Hostess® BRANDS

CAGNY 2023

February 22, 2023

Hostess BRANDS

Andy Callahan

President
& CEO

Disclaimer

Forward Looking Statements

This investor presentation contains statements reflecting our views about the future performance of Hostess Brands, Inc. and its subsidiaries (referred to as "Hostess Brands" or 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.

These statements inherently involve risks and uncertainties that could cause actual results to differ materially from those anticipated in such forward-looking statements. These risks and uncertainties include, but are not limited to, maintaining, extending and expanding the Company's reputation and brand image; leveraging the Company's brand value to compete against lower-priced alternative brands; the ability to pass cost increases on to our customers; correctly predicting, identifying and interpreting changes in consumer preferences and demand and offering new products to meet those changes; protecting intellectual property rights; operating in a highly competitive industry; the ability to maintain or add additional shelf or retail space for the Company's products; the ability to identify or complete strategic acquisitions, alliances, divestitures or joint ventures; our ability to successfully integrate, achieve expected synergies and manage our acquired businesses and brands; the ability to integrate and manage capital investments; the ability to manage changes in our manufacturing processes resulting from the expansion of our business and operations, including with respect to cost-savings initiatives and the introduction of new technologies and products; the ability to drive revenue growth in key products or add products that are faster-growing and more profitable; volatility in commodity, energy, and other input prices due to inflationary pressures and the ability to adjust pricing to cover increased costs; loss of one or more of our co-manufacturing arrangements; significant changes in the availability and pricing of transportation; negative impacts of climate change; dependence on major customers; increased labor and employee related costs; strikes or work stoppages; product liability claims, product recalls, or regulatory enforcement actions; the ability to produce and successfully market products with extended shelf life; dependence on third parties for significant services; unanticipated business disruptions; adverse impact or disruption to our business caused by pandemics or outbreaks of highly infectious or contagious diseases; disruptions in global economy due to the Russia and Ukraine conflict; geographic focus could make the Company particularly vulnerable to economic and other events and trends in North America; consolidation of retail customers; unsuccessful implementation of business strategies to reduce costs; increased costs to comply with governmental regulation; failures, unavailability, or disruptions of the Company's information technology systems; dependence on key personnel or a highly skilled and diverse workforce; the Company's ability to finance indebtedness on terms favorable to the Company; and other risks as set forth from time to time in the Company's Securities and Exchange Commission filings.

The long-term algorithms contained in this presentation are goals that are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company and are based on assumptions with respect to future actions which are subject to change.

Industry and Market Data

In this Investor Presentation, Hostess Brands relies on and refers to information and statistics regarding market shares in the sectors in which it competes and other industry data. Hostess Brands obtained this information and statistics from third-party sources, including reports by market research firms, such as Nielsen. Prior period Nielsen data was adjusted to exclude the Cloverhill® and Big Texas® brands in the periods they were not owned by Hostess. Hostess Brands has supplemented this information where necessary with information from discussions with Hostess customers and its own internal estimates, taking into account publicly available information about other industry participants and Hostess Brands' management's best view as to information that is not publicly available.

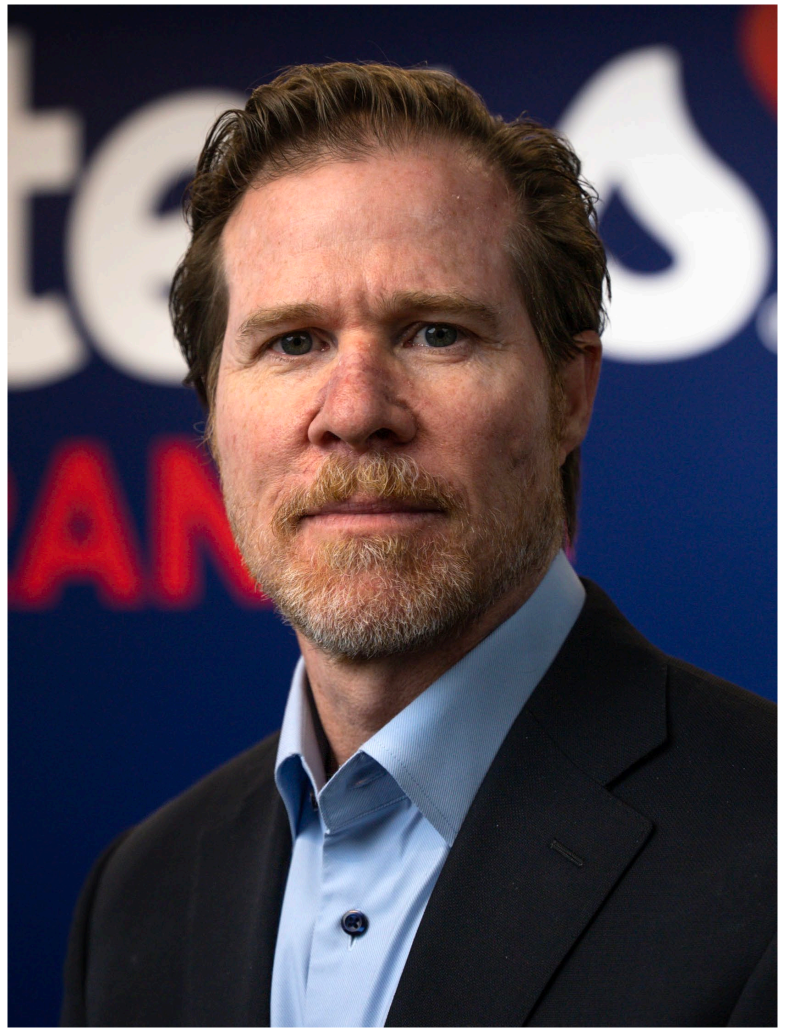
Use of Non-GAAP Financial Measures

Adjusted gross profit, adjusted gross margin, adjusted operating income, adjusted net income, adjusted net income margin, adjusted diluted shares and adjusted EPS collectively referred to as "Non-GAAP Financial Measures," are commonly used in the Company's industry and should not be construed as an alternative to net revenue, gross profit, operating income, net income, net income attributed to Class A stockholders, diluted shares outstanding or earnings per share as indicators of operating performance (as determined in accordance with GAAP). These Non-GAAP financial measures exclude certain items included in the comparable GAAP financial measure. This Investor Presentation also includes non-GAAP financial measures, including earnings before interest, taxes, depreciation, amortization and other adjustments to eliminate the impact of certain items that we do not consider indicative of our ongoing performance ("Adjusted EBITDA") and Adjusted EBITDA Margin. Adjusted EBITDA Margin represents Adjusted EBITDA divided by adjusted net revenues. Hostess Brands believes that these Non-GAAP Financial Measures provide useful information to management and investors regarding certain financial and business trends relating to Hostess Brands' financial condition and results of operations. Hostess Brands' management uses these Non-GAAP Financial Measures to compare Hostess Brands' performance to that of prior periods for trend analysis, for purposes of determining management incentive compensation, and for budgeting and planning purposes. Hostess Brands believes that the use of these Non-GAAP Financial Measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. Management of Hostess Brands does not consider these Non-GAAP Financial Measures in isolation or as an alternative to financial measures determined in accordance with GAAP. Other companies may calculate non-GAAP measures differently, and therefore Hostess Brands' Non-GAAP Measures may not be directly comparable to similarly titled measures of other companies. The Company does not provide a reconciliation of the forward-looking information to the most directly comparable GAAP measures because of the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations. Totals in this Investor Presentation may not add up due to rounding.

Hostess®
BRANDS

Building a PREMIER SNACKING COMPANY

Agenda



Andy Callahan

President & CEO

Building a Premier Snacking Company

Dan O'Leary

Chief Growth Officer

Differentiated Growth

Travis Leonard

Chief Financial Officer

Financial Strength

Building a Premier Snacking Company

Hostess BRANDS

- Pure-play snacking company
- 3,000 Employees
- North America Operations

$1.4 Billion of Annual Net Revenue

Growing at **14% CAGR** over last 3 years

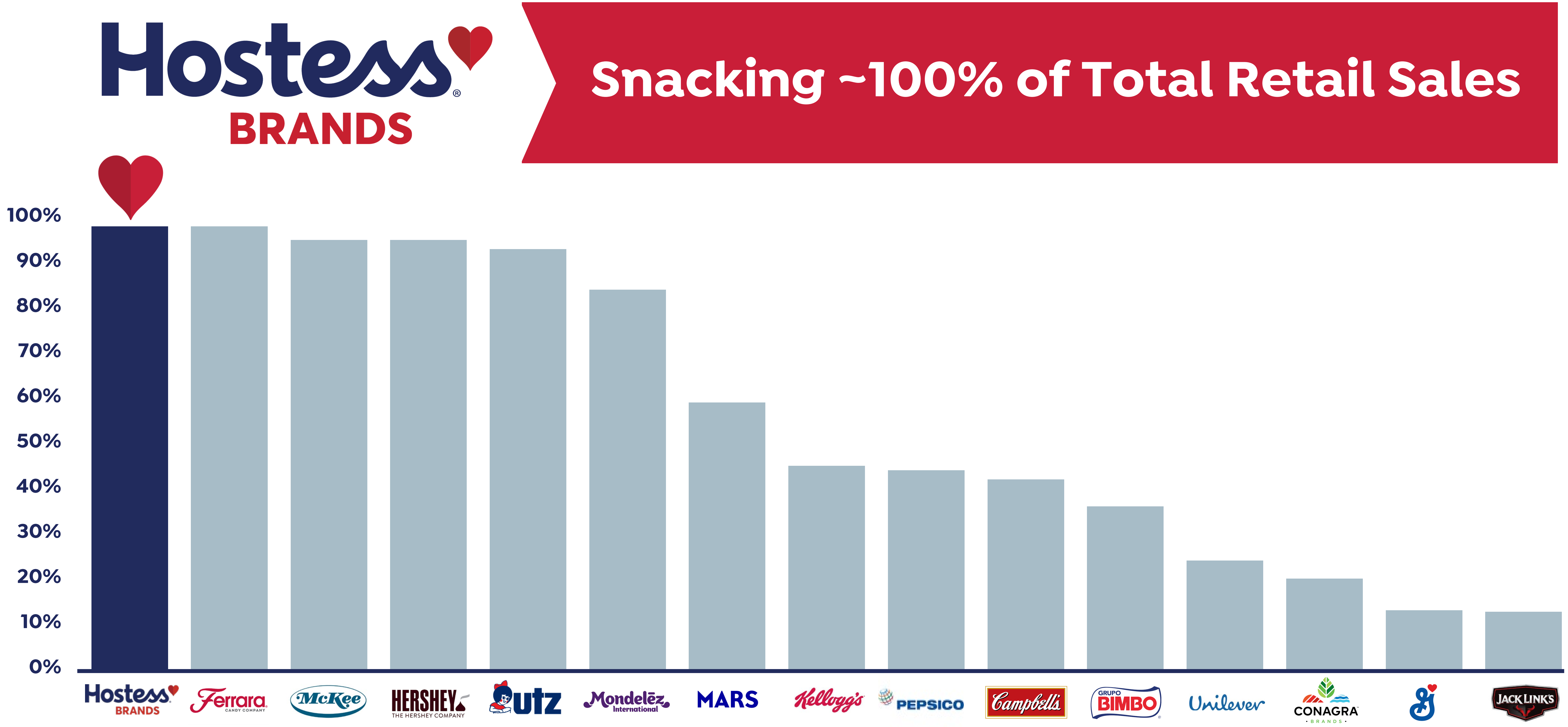
Inspiring Moments of Joy by Putting Our ♥ into Everything We Do

Iconic Brands

Voortman Growth Engine

Prolific Innovators

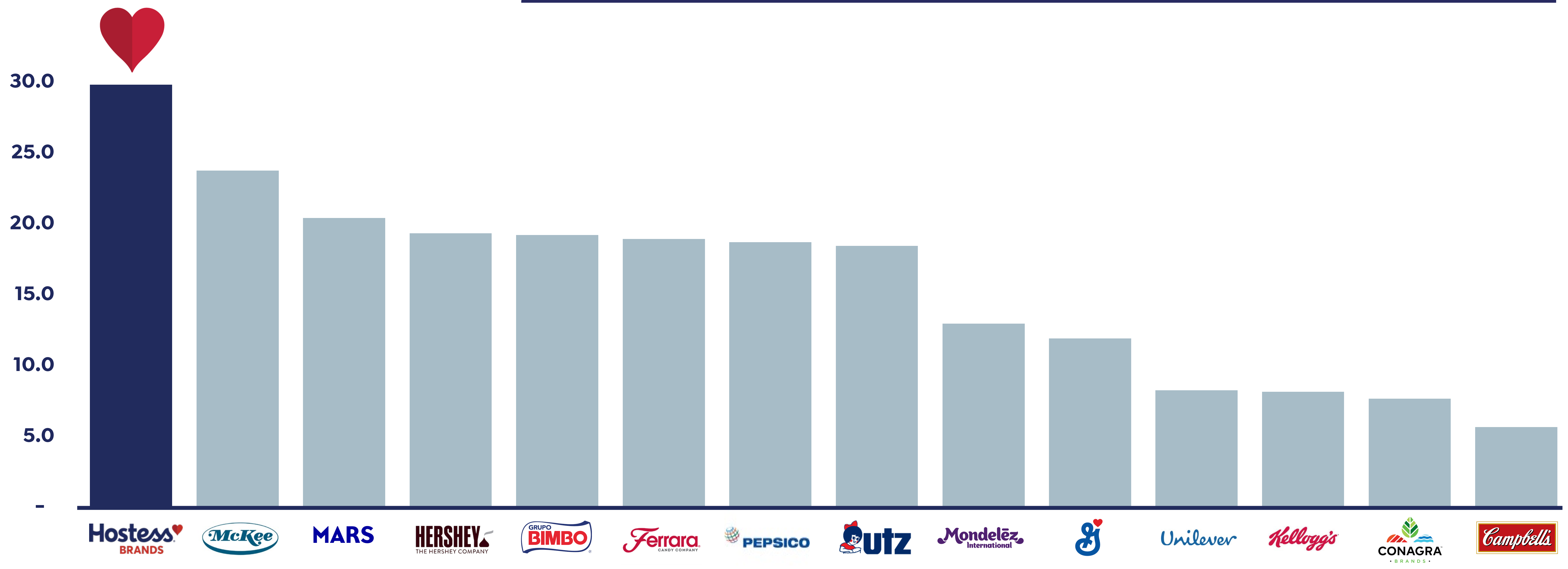
Premier Snacking Pure-Play



Source: NielsenIQ Total Snacking as percentage of All Departments Cal Yr 2022 W/E 12/31/22

2-year Stacked Retail Sales Growth

30% 2-year Stacked Growth
out-paced snacking peers



Source: NielsenIQ Total Snacking as percentage of All Departments Cal Yr 2022 W/E 12/31/22

BRANDS

2022 Results Well-Ahead of Long-term Algo

Double Digit Sales and EPS Growth

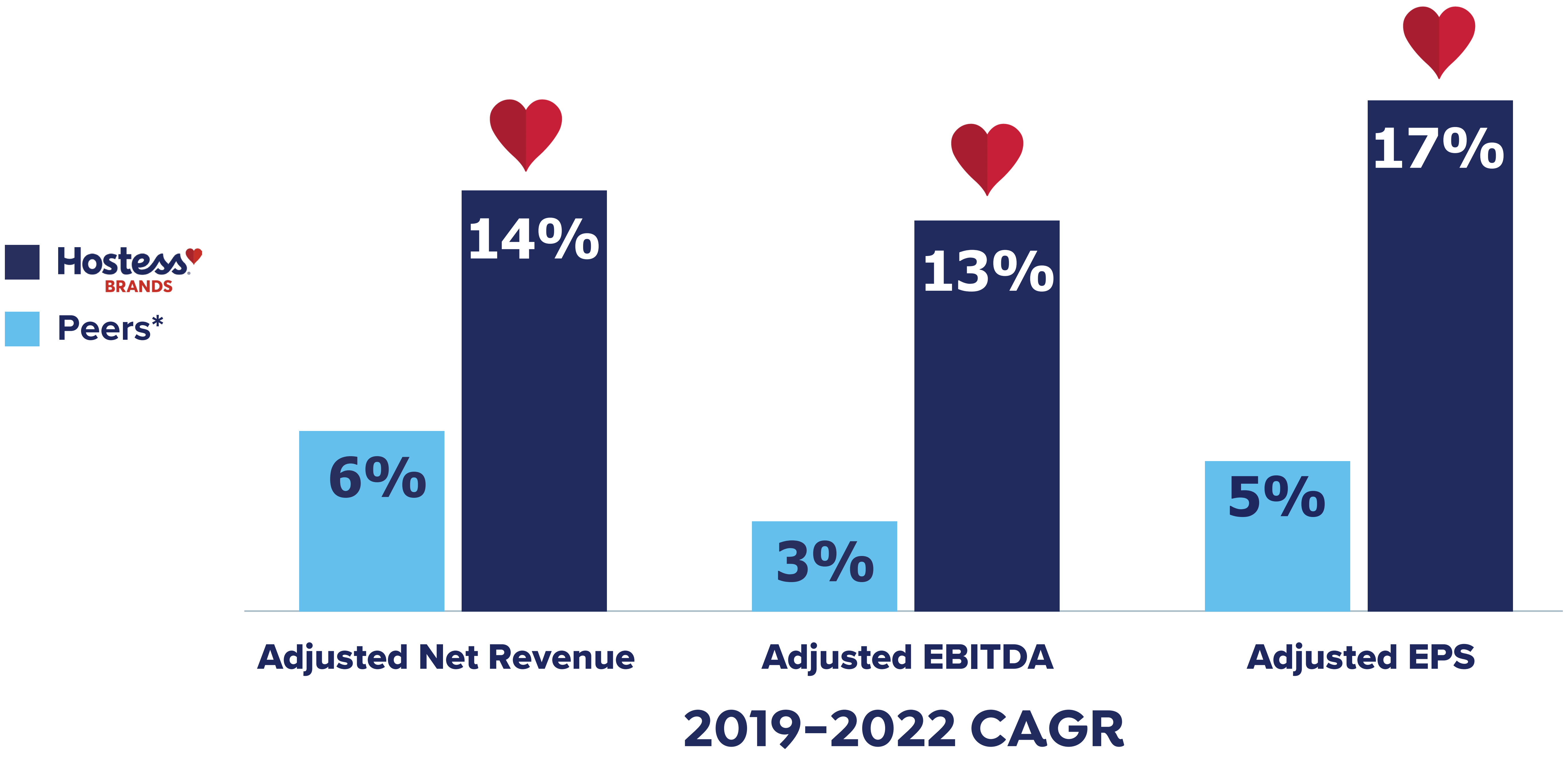
Net Revenue (in millions)	Adjusted EBITDA (in millions)	Adjusted EPS
19% growth	9% growth	11% growth

Results are for twelve months ended December 31, 2022 vs.2021.

Adjusted EBITDA and Adjusted EPS are non-GAAP financial measures. See "Use of Non-GAAP Financial Measures" and the Appendix for an explanation of all non-GAAP financial measures and reconciliations to the comparable GAAP measures.

…Building on Consistent Top-Tier Growth

Strong Foundation Built on Top-Tier Performance Over Last Three Years



* Weighted average of peer group including BGS, BRBR, CAG, CPB, FLO, GIS, HAIN, HRL, HSY, JJSF, K, KHC, LANC, LW, MDLZ, MKC, NOMD, PEP, POST, SJM, SMPL, THS per Factset

Adjusted Net Revenue, Adjusted EBITDA and Adjusted EPS are non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" and the Appendix for an explanation of all non-GAAP financial measures and reconciliations to the comparable GAAP measures.

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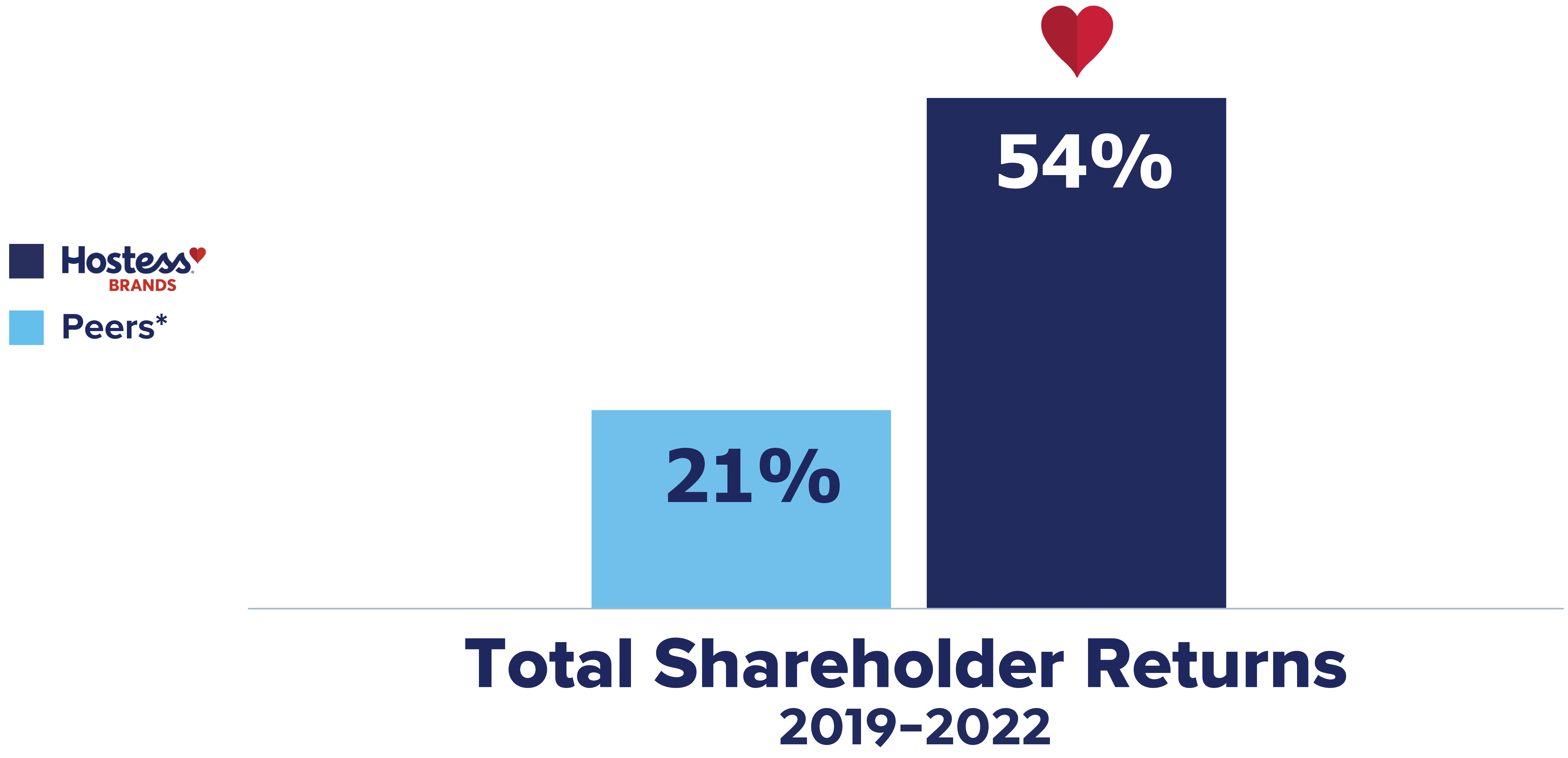

* Weighted average of peer group including BGS, CAG, CPB, FLO, FRPT, GIS, HAIN, HRL, HSY, JBSS, JJFS, K, KHC, LANC, LW, MDLZ, MKC, NOMD, PEP, POST, SJM, SMPL, STKL, THS per Factset

Growing the Right Way

Committed to Transparency and Progress

NAMI
National Alliance on Mental Illness

Supporting our Employees and Communities

Industry-Leading Safety Record

Developing Climate Action Plan

Ensuring Strong Corporate Governance

Source: Industry-Leading Safety Record: Bureau of Labor Statistics, U.S. Department of Labor, Survey of Occupational Injuries and Illnesses, Commercial Bakeries

Our Strategic Focus is Paying Off

...and we are just getting started

Attractive Long-Term Growth

Delivering Strong Growth While Maintaining our Industry-leading Margins

Hostess® BRANDS

Long-term Growth Algorithm

Mid-Single Digit	5-7%	7-9%
Organic Revenue Growth	EBITDA Growth	EPS Growth

Delivering Top-Tier Shareholder Returns

See "Forward Looking Statements." EBITDA is a non-GAAP financial measure defined as earnings before interest, taxes, depreciation, amortization and stock compensation. See "Use of Non-GAAP Financial Measures."

Hostess BRANDS

Dan O'Leary

Chief Growth Officer

Growth Strategy Pillars

1. Our business sits in growing spaces
2. Differentiated capabilities in baking and distribution unlock growth potential
3. Multiple levers to drive growth

Hostess BRANDS

OUR BUSINESS SITS IN GROWING SPACES

BRANDS

Snacking Trends Long-Term and Durable

70% of consumers are eating at least two snacks per day, and 45% are eating more than three

Source: 70% at least two snacks per day: www.convenience.org January 23, 2023
45% more than three snacks per day: IRI The Seesaw State of the US Snack Industry May 31, 2022

Snacking Trends Resilient

84% of millennial parents are looking for new snack options for their family

Source: Proprietary Hostess AYTM Survey among N=115 US Millennial Parents (Ages 24-41), Week of October 17, 2022

Snacking Trends Resilient

80% of adults see sweet snacks as a reward during times of uncertainty

Source: Proprietary Hostess AYTM Survey among N=1,000 US ADULTS 18+, Week of October 17, 2022

Can Better-for-You and Indulgent Snacking Both Grow?

BRANDS

#1

Zero Sugar Wafer and Cookies

Source: Nielsen, Total Nielsen Universe for the Company within the Cookie Category, 52 weeks ending 12/31/22.

Indulgent Snacks are Growing

Indulgent snacks have grown 20% faster than healthy ones over the past three years

Source: McKinsey analytics with Nielsen POS through 11/26/22. Treat Occasions vs Healthy + Fuel Occasions

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Consumers Snack with a Balance Sheet Approach

74% Consumers describe their eating approach as a **balance sheet**, with room for sweet treats

Source: Proprietary Hostess AYTM Consumer Survey of Eating Approaches, Adults 18+ who snack, N=698, Jan 2023

Consumers Snack with a Balance Sheet Approach

Consumers eat <u>BOTH</u> indulgent <u>AND</u> better for you snacks

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OCCASIONS vs. CATEGORIES

Occasions vs. Categories

Consumers choose between a wide variety of categories for a snacking occasion

Our Portfolio is Fully Aligned with Targeted Occasions

$65B Market Opportunity

Morning Sweet Start	Lunchbox	Afternoon Reward	Immediate Consumption	Afternoon Sharing
Market Size	Market Size	Market Size	Market Size	Market Size
$6.7B	$7.2B	$15.1B	$9.8B	$26.1B

Source: McKinsey Analytics with Nielsen POS data through November 2022

H BRANDS

Hostess® brand consideration up +5 points to 80%

Source: Hostess Brand Health Tracking, US Adults 18+ N= 286-582, Time Period Oct- Dec 2022

DIFFERENTIATED CAPABILITIES AT SCALE

Strength of Business Model is a Competitive Advantage

Baking at Scale

Delivers high quality throughout an extended shelf life

Warehouse

Enables profitability and leading availability

CPG Levers

Creates growth through insights, advertising and innovation

Hostess BRANDS

Strength of Business Model is a Competitive Advantage

Baking at Scale

Delivers high quality throughout an extended shelf life

Warehouse

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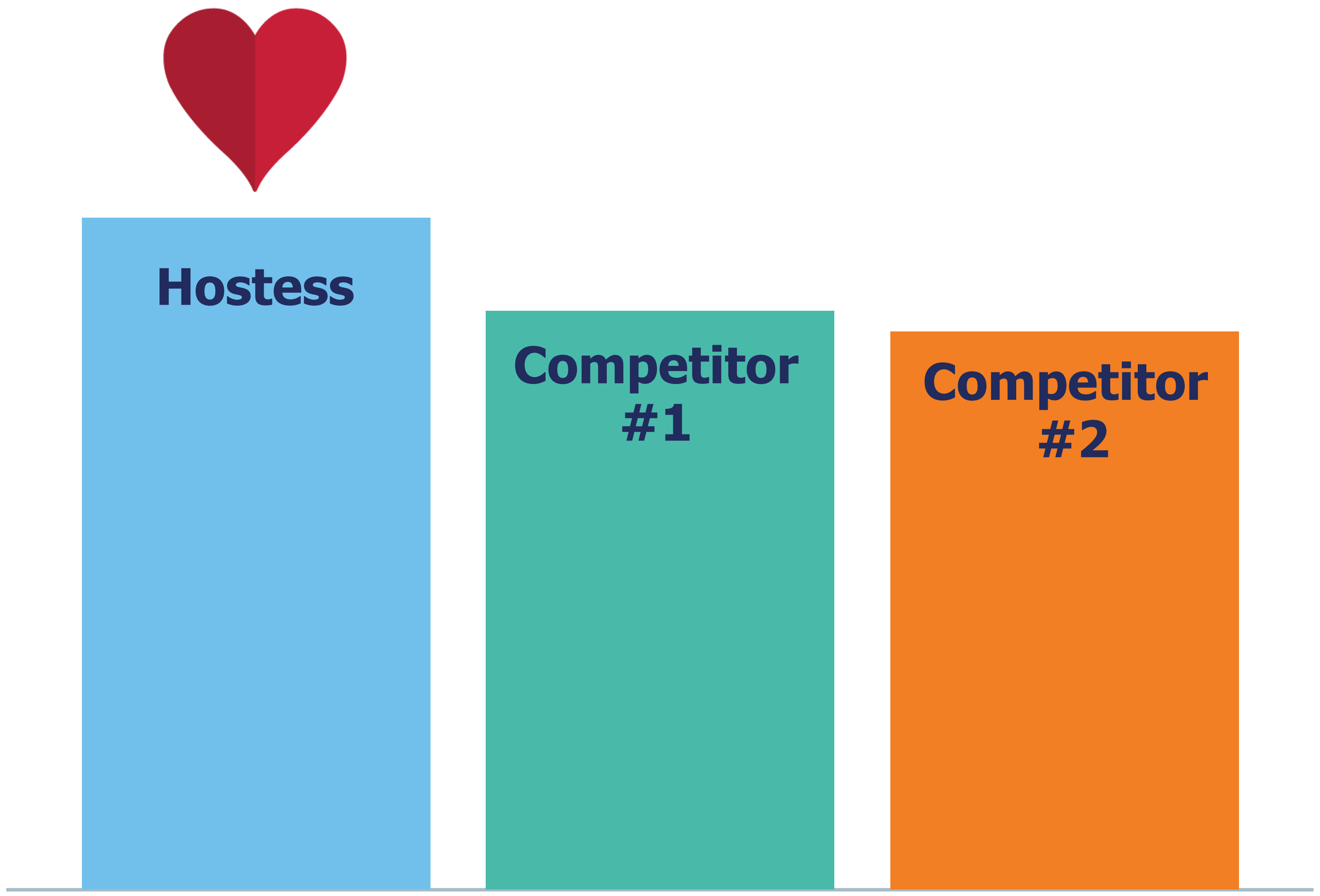
Creates growth through insights, advertising and innovation

Baking at Scale Delivers Quality Throughout Extended Shelf Life

Overall Product Liking
(unbranded)



Donettes is our #1 Brand

Leading in quality
over packaged donut competitors

Our high-quality baked goods outperform competition

Source: Hostess Unbranded Quality Consumer Evaluation, 10/2021, N=251 Representative pre-packaged donut buyers past 3 months

Baking at Scale Delivers Quality Throughout Extended Shelf Life

Growing two-time buyers at more than twice the rate of our category

Source: Hostess Brand Health Tracking, US Adults 18+, N=1375, Time Period Oct-Dec 2022

Strength of Business Model is a Competitive Advantage

Baking at Scale

Delivers high quality throughout an extended shelf life

Warehouse

Enables profitability and leading availability

CPG Levers

Creates growth through insights, advertising and innovation

Hostess BRANDS

Hostess BRANDS

Warehouse Model Drives Profitability and Availability

Lower staffing and equipment costs than traditional DSD model

Warehouse Model Drives Profitability and Availability

25pts

higher ACV than closest SBG competitor in high-profit C-Store channel

Source: Nielsen, Total Nielsen Universe for the Company within the SBG Category, 52 weeks ending 12/31/22

Warehouse Model Drives Profitability and Availability

Multiple Points of Availability Across the Store

In Aisle

Single Serve At Checkout

Secondary Permanent Placement

On Display

Strength of Business Model is a Competitive Advantage

Baking at Scale

Delivers high quality throughout an extended shelf life

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Hostess BRANDS

Model Enables Investment in CPG Growth Levers

Advertising

Innovation

eComm

Strength of Business Model is a Competitive Advantage

Baking at Scale

Delivers high quality throughout an extended shelf life

Warehouse

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CPG Levers

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Hostess BRANDS

MULTIPLE LEVERS TO DRIVE GROWTH

Reminding Consumers of Hostess® Drives Sales

Over 90%

Hostess® Brand Awareness

<40%

Hostess® Brand Top-of-Mind Awareness

Source: 92% Aided Awareness: Hostess Brand Tracker data Q4 2021, N=504 Total US Adults
36% top-of-mind awareness: Hostess Brand Tracker data Q4 2021, N= 1,002 Total US Adults

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Reminding Consumers of Hostess® Drives Sales

60%

of Hostess® Non-Buyers

say they don't buy products because *"they just don't think about it"*

Source: Hostess Brand Tracker, Nov 2020, N=395 Aware/Non Most Often Buyers

Reminding Consumers of Hostess® Drives Sales

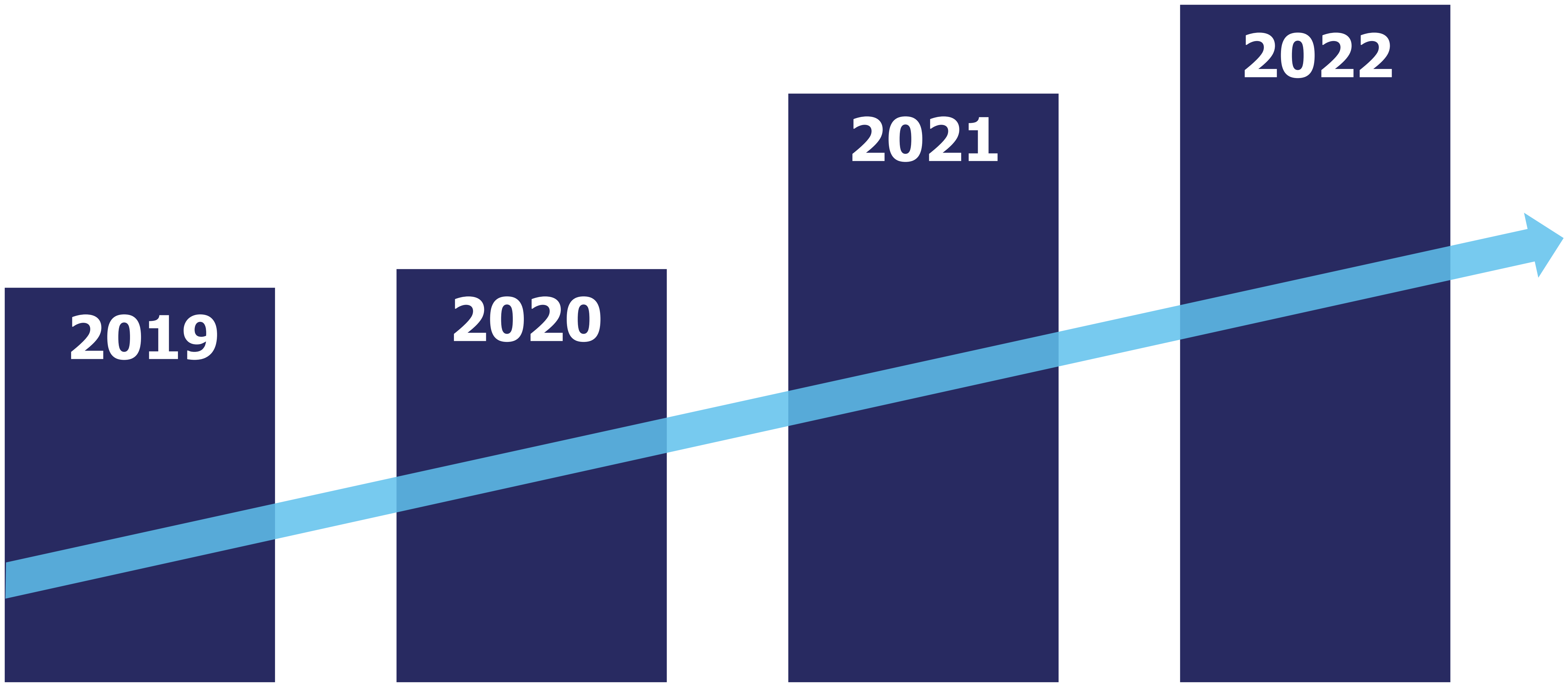
100%

of Hostess® advertising is digital with a high ROI mindset

Occasion Model Driving Our Innovation Pipeline

Innovation Vitality at 15%+ Target in 2022

Annual Net Revenue from Innovation



	2019	2020	2021	2022
% of Annual Net Revenues	14%	14%	16%	15%

Annual net revenue from innovation includes innovation launched in the last three years.

Occasion Model Driving Our Innovation Pipeline

#1

Innovation Launch in SBG in 2021

Source: Nielsen, Total Nielsen Universe for the Company within the SBG Category, 52 weeks ending 1/1/22. #1 in Retail Sales for SBG new items launched 52 weeks ending 1/1/22.

Occasion Model Driving Our Innovation Pipeline

Hostess

#1

Innovator in SBG in 2022

Source: Nielsen, Total Nielsen Universe for the Company within the SBG Category, 52 weeks ending 12/24/22.

ANNOUNCING…OUR NEXT

BIG INNOVATION

FOR 2023!

Hostess BRANDS

Cake +
Crème +
Caramel +
Crunch +
More Cake +
Chocolate +
Drizzle

= Kazillion Opportunities!!!

Voortman has been a Strategic and Financial Success

Voortman has been a Strategic and Financial Success

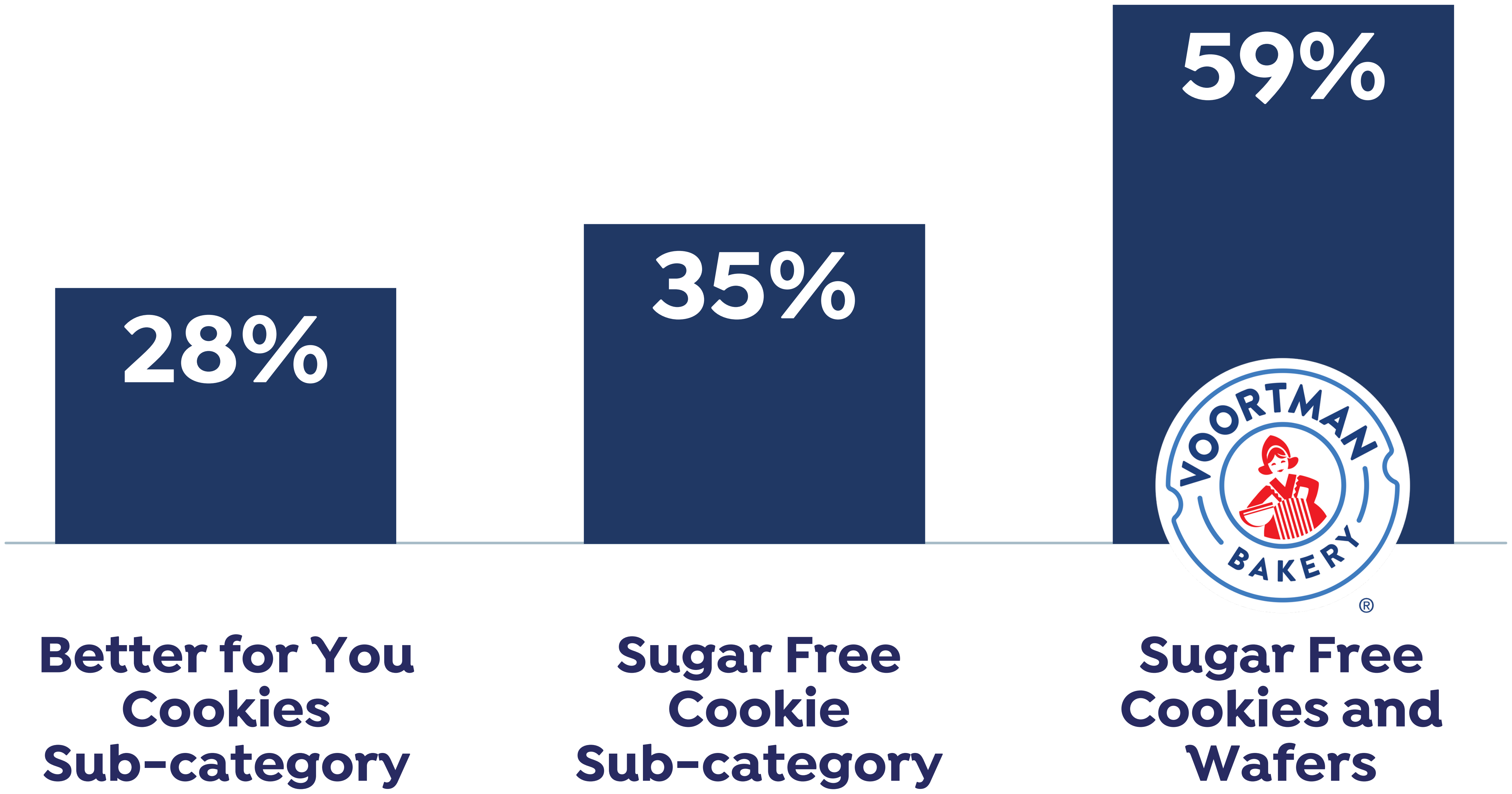
Strong better-for-you niche in cookie category

Revenue and margin accretive

Driving growth through velocity gains

Voortman has been a Strategic and Financial Success

Two-Year Point of Sale Growth



Source: NielsenIQ, Total NielsenIQ Universe / 2 year growth for period ending 1/14/23
Better For You defined as Cookies/Crème Wafers with Health claims related to Sugar, Fat, Fiber, Gluten, GMO, Whole Grain, Organic, Protein and Vitamins

Voortman has been a Strategic and Financial Success

"Zero Sugar" branding

Added easy open features

Voortman has been a Strategic and Financial Success

Launched Poppable Innovation

Voortman has been a Strategic and Financial Success

THE
real good,
feel good
TREAT

Hostess BRANDS

Key Takeaways

1. Our business sits in growing spaces
2. Differentiated capabilities at scale
3. Multiple levers to drive growth

Hostess BRANDS

Travis Leonard

Chief Financial Officer

Key Takeaways

1. **Track-record of delivering industry-leading results**

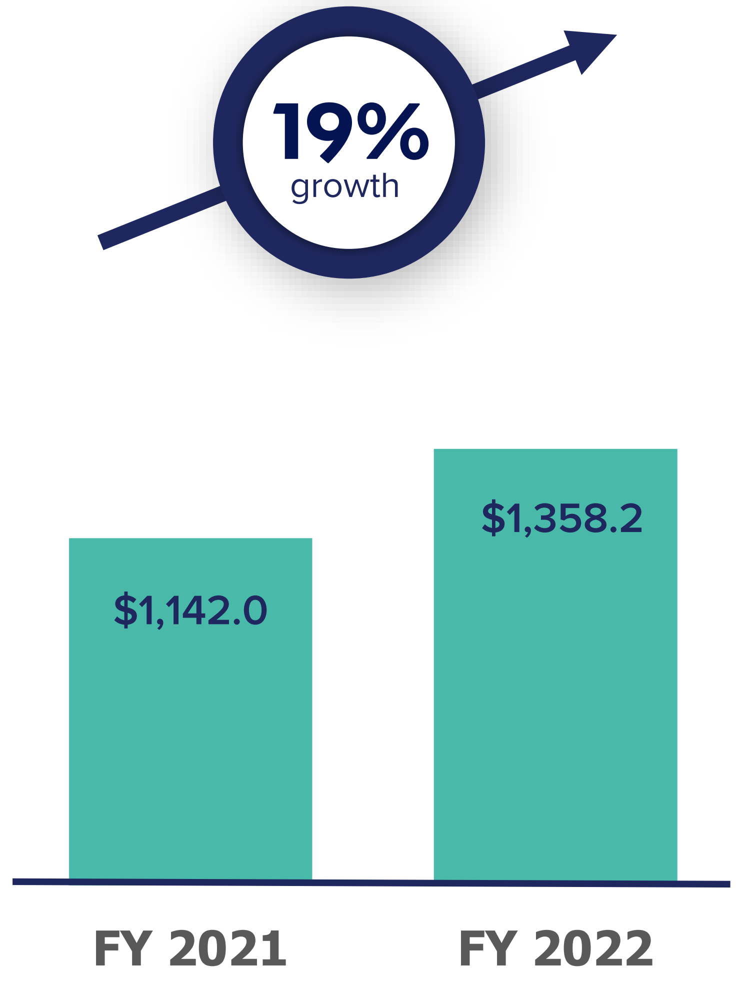
2. **Executing growth fly-wheel with excellence**

3. **Disciplined capital deployment unlocks incremental shareholder value**

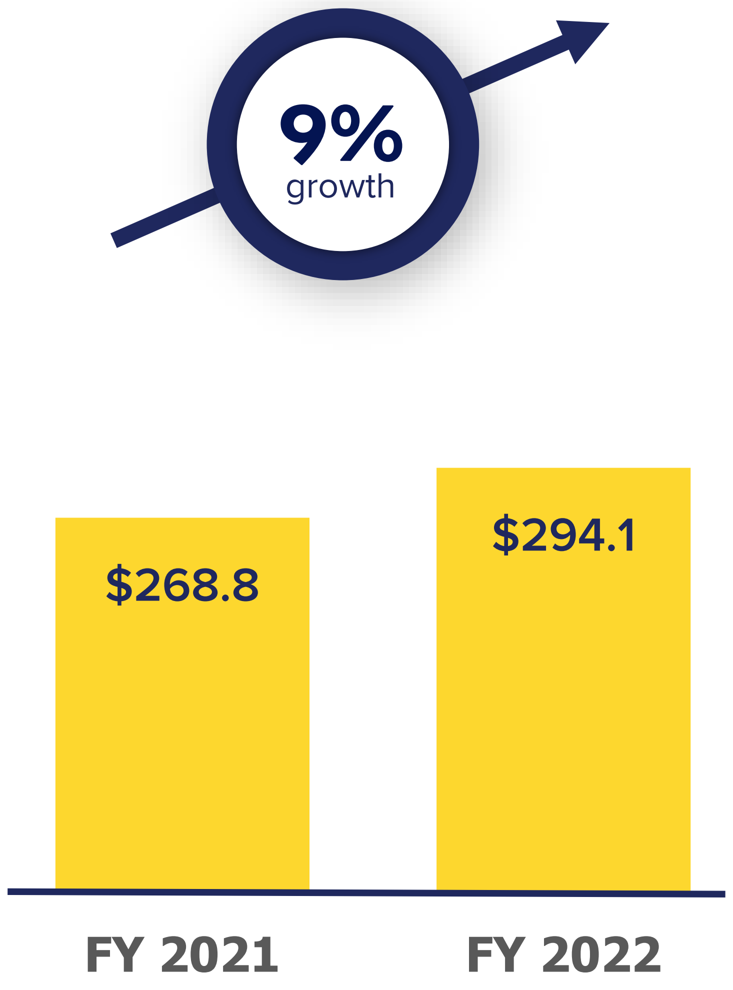
2022 Results Well-Ahead of Long-term Algo

Double Digit Sales and EPS Growth

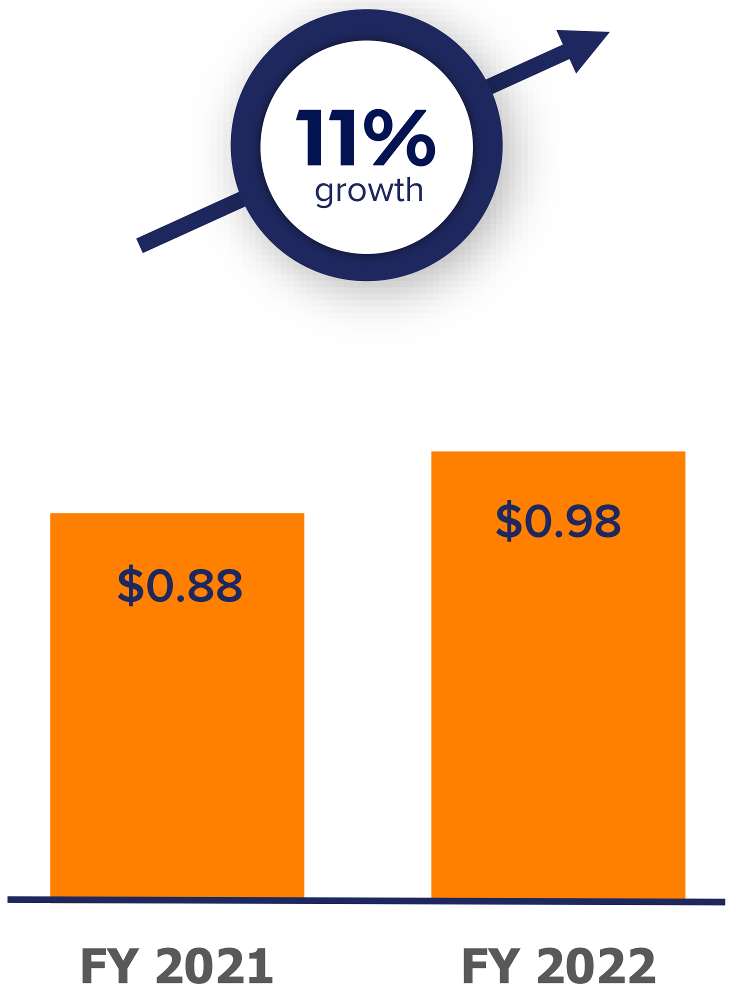
Net Revenue
(in millions)



Adjusted EBITDA
(in millions)



Adjusted EPS



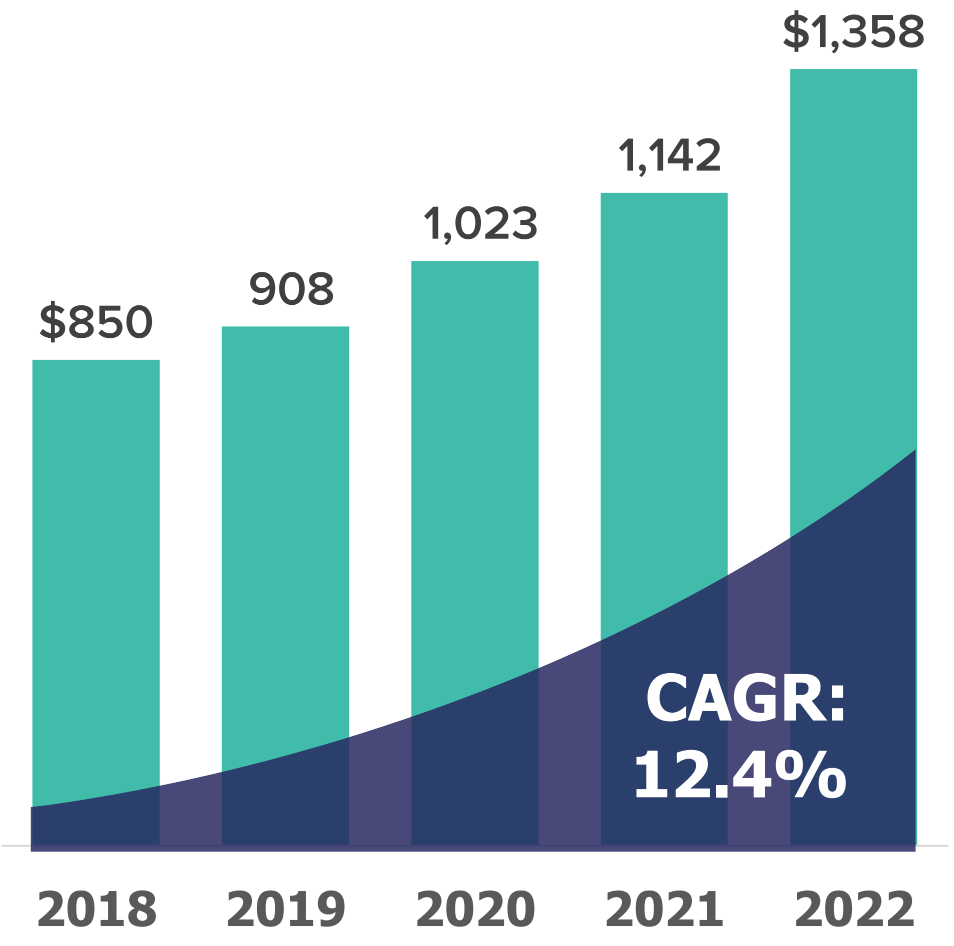
Results are for twelve months ended December 31, 2022 vs.2021.

Adjusted EBITDA and Adjusted EPS are non-GAAP financial measures. See “Use of Non-GAAP Financial Measures” and the Appendix for an explanation of all non-GAAP financial measures and reconciliations to the comparable GAAP measures.

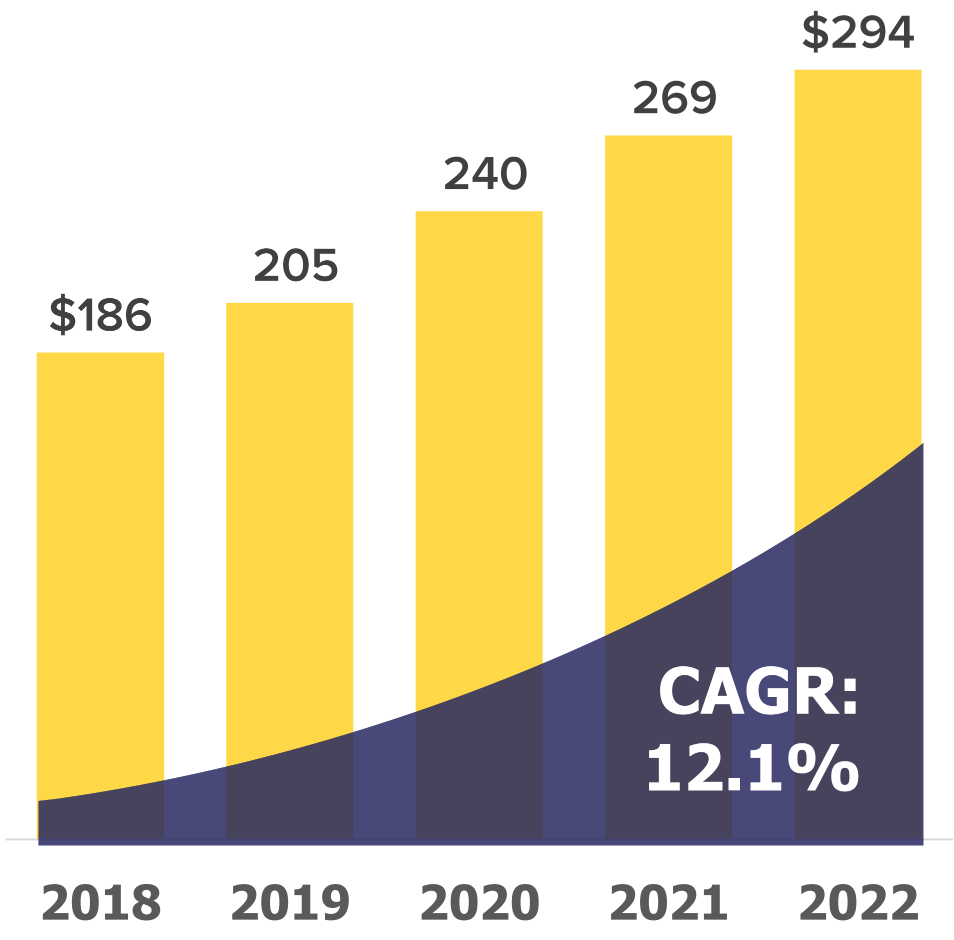
Track-Record of Sustained, Profitable Growth

Strong Foundation Built on Top-tier Performance over Last Five Years

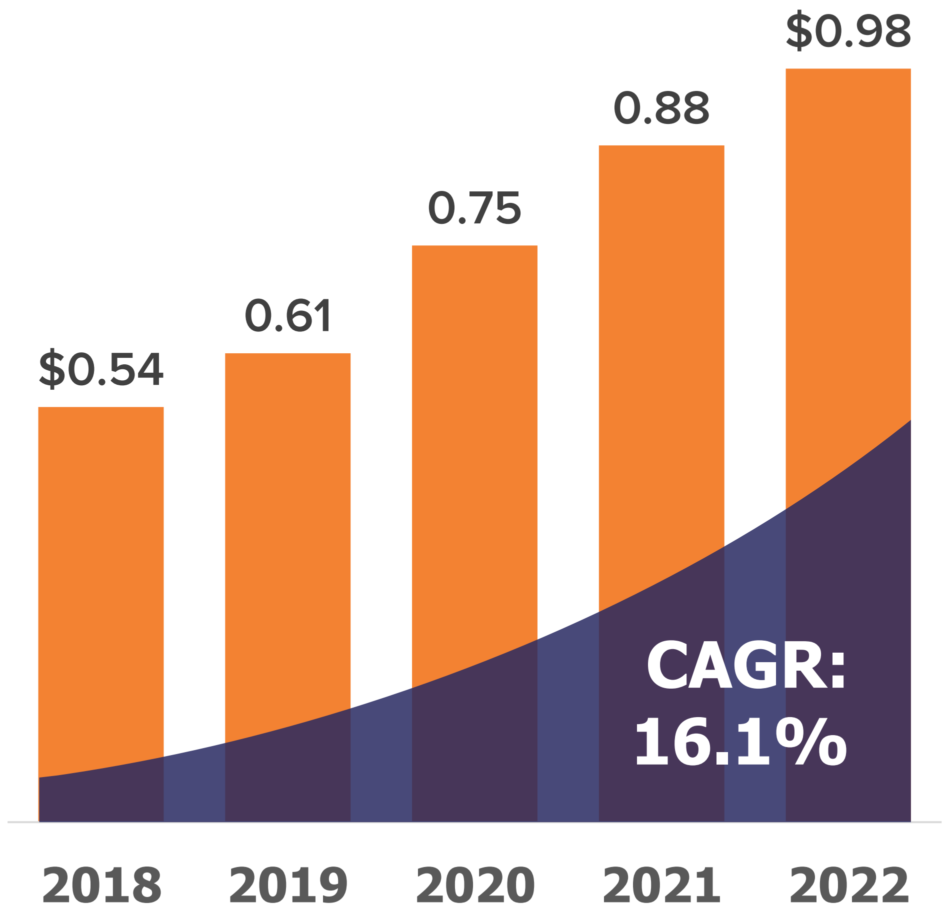
Adjusted Net Revenue



Adjusted EBITDA



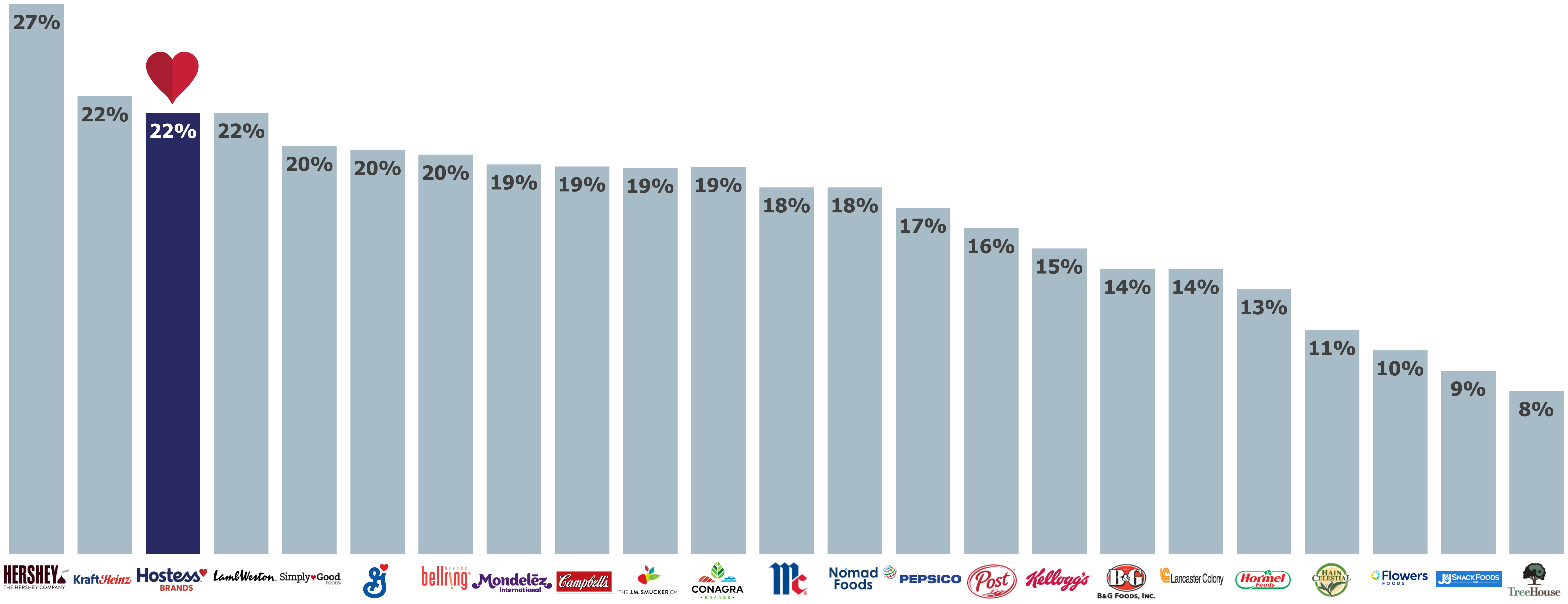
Adjusted EPS



Adjusted Net Revenue, Adjusted EBITDA and Adjusted EPS are non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" and the Appendix for an explanation of all non-GAAP financial measures and reconciliations to the comparable GAAP measures.

Industry Leading Adjusted EBITDA Margins

Enabled by a Premium Portfolio and Advantaged Supply-Chain



Source: Factset Consensus EBITDA margins for full-year 2022 for Peers, Hostess Brands Actual Adjusted EBITDA for full year 2022

Adjusted EBITDA is a non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" and the Appendix for an explanation of all non-GAAP financial measures and reconciliations to the comparable GAAP measures.

2023 Guidance Continues Profitable Growth Momentum

Net Revenue Growth
4 - 6%

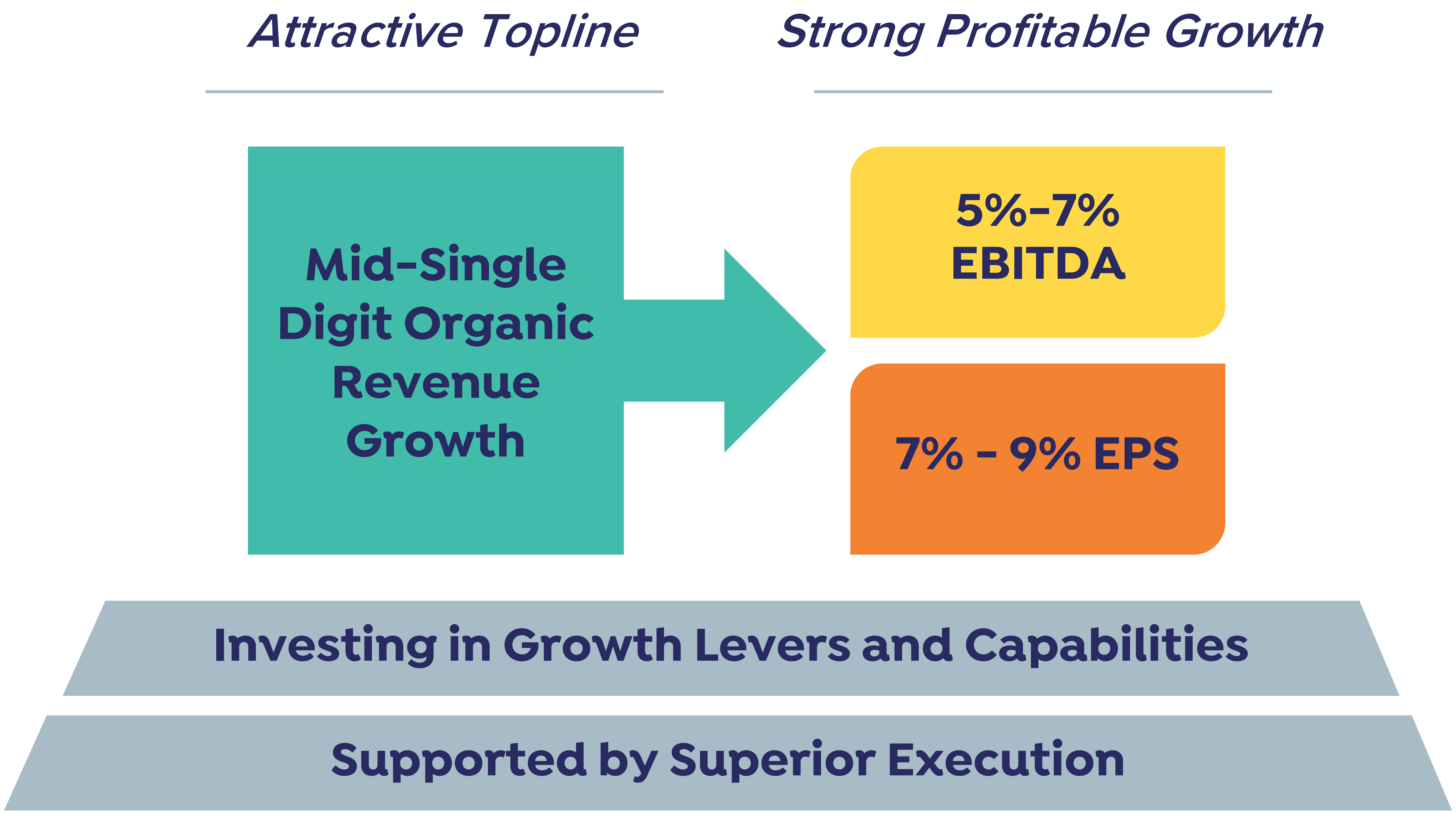
Adjusted EBITDA
$315 - $325M
7 – 10% growth

Adjusted EPS
$1.08 - $1.13
10 – 15% growth

See "Forward Looking Statements." Adjusted EBITDA and Adjusted EPS are non-GAAP financial measures. See “Use of Non-GAAP Financial Measures” for an explanation of all non-GAAP financial measures.

A Clear Path to Long-Term Profitable Growth

Comprehensive Margin-Management Toolkit to Drive Sustained Profitable Growth



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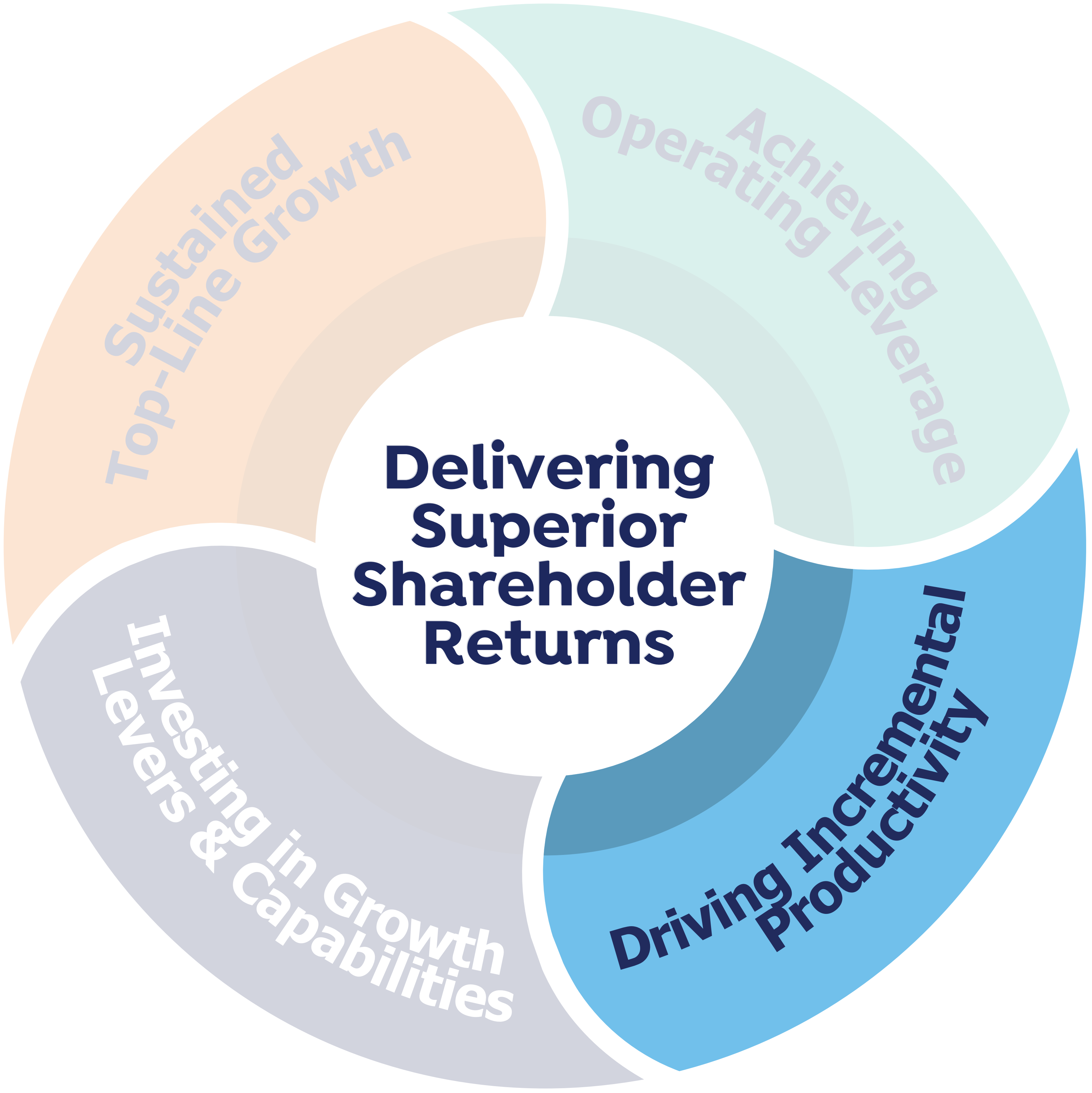
Driving Growth Fly-Wheel

To Deliver Superior Shareholder Returns

Driving Incremental Productivity



Enhanced focus on productivity targeting to deliver annual savings

- Optimizing Network/ Distribution
- Driving Manufacturing Efficiencies
- Executing Procurement Savings Opportunities
- Reducing Complexity

Investing in Growth Levers and Capabilities

Creating value by utilizing our strong operating cash flows to drive profitable growth

Investing in Growth Levers and Capabilities

Developing talent and capabilities

Advancing RGM Capabilities

Investing in Growth Levers and Capabilities

Elevated A&M Spending to Support Topline Momentum

Investing in Growth Levers and Capabilities

Expansion of Network with a Sustainability-first Approach

Demonstrated Good Stewardship of Capital

Capital Allocation to Prioritize Organic and Inorganic Growth

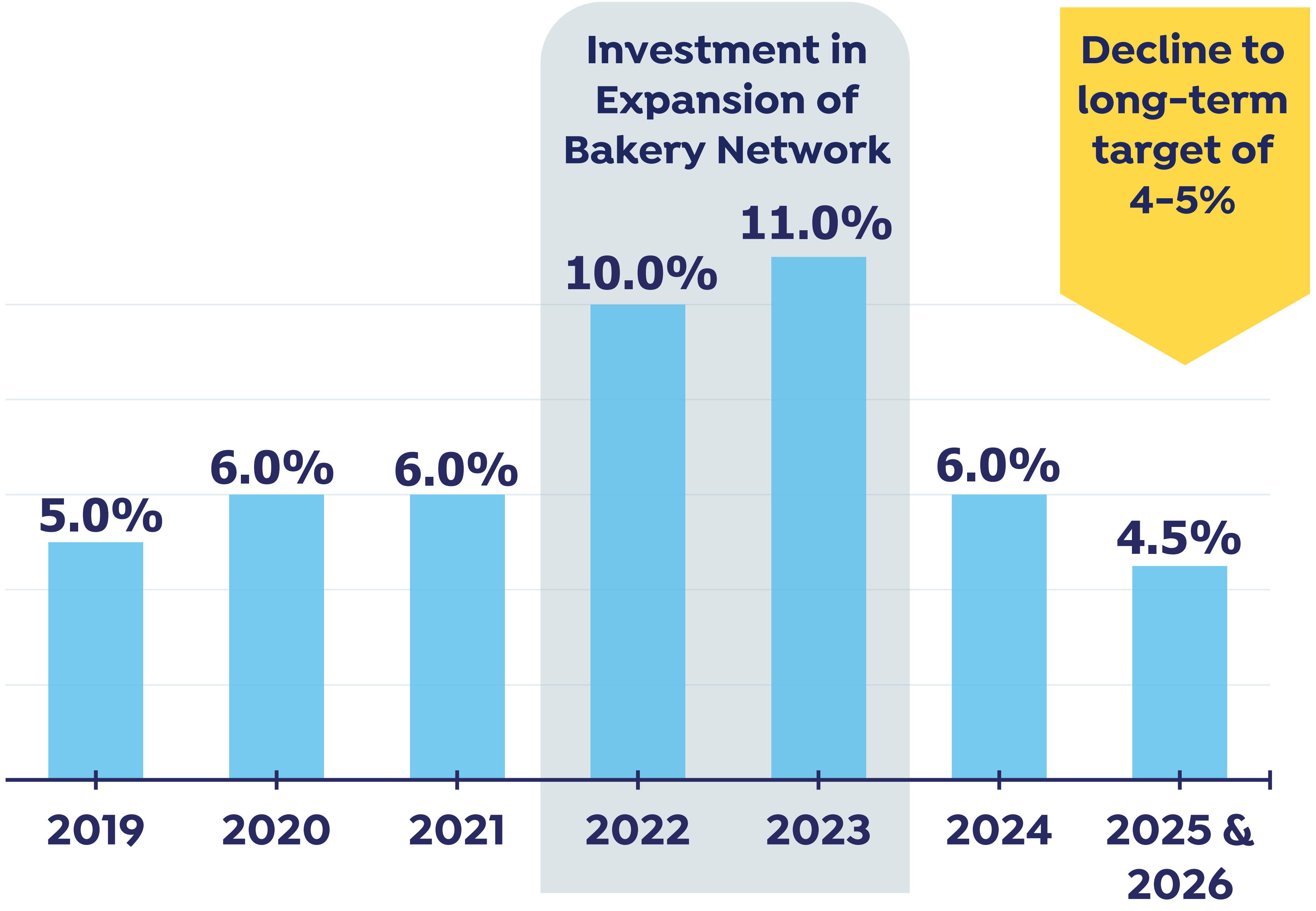
1	**Support Core Growth**	Disciplined investments with high ROI hurdle
2	**Targeted M&A**	Growth-oriented branded targets, that expand our capabilities in snacking universe
3	**Return Capital to Shareholders**	Repurchased $130 million of shares in 2022
4	**Manage Net Leverage**	Reduced Net Debt to EBITDA leverage to below 3x in 2022

* Net Leverage ratio is net debt (total long-term debt less lease obligations, unamortized debt premiums and cash and cash equivalents) divided by Adjusted EBITDA for the trailing twelve-month period. Adjusted EBITDA is a non-GAAP financial measure. See “Use of Non-GAAP Financial Measures” and the Appendix for an explanation of all non-GAAP financial measures.

Disciplined Capital Investment Behind Growth

Elevated Capex in 2022/23 to Support Growth and Productivity Agenda

Capital Expenditures as % of Net Revenue



Key Capital Investment Priorities

- ✓ Provide growth capacity
- ✓ Drive productivity and efficiency
- ✓ Maintain network and infrastructure
- ✓ Support innovation
- ✓ Grounded in ESG-based principles

Ample Acquisition Fire-power

Seeking Snacking Opportunities Using a Disciplined, ROI-Based Approach

- New Brands
- New Capabilities
- Delivers Scale & Synergies
- Leverages Core Capabilities

Amplifies Attractive Organic Growth and Shareholder Value

Demonstrated Commitment to Return Capital

~$190M of Shares Repurchased over Last 3 Years

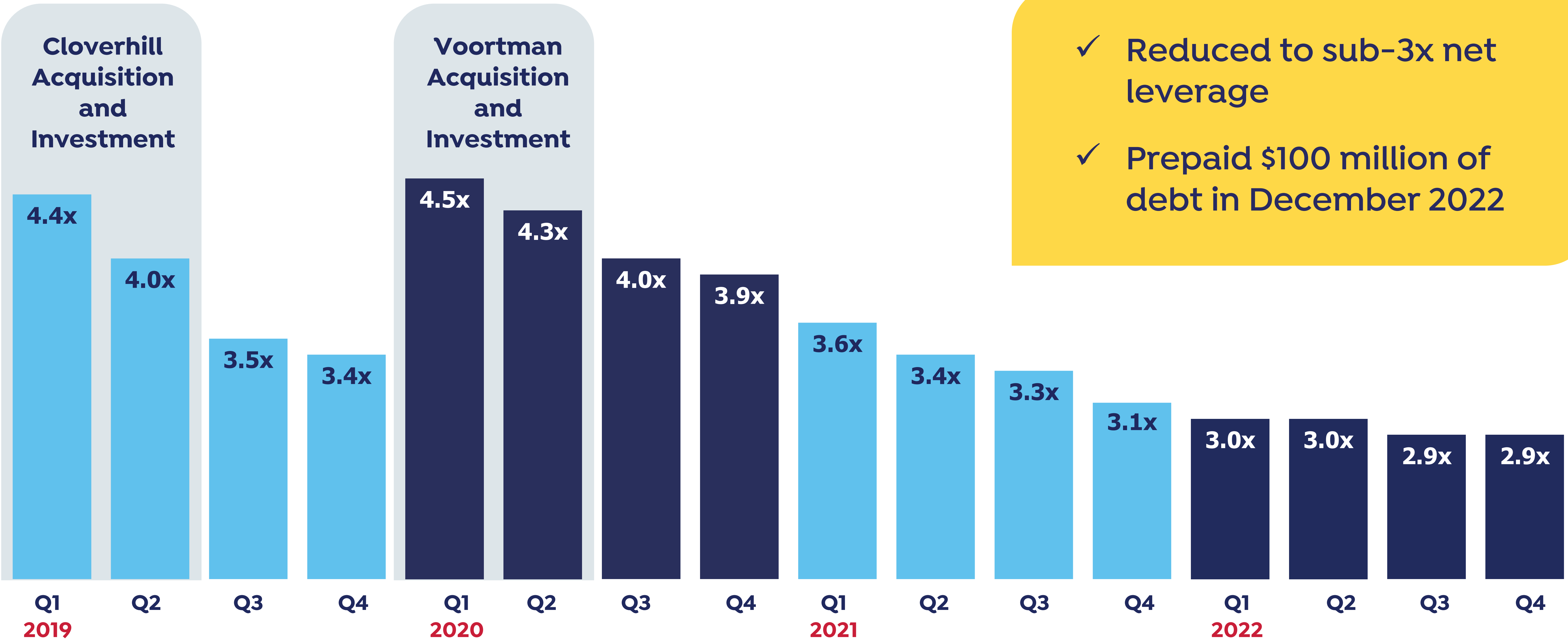
$150 Million

current share repurchase authorization

- **Opportunistic repurchases implemented at management discretion**
- **No specified expiration**
- **~$20 million remaining capacity**

Strong Balance Sheet Provides Strength and Flexibility

Proven Track Record of Effectively Managing Leverage



- ✓ Reduced to sub-3x net leverage
- ✓ Prepaid $100 million of debt in December 2022

*Net Leverage ratio is net debt (total long-term debt less lease obligations, unamortized debt premiums and cash and cash equivalents) divided by adjusted EBITDA for the trailing twelve-month period.

**2020 proforma leverages included an assumption of incremental EBITDA from the acquisition of Voortman and removal of historical in-store bakery EBITDA

Adjusted EBITDA is a non-GAAP financial measure. See “Use of Non-GAAP Financial Measures” and the Appendix for an explanation of all non-GAAP financial measures and reconciliations to the comparable GAAP measures.

Attractive Long-Term Growth

Delivering Strong Growth While Maintaining our Industry-leading Margins

Hostess® BRANDS

Long-term Growth Algorithm

Mid-Single Digit	5-7%	7-9%
Organic Revenue Growth	EBITDA Growth	EPS Growth

Delivering Top-Tier Shareholder Returns

See "Forward Looking Statements." EBITDA is a non-GAAP financial measure defined as earnings before interest, taxes, depreciation, amortization and stock compensation. See "Use of Non-GAAP Financial Measures."

Andy Callahan

President
& CEO

Hostess Brands is Just Getting Started

A Uniquely Positioned Snacking Pure-Play

1. Proven CPG Growth Model
2. Advantaged Margin Structure and Cash Flow Position
3. Empowering Culture and Leading Talent

H BRANDS

Hostess BRANDS

Building a PREMIER SNACKING COMPANY

Inspiring Moments of Joy by Putting Our ♥ into Everything We Do

Appendix

Non-GAAP Reconciliations

	Twelve Months Ended December 31, 2022						Twelve Months Ended December 31, 2021					
	Gross Profit	Gross Margin	Operating Income	Net Income	Net Income Margin	Diluted EPS	Gross Profit	Gross Margin	Operating Income	Net Income	Net Income Margin	Diluted EPS
GAAP results	$ 465.7	34.3%	$ 220.3	$ 164.2	12.1%	$ 1.19	$ 410.0	35.9%	$ 200.7	$ 119.3	10.4%	$ 0.86
Non-GAAP adjustments:												
Foreign currency remeasurement	-	-	-	0.6	-	0.01	-	-	-	(0.5)	-	-
Project consulting costs (1)	-	-	3.9	3.9	0.3	0.03	-	-	6.1	6.1	0.5	0.04
Tax receivable agreement remeasurement	-	-	(0.9)	(0.9)	(0.1)	(0.01)	-	-	(1.4)	(1.4)	(0.1)	(0.01)
Change in fair value of warrant liabilities	-	-	-	-	-	-	-	-	-	(0.6)	-	-
Insurance proceeds (2)	-	-	-	(33.0)	(2.3)	(0.24)	-	-	-	-	-	-
Accelerated depreciation related to network optimization	1.9	0.1	1.9	1.9	0.1	0.02	-	-	-	-	-	-
Other (3)	0.2	-	0.3	0.7	-	-	0.7	0.1	2.1	4.3	0.4	0.03
Remeasurement of tax liabilities	-	-	-	(2.2)	(0.2)	(0.02)	-	-	-	(3.3)	(0.3)	(0.03)
Discrete income tax expense	-	-	-	1.2	0.1	0.01	-	-	-	-	-	-
Tax impact of adjustments	-	-	-	(1.9)	(0.1)	(0.01)	-	-	-	(1.9)	(0.2)	(0.01)
Adjusted Non-GAAP results	$ 467.7	34.4%	$ 225.5	134.6	9.9	$ 0.98	$ 410.7	36.0%	$ 207.5	122.0	10.7	$ 0.88
Income tax				50.0	3.7					45.7	4.0	
Interest expense				41.0	3.0					39.8	3.5	
Depreciation & amortization				58.2	4.3					51.7	4.5	
Share-based compensation				10.5	0.8					9.6	0.8	
Adjusted EBITDA				$ 294.1	21.7%					$ 268.8	23.5%	

1. Project consulting costs are included in general and administrative on the condensed consolidated statement of operations.
2. Gain from receipt of insurance proceeds under the representation and warranty insurance policy purchased in connection with the Voortman acquisition in 2020 included in other expense (income) on the condensed consolidated statement of operations.
3. In 2022, costs related to certain corporate initiatives, of which $0.2 million is included in cost of goods sold, $0.1 million is included in general and administrative and $0.4 million is included in other expense (income) on the consolidated statement of operations. In 2021, costs related to certain corporate initiatives, including $2.8 million of Voortman acquisition related costs. Of the total $4.3 million, $0.7 million is included in cost of goods sold, $1.4 million is included in general and administrative and $2.2 million is included in other expense (income) on the consolidated statement of operations.

Non-GAAP Reconciliations

Twelve Months Ended December 31, 2020

	Net Revenue	Gross Profit	Gross Margin	Operating Income	Net Income	Net Income Margin	Class A Net Income	Diluted EPS
GAAP Results	$ 1,016.6	$ 355.6	35.0%	$ 135.3	$ 108.3	10.7%	$ 104.7	$ 0.51
Non-GAAP adjustments:								
Foreign currency impacts	-	-	-	-	2.1	0.2	2.0	0.02
Acquisition, disposal and integration related costs (1)	6.8	8.0	0.5	29.2	29.2	2.7	27.6	0.22
Special employee incentive compensation (2)	-	-	-	-	-	-	-	-
Facility transition costs (3)	-	3.7	0.4	5.7	5.7	0.6	5.4	0.04
Tax receivable agreement remeasurement	-	-	-	0.8	0.8	0.1	0.8	-
Impairment of property and equipment	-	-	-	3.0	3.0	0.3	2.9	0.02
COVID-19 costs (4)	-	2.1	0.2	2.4	2.4	0.2	2.3	0.0
Change in fair value of warrant liabilities	-	-	-	-	(39.9)	(3.9)	(39.9)	-
Remeasurement of tax liabilities	-	-	-	-	(0.5)	(0.1)	(0.5)	-
Loss on debt refinancing	-	-	-	-	-	-	-	-
Other	-	-	-	0.1	1.8	0.2	1.7	0.01
Tax impact of adjustments	-	-	-	-	(11.0)	(1.1)	(11.0)	(0.09)
Adjusted Non-GAAP results	$ 1,023.4	$ 369.4	36.1%	$ 176.4	$ 101.8	9.9%	$ 95.9	$ 0.75
Income tax					31.8	3.1		
Interest expense					42.8	4.2		
Depreciation & amortization					54.9	5.4		
Share-based compensation					8.7	0.9		
Adjusted EBITDA					$ 240.1	23.5%		

Twelve Months Ended December 31, 2019

	Gross Profit	Gross Margin	Operating Income	Net Income	Net Income Margin	Class A Net Income	Diluted Shares	Diluted EPS
GAAP Results	$ 299.8	33.0%	$ 136.1	$ 18.7	2.1%	$ 4.3	111,006	$ 0.04
Non-GAAP adjustments:								
Foreign currency impacts	-	-	(7.1)	(7.1)	(0.8)	(6.7)	-	(0.07)
Acquisition, disposal and integration related costs (1)	1.6	0.2	5.5	5.5	0.6	5.2	-	0.05
Special employee incentive compensation (2)	-	-	1.9	1.9	0.2	1.8	-	0.02
Facility transition costs (3)	9.4	1.0	12.1	12.1	1.3	11.4	-	0.10
Tax receivable agreement remeasurement	-	-	0.2	0.2	-	0.2	-	-
Impairment of property and equipment	-	-	2.0	2.0	0.2	1.9	-	0.02
COVID-19 costs (4)	-	-	-	-	-	-	-	-
Change in fair value of warrant liabilities	-	-	-	58.8	6.6	58.8	3,694	0.51
Remeasurement of tax liabilities	-	-	-	(4.6)	(0.5)	(4.6)	-	(0.05)
Loss on debt refinancing	-	-	1.5	2.0	0.2	1.9	-	0.02
Other	-	-	-	1.2	0.1	1.2	-	0.01
Tax impact of adjustments	-	-	-	(3.9)	(0.4)	(3.9)	-	(0.04)
Adjusted Non-GAAP results	$ 310.8	34.2%	$ 152.1	$ 86.8	9.6%	$ 71.4	114,700	$ 0.61
Income tax				25.4	2.8			
Interest expense				39.9	4.4			
Depreciation & amortization				43.3	4.8			
Share-based compensation				9.2	1.0			
Adjusted EBITDA				$ 204.7	22.6%			

1. In 2020, Adjustments to net revenue represent initial slotting fees paid to customers to obtain space in customer warehouses for the Voortman transition. Adjustments to operating costs included $8.0 million in selling, $8.9 million in general and administrative and $4.3 million of business combination transaction costs on the consolidated statement of operations. In 2019, adjustments to operating costs included $5.5 million in general and administrative on the consolidated statement of operations.
2. Special employee incentive compensation is included in general and administrative on the consolidated statement of operations.
3. Facility transition costs are included in general and administrative on the consolidated statement of operations.
4. COVID-19 operating costs are included in general and administrative on the consolidated statement of operations. Total COVID-19 non-GAAP adjustments primarily consist of costs of incremental cleaning and sanitation, personal protective equipment and employee bonuses in the first half of 2020.

Non-GAAP Reconciliations

	Twelve Months Ended December 31, 2018						
	Gross Profit	Gross Margin	Operating Income	Net Income	Net Income Margin	Class A Net Income	Diluted EPS
GAAP results	$ 267.3	31.4%	$ 121.6	$ 160.6	18.9%	$ 142.1	$ 0.61
Non-GAAP adjustments:							
Acquisition, disposal and integration related costs	10.1	1.2	10.4	10.4	1.2	8.9	0.08
Tax receivable agreement remeasurement	-	-	(1.8)	(14.2)	(1.7)	(14.2)	(0.14)
Impairment of property and equipment	-	-	5.0	5.0	0.6	4.2	0.04
Special employee incentive compensation	2.0	0.2	3.4	3.4	0.4	2.9	0.02
Change in fair value of warrant liabilities	-	-	-	(79.2)	(9.3)	(79.2)	-
Other	-	-	0.6	0.8	0.1	0.6	-
Remeasurement of tax liabilities	-	-	-	(5.4)	(0.6)	(5.4)	(0.05)
Tax impact of adjustments	-	-	-	(2.0)	(0.2)	(2.0)	(0.02)
Adjusted Non-GAAP results	$ 279.4	32.8%	$ 139.2	$ 79.4	9.4%	$ 57.9	$ 0.54
Income tax				20.4	2.4		
Interest expense				39.4	4.6		
Depreciation & amortization				41.4	4.9		
Share-based compensation				5.6	0.6		
Adjusted EBITDA				$ 186.2	21.9%		