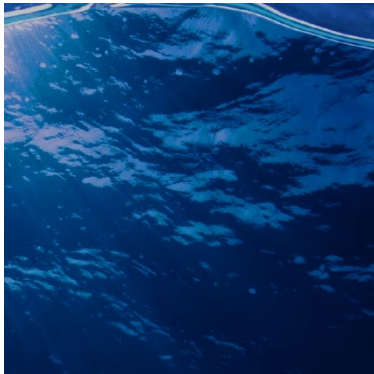
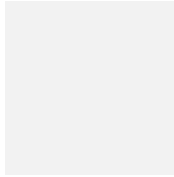
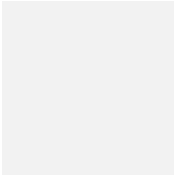
- Focus on growing specialty branded products, backed by science, delivering to the customer with technical expertise
- Leverage and grow manufactured products





PEOPLE & CULTURE MATTER

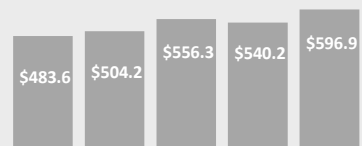
- **Strong Supplier Relationships**
 - Strong partnerships with key suppliers including caustic soda, hydrochloric acid, phosphates and specialty products
- **Tenured Employees**
 - Average tenure 8 years
 - 750+ employees
 - Median employee pay \$90k and CEO pay ratio of 24:1
- **Long-Term Customers**
 - Strong, long-term relationships
 - Deliveries 365 days/year
- **Local Community Involvement**
- **COVID-19 Donations**
 - Products for production of sanitizers
 - Bleach to local municipalities
 - Dollars to food shelves and front-line workers





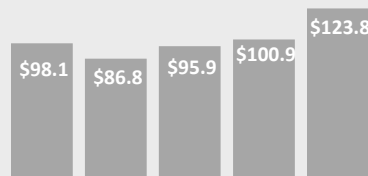
FISCAL 2017-2021 FINANCIALS (IN MILLIONS)

SALES (5.4% CAGR)



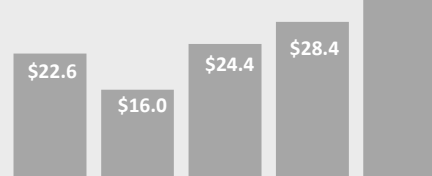
FY 2017 FY 2018 FY 2019 FY 2020 FY 2021

GROSS PROFIT (6.0% CAGR)



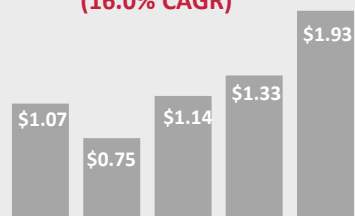
FY 2017 FY 2018 FY 2019 FY 2020 FY 2021

NET INCOME (16.1% CAGR)



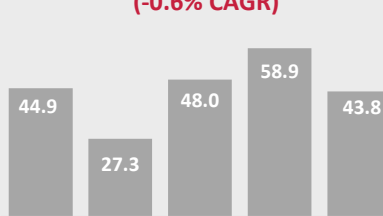
FY 2017 FY 2018* FY 2019 FY 2020 FY 2021

DILUTED EPS (16.0% CAGR)



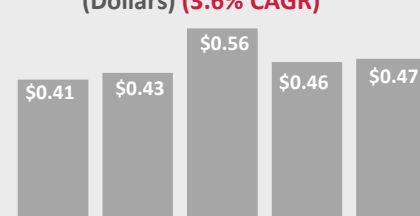
FY 2017 FY 2018* FY 2019 FY 2020 FY 2021

OPERATING CASH FLOW (-0.6% CAGR)



FY 2017 FY 2018 FY 2019 FY 2020 FY 2021

DIVIDENDS PAID PER SHARE (Dollars) (3.6% CAGR)



FY 2017 FY 2018 FY 2019** FY 2020 FY 2021

*Adjusted to exclude goodwill impairment change of \$39.1 million (\$1.84 per diluted share) related to our Health & Nutrition segment and a one-time tax benefit of \$13.9 million (\$0.65 per diluted share)

** FY19 changed to quarterly dividends, FY19 annualized quarterly dividend would have equated to \$0.45

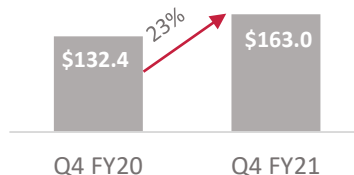


FISCAL 2021 QUARTER FINANCIALS

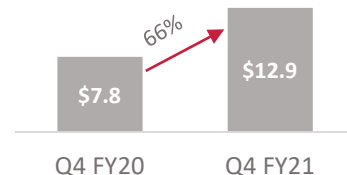
12TH CONSECUTIVE QUARTER OF YEAR-OVER-YEAR OPERATING INCOME GROWTH

- Record fourth quarter revenue of \$163.0M, growth of 23% over the prior year
- Record fourth quarter gross profit of \$31.7M, a 40% increase over the prior year
- Diluted Earnings Per Share (EPS) of \$0.43, 91% higher than the prior year

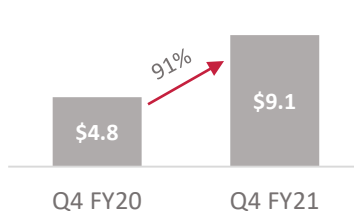
REVENUE (\$ Million)



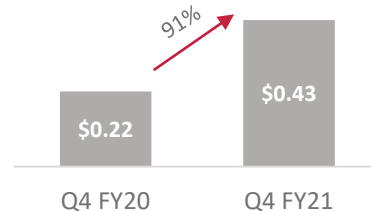
OPERATING INCOME (\$ Million)



NET INCOME (\$ Million)



DILUTED EPS



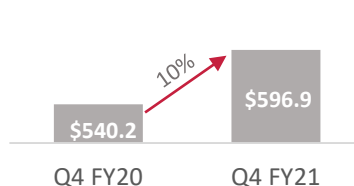


FISCAL 2021 FULL YEAR FINANCIALS

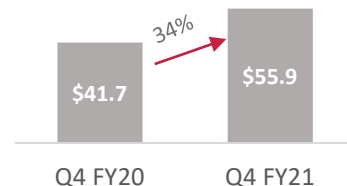
DOUBLE-DIGIT YEAR-OVER-YEAR PROFIT GROWTH

- Record annual revenue of \$596.9M, up 10%
- Record annual gross profit of \$123.8M, up 23%
- Record annual net income and diluted EPS, both up ~45% over the prior year

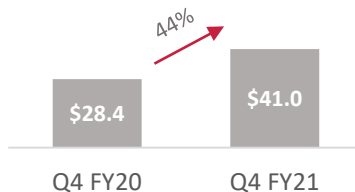
REVENUE (\$ Million)



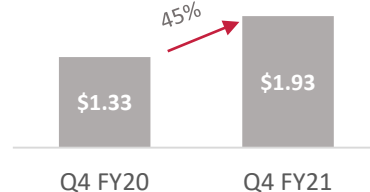
OPERATING INCOME (\$ Million)

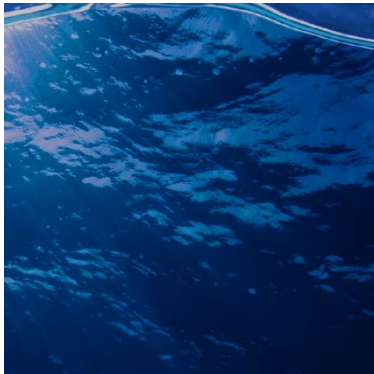
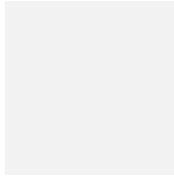
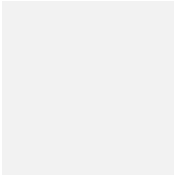


NET INCOME (\$ Million)



DILUTED EPS





A photograph of an industrial chemical processing facility. The scene features large stainless steel tanks, complex piping systems, and a multi-level metal walkway with stairs. The lighting is industrial, with bright overhead lights and some shadows. The overall tone is professional and technical.

In

Industrial

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

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





In

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

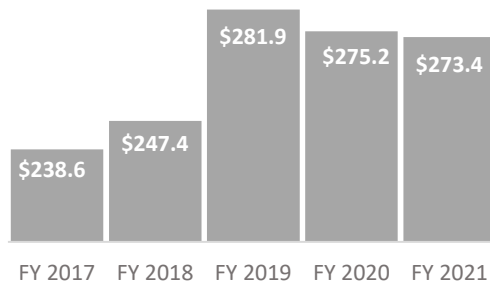
In

Industrial

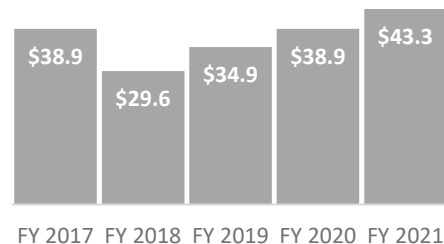


INDUSTRIAL FINANCIALS (IN MILLIONS)

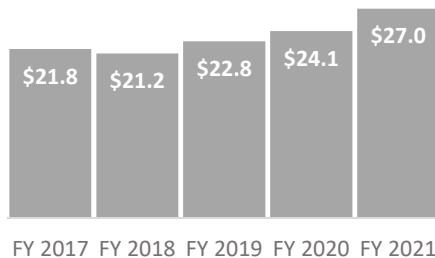
SALES (3.5% CAGR)



GROSS PROFIT (2.7% CAGR)

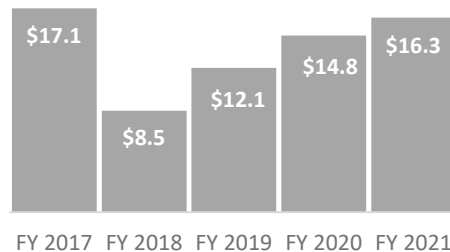


SG&A (5.5% CAGR)



OPERATING INCOME

(-1.1% CAGR)





In

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



Our Water Treatment Group specializes in providing chemicals, equipment, and solutions for treatment of 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.



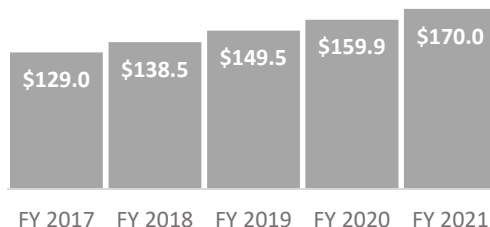


DIFFERENTIATORS

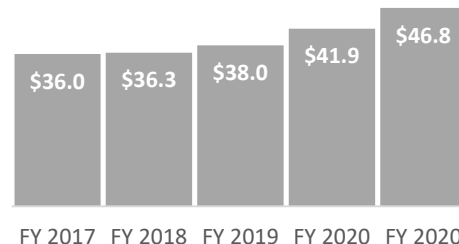
- **Large Geographic Territory**
 - Locations in 33 Cities in 20 States
- **Full Line Product Offering**
 - Chemistries and Equipment
- **Route Sales/Service Business Model**
 - Technical Application Specialists

WATER TREATMENT FINANCIALS (IN MILLIONS)

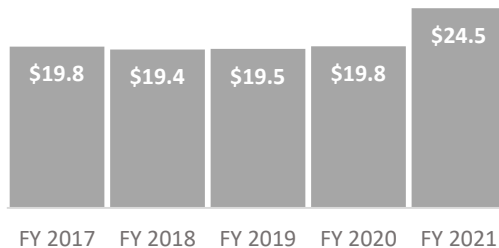
SALES (7.2% CAGR)



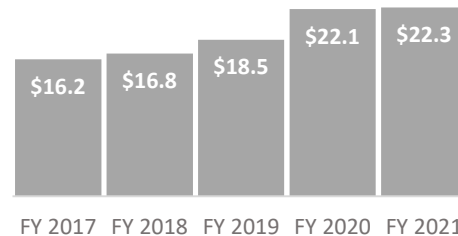
GROSS PROFIT (6.8% CAGR)



SG&A (5.4% CAGR)



OPERATING INCOME (8.4% CAGR)





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

A dark silhouette of a female athlete in a running pose, with glowing orange and yellow highlights on the hip, knee, and ankle joints. A white square box is positioned over the upper torso area.

Hn

Health &
Nutrition

Our Health & Nutrition Group provides a broad spectrum of high-quality ingredients for use in dietary supplements, functional food and beverage, pharmaceutical and pet food products.

Our Health & Nutrition Group has a team of professionals trained to sell all product categories, to fully support product development on specific raw material requirements and applications.

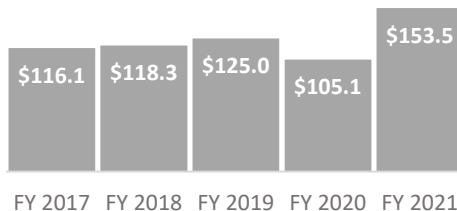


PRODUCT CATEGORIES

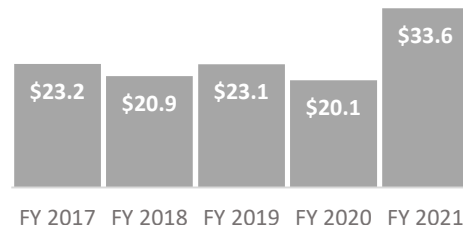
- Energy, Immunity, and Cognition Ingredients
- Amino Acids
- Antioxidants
- Botanicals
- Enzymes
- Minerals
- Oils / Oil Powders
- Fibers
- Probiotics
- Plant Proteins
- Vitamins

HEALTH AND NUTRITION FINANCIALS (IN MILLIONS)

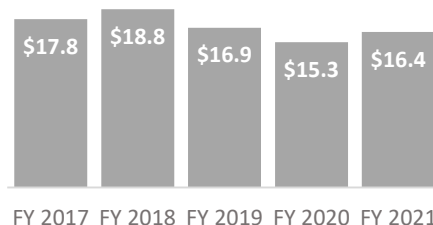
SALES (7.2% CAGR)



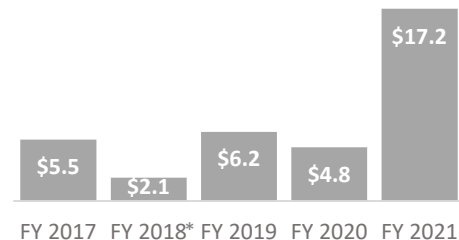
GROSS PROFIT (9.7% CAGR)



SG&A (-2.0% CAGR)



OPERATING INCOME (33.3% CAGR)



*Fiscal 2018 excludes goodwill impairment of \$39.1 M

DIFFERENTIATORS

Our Health & Nutrition group is positioned as a one-stop ingredient solution provider to its customers and is highly regarded as a leader in the health and nutrition industry.

- Robust product portfolio
- Represents key brand manufacturers that offer science-based, clinically studied products
- Provides value-added services, including dry blending and granulation, quality control and compliance, and innovative solutions with an exceptional level of customer service

Hn

Health &
Nutrition



KEY BRANDS



nippi



Stevia FSE™
natural sweetener
Unique Enzyme-Treated Organic Stevia Extract

Lipofoods

cOVICO™
COCONUT SOLUTIONS

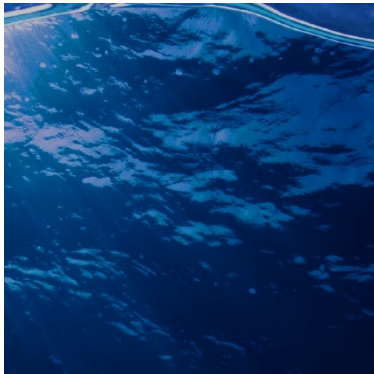
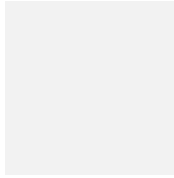
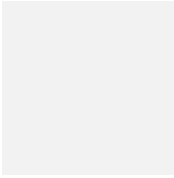
Hereditum®
PROBIOTICS

PANMOL®



 **Fermentalg**

pomma+
Pomegranate Extract

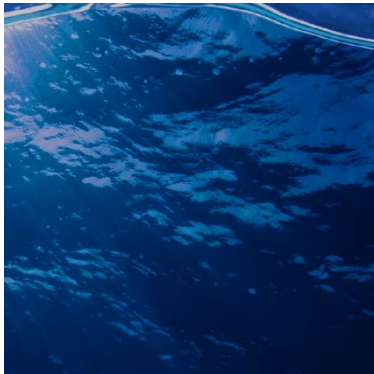
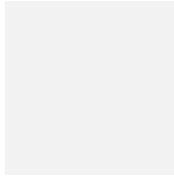
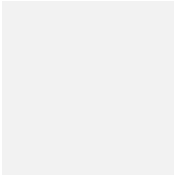




BUSINESS STRATEGY

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







END MARKETS SERVED

Pharmaceutical

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

Food and Beverage

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

Water Usage

- Wastewater
- Drinking Water
- Pools
- Bioaugmentation

Industrial / Manufacturing

- Mining and Oil Fields
- Metal Salts
- Cleaners and Acids
- Plating Additives

Agriculture

- Fertilizers
- Barn Water Treatment
- Crop Preservation

Health and Nutrition

- Vitamins
- Amino Acids
- Minerals
- Botanicals
- Joint Products
- Sweeteners
- Excipients

Other Markets

- Custom Blending
- Toll Manufacturing
- Customer Formulations



SIGNIFICANT PRODUCTS

- Acetic Acid
- Ammonia and Aqua Ammonia
- Bleach
- Calcium Chloride
- Caustic Potash (Potassium Hydroxide)
- Caustic Soda (Sodium Hydroxide)
- Chlorine Gas
- Ferric Chloride

- Formic Acid
- Hydrochloric Acid
- Nitric Acid
- Phosphoric Acid
- Propionic Acid
- Propylene Glycol
- Sulfuric Acid
- Urea
- Food Additives and Preservatives
- Brewery Products

- Flocculants
- Coagulants
- Precipitants
- Antifoams
- Fluoridation
- Equipment
- Agricultural Fertilizers and Adjuvants
- Amino acids
- Minerals
- Oils
- and thousands more...



NON-GAAP MEASURES

Adjusted EBITDA (in thousands)	Trailing 12 Months Ended	
	March 28, 2021	March 29, 2020
Net income (GAAP)	\$ 40,980	\$ 28,367
Interest expense	1,467	2,511
Income tax expense	14,871	10,589
Amortization of intangibles	5,839	5,073
Depreciation expense	16,829	16,511
Non-cash compensation expense	3,343	2,273
Non-recurring acquisition expense	562	-
Adjusted EBITDA	\$ 83,891	\$ 65,324

FY2018 Adjusted Net Income (in thousands, except share and per share data)	Net (loss) Income	Diluted (loss) earnings per share
As Reported (GAAP)	\$ (9,177)	\$ (0.86)
Revaluation of net deferred tax liabilities	(13,943)	(1.31)
Goodwill impairment	39,116	3.68
As Adjusted	\$ 15,996	\$ 1.50

