



NEWS RELEASE

Utz Brands Completes Acquisition of Strategic Distribution Rights of National Food Corp

8/12/2024

The acquisition includes ~65 routes in South Florida to enhance local DSD capabilities and to support geographic expansion opportunities to drive growth

HANOVER, Pa.--(BUSINESS WIRE)-- Utz Brands, Inc. (NYSE: UTZ) ("Utz" or the "Company"), a leading U.S. manufacturer of branded Salty Snacks and a small-cap value and growth Staples equity, is pleased to announce that it has entered into a definitive agreement to purchase certain distribution rights in South Florida from an existing third-party direct-store delivery ("DSD") distributor, National Food Corp ("National Food").

This acquisition of ~65 DSD routes in South Florida, covering Miami, Fort Lauderdale, West Palm Beach, Naples, and Fort Myers represents Utz's second transaction with National Food. The first transaction occurred in March 2021, and involved the acquisition of 21 DSD routes in Central Florida. Utz now oversees more than 200 independent operator-run routes in Florida, from the panhandle to the southernmost part of the state.

Florida is a key expansion geography for Utz, as it represents the third largest U.S. state in terms of Salty Snack Category sales, with \$2.6 billion of retail sales (1) . Since 2021, Utz has increased its retail sales in Florida to \$103 million, representing a three-year compounded annual growth rate of 28%, and has also increased its market share from 2.7% to 3.9% (1) . While the Company has enjoyed very strong growth, this transaction shows that there is still significant market share opportunity in Florida which remains below the average Core geographies share at 6.9% (1) . We believe that Florida's large consumer base, combined with strong recognition of the Utz ® portfolio brands, uniquely positions us to continue this growth trajectory. To support this expansion, Utz plans to increase its investment in the region and provide enhanced retailer support with increased distribution facilities and sales management, higher service velocity, and an expanded route system.

"We are very excited to announce this transaction, as we continue to execute the expansion strategy that we outlined during our December 2023 Investor Day," said Howard Friedman, Chief Executive Officer of Utz.

“Strengthening our regional foothold and bolstering our customer relationships in Florida is a key focus, as the state represents an important expansion geography for Utz. We look forward to expanding our distribution and offering our portfolio of iconic snacking products to more consumers in this important geography.”

(1) Source: Circana MULO-C, last-52 weeks ending 6/30/2024.

About Utz Brands, Inc.

Utz Brands, Inc. (NYSE: UTZ) manufactures a diverse portfolio of savory snacks through popular brands, including Utz ® , On The Border ® Chips & Dips, Zapp’s ® , and Boulder Canyon ® , among others.

After a century with a strong family heritage, Utz continues to have a passion for exciting and delighting consumers with delicious snack foods made from top-quality ingredients. Utz's products are distributed nationally through grocery, mass merchandisers, club, convenience, drug, and other channels. Based in Hanover, Pennsylvania, Utz has multiple manufacturing facilities located across the U.S. to serve our growing customer base. For more information, please visit the Company's website or call 1-800-FOR-SNAX.

Investors and others should note that Utz announces material financial information to its investors using its Investor Relations website, U.S. Securities and Exchange Commission (the “Commission”) filings, press releases, public conference calls, and webcasts. Utz uses these channels, as well as social media, to communicate with our stockholders and the public about the Company, the Company's products, and other Company information. It is possible that the information that Utz posts on social media could be deemed to be material information. Therefore, Utz encourages investors, the media, and others interested in the Company to review the information posted on the social media channels listed on Utz's Investor Relations website.

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 statements are based on the current expectations of the Company's management and are not predictions of actual performance. These statements are subject to a number of risks and uncertainties and the Company's business and actual results may differ materially.

Investors

Kevin Powers

Utz Brands, Inc.

kpowers@utzsnacks.com

Media

Kevin Brick

Utz Brands, Inc.

kbrick@utzsnacks.com

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