Utz Brands, Inc.

First Quarter 2024 Earnings Presentation
May 2, 2024



Disclaimer

Forward-Looking Statements
Certain statements made herein are not historical facts but are "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, as amended. The forward-looking statements generally are accompanied by or include, without limitation, statements such as "will", "expect", "intends", "goal" or other similar words, phrases or expressions. These forward-looking statements include the future plans for the Utz Brands, Inc. ("the Company"), including plans related to transformation of the Company's supply chain, the Company's product mix, the ability to reduce debt and the anticipated interest expense savings from the repricing of the $630 million Term Loan , the Company's cost savings plans and the Company's logistics optimization efforts; the estimated or anticipated future results and benefits of the Company's plans and operations; the Company's future capital structure; future opportunities for the Company; the effects of inflation or supply chain disruptions on the Company or its business; statements regarding the Company's project balance sheet and liabilities, including net leverage; and other statements that are not historical facts.

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These forward-looking statements should not be relied upon as representing the Company's assessments as of any date subsequent to the date of this communication. The Company cautions investors not to place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based, except as otherwise required by law.

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Non-GAAP Financial Measures
This presentation includes certain financial measures not presented in accordance with GAAP including, but not limited to, Organic Net Sales, Adjusted Gross Profit, Adjusted SD&A, EBITDA, Adjusted EBITDA, Normalized Adjusted EBITDA, Adjusted Net Income, and Adjusted Earnings Per Share, and certain ratios and other metrics derived therefrom. These non-GAAP financial measures do not represent financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income, cash flows from operations, earnings per share or other measures of profitability, liquidity or performance under GAAP. You should be aware that the presentation of these measures may not be comparable to similarly-titled measures used by other companies. Reconciliations of these non-GAAP measures to the most directly comparable GAAP measures are set forth in the appendix to this presentation. We believe (i) these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to the financial condition and results of operations of the Company to date; and (ii) that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends in comparing financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. The non-GAAP financial measures are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance.

Business Overview



Howard Friedman
Chief Executive Officer

Key Takeaways

ONE

Gained dollar, pound, and unit share in the Salty Snacks Category in 1Q'24[1]

TWO

Delivered fifth consecutive quarter of year-over-year Adjusted EBITDA margin expansion

THREE

Executing against our fundamental strategies and disposed of two additional manufacturing facilities and successfully repriced our Term Loan in April 2024

FOUR

Reaffirming our 2024 Organic Net Sales and Adjusted EBITDA outlook and raising our Adjusted EPS outlook

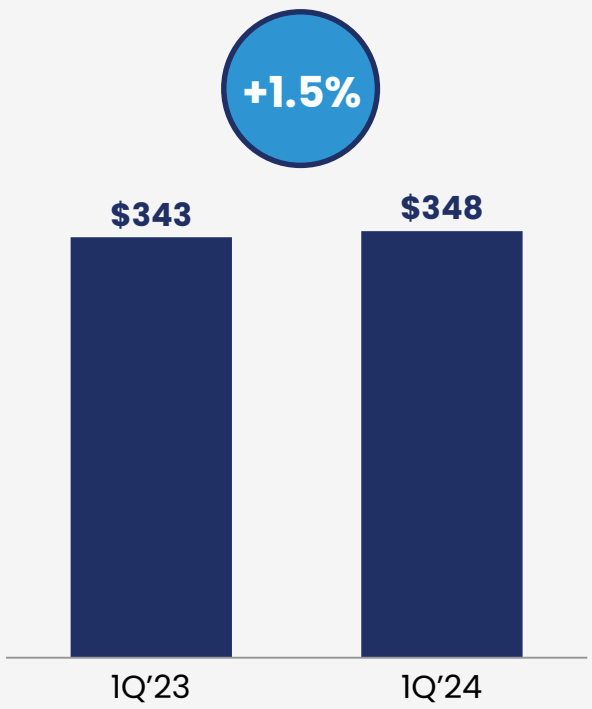


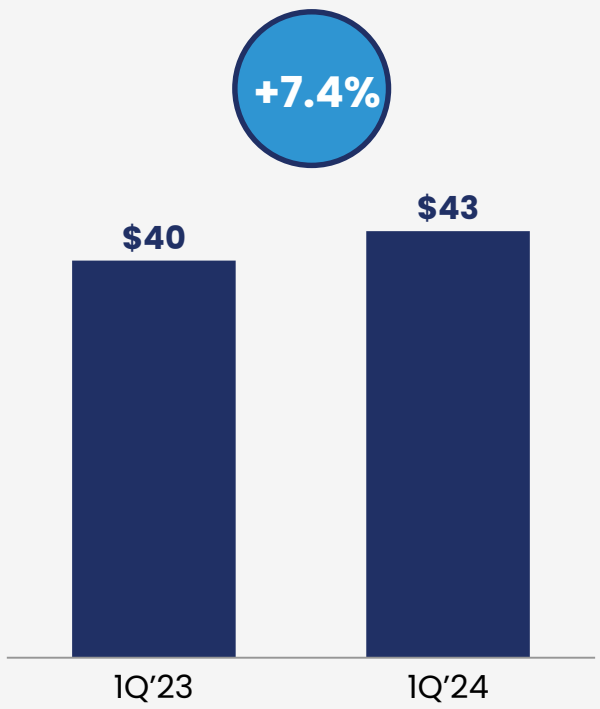
(1) Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks ended 3/31/2024.

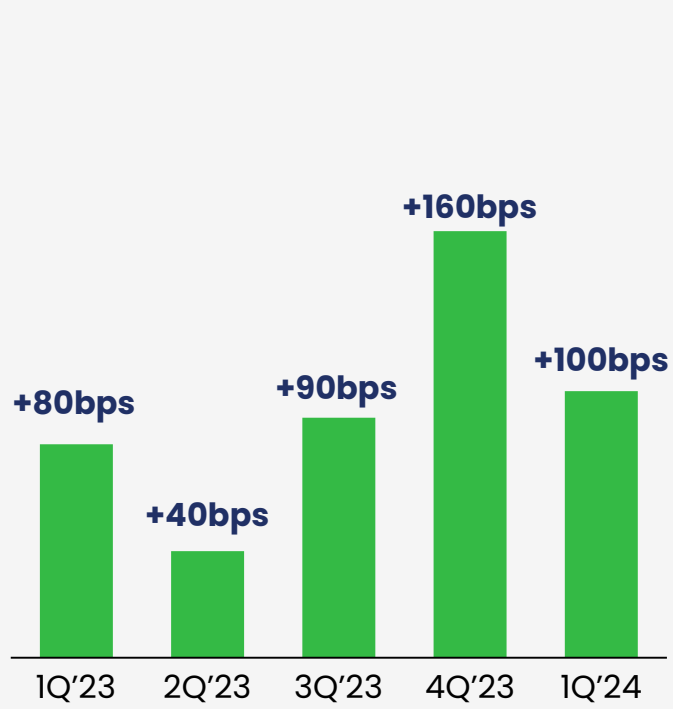
Good, early progress in 2024 against our fundamental strategies

		STRATEGY	2024 Progress
1		**Focus our portfolio to further penetrate Expansion geographies while holding the Core**	○ Gaining market share ○ Increasing household penetration ○ Continuing distribution gains
2		**Transform our supply chain to fund growth and margin improvement**	○ Strong progress on productivity programs ○ Accelerated network optimization ○ Increasing investments in scale plants
3		**Develop leading capabilities to build a best-in-class organization**	○ Implementing Integrated Business Planning ○ Building-out analytics platform ○ Developing marketing capabilities
4		**Improve balance sheet flexibility and pursue opportunistic M&A**	○ Sold five manufacturing facilities and two brands ○ Improving cash conversion cycle ○ Evaluating opportunistic M&A

Organic Net Sales growth and continued margin expansion

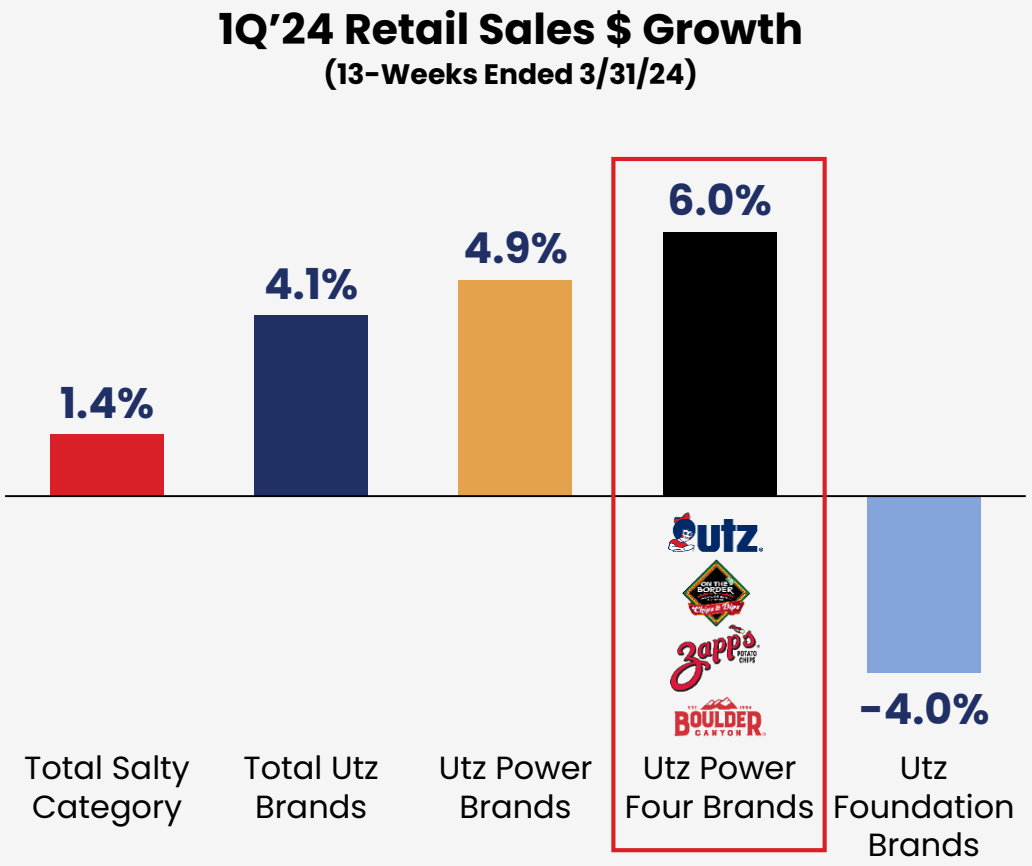


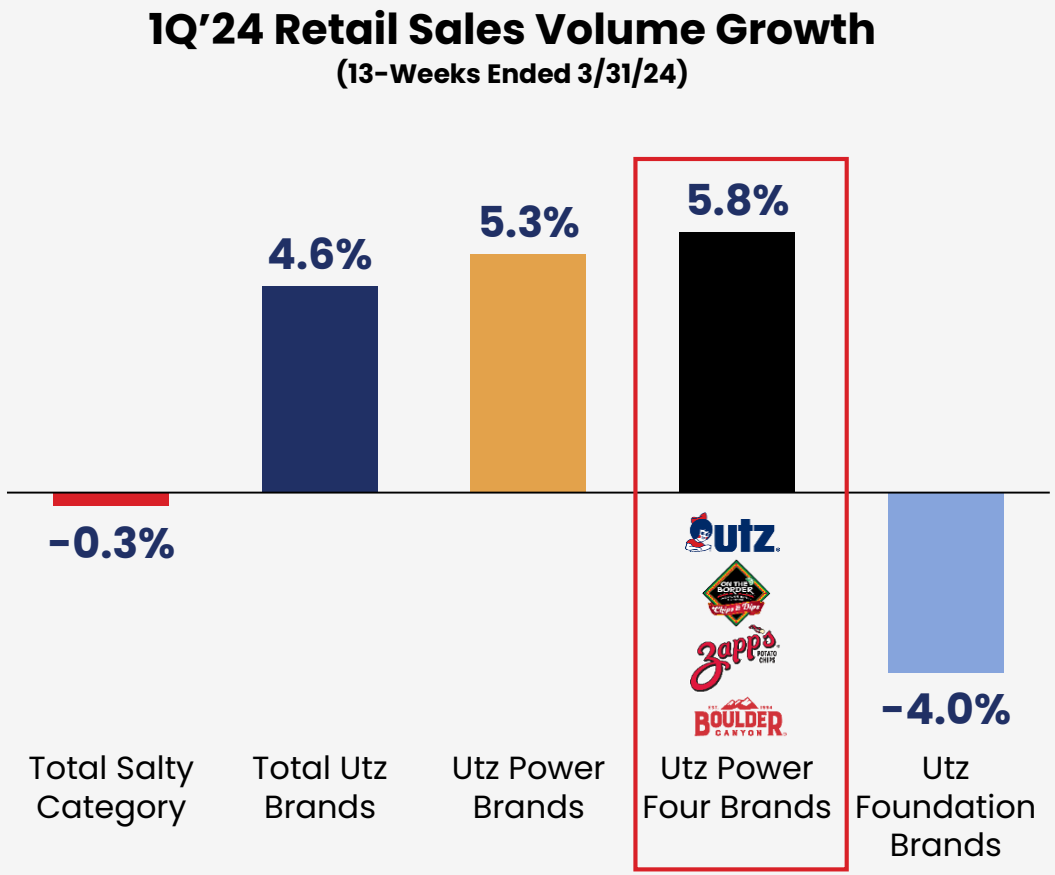




Note: See appendix for reconciliation of Utz Non-GAAP financial measures to most directly comparable GAAP measures.

Continued retail outperformance for Utz Brands led by the Power Four Brands

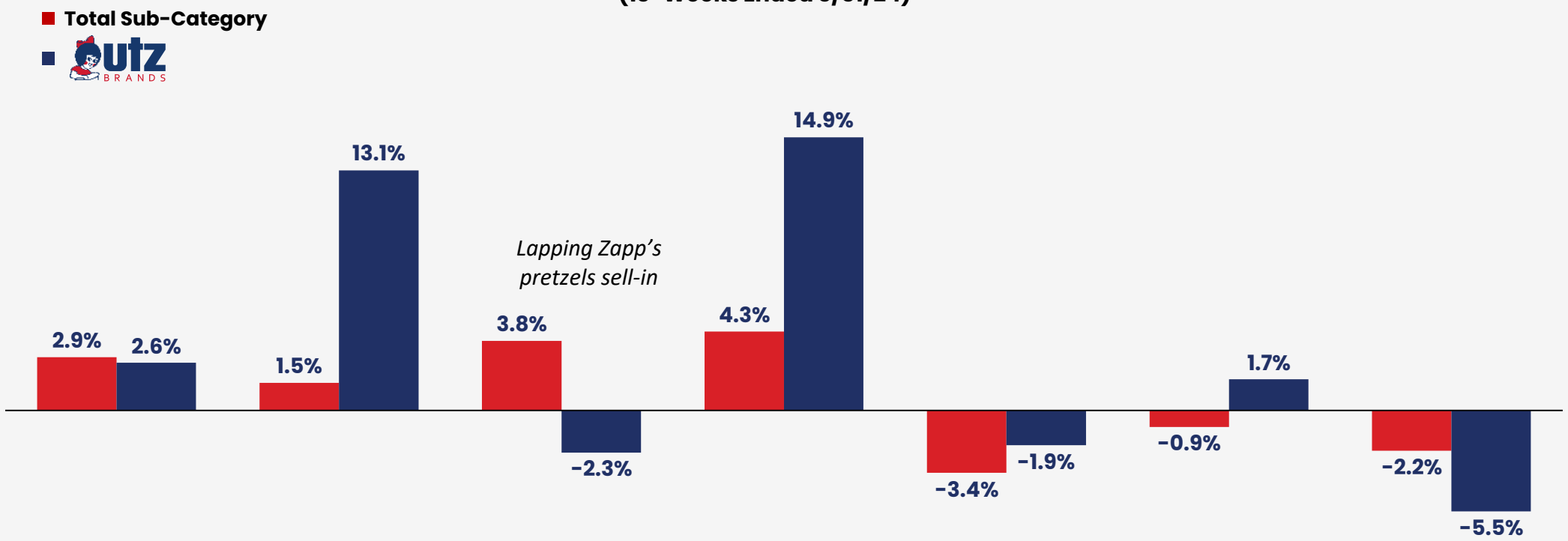




Source: Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks ended 3/31/2024; % YoY growth compared to the comparable period in the prior year on a pro forma basis.

Significant outperformance in Tortilla Chips and Cheese Snacks

Sub-Category Retail Sales Year-over-Year Growth
(13-Weeks Ended 3/31/24)

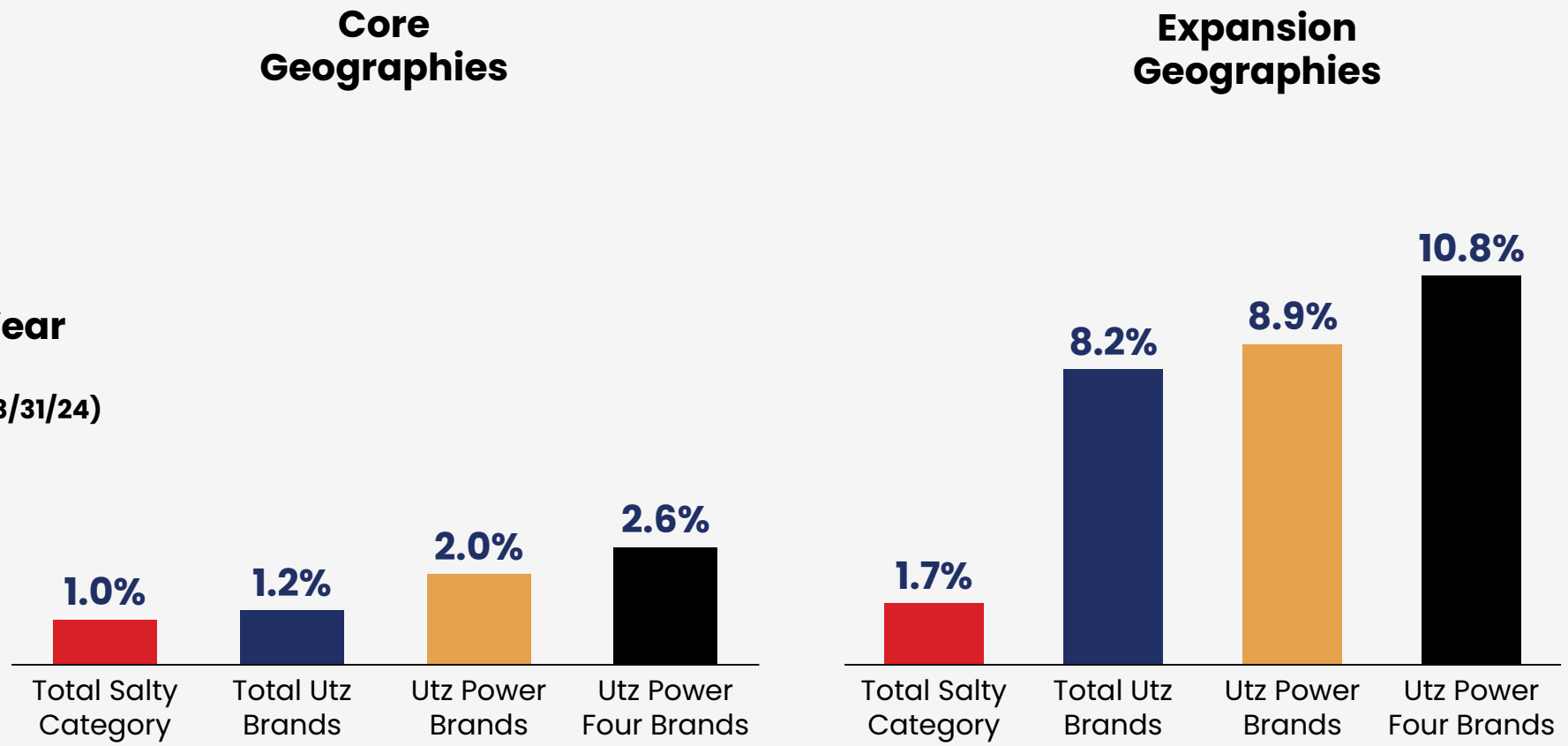


	Potato Chips	Tortilla Chips	Pretzels	Cheese Snacks	Pork Rinds	Salsa + Queso
% of Utz Retail Sales	40%	21%	12%	9%	4%	6% combined

Source: Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks ended 3/31/2024; % YoY growth compared to the comparable period in the prior year on a pro forma basis.
Utz retail sales breakdown is Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks ended 3/31/2024.

Gained market share in both our Core and Expansion geographies

Geographic Retail Sales Year-over-Year Growth
(13-Weeks Ended 3/31/24)

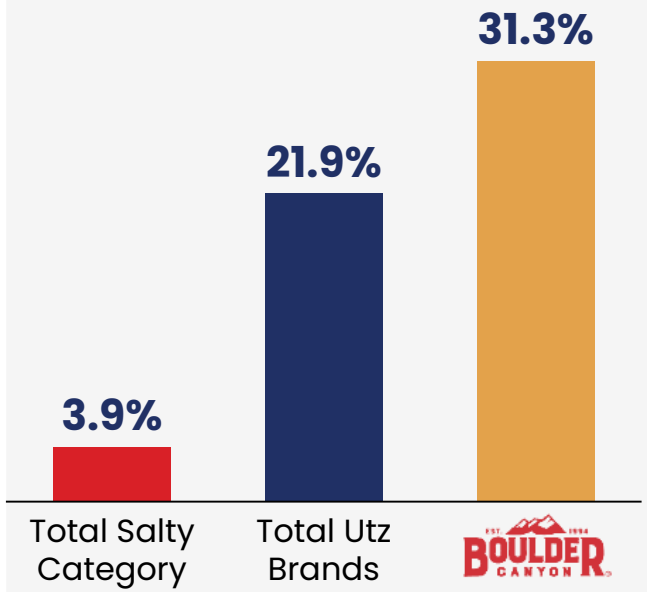


Source: Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks ended 3/31/2024; % YoY growth compared to the comparable period in the prior year on a pro forma basis.

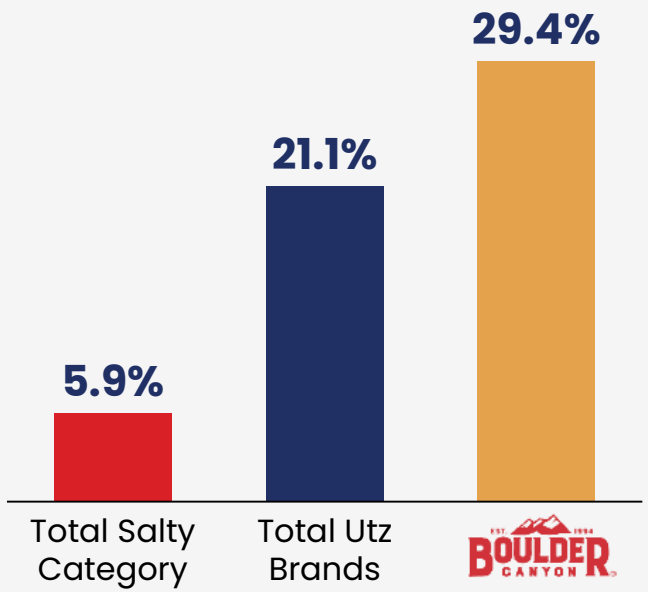
Driving share gains in the natural channel

SPINS Retail Sales Year-over-Year Growth

12-Weeks Ended 3/24/24



52-Weeks Ended 3/24/24





Source: SPINS, Total US – Natural Enhanced Channel (TPL)

Investments in new product innovation

Deliver "Craveable" Flavor

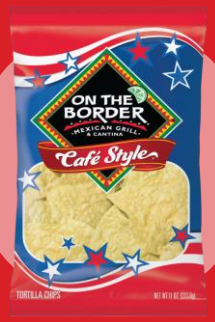






Capture Occasions







Expand Positive Choices

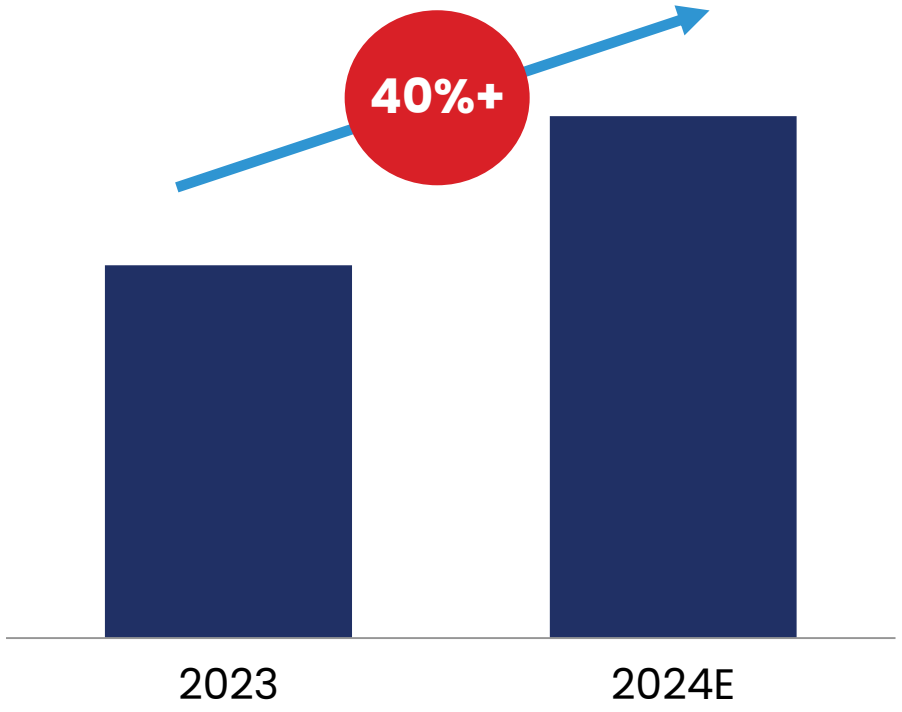






Increasing consumer support behind our Power Four Brands

Utz Brands Marketing Expense







Financial Review



Ajay Kataria
Chief Financial Officer

1Q'24 Financial Results Summary

- **Organic Net Sales increase of 1.5%**
  - +1.1% volume/mix and +0.4% price
- **Adjusted Gross Margin expansion of +280 bps**
  - Benefits from productivity programs
  - Independent Operators ("IOs)" conversions impact of (40 bps)
- **Adjusted SD&A Expense increase of +6.0%**
  - Increased selling and distribution costs to support growth
  - IO conversion benefit and productivity program cost savings
- **Adjusted EPS growth of 27%**
  - Adjusted EBITDA growth of 7.4%, +100 bps margin expansion
  - Lower interest and depreciation and amortization expense

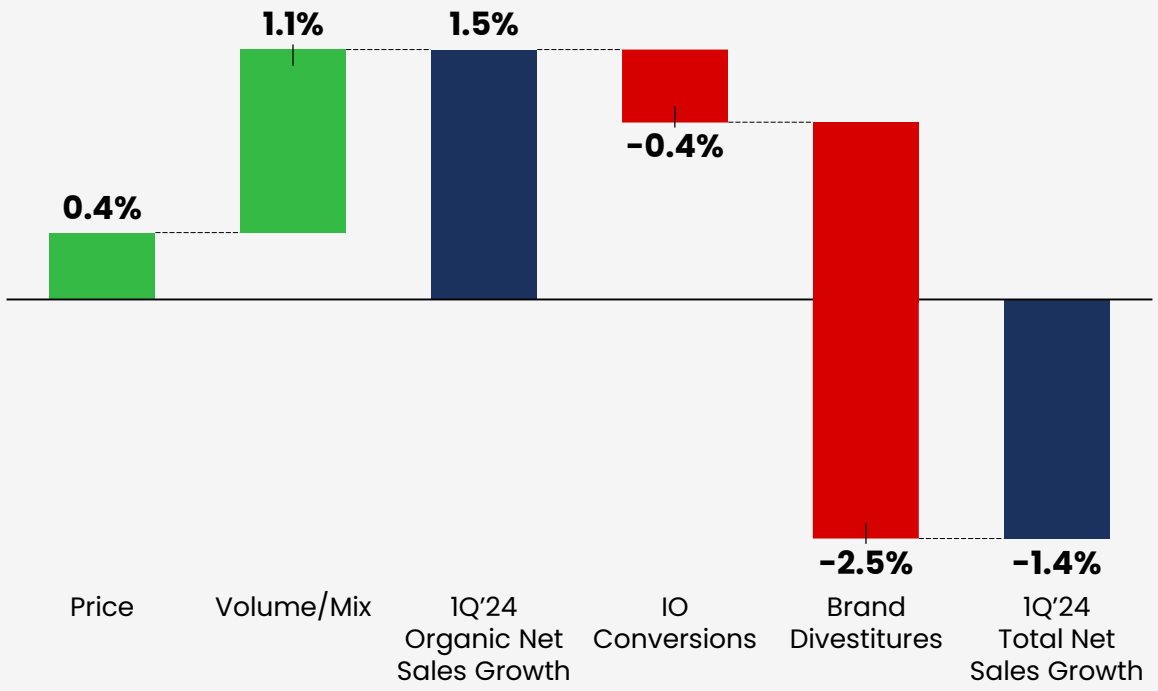
In $ millions, except per share amounts	1Q'24 13-weeks ended March 31, 2024	1Q'23 13-weeks Ended April 2, 2023	YoY Change
Net Sales	**346.5**	**351.4**	**(1.4%)**
Organic Net Sales	**348.0**	**342.9**	**1.5%**
Adj. Gross Profit	**128.8**	**121.0**	**+6.4%**
% of net sales	*37.2%*	*34.4%*	*+280bps*
Adj. SD&A Expense	**85.4**	**80.6**	**6.0%**
% of net sales	*24.6%*	*22.9%*	*+170 bps*
Adj. EBITDA	**43.4**	**40.4**	**+7.4%**
% of net sales	*12.5%*	*11.5%*	*+100 bps*
Adj. Net Income	**20.8**	**15.0**	**+38.7%**
Adj. EPS	**$0.14**	**$0.11**	**+27.3%**

Note: See appendix for reconciliation of Non-GAAP financial measures to most directly comparable GAAP measures.

1Q'24 Net Sales Bridge

- Pricing of +0.4% from price pack architecture enhancements and partner brand pricing
- Volume/mix growth of +1.1% primarily driven by our Power Four Brands
- IO Conversion impact of (0.4%)
- Divestiture impact of (2.5%) from the disposition of R.W. Garcia® and Good Health® brands

1Q'24 Net Sales YoY Growth Decomposition

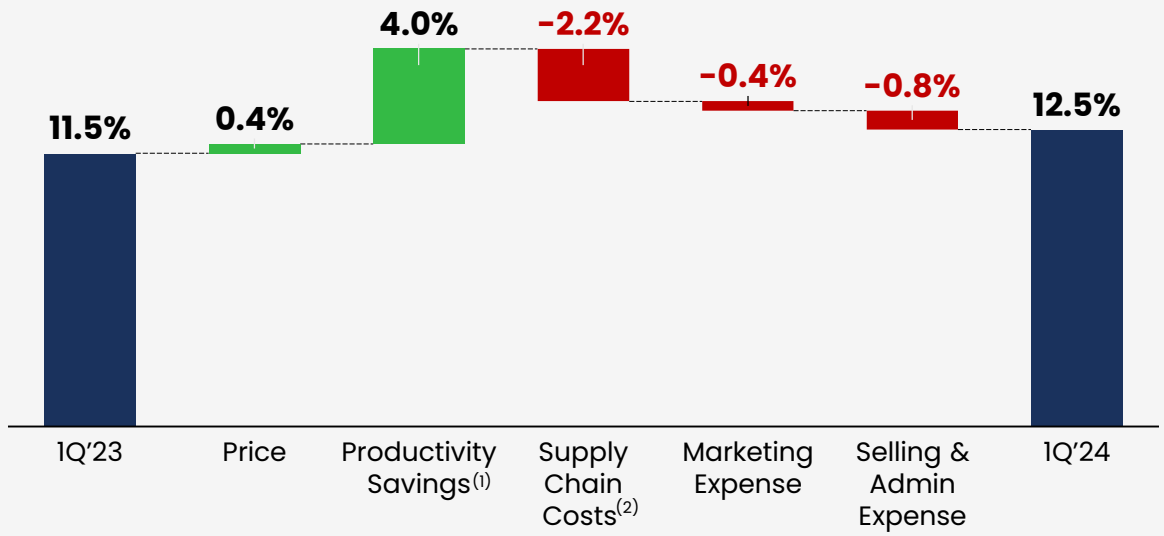


Note: See appendix for reconciliation of Non-GAAP financial measures to most directly comparable GAAP measures.

1Q'24 Adjusted EBITDA Margin Bridge

- Higher net price realization
- Productivity programs driven by manufacturing plant and procurement cost savings
- Favorable commodity costs offset by higher supply chain costs
- Increased selling, distribution, and marketing spend to support growth

1Q'24 Adjusted EBITDA Margin Change Decomposition



Note: See appendix for reconciliation of Non-GAAP financial measures to most directly comparable GAAP measures.

(1) Represents savings realized during Q1 2024 as a % of prior year net sales.
(2) Delivery included

Cash Flow and Balance Sheet Highlights

Cash Flow Highlights *13-Weeks Ended March 31, 2024*

Net Cash Used in Operations	**($9.1M)**
Capital Expenditures	**$13.6M**
Dividends and Distributions Paid(1)	**$8.0M**

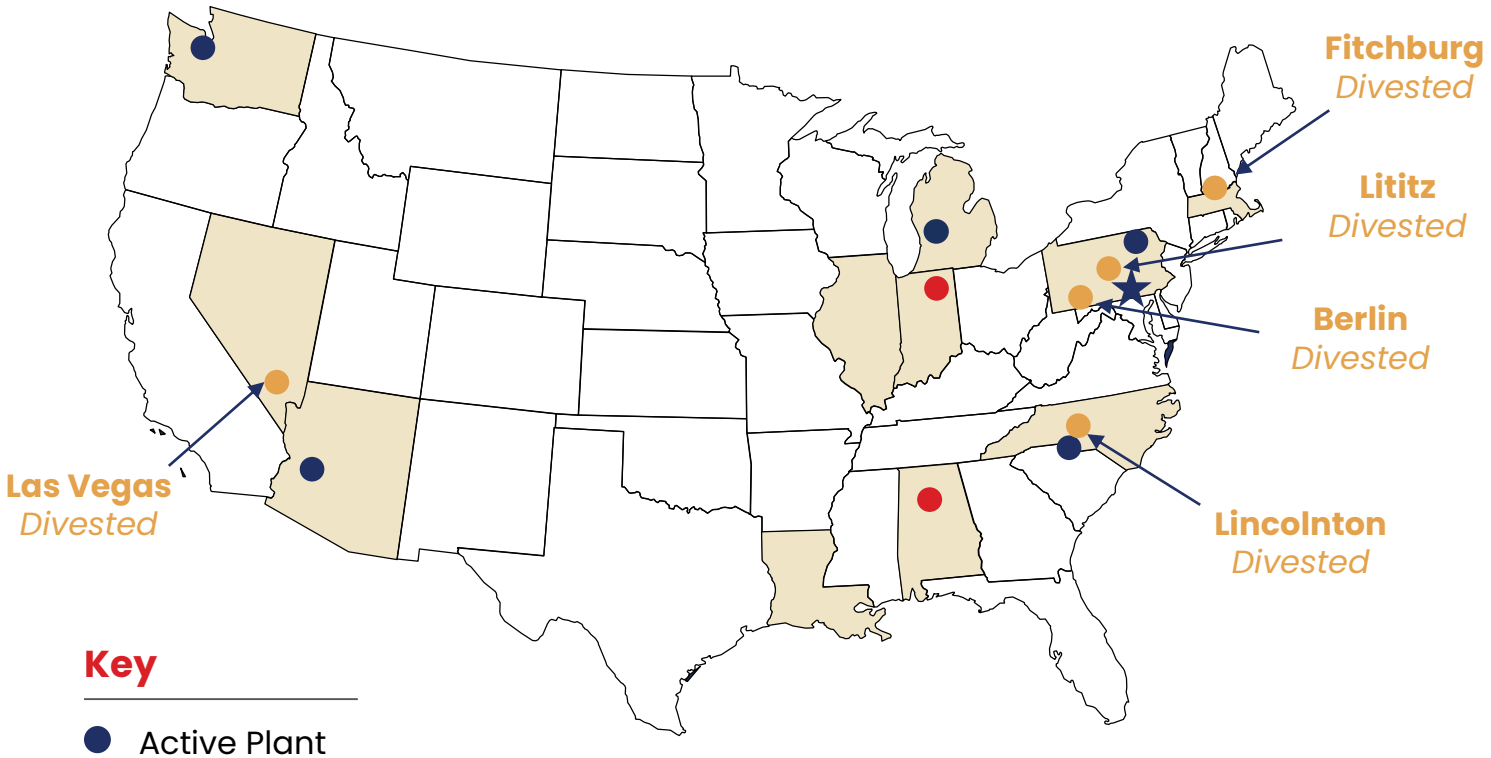
Balance Sheet Highlights *As of March 31, 2024*

Cash and Cash Equivalents	**$47.0M**
Gross Debt(2)	**$775.0M**
Net Debt	**$728.0M**
Net Leverage Ratio(3)	**3.8x**

Note: See appendix for reconciliation of Non-GAAP financial measures to most directly comparable GAAP measures.
(1) Includes $3.5M of Distributions to Non-controlling Interest.
(2) Includes Term Loan, ABL Facility and Capital Leases. Capital Leases include equipment term loans and excludes the impact of step-up accounting.
(3) Net Leverage Ratio is a Non-GAAP financial measure and is based on last 52-weeks Normalized Adjusted EBITDA of $190.1M.

Strong progress in optimizing our supply chain network

Reduced manufacturing plants from 16 active at year-end 2021 to 8 primary plants today



Disposed of five manufacturing plants to Our Home™ in 2024 which accelerates our network optimization strategy and simplifies execution

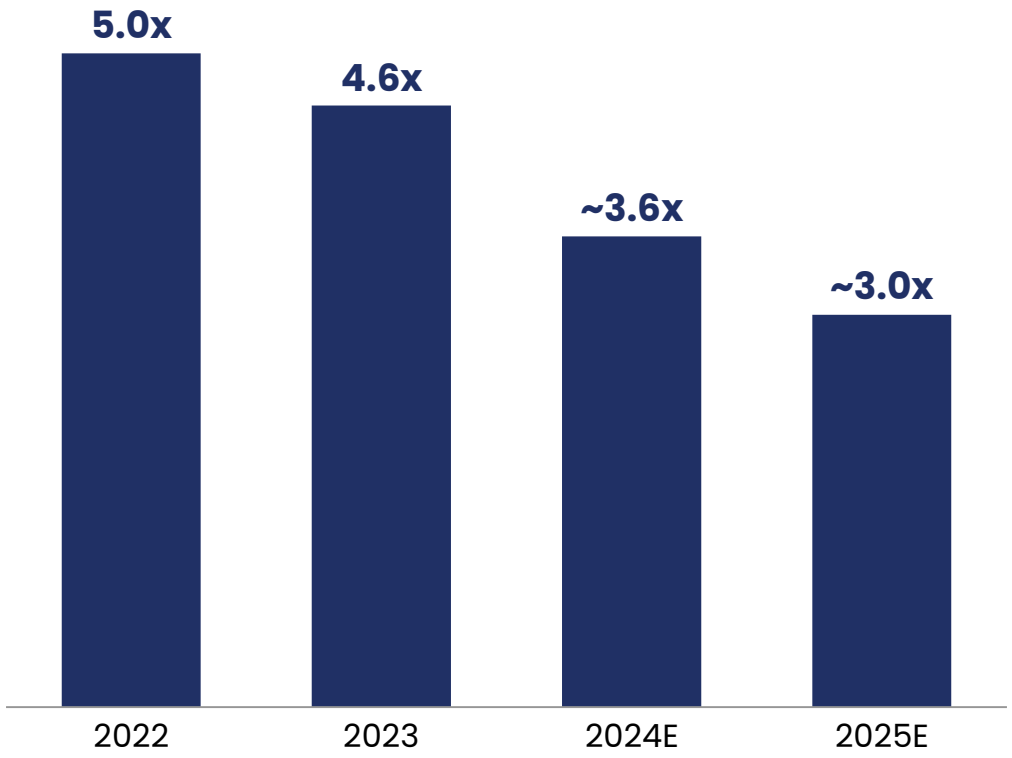
- Enabling Utz to allocate more volume to larger facilities to better leverage fixed costs and increase investments in automation to support growth
- Co-manufacturing agreements in place
- Production to transition to Utz facilities over 6 -15 months (depending on the brand)
- Utz associates offered full employment

Improving balance sheet flexibility

2024 Disposition Transactions and Term Loan Repricing

- Disposition of Good Health® and R.W. Garcia® brands and five manufacturing facilities
  - Net proceeds used to pay down long-term debt of ~$160M
- Completed a repricing in April 2024 of $630 million Term Loan due in January 2028
- Debt paydown and Term Loan repricing results in interest savings of ~$14M in FY'24
- Fixed-rate debt comprises ~80% of the total debt as of Q1 2024, up from ~70% at year-end 2023

Net Leverage Ratio
(Fiscal Year-end)



Note: See appendix for reconciliation of Non-GAAP financial measures to most directly comparable GAAP measures.

Reaffirming our fiscal 2024 Organic Net Sales and Adjusted EBITDA Outlook, and raising our Adjusted EPS outlook

Fiscal 2024 Growth versus Fiscal 2023 Actual Results	*Previous*	Current
Organic Net Sales	*~3% or better growth driven by volume growth*	**~3% or better growth driven by volume growth**
Adjusted EBITDA	*+5% to +8% growth*	**+5% to +8% growth**
Adjusted EPS	*+16% to 21% growth*	**+23% to 28% growth**
Additional Outlook Assumptions:		
Effective Normalized Tax Rate(1)	*19% to 21%*	**18% to 20%**
Net Interest Expense	*~$50 million*	**~$47 million**
Capital Expenditures	*$80 to $90 million*	**$80 to $90 million**
Net Leverage	*~3.6x at fiscal YE24*	**~3.6x at fiscal YE24**

Note: See appendix for reconciliation of Non-GAAP financial measures to most directly comparable GAAP measures.
(1) Normalized GAAP basis tax expense, which excludes one-time items.

Appendix



Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Net Sales and Organic Net Sales

	13-Weeks Ended		
(dollars in millions)	**March 31, 2024**	**April 2, 2023**	**Change**
Net Sales as Reported	$ 346.5	$ 351.4	(1.4)%
Impact of Dispositions	—	(8.5)	
Impact of IO Conversions	1.5	—	
Organic Net Sales [1]	**$ 348.0**	$ 342.9	**1.5 %**

Gross Profit and Adjusted Gross Profit

	13-Weeks Ended	
(dollars in millions)	**March 31, 2024**	**April 2, 2023**
Gross Profit	$ 119.6	$ 104.5
Depreciation and Amortization	7.2	8.6
Non-Cash, Non-recurring adjustments	2.0	7.9
Adjusted Gross Profit	***$ 128.8***	***$ 121.0***
Adjusted Gross Profit as a % of Net Sales	37.2 %	34.4 %

See footnotes in Utz's 1Q'24 earnings press release dated May 2, 2024

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Adjusted Selling, Distribution, and Administrative Expense

(dollars in millions)	13-Weeks Ended March 31, 2024	13-Weeks Ended April 2, 2023
Selling, Distribution, and Administrative Expense	$ 109.4	$ 106.1
Depreciation and Amortization in SD&A Expense	(11.1)	(11.5)
Non-Cash, and/or Non-recurring Adjustments	(12.9)	(14.0)
Adjusted Selling, Distribution, and Administrative Expense	***$ 85.4***	***$ 80.6***
Adjusted SD&A Expense as a % of Net Sales	24.6 %	22.9 %

Depreciation & Amortization

(dollars in millions)	13-Weeks Ended March 31, 2024	13-Weeks Ended April 2, 2023
Core D&A - Non-Acquisition-related included in Gross Profit	$ 4.6	$ 5.8
Step-Up D&A - Transaction-related included in Gross Profit	2.6	2.8
Depreciation & Amortization - included in Gross Profit	***7.2***	***8.6***
Core D&A - Non-Acquisition-related included in SD&A Expense	2.2	2.4
Step-Up D&A - Transaction-related included in SD&A Expense	8.9	9.1
Depreciation & Amortization - included in SD&A Expense	***11.1***	***11.5***
Depreciation & Amortization - Total	***$ 18.3***	***$ 20.1***
Core Depreciation and Amortization	$ 6.8	$ 8.2
Step-Up Depreciation and Amortization	11.5	11.9
Total Depreciation and Amortization	***$ 18.3***	***$ 20.1***

See footnotes in Utz's 1Q'24 earnings press release dated May 2, 2024

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Adjusted Net Income

	13-Weeks Ended	
(dollars in millions, except per share data)	**March 31, 2024**	**April 2, 2023**
Net Income (Loss)	$ 2.4	$ (14.5)
Income Tax Expense (Benefit)	26.5	(2.6)
Income (loss) Before Taxes	***28.9***	***(17.1)***
Deferred Financing Fees	1.8	—
Acquisition Step-Up Depreciation and Amortization	11.5	11.9
Certain Non-Cash Adjustments	4.0	9.2
Acquisition, Divestiture and Integration	(38.4)	3.7
Business and Transformation Initiatives	5.8	8.2
Financing-Related Costs	—	0.1
Loss on Remeasurement of Warrant Liability	11.8	2.2
Other Non-Cash and/or Non-Recurring Adjustments	***(3.5)***	***35.3***
Adjusted Earnings before Taxes	***25.4***	***18.2***
Taxes on Earnings as Reported	(26.5)	2.6
Income Tax Adjustments[1]	21.9	(5.8)
Adjusted Taxes on Earnings	(4.6)	(3.2)
Adjusted Net Income	***$ 20.8***	***$ 15.0***
Average Weighted Basic Shares Outstanding on an As-Converted Basis	140.7	140.3
Fully Diluted Shares on an As-Converted Basis	144.0	142.8
Adjusted Earnings Per Share	**$ 0.14**	**$ 0.11**

EBITDA and Adjusted EBITDA

	13-Weeks Ended	
(dollars in millions)	**March 31, 2024**	**April 2, 2023**
Net Income (Loss)	$ 2.4	$ (14.5)
Plus non-GAAP adjustments:		
Income Tax Expense (Benefit)	26.5	(2.6)
Depreciation and Amortization	18.3	20.1
Interest Expense, Net	13.8	14.4
Interest Income from IO loans[1]	(0.8)	(0.4)
EBITDA	**60.2**	**17.0**
Certain Non-Cash Adjustments[2]	4.0	9.2
Acquisition, Divestiture and Integration[3]	(38.4)	3.7
Business Transformation Initiatives[4]	5.8	8.2
Financing-Related Costs[5]	—	0.1
Loss on Remeasurement of Warrant Liabilities[6]	11.8	2.2
Adjusted EBITDA	**$ 43.4**	**$ 40.4**
Net income (loss) as a % of Net Sales	0.7 %	(4.1)%
Adjusted EBITDA as a % of Net Sales	12.5 %	11.5 %

See footnotes in Utz's 1Q'24 earnings press release dated May 2, 2024

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Normalized Adjusted EBITDA

	FY 2023					FY 2024	
(dollars in millions)	Q1	Q2	Q3	Q4	FY 2023	Q1	TTM
Adjusted EBITDA	$ 40.4	$ 45.2	$ 52.1	$ 49.4	$ 187.2 [1]	$ 43.4	$ 190.1
Pre-Acquisition Adjusted EBITDA[1]	—	—	—	—	—	—	—
Normalized Adjusted EBITDA	*$ 40.4*	*$ 45.2*	*$ 52.1*	*$ 49.4*	*$ 187.2* [1]	*$ 43.4*	*$ 190.1*

Net Debt and Leverage Ratio

(dollars in millions)	As of March 31, 2024
Term Loan	$ 630.3
Real Estate Loan	70.9
ABL Facility	0.2
Capital Leases[1]	73.5
Deferred Purchase Price	0.1
Gross Debt[2]	**775.0**
Cash and Cash Equivalents	47.0
Total Net Debt	**$ 728.0**
Last 52-Weeks Normalized Adjusted EBITDA	$ 190.1
Net Leverage Ratio[3]	**3.8x**

See footnotes in Utz's 1Q'24 earnings press release dated May 2, 2024