Utz Brands, Inc.
Festida Foods Acquisition Announcement

May 11, 2021



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, future plans for Utz Brands, Inc. (the "Company") including the acquisition of Festida Foods ("Festida Foods" or "Festida"), the estimated or anticipated future results and benefits of the Company's future plans and operations, future capital structure, future opportunities for the Company, and other statements that are not historical facts. 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. Factors that may cause such differences include, but are not limited to: the risk that the recently completed business combination with Collier Creek Holdings and other acquisitions recently completed by the Company (collectively, the "Business Combinations") disrupt plans and operations; the ability to recognize the anticipated benefits of such Business Combinations, which may be affected by, among other things, competition and the ability of the Company to grow and manage growth profitably and retain its key employees; the outcome of any legal proceedings that may be instituted against the Company following the consummation of such Business Combinations; changes in applicable law or regulations; costs related to the Business Combinations; the inability of the Company to maintain the listing of the Company's Class A Common Stock on the New York Stock Exchange; the inability of the Company to develop and maintain effective internal controls; the risk that the Company's gross profit margins may be adversely impacted by a variety of factors, including variations in raw materials pricing, retail customer requirements and mix, sales velocities and required promotional support; changes in consumers' loyalty to the Company's brands due to factors beyond the Company's control; changes in demand for the Company's products affected by changes in consumer preferences and tastes or if the Company is unable to innovate or market its products effectively; costs associated with building brand loyalty and interest in the Company's products, which may be affected by the Company's competitors' actions that result in the Company's products not being suitably differentiated from the products of competitors; fluctuations in results of operations of the Company from quarter to quarter because of changes in promotional activities; the possibility that the Company may be adversely affected by other economic, business or competitive factors; and other risks and uncertainties set forth in the section entitled "Risk Factors" and "Forward-Looking Statements" in the Company's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the "Commission") for the fiscal year ended January 3, 2021 and other reports filed by the Company with the Commission. In addition, forward-looking statements provide the Company's expectations, plans or forecasts of future events and views as of the date of this communication. Except as required by law, the Company undertakes no obligation to update such statements to reflect events or circumstances arising after such date, and cautions investors not to place undue reliance on any such forward-looking statements. 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.

Disclaimer – Non-GAAP Financial Measures

A non-GAAP financial measure is a numerical measure of financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with generally accepted accounting principles in the United States (GAAP). Utz believes that the non-GAAP financial measures are meaningful to investors because they increase transparency and assist investors to understand and analyze our ongoing operational performance. The financial measures are shown as supplemental disclosures in this presentation because they are widely used by the investment community for analysis and comparative evaluation. They also provide additional metrics to evaluate Utz's operations and, when considered with both the GAAP results, provide a more complete understanding of Utz's business than could be obtained absent this disclosure. These non-GAAP measures are not and should not be considered an alternative to the most comparable GAAP measures or any other figure calculated in accordance with GAAP, or as an indicator of operating performance. Utz's calculation of the non-GAAP financial measures may differ from methods used by other companies. Utz's management believes that the non-GAAP measures are important to having an understanding of Utz's overall operating results or those of Festida in the periods presented. 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. As new events or circumstances arise, these definitions could change.

In this presentation, we use the following non-GAAP financial measures: "Adjusted EBITDA" is defined as EBITDA further adjusted to exclude certain non-cash items, such as stock-based compensation, hedging and purchase commitments adjustments, and asset impairments; acquisition and integration costs; business transformation initiatives; and financing-related costs. Adjusted EBITDA is one of the key performance indicators we use in evaluating our operating performance and in making financial, operating, and planning decisions. We believe Adjusted EBITDA is useful to the users of this presentation and financial information contained in this presentation in the evaluation of Utz's operating performance compared to other companies in the salty snack industry, as similar measures are commonly used by companies in this industry. We have historically reported an Adjusted EBITDA metric to investors and banks for covenant compliance. "Festida Adjusted EBITDA" is defined as EBITDA further adjusted to exclude certain non-cash items, non-recurring items, and certain costs that will not be incurred after the closing date of the acquisition of Festida Foods. "Festida Pro Forma Adjusted EBITDA" is defined as Festida Adjusted EBITDA further adjusted to include estimated run-rate, selling and administrative cost synergies and dis-synergies once fully integrated into Utz. We believe Festida Adjusted EBITDA and Festida Pro Forma Adjusted EBITDA is useful to the users of this presentation and financial information contained in this presentation to evaluate the estimated contribution of the Festida acquisition to our Adjusted EBITDA and compare to other companies in the salty snack industry, as similar measures are commonly used by companies in this industry. "EBITDA" is defined as Net Income before Interest, Income Taxes, and Depreciation and Amortization.

Festida Foods Overview

Festida Foods ("Festida") Overview

- Contract manufacturer of tortilla chips and other salty snacks located in Grand Rapids, Michigan
- Largest co-manufacturer of ON THE BORDER® tortilla chips
- Established in 1991 with approximately 100 full-time employees
- Current manufacturing capabilities consist of tortilla chips, corn chips, and pellet snacks
- Festida has meaningful additional capacity to support ON THE BORDER® growth and facilitate geographic expansion of Utz Power Brands
- Festida will continue to service existing customers into the future
- After eliminating tolling fees between Festida and Utz subsidiaries, Festida generated incremental FY 2020 Net Sales of ~$14M, Adjusted EBITDA of ~$6M, and Pro Forma Adjusted EBITDA of ~$7M, assuming $1M in cost synergies







Transaction Highlights

Transaction Summary

- Purchase price of $41M[1] represents an acquisition multiple of approximately 5.1x FY 2020 Festida Pro Forma Adjusted EBITDA of $7M assuming approximately $5M in net present value from expected tax benefits resulting from the transaction and $1M in expected run-rate Selling and Administrative cost synergies
- Structured as an asset acquisition
- Transaction is expected to close in Q2 2021

Assets & Liabilities Acquired

- The acquired assets include the manufacturing assets, accounts receivable, inventory and prepaid assets, and the associated land and building in Grand Rapids, MI
- Liabilities assumed represent trade payables and certain accrued operating liabilities

Financing

- Utz expects to use its revolving credit facility to fund the acquisition

Financial Impact

- After tolling fees between Festida and Utz subsidiaries are eliminated, Festida contributed incremental FY 2020 Net Sales and Adjusted EBITDA of $14M and $6M, respectively
- At least $1M in Selling and Administrative cost synergies
- $5M in net present value from expected tax benefits resulting from the transaction
- Utz expects the transaction to be accretive to earnings in 2021 and subsequent years

1 Subject to a customary post-closing purchase price adjustment

Acquisition Aligned with Utz Value Creation and M&A Strategy

1 **Enhances Supply Chain**	▪ Festida is the largest co-manufacturing partner for ON THE BORDER®, enabling Utz to drive future procurement and productivity value creation initiatives
2 **Accelerates Geographic Expansion**	▪ Festida's ~250,000 sq. ft. facility gives Utz space to stand up additional manufacturing lines to support and accelerate growth of other product sub-categories in the Midwest
3 **Delivers Strong Synergies**	▪ Selling and Administrative cost synergies of at least $1M, with future potential for supply chain synergies ▪ Supports Utz and Truco future growth in Midwest
4 **Accretive & Multiple Enhancing**	▪ Purchase price represents 5.1x FY 2020 Pro Forma Adjusted EBITDA of $7M assuming $5M in net present value from expected tax benefits resulting from the transaction and $1M in expected Selling and Administrative cost run-rate synergies ▪ Expected to be accretive to earnings in 2021 and subsequent years
5 **Consistent with Target Leverage Policy**	▪ Impact to net leverage ratio is not meaningful