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Hostess Brands to Add New Bakery in Arkadelphia, Ark., to Meet Increased Demand

Company will convert idled factory to state-of-the-art facility, add 150 new jobs over next three years

LENEXA, Kan., March 7, 2022 /PRNewswire/ -- Hostess Brands, Inc. (NASDAQ: TWNK), a leading sweet snacks company, has announced that it will convert an idled factory in Arkadelphia, Ark., into a state-of-the-art bakery. The bakery is expected to be operational in the second half of 2023 and bring approximately 150 new jobs to the community over the next three years.



Hostess Brands, whose iconic snack foods include Donettes[®], Twinkies[®], CupCakes and Ding Dongs[®], as well as Voortman[®] cookies and wafers, plans to invest \$120 million to \$140 million to transform the 330,000-square-foot facility in Arkadelphia into a next-generation bakery. The new bakery will increase the company's capacity across its bakeries on its Donettes and cake platforms by approximately 20%. It will also enable the company to accommodate production growth in the future.

"We've been profitably gaining market share across the snacking categories in which we compete," said Andy Callahan, president and chief executive officer of Hostess Brands. "The addition of this new bakery signals our confidence that we expect the growth we have demonstrated over the last several years to continue."

Hostess Brands' decision to renovate an existing building will reduce the company's costs for the new bakery as well as minimize environmental impacts.

"We are emphasizing a sustainability-first approach to this project while leveraging best practices from across our network of bakeries and we anticipate this bakery will be our most efficient and greenest operation yet," said Callahan. "We are grateful for the help and support that we received from the city of Arkadelphia and the Arkadelphia Alliance, Clark County, the state of Arkansas and the Arkansas Economic Development Commission, and the partnerships we have entered into with these entities. We look forward to welcoming new

team members to our newest bakery when it becomes operational in 2023 and to becoming a part of the Arkadelphia community."

"I could not be more excited to welcome Hostess to the Arkansas family of businesses," said Governor Asa Hutchinson. "Arkansans of all ages have enjoyed Hostess products for more than a century, so it is no wonder they are now a leading snack company. The company's selection of Clark County speaks volumes about the confidence they have in the area's business climate and workforce, and I am confident Hostess will find success in Arkansas."

"This is a huge win for Arkadelphia, Clark County and the entire state," said Secretary of Commerce Mike Preston. "Hostess is going to build a bakery of the future in Arkansas by transforming this site into a facility focused on sustainable design and practices. In addition, the Hostess facility will create 150 new jobs in south Arkansas that will have a lasting impact on the local economy."

"Clark County will continue to attract high-quality businesses such as Hostess Brands and provide them with the resources they need to invest, create jobs and produce premium products," said J.L. Griffin, CEO of Arkadelphia Alliance. "We are thrilled to begin a long-term partnership with Hostess Brands to bring further opportunities."

About Hostess Brands, Inc.

Hostess Brands, Inc. (NASDAQ: TWNK) is a leading sweet snacks company focused on developing, manufacturing, marketing, selling and distributing products in North America under the Hostess[®] and Voortman[®] brands. The company produces a variety of new and classic treats, including iconic Hostess[®] Donettes[®], Twinkies[®], CupCakes, Ding Dongs[®] and Zingers[®], as well as a variety of Voortman[®] cookies and wafers. For more information about Hostess Brands, please visit hostessbrands.com.

Forward-Looking Statements

This press release contains statements reflecting our views about the future performance of the company that constitute "forward-looking statements" that involve substantial risks and uncertainties. Forward-looking statements are generally identified through the inclusion of words such as "believes," "expects," "intends," "estimates," "projects," "anticipates," "will," "plan," "may," "should" or similar language. Statements addressing our future operating performance and statements addressing events and developments that we expect or anticipate will occur are also considered forward-looking statements. All forward-looking statements included herein are made only as of the date hereof. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

As a result of a number of known and unknown risks and uncertainties, the company's actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Risks and uncertainties are identified and discussed in Item 1A-Risk Factors in the company's annual report on Form 10-K for 2021 filed on March 1, 2022. All subsequent written or oral forward-looking statements attributable to us or persons acting on the company's behalf are expressly qualified in their entirety by these risk factors.

Investor contact

Amit Sharma

816-701-4662

asharma@hostessbrands.com

Media contact

Lauren Bettenga

952-797-6839

lauren.bettenga@clynch.com

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