

# Utz Brands, Inc.

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2023 Investor Day Presentation  
December 15, 2023



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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 expected effects from the COVID-19 pandemic; future plans for the Utz Brands, Inc. (“the Company”), including plans related transformation of the Company’s supply chain, the Company’s geographic expansion, the Company’s product offerings and product mix, the Company’s ESG priorities, 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; future capital structure; future opportunities for the Company; the effects of inflation or supply chain disruptions; 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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# Agenda

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## Welcome

Kevin Powers

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## Strategy Overview

Howard Friedman

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## Next Phase of Growth

Jen Bentz  
Mark Schreiber

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## Supply Chain Value Creation

Cary Devore  
Shannan Redcay  
Chad Whyte

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## Financial Review

Ajay Kataria

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## Q&A

All Presenters

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# Strategy Overview

**Howard Friedman**  
Chief Executive Officer



# Key messages you will hear today

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## ONE

Building on our strong foundation and consumer-loved brands for next phase of growth

## THREE

Maintaining a disciplined capital allocation approach to reduce our net leverage

## TWO

Transforming our supply chain to fuel margin improvement while prioritizing high-return growth investments

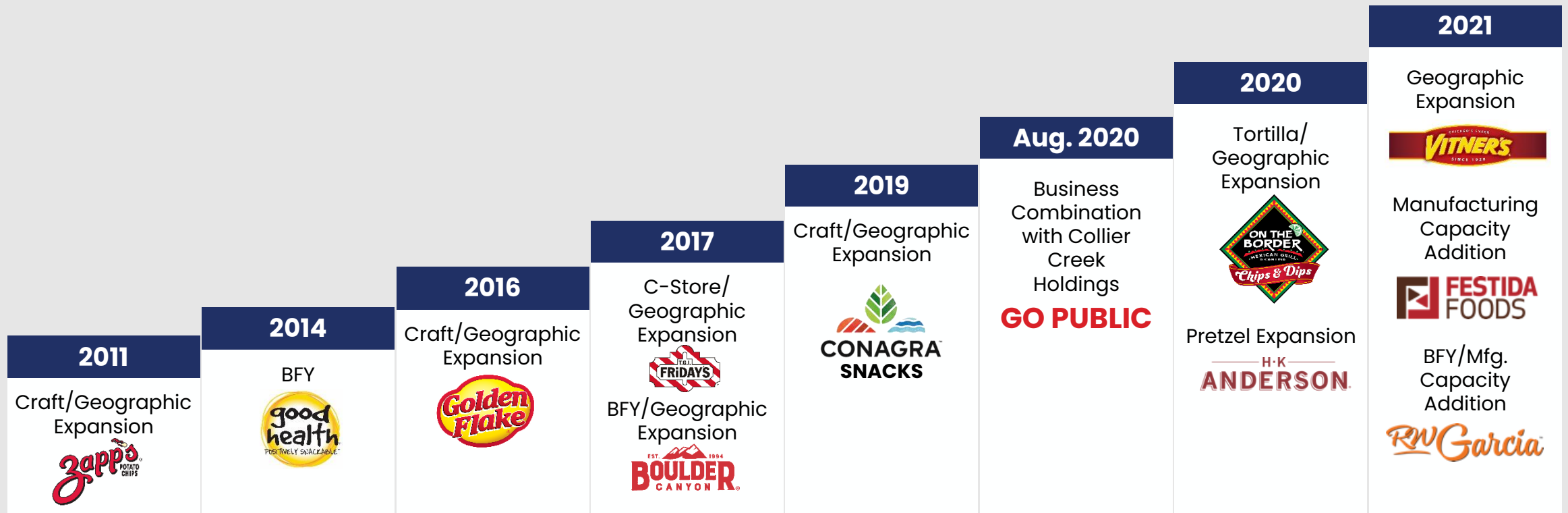
## FOUR

Introducing new 2026 financial targets that deliver above-market topline growth and margin improvement



# National scale, multi-brand snack platform created 2011 – 2023

- Rapid geographic and brand portfolio expansion driven by strategic M&A
- Publicly traded company through business combination with Collier Creek Holdings in August 2020





# Consumer-loved brand portfolio





# Growth fueled by distribution gains, new buyers, and acquisitions

## Total Utz Growth from 2019 to 2023

### Consumption Growth



**Retail Sales**  
**9.6%**  
**CAGR Since 2019**

### Distribution Growth



**Total Points of Distribution**  
**5%**  
**CAGR Since 2019**

### Household Growth



**Total Buyers**  
**+3.5M**  
**Since 2019**

Source: Circana Total US MULO-C 2019 to 2023; 2023 period is 52-weeks ended 11/5/23. Household is Circana CSIA All Outlets 52-weeks ended 11/5/23. Pro forma for acquisitions.

# Momentum led by our Core Four Power Brands

2019 – 2023

**Retail Sales  
CAGR**

**11%**

**14%**

**21%**

**21%**

**ACV%  
Growth  
(national  
distribution)**

**17pts**

**20pts**

**20pts**

**6pts**



## This year we positioned the Company to capture its full potential

- Acquired new talent in key areas
- Accelerated productivity delivery
- Invested in supply chain optimization program
- Completed accelerated SKU rationalization program and continued IO route conversions
- Continued progress on building a branded company of scale





# What we want to achieve

## Our Mission:

Become the fastest growing pure-play U.S. snacking company of scale

## By:

- Building a portfolio of **consumer-loved brands** coast-to-coast
- Developing **world class people** and capabilities
- Delivering **top-tier financial performance**



# Driven by our fundamental strategies

**Focus our portfolio**  
to further penetrate  
our Expansion  
geographies while  
holding the Core

**Transform  
our supply chain**  
to fund growth  
and margin  
improvement

**Develop leading  
capabilities**  
to build a  
best-in-class  
organization

**Improve balance  
sheet flexibility**  
and pursue  
opportunistic M&A

# Strategies planned to deliver strong three-year financial targets

**4% to 5%  
Organic Net  
Sales Growth**

CAGR 2023 – 2026

**~16%  
Adj. EBITDA  
Margin**

In 2026

**Double-digit  
Adj. EPS Growth**

CAGR 2023 – 2026

**~3x  
Net  
Leverage**

By year-end 2026

**Three-year targets expected to drive top-tier shareholder returns**

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

## 4% – 5% Organic Net Sales growth targeted over the next three years

**Participate in attractive and growing** Salty Snack category

**Increase investments** against a clearly defined brand portfolio strategy

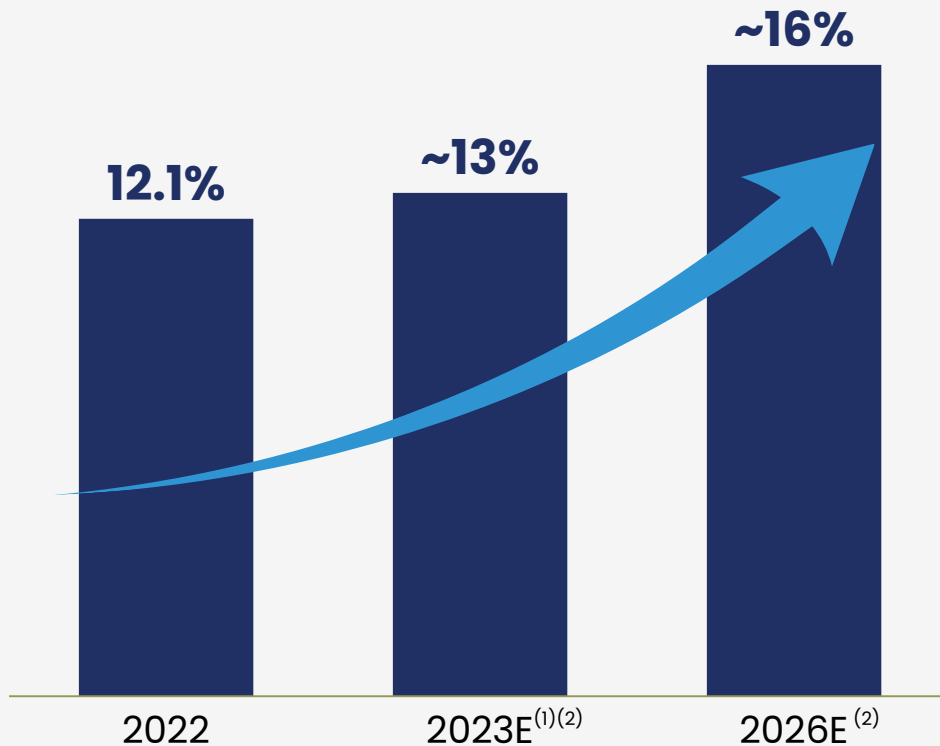
**Further penetrate our Expansion** geographies while holding the Core

**Leverage our go-to-market model** with operational excellence



# Targeting ~300bps of Adj. EBITDA Margin improvement over the next three years

## Adjusted EBITDA Margin



- **Volume-led revenue growth** driving fixed cost leverage
- **Advantaged product mix** through portfolio management
- **Supply chain** transformation
- **Investments** to support leading organization capabilities

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

(1) Company estimate based Net Sales and Adjusted EBITDA fiscal 2023 outlook. See press release dated 12/15/2023.

(2) A quantitative reconciliation is not available without unreasonable efforts due to the high variability, complexity, and low visibility with respect to Net Sales and certain items which are excluded from Adjusted EBITDA.



# Our culture permeates our ways of working

1 **Act with respect**, care, and inclusion

2 **Focus on** accountability and results

3 **Celebrate and reward** successes

4 **Continuously** pursue excellence



# ESG priorities that strengthen our business



## People

- **Creating a culture** where most talented people want to work for and stay
- **Using diversity and inclusion,** career development and comprehensive benefits to make Utz a compelling place to work



## Planet

- **Prioritizing energy efficiency** to cut costs and manage GHG emissions
- **Cutting waste and implementing recycling efforts** conserves materials and lowers landfill expenses



## Products

- **Delivering product safety and ingredient sustainability** ensures trust in our brands
- **Optimizing packaging for sustainability** reduces supplier costs and protects our reputation

# Key messages you will hear today

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Building on our strong foundation and consumer-loved brands for next phase of growth

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Transforming our supply chain to fuel margin improvement while prioritizing high-return growth investments

## FOUR

Introducing new 2026 financial targets that we expect to deliver above-market topline growth and margin improvement





# Next Phase of Growth

**Jennifer Bentz**  
EVP, Marketing

**Mark Schreiber**  
EVP, Chief Customer Officer





# Key assumptions underlying 4% – 5% Organic Net Sales CAGR 2023 – 2026

## Salty Snacks Category



Retail Sales Growth  
**2%–3%**  
CAGR

## Utz Expansion Geography



Volume Share Growth  
**0.2 pts**  
Average per year

## Utz Core Geography



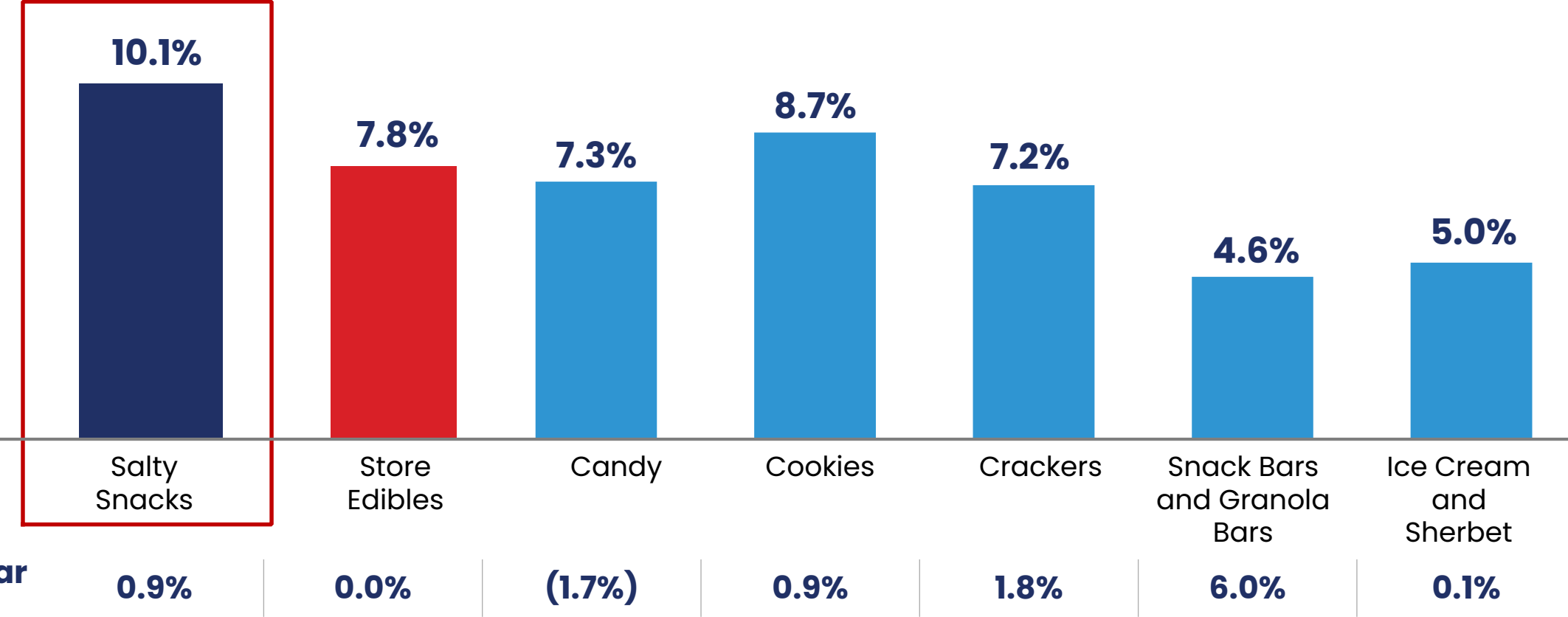
Volume Share  
**Flat**

# Strategies to deliver 4% – 5% Organic Net Sales CAGR 2023 – 2026

- Participate in attractive and growing salty snack category
- Increase investments against a clearly defined brand portfolio strategy
- Further penetrate our Expansion geographies while holding the Core
- Leverage our go-to-market model with operational excellence

# Salty Snacks is an advantaged category with above average growth

2019–2023 U.S. Retail Sales Growth<sup>(1)</sup>



<sup>(1)</sup> Circana Total US MULO-C 52-weeks ended 10/08/23. Custom Utz category for Salty Snacks and Circana syndicated definitions for all other categories.

<sup>(2)</sup> Equivalized Units not available for all product groupings and Units used.

# Drivers of Salty Snacks growth still true even with more value conscious consumers

## Salty Snacks Category Drivers

### Tailwinds

- 90%** U.S. population snacking at least once per day<sup>(1)</sup>
- 3.3** Avg # snacks per day per person<sup>(1)</sup>
- 33%** of U.S. eating occasions are snacks<sup>(2)</sup>
- 1/3rd** of U.S. Consumers are replacing meals with snacks<sup>(1)</sup>

### Headwinds

- +30%** CPG prices higher than 2019; wage growth hasn't kept up<sup>(3)</sup>
- \$54B/mo** Depleted pandemic-related excess savings<sup>(3)</sup>

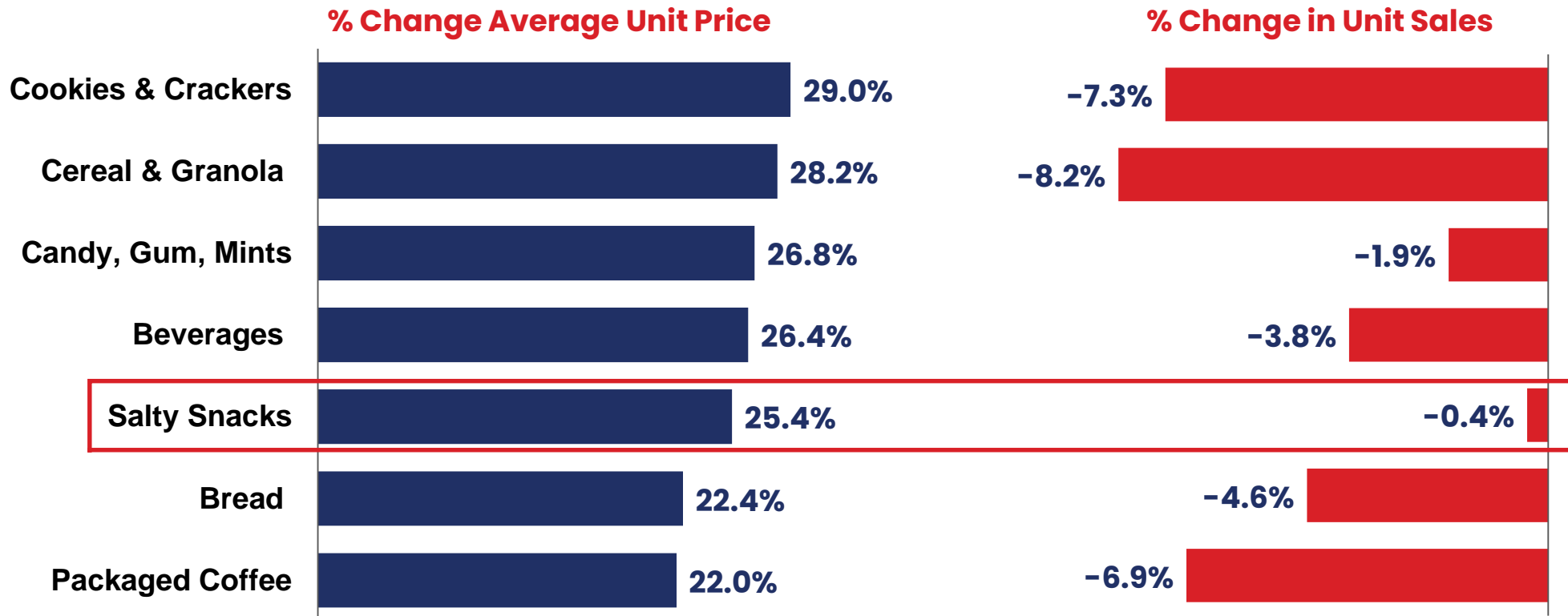
(1) Circana, SnackTrack®, 2-years ended June 2023; ages 2+.  
(2) Circana/National Eating Trends®; Sourced from Home/Retail, 1-year ended August 2023.

(3) U.S. Bureau of Labor Statistic; Source: New York Federal Reserve (Excess Personal Savings); Redfin Monthly Rental Market Data



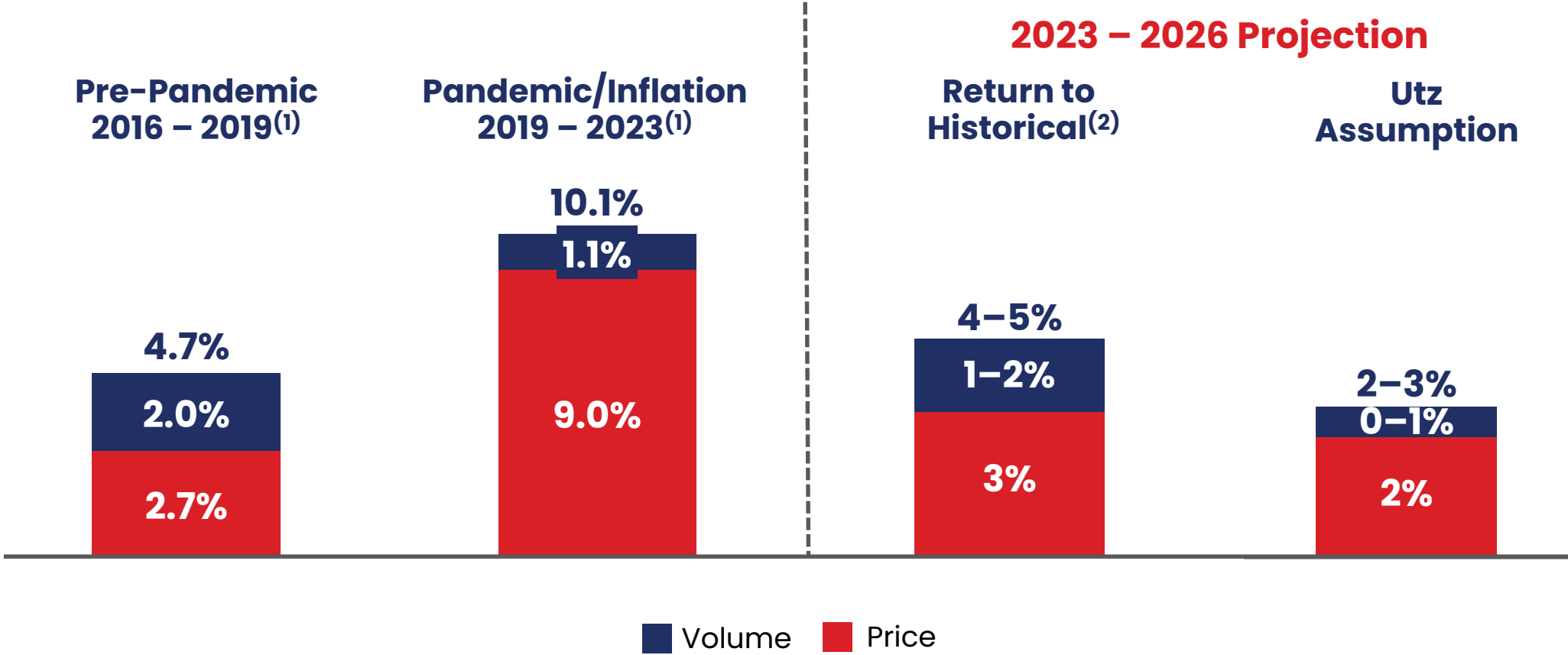
# Higher prices a drag on unit sales but Salty Snacks have been resilient

## All outlets combined: Top selling edible super-categories unit price & unit trend Latest 52-weeks vs. 2 years ago



# Utz growth outlook not dependent on Salty Snack category returning to historical growth

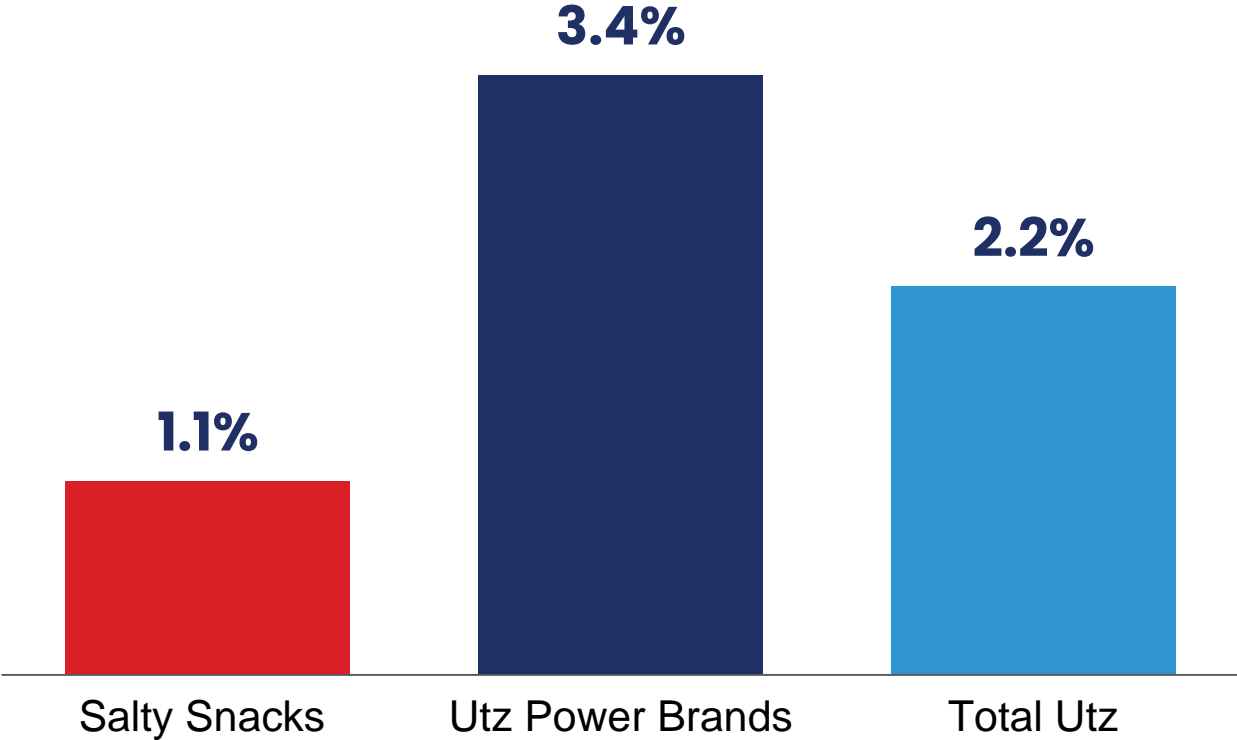
## Historical and Projected Salty Snacks Category Growth (CAGR)



(1) Circana Total US MULO-C 2016-2023; 2023 period is 52-weeks ended 11/5/23.  
 (2) Based on average Circana Total US MULO-C growth during the pre-pandemic period (2016-2019).

# Utz historical portfolio volume growth of 2% – 3%

## 2019–2023 U.S. Retail Volume CAGR



Source: Circana Total US MULO-C 52-weeks ended 11/05/23. Pro forma for acquisitions.

# Strategies to deliver 4 – 5% Organic Net Sales CAGR 2023 – 2026

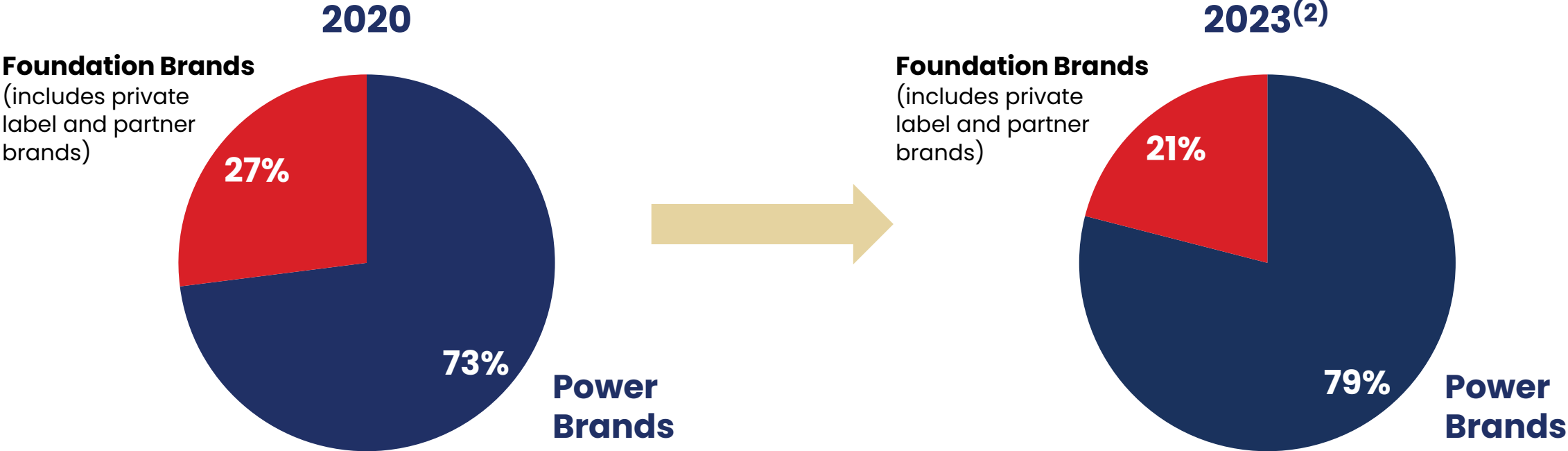
- Participate in attractive and growing salty snack category
- Increase investments against a clearly defined brand portfolio strategy
- Further penetrate our Expansion geographies while holding the Core
- Leverage our go-to-market model with operational excellence



# Successfully shifted sales mix to advantaged Power Brands

- De-emphasized private label and partner brands
- Eliminated ~450 (or ~25% of total) SKUs 2021 to 2023

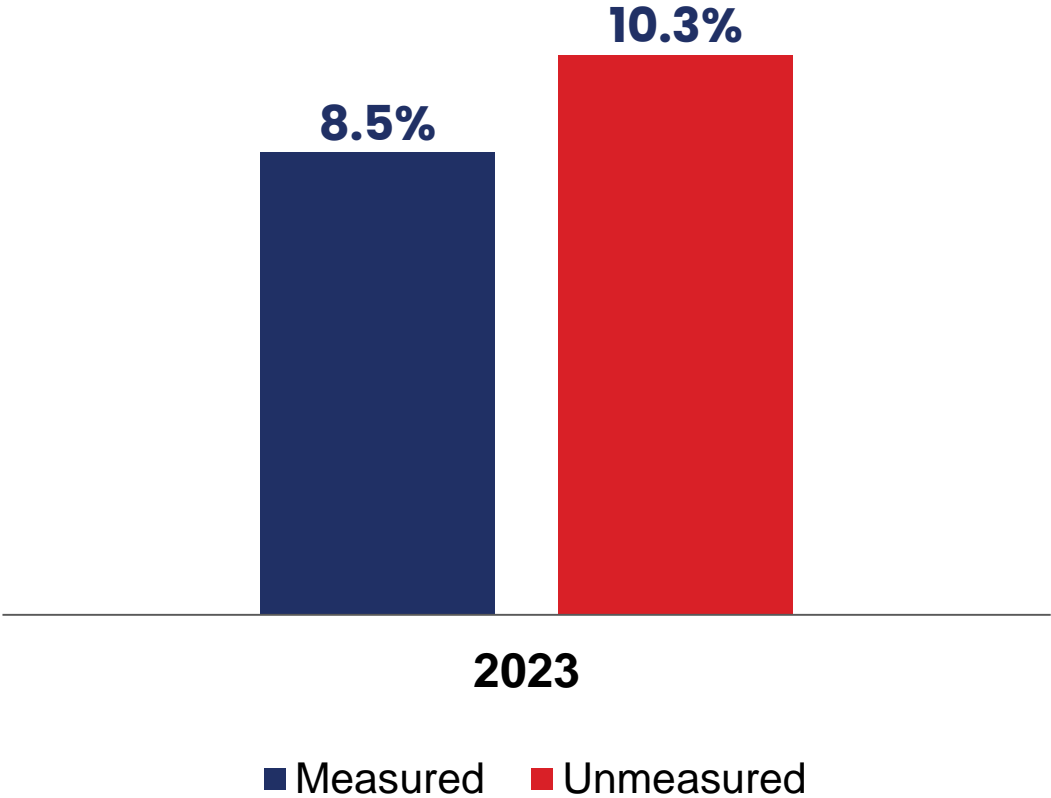
## Total Utz Sales<sup>(1)</sup>



(1) Invoiced sales differs than retail sales as reported by Circana.  
(2) Company data for fiscal 2023 year-to-date through November 2023.

# Utz Power Brands strong in both measured and unmeasured channels




















## Utz Power Brands Sales



- Power Brand unmeasured sales growth driven by Club, Dollar, and Natural channel
- Expect future Power Brand growth to be similar between measured and unmeasured channels

Source: Company data for fiscal 2023 year-to-date.

# Power Brands now further segmented with focus on Core Four Power Brands

		Total Utz Retail Sales 52-weeks ended 11/5/23	
		YoY Growth	% of Total Utz
<b>Power Brands</b>			
<b>Core Four</b>	 	9%	69%
	 	34%	8%
<b>Targeted</b>	      	-	12%
<b>Foundation Brands</b>	       	(2%)	11%
<b>Total Utz</b>		8%	100%

Source: Circana Total US MULO-C 52-weeks ended 11/05/23.

Note: For this analysis certain brands shifted between Power Brands and Foundation Brands. Power Brands have been segmented into Core Four and Targeted subcategories. Specifically, Good Health moved from Power Brands to Foundation Brands, and Dirty, Tim's Cascade, and Bachman, moved from Foundation Brands to Power Brands.



# Investments in marketing and innovation focused on Growth Power Brands

			Portfolio Role	Investment	Future Geography
<b>Power Brands</b>					
<b>Core Four</b>	 		<ul style="list-style-type: none"> <li>○ Mainstream Salty Snacks</li> <li>○ Tortilla</li> </ul>	Above fair share	National
	 		<ul style="list-style-type: none"> <li>○ High flavor</li> <li>○ Better-for-You</li> </ul>	Significantly above fair share	National
<b>Targeted</b>	      		<ul style="list-style-type: none"> <li>○ Specific sub-category channel opportunities</li> </ul>	Limited	Varies
<b>Foundation Brands</b>	       		<ul style="list-style-type: none"> <li>○ Margin improvement</li> </ul>	Continued de-emphasis	Reduced

Note: For this analysis certain brands shifted between Power Brands and Foundation Brands. Power Brands have been segmented into Core Four and Targeted subcategories. Specifically, Good Health moved from Power Brands to Foundation Brands, and Dirty, Tim's Cascade, and Bachman, moved from Foundation Brands to Power Brands.

# Consumers have distinct attitudes and needs towards snacking

## How: Salty Snack consumers can be defined across three major traits



### Foodie Snacker

Those driven by taste and those driven by health



### Functional Snacker

Those eating for social connection and those eating for convenience



### Adventurous Snacker

Those eating for taste and those eating for health

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## When: There are a few distinct motivations/occasions that drive consumers to salty snacks



### Taste & Craving

Between meals, as a treat, or a side dish



### Social Occasions

To share with a group



### Energize & On The Go

While studying/working, during a commute, running errands

# Utz portfolio breadth reaches consumers both on HOW and WHEN they snack

## How

Foodie Snacker

Functional Snacker

Adventurous Snacker

## When

Taste & Craving

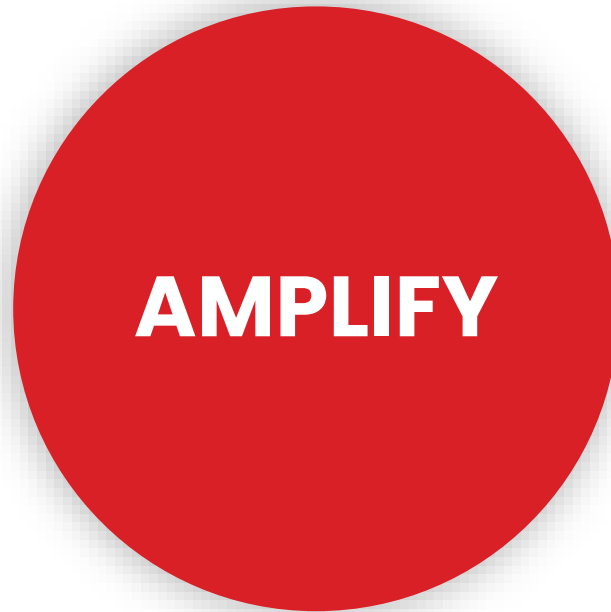
Social Occasions

Energize & On the Go





## Investment increasing across all aspects of Marketing



**Investing in sales overnight and brands over time**

# OPTIMIZE retail media to support brand expansion

Deploy high ROI promotions



Leverage retail media



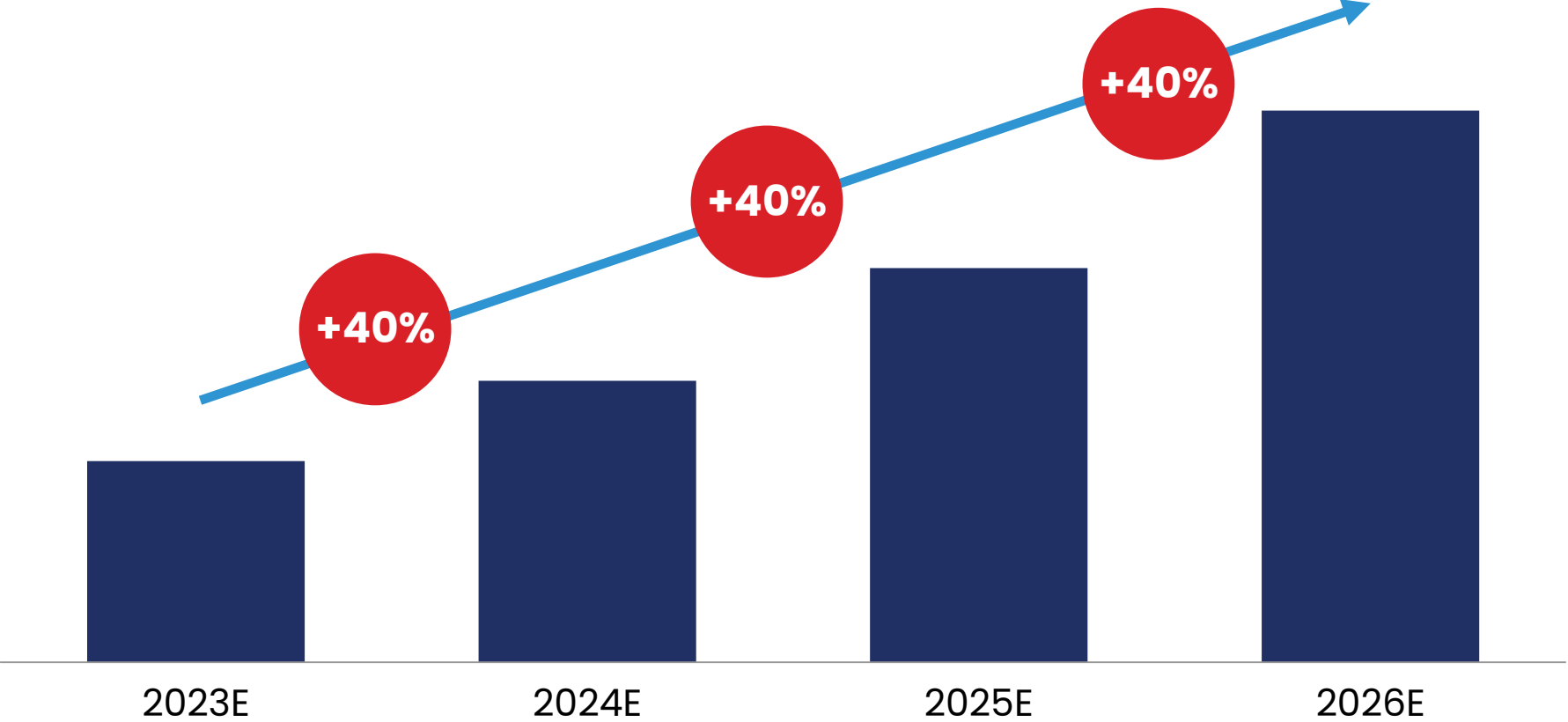
 **Munch & mingle**  
Bring the family together with classic, tasty snacks.

[Shop now](#)



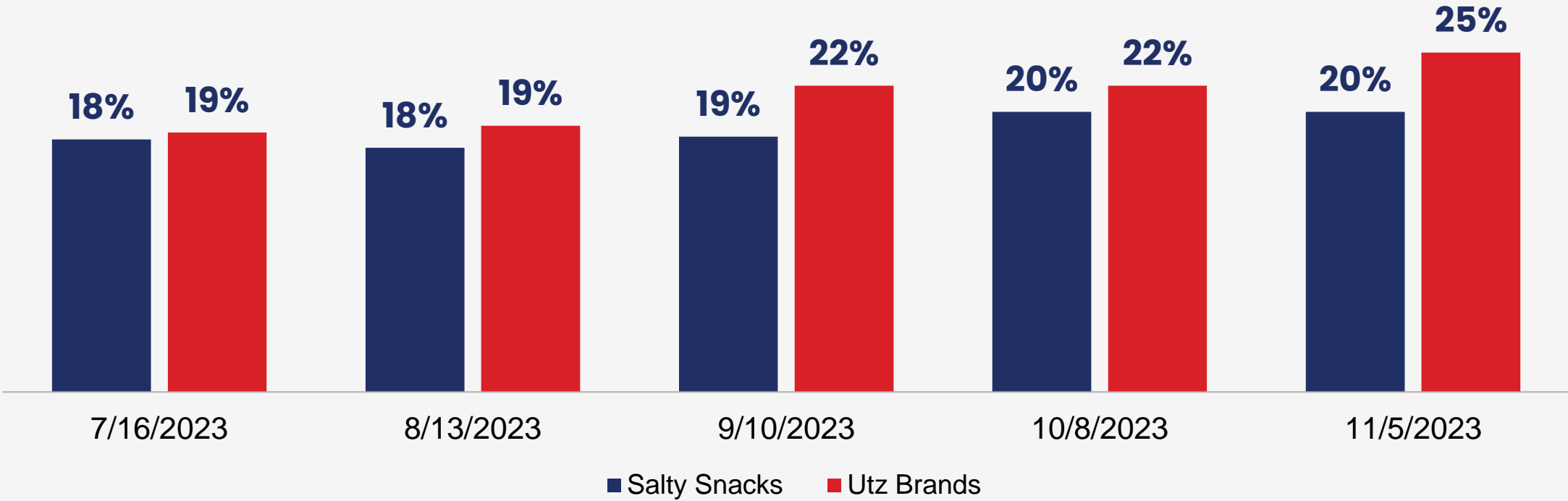
# AMPLIFY marketing investment

## Utz Brands Marketing Investment



# AMPLIFY investment in digital commerce capabilities

**Ecommerce Retail Sales Growth**  
Rolling 12-week periods year-over-year change



Source: Circana Total E-Commerce With ePOS rolling 12-weeks; note: Circana eComm data utilizes their standard hierarchy.



# AMPLIFY investment in new product innovation



**Deliver  
"Craveable" Flavor**



**Capture  
Occasions**



**Expand  
Positive Choices**

# AMPLIFY with on-trend innovation supporting growth: Utz Mike's Hot Honey<sup>®</sup>

- **Hot & Spicy is the #1 flavor in Salty Snacks**, and growing nearly twice the rate of the category<sup>(1)</sup>
- **Utz Mike's Hot Honey<sup>®</sup> potato chips** \$ sales 5x higher than previously best Utz limited time offer<sup>(2)</sup>
- **Strong weekly velocities** exceeded top selling Utz core flavor, Barbeque, at Grocery and C-Store
- **Activation and marketing support** drove 98 million impressions from earned media, press release pickup and influencer activation



(1) Circana Total US MULO-C 52-weeks ended 12/3/23.

(2) Comparison of Mike's Hot Honey Summer LTO Performance weeks 16-41 against the Company's previously best LTO release for weeks 14-41.



# ELEVATE Power Brand equity to build brand affinity



# ut<sup>z</sup>. Utz<sup>®</sup> targeting to be a \$1 billion retail sales brand in three years

## Brand Opportunity



Growing  
1.3x the  
sub-  
Category

## New Campaigns

*Cut to the UTZ UTZ UTZ*



Fresh Brand  
Voice

## Cross-Category Innovation







On The Border® targeting to be a \$500 million retail sales brand in three years

## Brand Opportunity



#2 Unflavored Tortilla Chip Brand

Growing 3X the Category<sup>(1)</sup>

## Social & Shopper Focus



## Innovation



Source: Circana Total US MULO-C 52-weeks ended 11/5/23. Total U.S. MULO-C L26 11/5/23 vs Unflavored Tortilla Chips.



Zapp's® targeting to be a \$200 million retail sales brand in three years

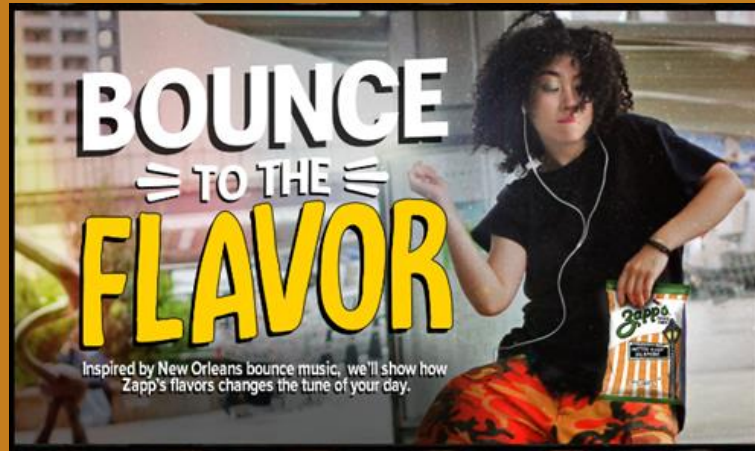
## Brand Opportunity



Voodoo growth 2.5X kettle potato chips (1)

Extension into pretzels highly incremental

## New Campaign



## Innovation



Source: Circana Total US MULO-C 52-weeks ended 10/8/23. 4-year CAGR is Voodoo Kettle vs. Total Kettle Potato Chips





**Boulder Canyon® targeting to be a \$100 million retail sales brand in three years**

## Brand Opportunity



**#1 and #2  
Potato Chips  
in the  
Natural  
Channel**

## Geotarget Investment



## Innovation

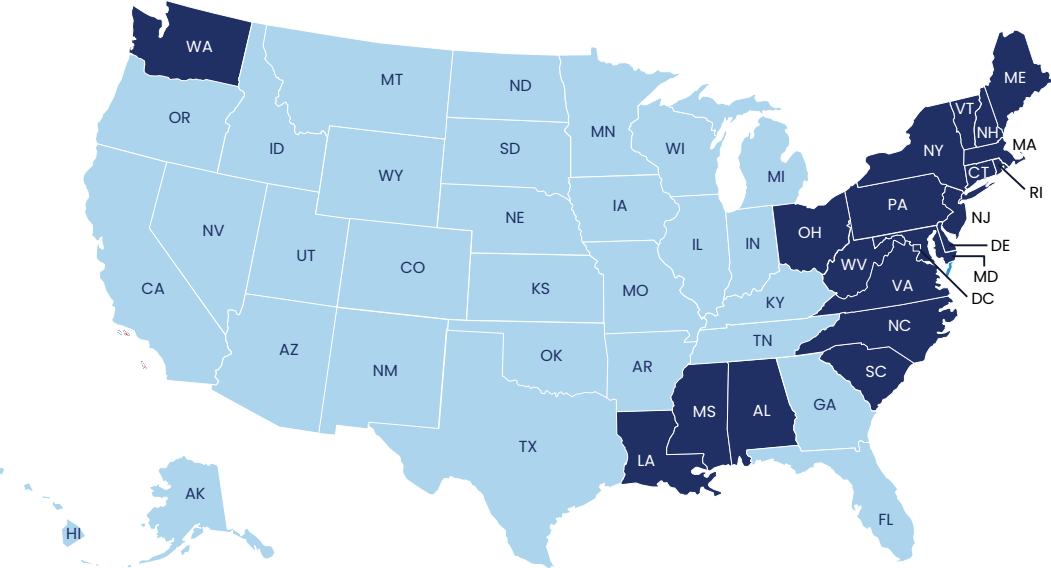


# Strategies to deliver 4% – 5% Organic Net Sales CAGR 2023 – 2026

- **Participate in attractive and growing salty snack category**
- **Increase investments against a clearly defined brand portfolio strategy**
- **Further penetrate our Expansion geographies while holding the Core**
- **Leverage our go-to-market model with operational excellence**



# Most significant opportunity is in our Expansion geographies



Core Geographies  
 Expansion Geographies

## Retail Sales 52-weeks ended 11/5/23

	Core	Expansion	Total US
<b>\$ CAGR 2019-2023</b>			
<b>Salty Snacks</b>	10.0%	10.3%	10.1%
<b>Total Utz</b>	8.5%	11.9%	9.6%
<b>Total Utz Share</b>	7.3%	2.7%	4.4%
<b>Salty Snacks</b>	36%	64%	
<b>Total Utz</b>	59%	41%	
<b>Index</b>	<b>165</b>	<b>63</b>	

Source: Circana Total US MULO-C 52-weeks ended 11/5/23; Index is Utz Brands divided by Salty Snacks Category.



# Large distribution opportunities remain

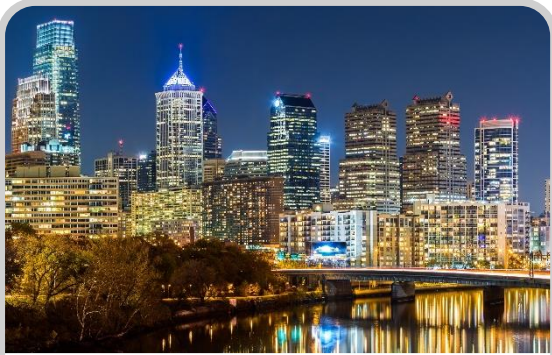
## Expansion Geographies 52-weeks ended 11/5/23

	ACV% Distribution	Avg. Items Carried On-Shelf
<b>Total Utz</b>	92%	14.9
<b>Utz</b>	<b>64%</b>	<b>7.8</b>
<b>On The Border</b>	<b>68%</b>	<b>3.7</b>
<b>Zapp's</b>	<b>42%</b>	<b>3.6</b>
<b>Boulder Canyon</b>	<b>28%</b>	<b>4.0</b>



Source: Circana Total US MULO-C 52-weeks ended 11/5/23.

# Developed playbook to enter new Expansion geographies



## Target Large Markets

- Under-indexed large population areas



## Power Brands with local favorites



## Major Retailers

- Grocery-led
- All Channels






## Route to Market

- Both DSD and DTW
- Third-party master distributors
- Route expansion



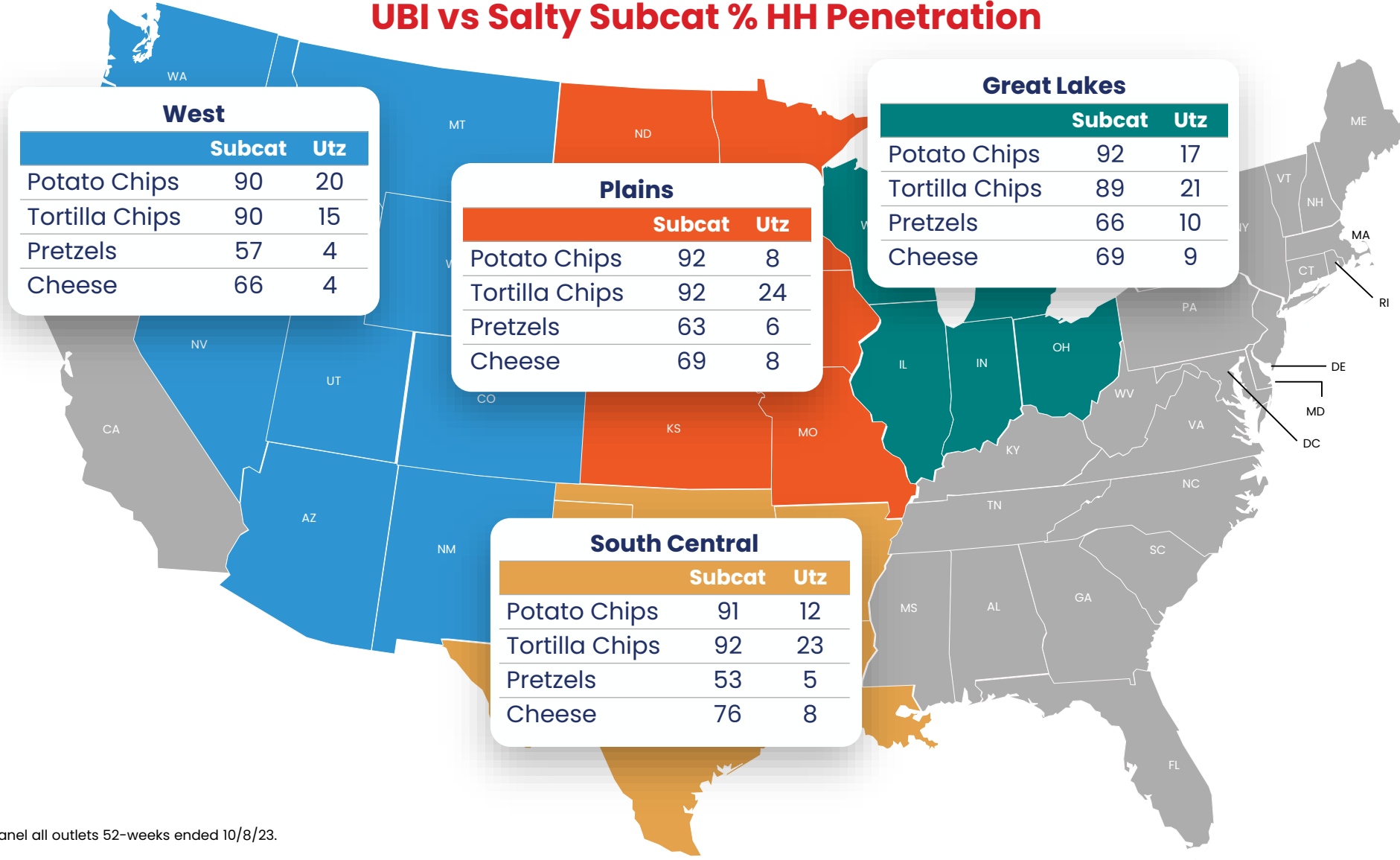
# The playbook has a track record of success

## 2019 to 2022 Gains

	TPD Share %	Household %	Retail Sales \$ CAGR	Avg HH Growth (pts/year)
 <b>U.S. Plains</b>	<b>0.7 → 1.9</b>	<b>12.2 → 19.9</b>	<b>23%</b>	<b>2.6</b>
 <b>U.S. Southeast</b>	<b>0.5 → 1.0</b>	<b>4.8 → 7.1</b>	<b>18%</b>	<b>0.8</b>
 <b>California</b>	<b>0.2 → 0.3</b>	<b>1.9 → 3.7</b>	<b>34%</b>	<b>0.6</b>

# Actively developing key underpenetrated Expansion regions

## UBI vs Salty Subcat % HH Penetration















Source: Circana CSIA Panel all outlets 52-weeks ended 10/8/23.

## Retailers in Expansion geographies want to sell our Power Brands complemented by our local favorites

- Product range links to shopper needs
- Brand portfolio resonates with retailers' most loyal shoppers
- Incremental to retailer Salty Snack Category sales
- Right route-to-market and portfolio to solve for all channels



# Product range that addresses category shifts and links to shopper needs

<h2>Craft</h2> <p>On-trend portfolio of brands with national success</p>	<h2>Convenience</h2> <p>Multiple forms for all occasions</p>	<h2>Local Favorites</h2> <p>Relevant to consumers</p>	<h2>BFY / Snacks with Benefits</h2> <p>Healthier snacking</p>	<h2>Seasonal</h2> <p>Optimize incremental opportunities</p>
<div data-bbox="155 606 517 739">  <p>Family Crafted Flavor</p> </div> <div data-bbox="155 761 555 953">  <p>Authentic Cantina-Inspired</p> </div> <div data-bbox="155 1039 545 1178">  <p>Putting a Spell on Snackers</p> </div>	<div data-bbox="631 582 1026 721">  <p>Immediate Consumption</p> </div> <div data-bbox="631 743 901 882">  <p>Barrels</p> </div> <div data-bbox="611 905 986 1029">  <p>Multi-serve</p> </div> <div data-bbox="631 1043 1009 1182">  <p>Single-serve</p> </div>	<div data-bbox="1090 618 1498 882">  </div> <p>Trust &amp; Excitement are prime Salty Snack choice factors</p>	<div data-bbox="1666 582 1895 818">  <p>BFY Oils</p> </div> <div data-bbox="1653 846 1913 968">  <p>Artisan Crackers</p> </div> <div data-bbox="1717 982 1849 1168">  <p>Full Family Appeal</p> </div>	<div data-bbox="2142 561 2390 1096">  </div> <p>Incremental Sales All Season Long</p>



# Driving incrementality to retailers' Salty Snack category sales by resonating with their most loyal shoppers

## Customization



- Limited assortment
- Direct-to-warehouse
- Bulk options

## Loyal Shoppers



- Loyal shoppers to Kroger 10x more valuable<sup>(1)</sup>
- 70% of Utz sales growth in Kroger coming from loyal shoppers<sup>(1)</sup>

## Incrementality



- Utz chain-wide expansion to ~1,300 stores in May 2022
- Publix overall Salty Snack category market share increased 1.6pts in Food since Utz expansion<sup>(2)</sup>

<sup>(1)</sup> 8451 – Stratum 52-week ended 9/23/23.


<sup>(2)</sup> IRI Publix Corp RMA, 2021, 2022 & YTD through week ending 10/8/23.

# A product portfolio suitable for a broad range of channels

**Utz Brands has both national brands and brands that have local relevance to meet all customers' needs**




Unique, Club Sizes




Convenience sizes that drive trial




National Brands, local relevance



Right brands and right size to fit right price point




National Brands that fit national retailers  
Regional offerings that meet regional retailers' needs



Better-for-you potato chips – alternative oils



National Brands that fit national retailers



Base flavors, vend sizes to fit needs of the channel

# Brand portfolio enables and hybrid go-to-market allows customization for Expansion retailers

Grocery

**Schnucks**



**DSD Strength Local Favorites**

Convenience

**7-ELEVEN**



**DSD/DTW Hybrid**



# Brand portfolio enables and hybrid go-to-market allows customization for Expansion retailers

**Mass**



**DSD with DTW  
Perimeter Displays**

**Club**



**100% DTW for Efficiency  
on Club Packs**





# Brand portfolio enables and hybrid go-to-market allows customization for Expansion retailers

**Hard Discount**



**DTW to Win with Seasonal**

**Dollar**



**DSD Coverage**

# Brand portfolio enables and hybrid go-to-market allows customization for Expansion retailers

**Vend  
Foodservice**



**Third-Party Distributors**

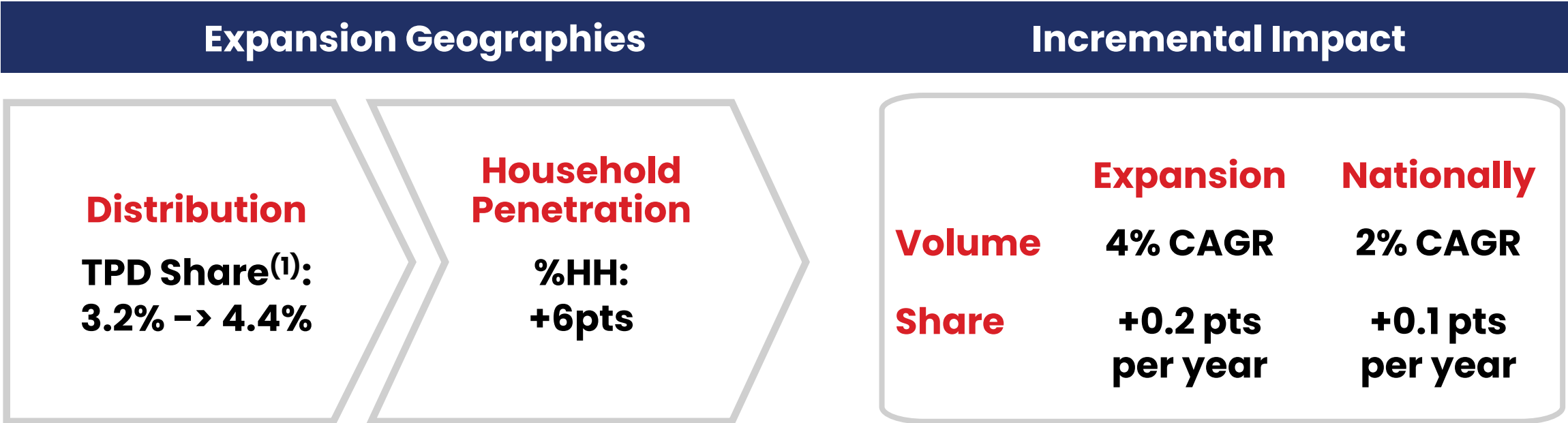
**Natural**



**Kehe/UNFI**

# Increasing Core Four Power Brand distribution in Expansion geographies generating 2% CAGR incremental total Utz volume growth

**2023 – 2026**



(1) 4.4% TPD retail share goal is based on achieving equivalent to national retail dollar share fair share.  
Source: Circana CSIA All Outlets though 52-weeks ended 10/08/23 and MULO-C 52-weeks ended 11/5/23.

# Strategies to deliver 4% – 5% Organic Net Sales CAGR 2023 – 2026

- **Participate in attractive and growing salty snack category**
- **Increase investments against a clearly defined brand portfolio strategy**
- **Further penetrate our Expansion geographies while holding the Core**
- **Leverage our go-to-market model with operational excellence**



# Holding share in Core geographies requires Core Four Power Brand growth to offset potential declines in Foundation Brands

## Core Geographies

	% of Retail Sales 2023	Retail Sales 2019–23 CAGR	Share 2023	Share Change vs. 2019	2023–26 Share Change Required to Hold Share
<b>Core Four Power Brands</b>	76%	11.1%	5.6%	0.2pts	<b>0.3pts</b>
<b>Targeted Power Brands</b>	11%	5.4%	0.8%	(0.2pts)	–
<b>Foundation Brands</b>	13%	(0.9%)	0.9%	(0.5pts)	<b>(0.3pts)</b>
<b>Total Utz</b>	100%	8.5%	7.3%	(0.4pts)	–

# Significant opportunity in Core geographies to build distribution leveraging Utz® strength

## Core Geographies 52-weeks ended 11/5/23

	ACV% Distribution	Avg. Items Carried On-Shelf
<b>Total Utz</b>	95%	33.7
<b>Utz</b>	<b>84%</b>	<b>23.4</b>
<b>On The Border</b>	<b>67%</b>	<b>3.0</b>
<b>Zapp's</b>	<b>54%</b>	<b>3.1</b>
<b>Boulder Canyon</b>	<b>16%</b>	<b>3.0</b>



Source: Circana Total US MULO-C 52-weeks ended 11/5/23.

# Our Core requires continued brand investment, route expansion and increased points of distribution



**Improve talent and capabilities**



**Increase Marketing spend and innovation**



**Enhance route infrastructure**

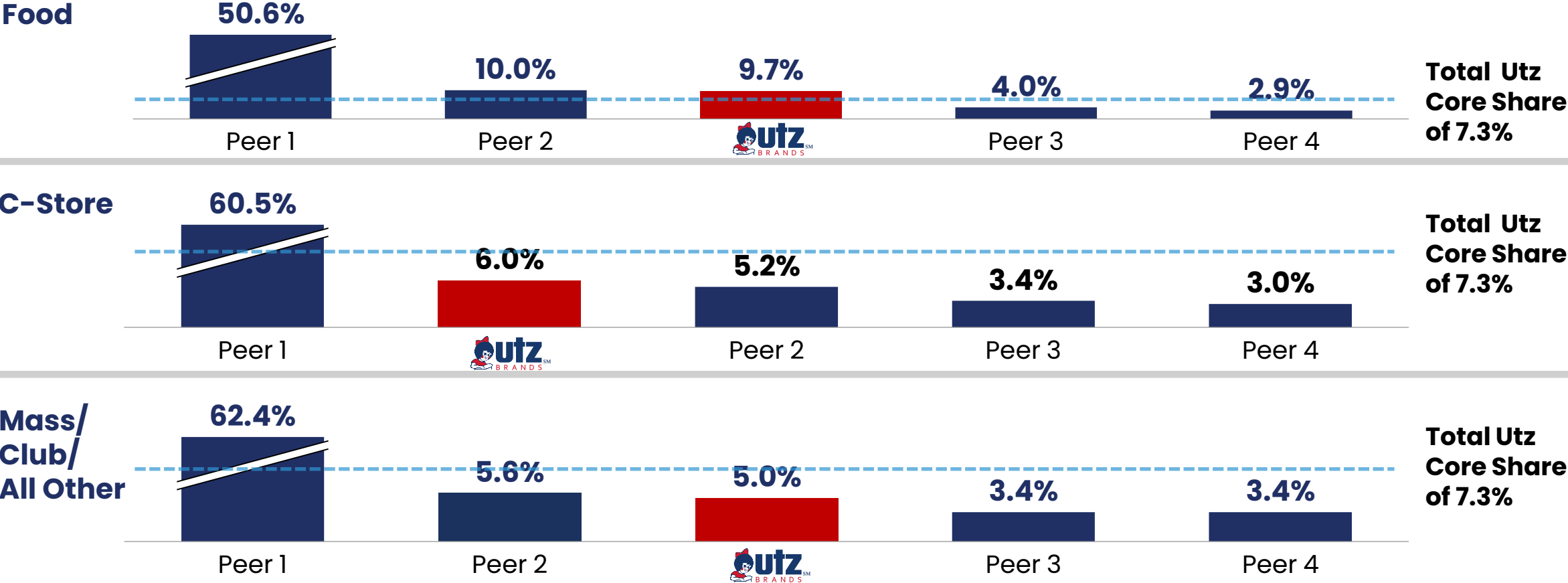


**Gain distribution for core SKUs in key channels**

# Greatest Core geography retailer opportunity in Mass and Club channels

## Retail Sales Share by Major Channel in Core Geographies

52-weeks ended 11/5/23



Source: Based on Circana Total U.S. MULO-C 52-weeks ended 11/05/2023.



# Successfully increased penetration of On The Border® into our Core

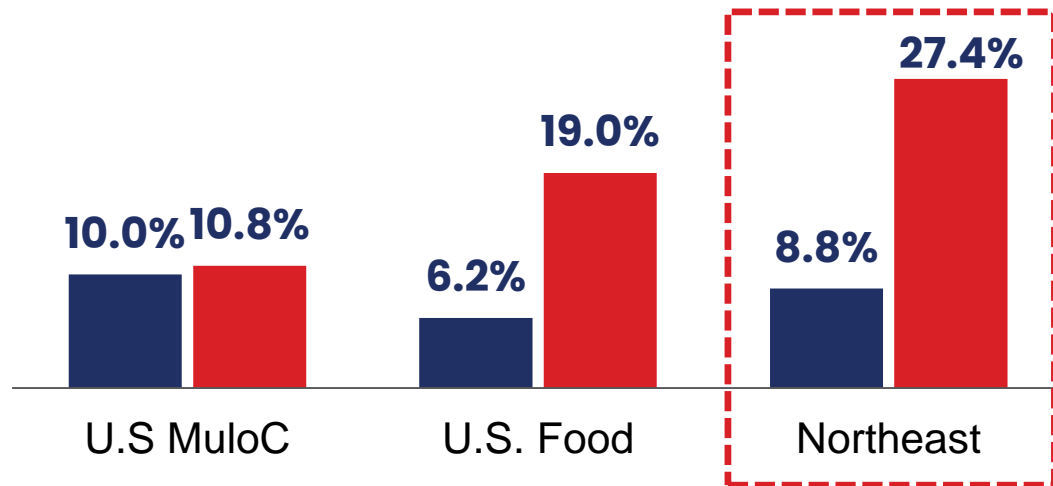


## Acquired On The Border chips and dips in December 2020

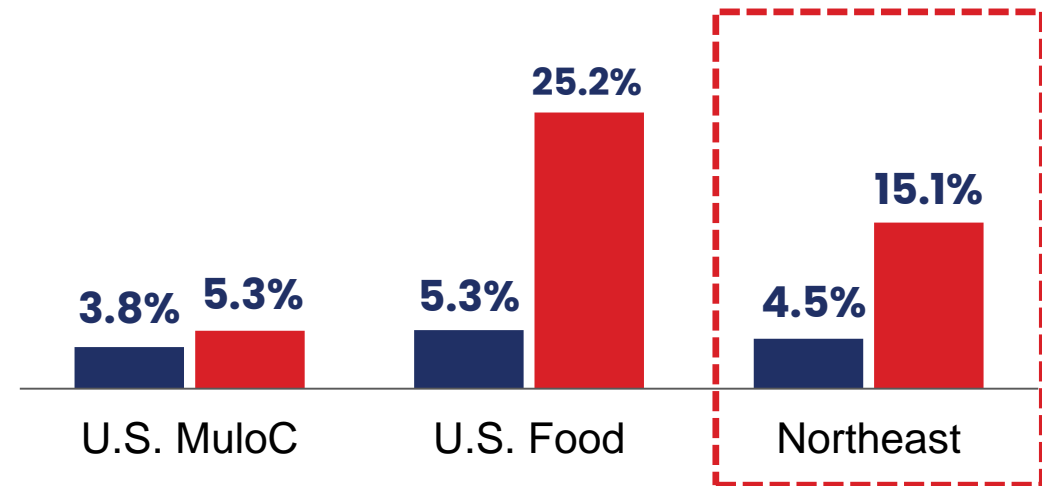
- Our DSD-led distribution into our Core
- Delivered exceptional outperformance vs the sub-category in the Grocery Channel and Northeast Region

### Retail Sales CAGR 2019 – 2023

 Tortilla Chips Sub-category  
 On The Border



### Total Points of Distribution Growth 2019 – 2023

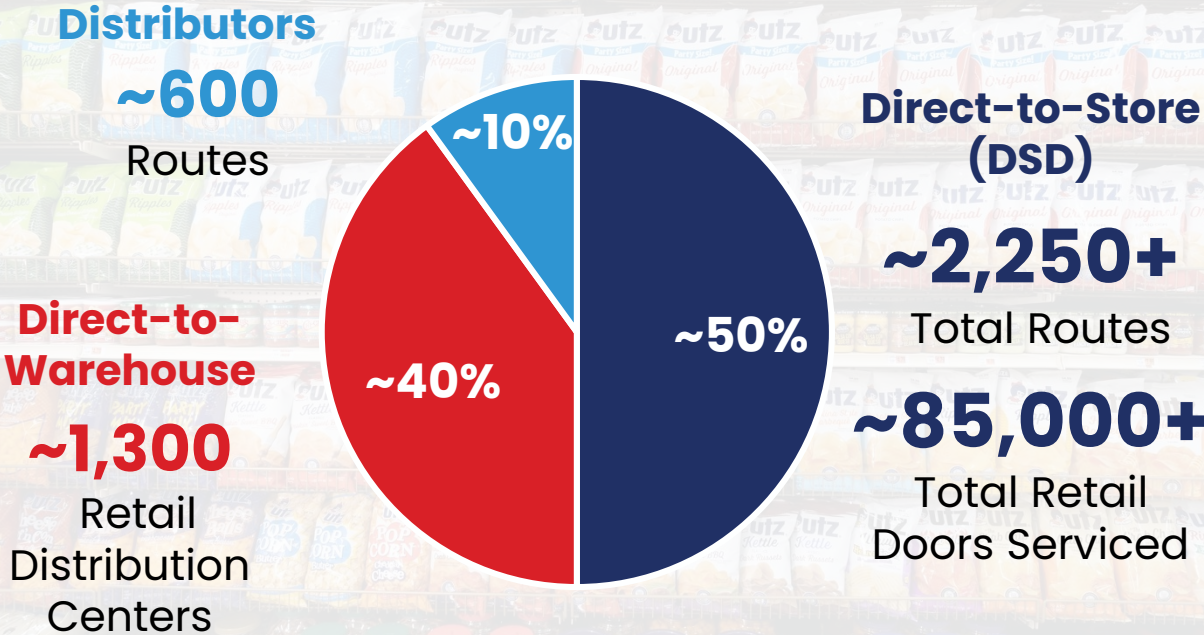


# Strategies to deliver 4% – 5% Organic Net Sales CAGR 2023 – 2026

- Participate in attractive and growing salty snack category
- Increase investments against a clearly defined brand portfolio strategy
- Further penetrate our Expansion geographies while holding the Core
- Leverage our go-to-market model with operational excellence

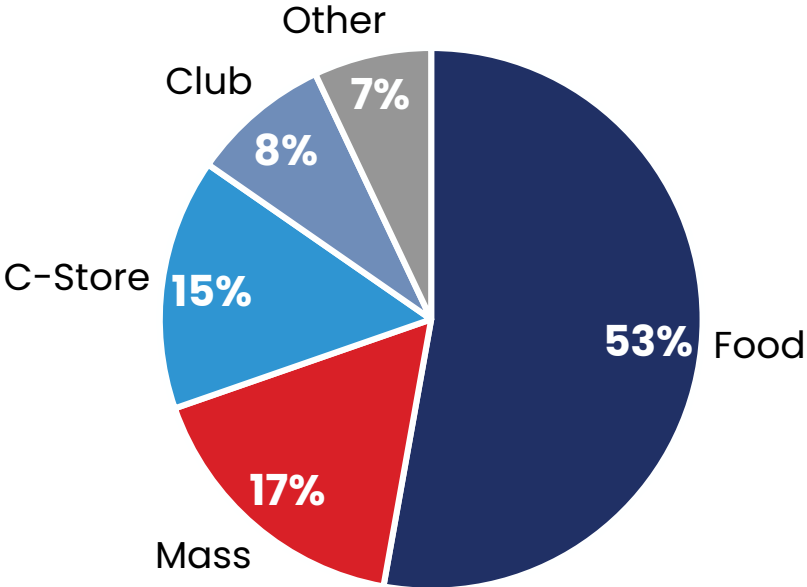
# Dynamic go to market approach with broad distribution across retail channels

## Utz Sales by Go-to-Market<sup>(1)</sup>



## Utz Retail Sales by Channel

52-Weeks Ended November 5, 2023 <sup>(2)</sup>



1) Company invoiced sales data for fiscal 2023 year-to-date.

2) Circana Total US MULO-C 52-weeks ended 11/05/2023.

# DSD is a critical route-to-market for Utz



## Why retailers like DSD

- Healthy margins
- In-store service
- Localized assortment
- Speed to market



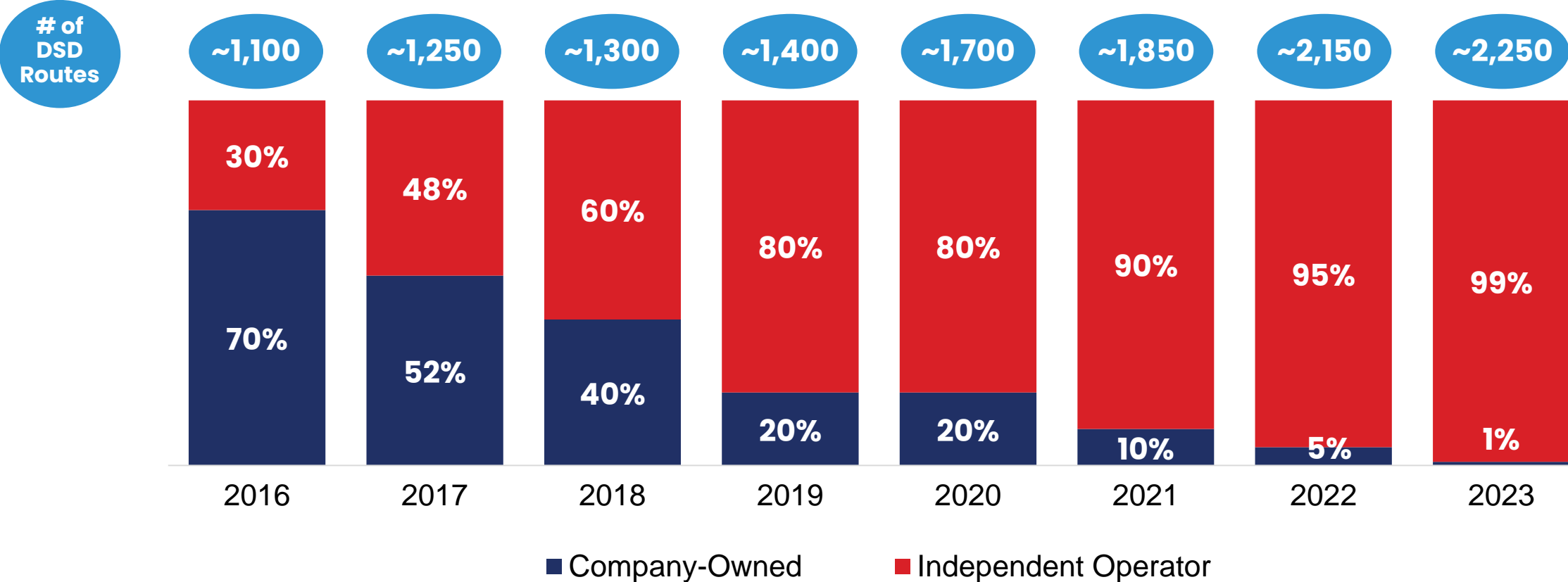
## Why we like DSD

- Critical for maintaining competitive position with retailers
- More control on shelf
- Responsive to key events and demand surges
- Speed to market



# Utz has shifted mix of DSD routes from Company-owned to Independent Operator

2016 – 2023 Utz Mix of DSD Routes (1)



(1) Routes that have been transitioned to IO but are being operated by Company relief drivers in short term until transitioned to new IO are counted as IO routes.

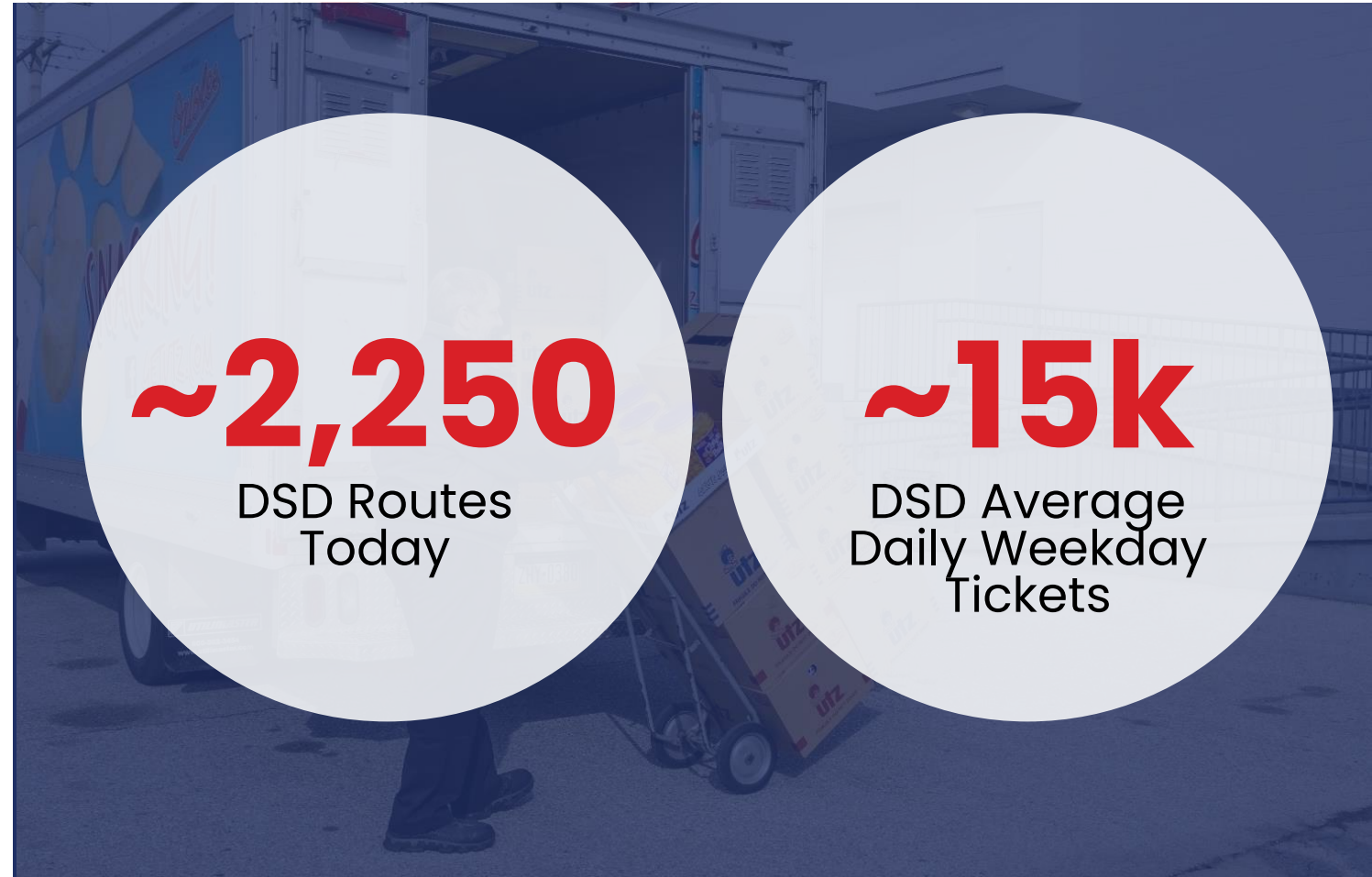
# Independent Operator DSD model ensures strong store-level service and execution

## Independent operator incentives aligned with Utz objectives

- Earning a commission on every dollar sold
- Entrepreneurial aspect; IOs own their own routes and have equity

## Lower capital intensity and higher returns

- Asset-lite
- Shared accountability with operating costs



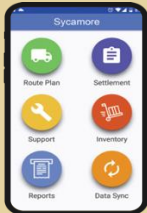
# Continuing to make technology enhancements to improve execution

## Independent Operators



- Income & equity
- Auto ordering
- Game-based incentives

## Frontline Leadership



- Performance & potential
- Perfect store measures
- Time and talent

## Account Management



- AI-generated selling tools
- Analytics & insights
- Digital marketing

# Strategies to deliver 4% – 5% Organic Net Sales CAGR 2023 – 2026

- **Participate in attractive and growing salty snack category**
- **Increase investments against a clearly defined brand portfolio strategy**
- **Further penetrate our Expansion geographies while holding the Core**
- **Leverage our go-to-market model with operational excellence**



# Utz top line outlook for 2023 – 2026 outpaces projected Salty Snack category with Utz retail sales growth of 4% - 5%

## 2023 – 2026 Growth Outlook

	Salty Snack Category CAGR	Utz CAGR
<b>Volume</b>	+0-1%	<b>+2-3%</b>
<b>Price</b>	+2%	+2%
<b>Retail Sales</b>	+2-3%	+4-5%

Geography	Share Change	Volume CAGR
Core	0.0pp	+0-1%
Expansion	0.2pts/year	+3-5%

Source: 2023 baseline is Circana Total US MULO-C 52-weeks ended 11/5/23.



# Supply Chain Value Creation

**Cary Devore**  
EVP, Chief Operating &  
Transformation Officer

**Shannan Redcay**  
EVP, Manufacturing

**Chad Whyte**  
EVP, Supply Chain

# Key Takeaways

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## ONE

Transforming our supply chain into a more cost-efficient network

## THREE

Focusing on supply chain productivity, network optimization and capability building as our pillars

## TWO

Scaling productivity initiatives well; foundation established but still room to grow

## FOUR

Targeting delivery of \$135M cumulative cost savings over the next three years while deploying capital efficiently to support growth



# Our Supply Chain fundamental pillars



## Productivity

- Procurement
- Manufacturing
- Logistics



## Network Optimization

- Manufacturing network
- Scaled mixing centers
- Lowest total delivered cost



## Capability Building

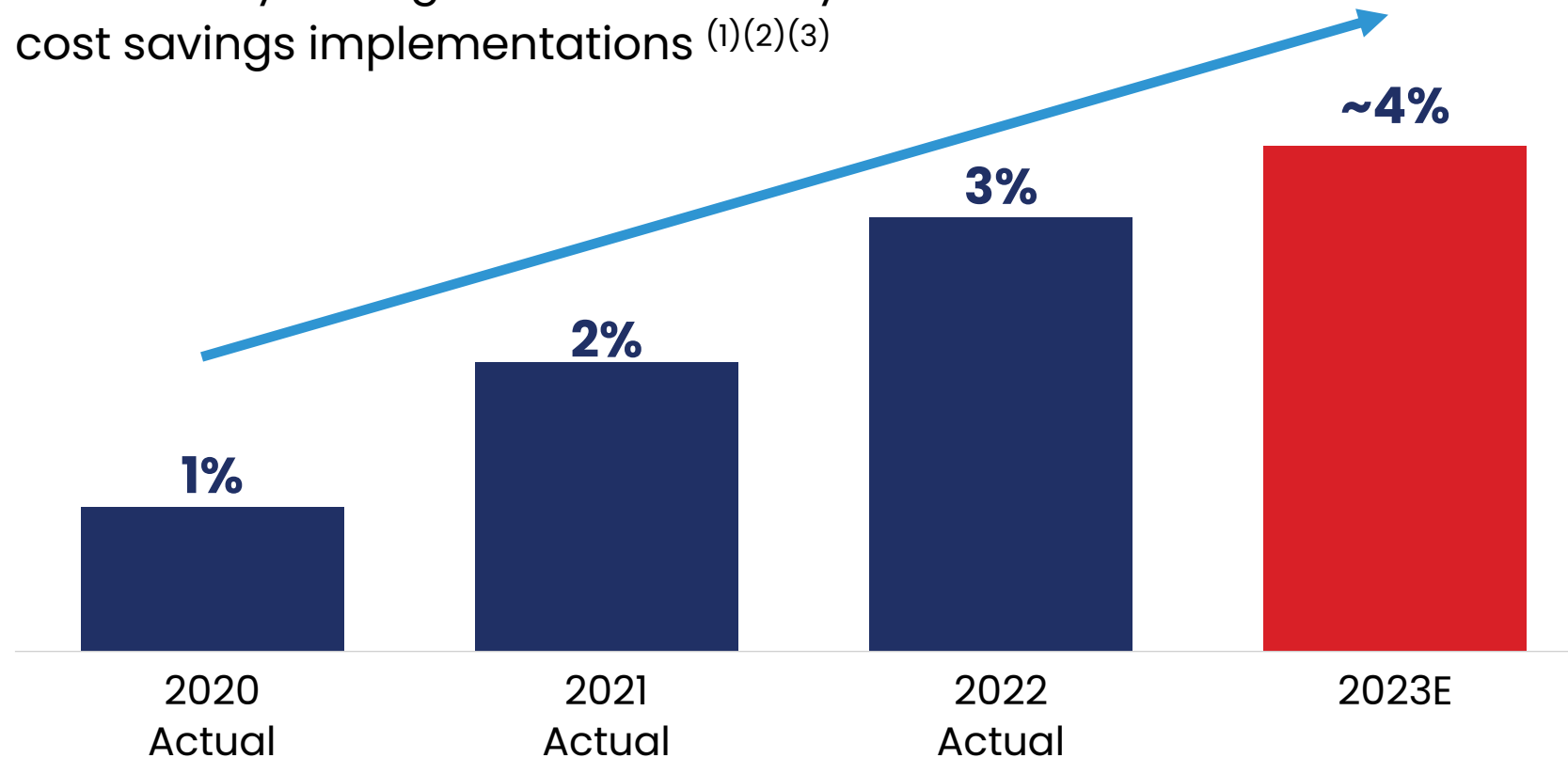
- People
- Process
- Technology



# Achieved cost savings targets on expected timeline

## Productivity Delivered (% of COGS)

Productivity savings as measured by cost savings implementations (1)(2)(3)

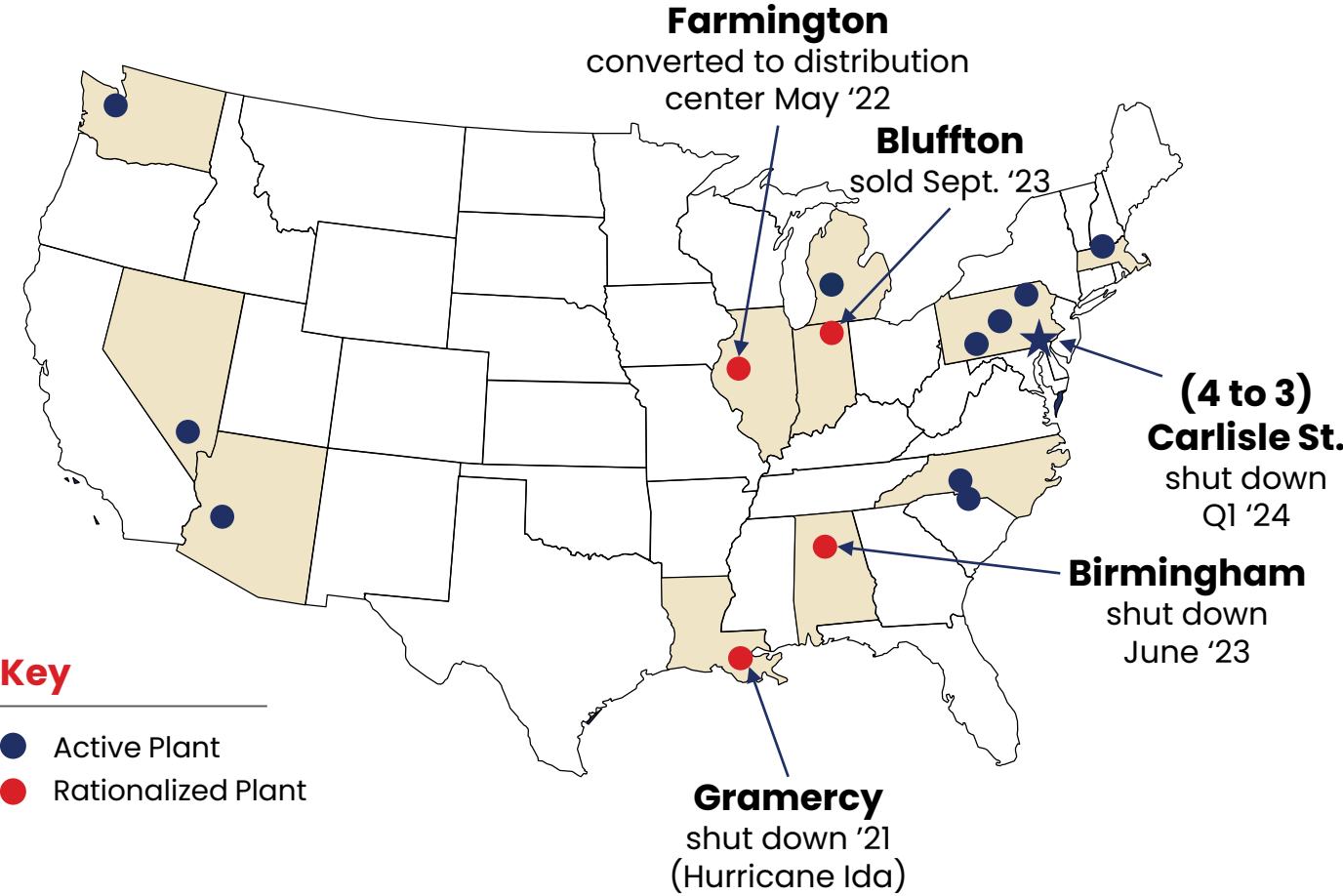


- (1) Excluding 2020 and 2021 acquisitions.
- (2) Represents cost savings realized during each 52-week or 53-week fiscal year as a percentage of prior fiscal year Adjusted COGS.
- (3) 2020 represents the 53-week period ended 1/3/21, consisting of the Predecessor period from 12/30/19 through 8/28/20 and the Successor period from 8/29/20 through 1/3/21; 2021 represents the 52-week period ended 1/2/22 for the Successor; and 2022 represents the 52-week period ended 1/1/23 for the Successor.



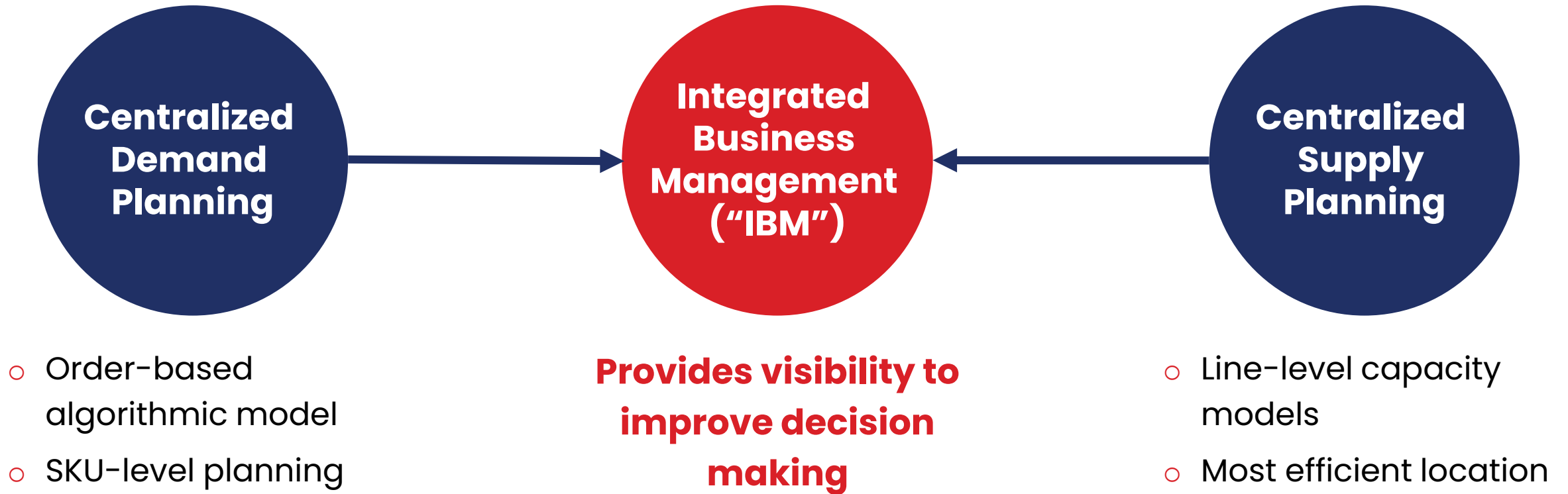
# Strong progress in optimizing our supply chain network

## Pro forma Q1 2024: 13 Manufacturing Facilities



- **Reduced tortilla co-mans** from 15 to 5
- **In-sourced over ~60M** pounds of volume previously made by third parties
- **Reduced manufacturing plants** from 17 to 13
- **Began construction** of new Northeast Logistics Center
- **Outsourced** private fleet

# Foundational improvements to demand-supply planning driving efficiency



# Targeting cumulative \$135M in cost savings<sup>(1)</sup> over the next three years



- Lean Manufacturing
- Sourcing excellence
- Automation



- Optimize asset utilization
- Scale mixing centers
- Minimize total delivered cost



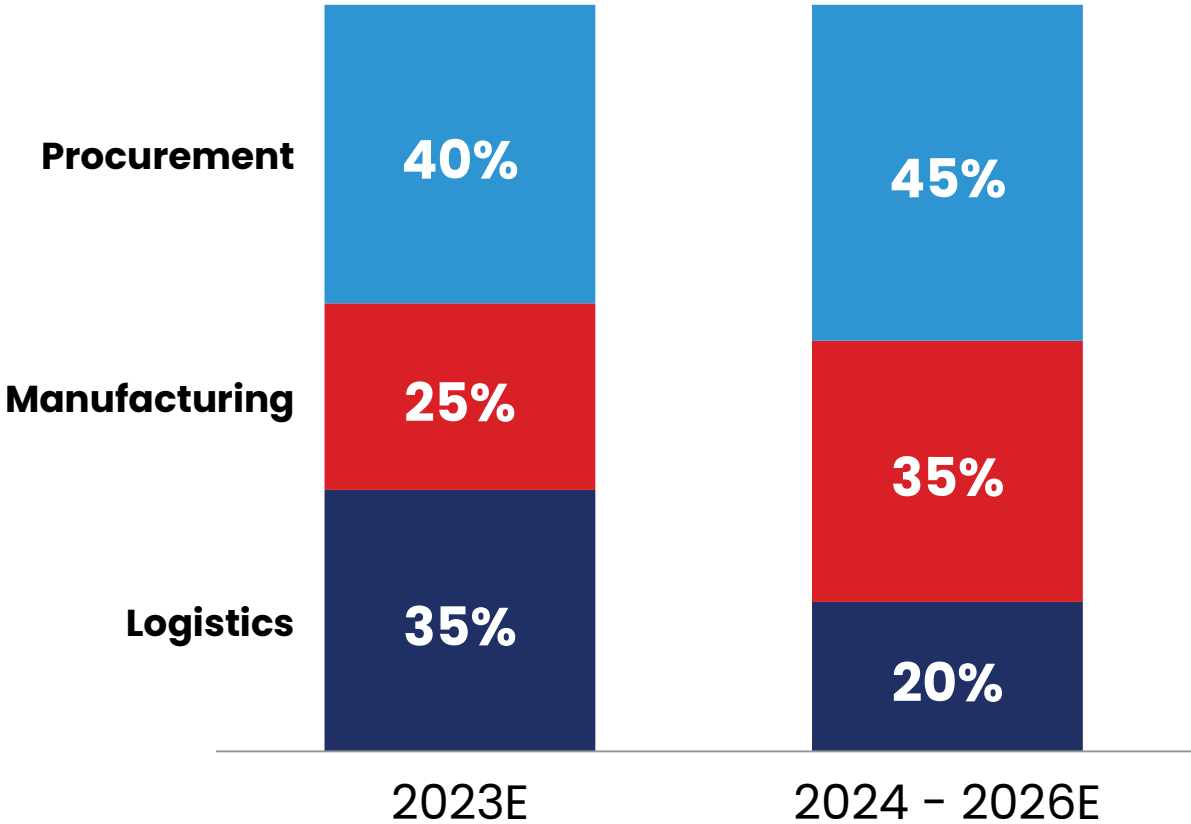
- People
- Process
- Technology

(1) Cost savings is measured assuming production levels and costs consistent with forecasts.



# Expect robust productivity to continue by accessing new areas of opportunity

## Sources of Base Productivity – 2024 to 2026<sup>(1)</sup>



### Key Drivers

#### Procurement

- Sourcing excellence
- Supplier relationship management
- Value engineering
- Simplification

#### Manufacturing Efficiencies

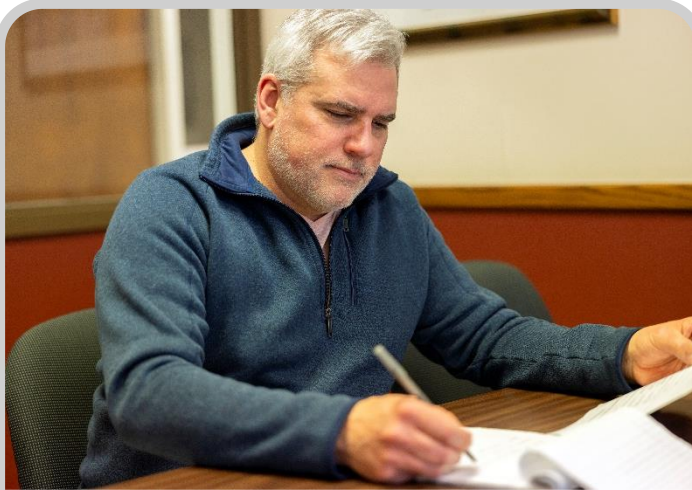
- Automation
- Labor utilization

#### Logistics

- One order, one invoice
- Customer ordering optimization

(1) Productivity drivers are approximate numbers rounded to nearest 5%.

# Building our procurement capabilities to world-class



## Sourcing Excellence

- Category spend management
- Technology for better visibility
- Category spend experts



## Supplier Relationship Management

- Supplier harmonization
- Performance management
- Improved collaboration



## Value Engineering

- Commercialization programs
- Design to value
- Should-Cost Modeling

# Automation is a significant source of efficiency in Manufacturing

- **Fully manual** case packing, palletizing, conveying
- **Rate limiting** step
- **Highest source of turnover**
- **Consumes most** direct labor



**Significant cost savings: 30% increase in throughput and efficiency**

# Demonstrated success with automation projects



## Pretzel Rod Packaging

- 50% headcount reduction
- 25% rate improvement
- Enabled additional volume



## Variety Pack Automation

- Flat headcount
- 70% rate improvement
- Significant volume expansion

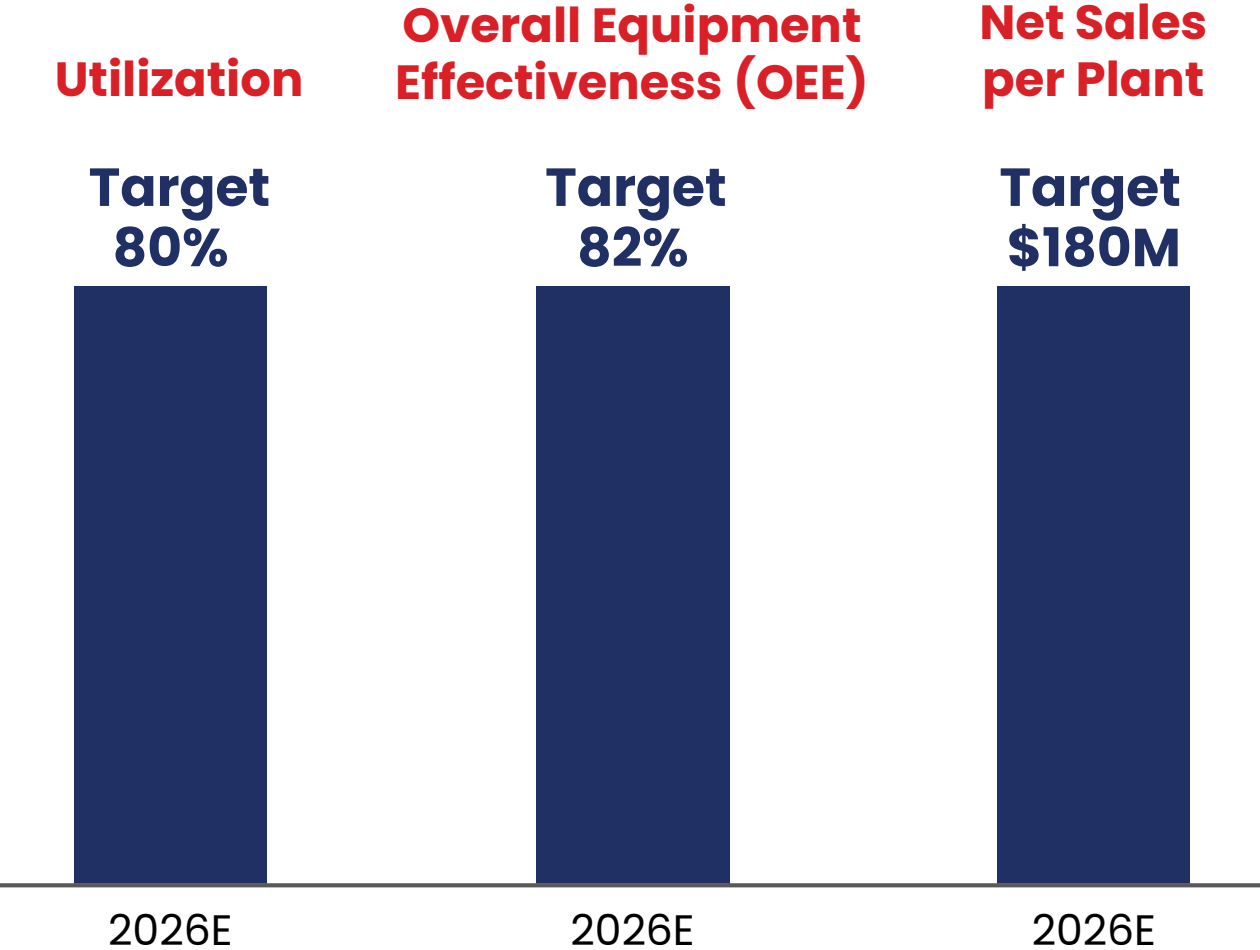


## Small Bag Packaging

- 50% headcount reduction
- 200% rate improvement
- Additional selling capabilities



# Through these efforts we expect to transform our Plant Network into a best-in-class operation



- Investment in scale production facilities supporting national expansion efficiency**
  - Additional subcategory production lines
  - Expansion of Kings Mountain facility
- Plant location can be optimized to lower total delivered cost**
  - Additional redundancy
  - Decreased food miles
- Network optimization simplifying customer interaction**
  - Ordering flexibility
  - More efficient service

# Scale mixing centers will create efficiencies and streamline customer service

## Benefits

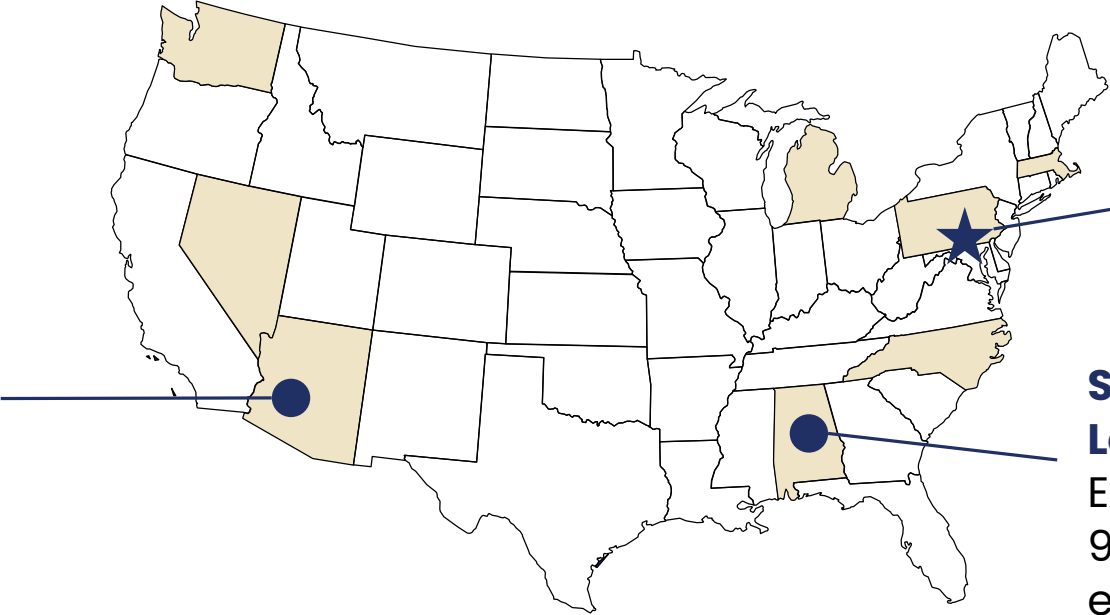
Improved Case Fill Rate

Carrying Cost Efficiency

Labor Efficiencies

Faster Inventory Turns

**South-West Logistics Center**  
Expanded from 90,000 to 190,000 sq. ft. – effective Q2 '23



**North-East Logistics Center**  
650,000 sq. ft. to be completed and operational – effective Q1 '25

**South-East Logistics Center**  
Expanding from 95,000 to 185,000 sq. ft. – effective Q1 '24

# Scale mixing centers enable warehouse automation

NE Logistics Center

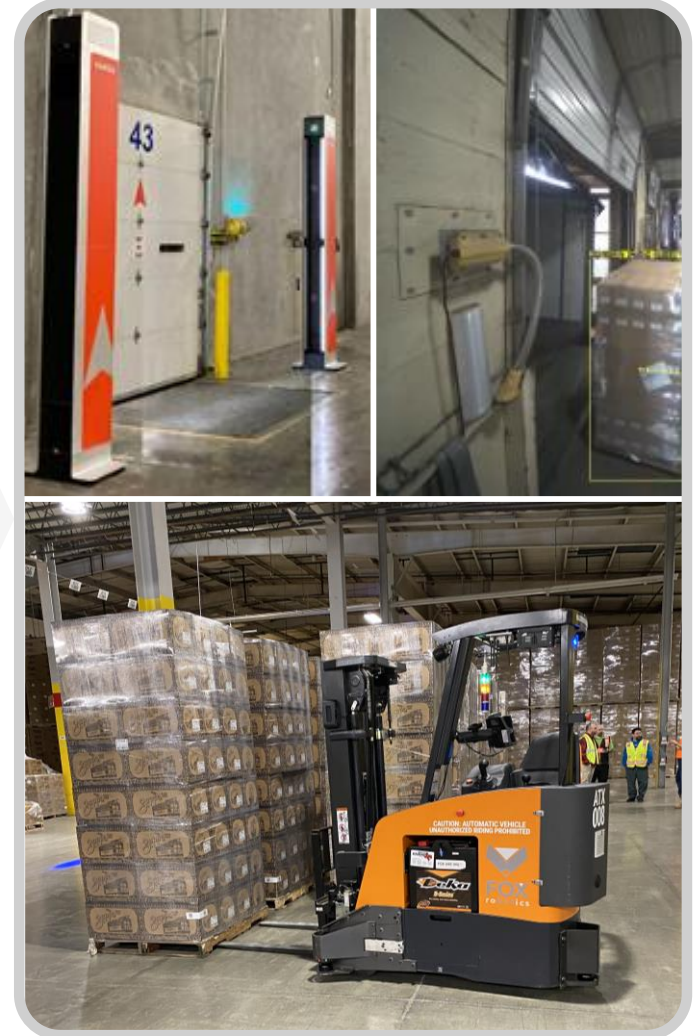


## Highlights

- 650,000 sq. ft.
- Consolidation of seven warehouses
- Servicing DSD and DTW

## Unlocks Technology Applications

- Computer Vision for shipping, receiving and inventory accuracy
- Automated trailer unloading and loading
- Autonomous vehicles for pallet movement and repetitive activities
- Best-in-class warehouse management system for scalability across the network



# Building capabilities to deliver even greater value in our Supply Chain

## People



## Process



## Technology



## Results

- Ownership and accountability
- Integrated work systems
- Visibility, tracking, and trending



# Improved capabilities will allow us to be the supplier of choice for our customers



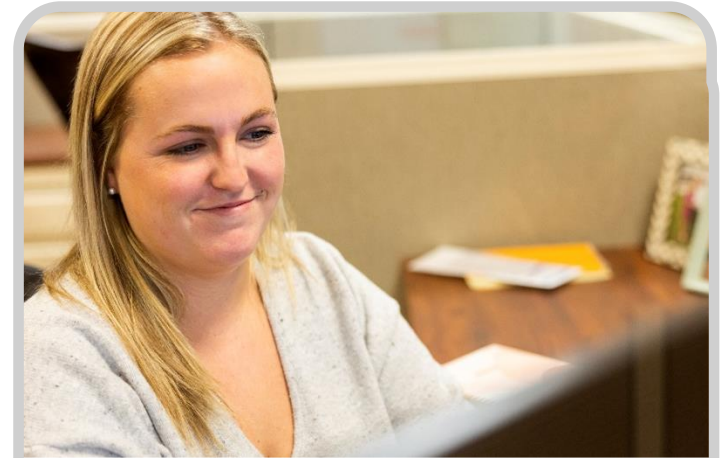
## Customer Focus

- Customer-centric supply chain solutions
- Customer scorecard achievement
- Better management of deductions, fine and fees



## Digital Transformation

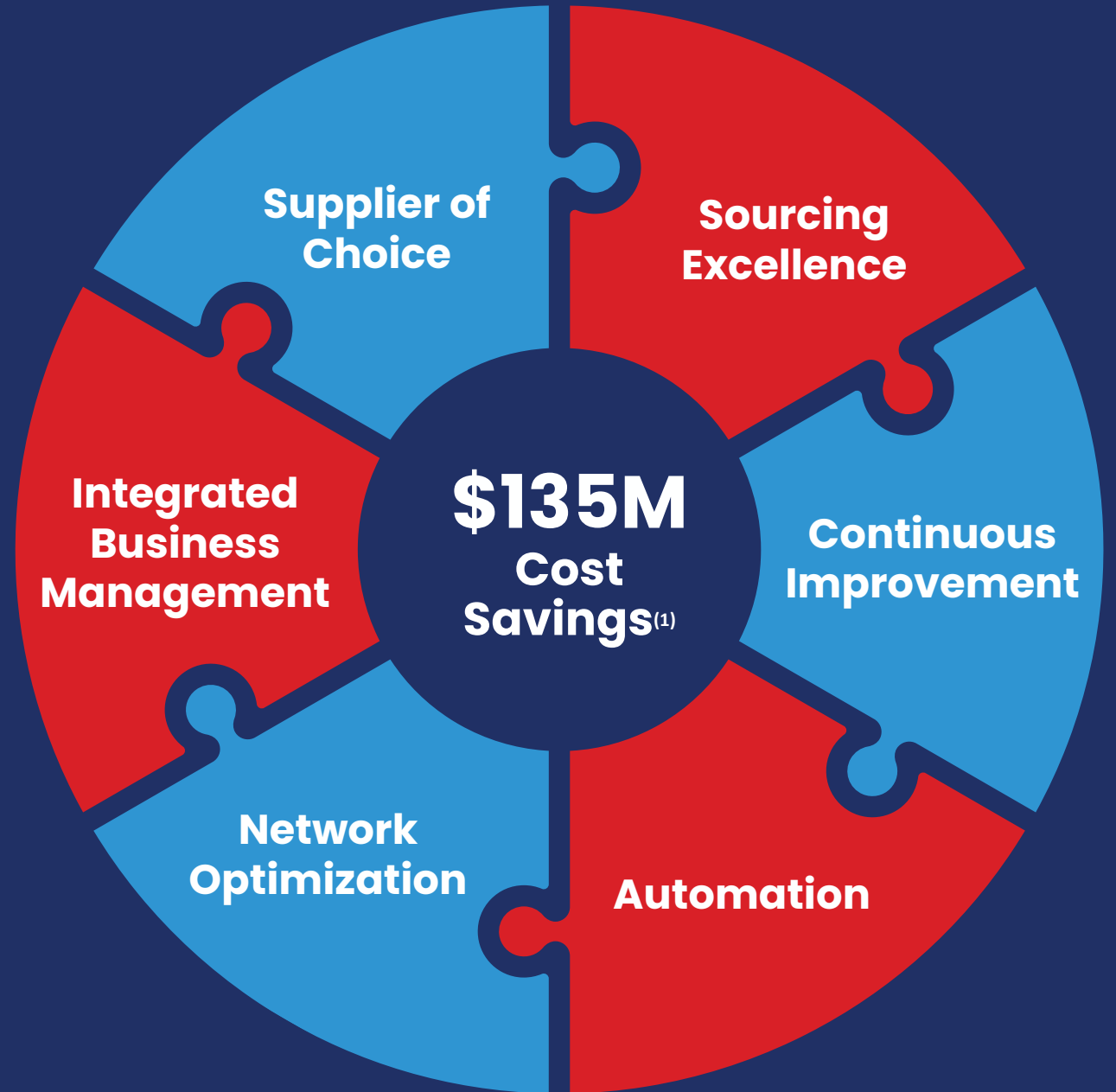
- No touch orders
- Customer supply chain data synergies



## Order Efficiencies

- One Order, One Invoice
- Improved ordering process
- Cost-to-Serve improvements

**Our integrated supply chain strategy expects to deliver \$135M in cost savings<sup>(1)</sup> over the next three years**



<sup>(1)</sup> Cost savings is measured assuming production levels and costs consistent with forecasts.

# Financial Review

**Ajay Kataria**  
**Chief Financial Officer**



# Confident in our ability to deliver both short-term and long-term shareholder value

---

## ONE

Growth driven by a strong brand portfolio in an advantaged Salty Snack category with a significant geographic whitespace opportunity

## THREE

Disciplined capital allocation approach to deliver net leverage of ~3x by year-end 2026

## TWO

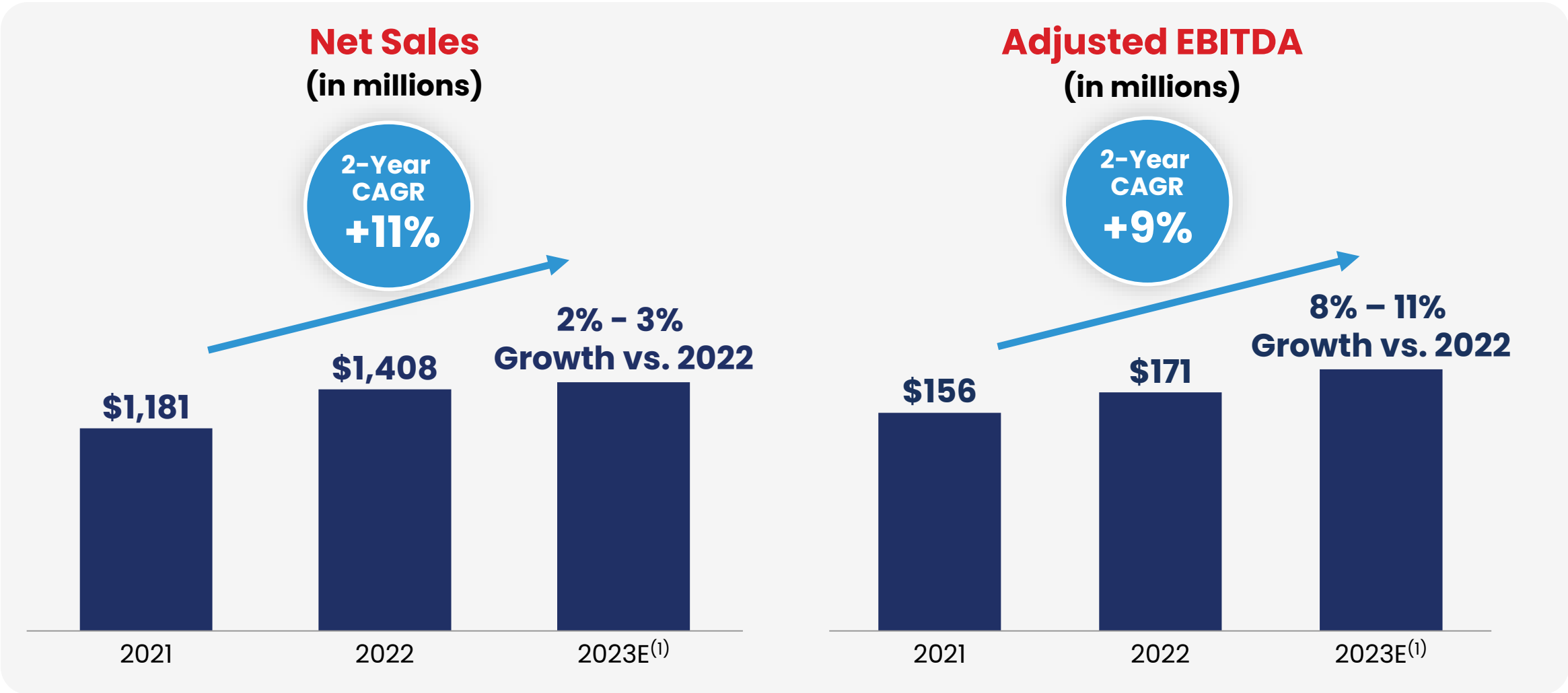
Supply chain transformation program expected to deliver a cumulative \$135M of cost savings by year-end 2026 to fuel margin improvement and investments

## FOUR

M&A being pursued opportunistically representing potential upside to financial targets



# Building on a foundation of consistent growth

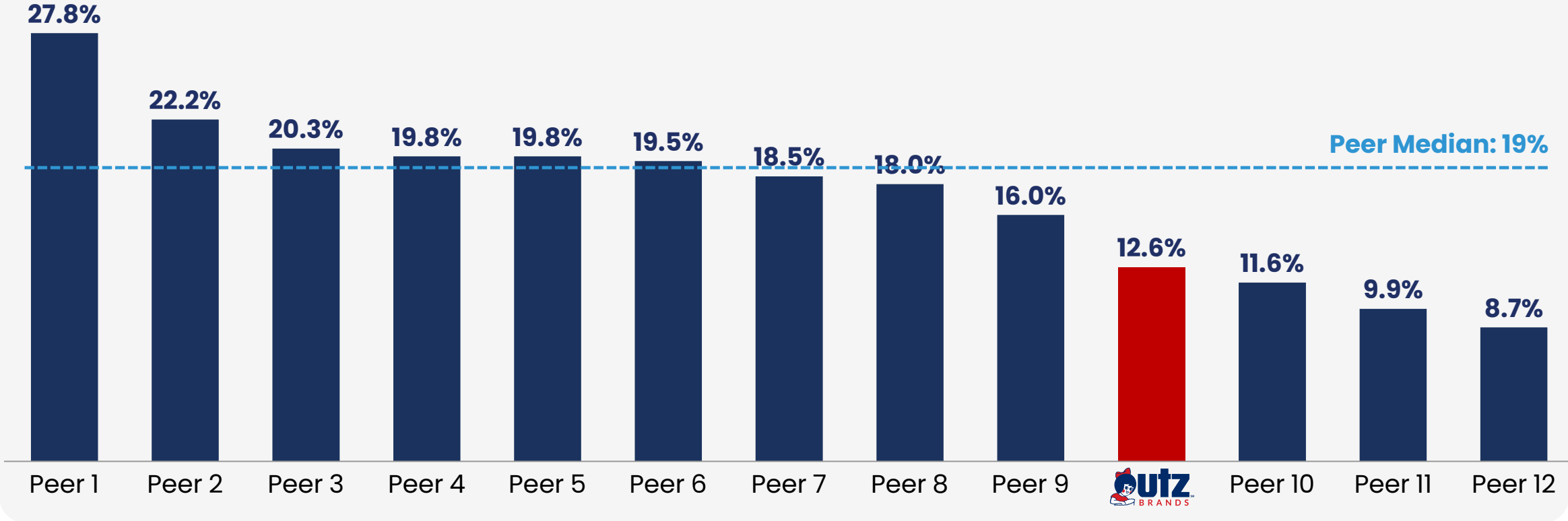


Note: See appendix for reconciliation of Utz Non-GAAP financial measures to most directly comparable GAAP measures.

(1) 2023 estimates reflect the Company's fiscal 2023 financial outlook. See press release dated December 15, 2023.

# Delivering targeted margin improvement will begin to close gap to peers

## Utz vs. Peers Adjusted EBITDA Margin (Trailing Twelve Months CY 3Q'23)



Source: FactSet market data as of 12/11/23.  
Note: See appendix for reconciliation of Utz Non-GAAP financial measures to most directly comparable GAAP measures.

# Strategies planned to deliver strong three-year financial targets

**4% to 5%  
Organic Net  
Sales Growth**

CAGR 2023 – 2026

**~16%  
Adj. EBITDA  
Margin**

In 2026

**Double-digit  
Adj. EPS Growth**

CAGR 2023 – 2026

**~3x  
Net  
Leverage**

By year-end 2026

**Three-year targets expected to drive top-tier shareholder returns**

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

# Expect to deliver 4% – 5% Organic Net Sales growth over the next three years

**Participate**  
**in attractive**  
**and growing**  
salty snack  
category

**Increase**  
**investments**  
against a clearly  
defined brand  
portfolio strategy

**Further penetrate**  
**our Expansion**  
**geographies**  
while holding  
the Core

**Leverage**  
**our go-to-market**  
**model**  
with operational  
excellence





# Supply Chain transformation program will fuel margin improvement



**Expect total cost savings<sup>(1)</sup> of \$135M by year-end 2026**

(1) Cost savings is measured assuming production levels and costs consistent with forecasts.

# Cost savings will also fuel continued investments in growth

## Marketing

- Increased working media spend
- High ROI activities
- Consumer insights



## Capabilities

- Talent
- Analytical horsepower
- Process automation



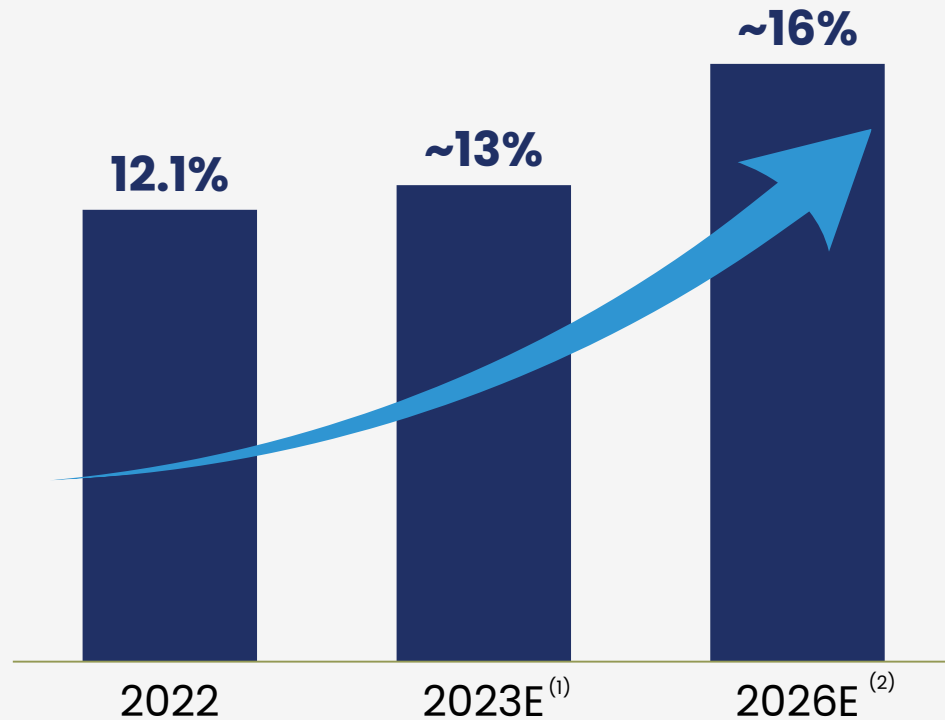
## Selling Infrastructure

- Selling tools
- Route infrastructure
- Front-line leadership



# Targeting ~300bps of Adj. EBITDA Margin improvement over next three years

## Adjusted EBITDA Margin



- **Volume-led revenue growth** driving fixed cost leverage
- **Advantaged product mix** through portfolio management
- **Supply chain** transformation
- **Investments** to support leading organization capabilities

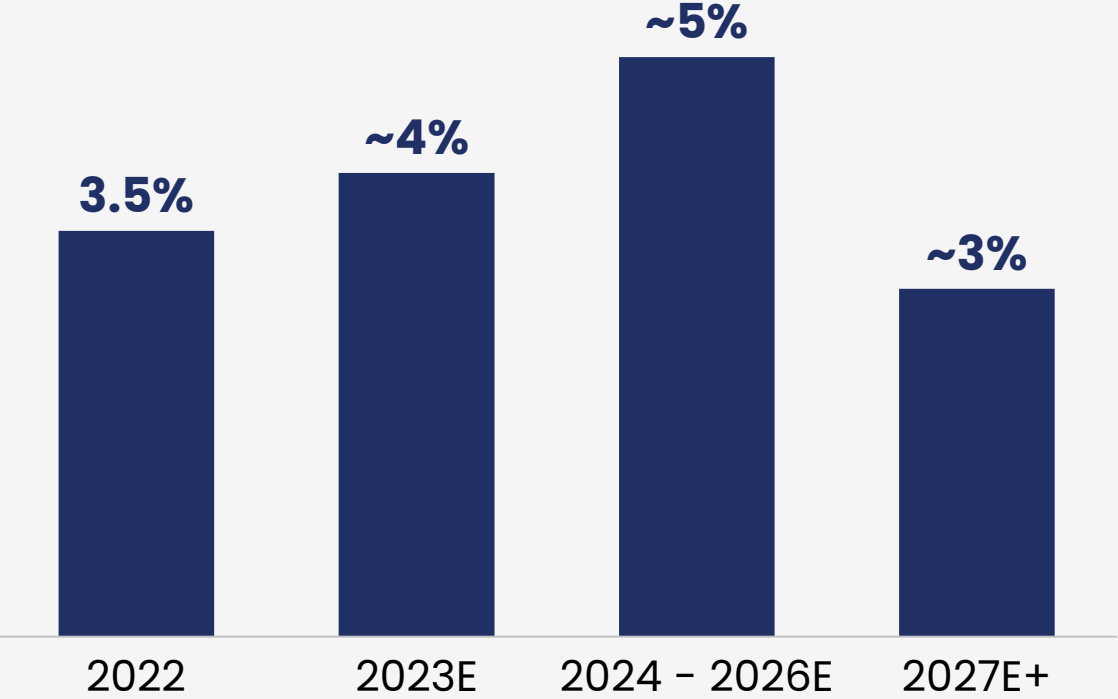
Note: See appendix for reconciliation of Utz Non-GAAP financial measures to most directly comparable GAAP measures.

(1) Company estimate based on Net Sales and Adjusted EBITDA fiscal 2023 outlook. See press release 12/15/23.

(2) A quantitative reconciliation is not available without unreasonable efforts due to the high variability, complexity, and low visibility with respect to certain items which are excluded from Adjusted EBITDA.

# Elevated capital spend planned for 2024 – 2026 to support supply chain transformation before returning to historical levels

## Capital Expenditures as a % of Net Sales



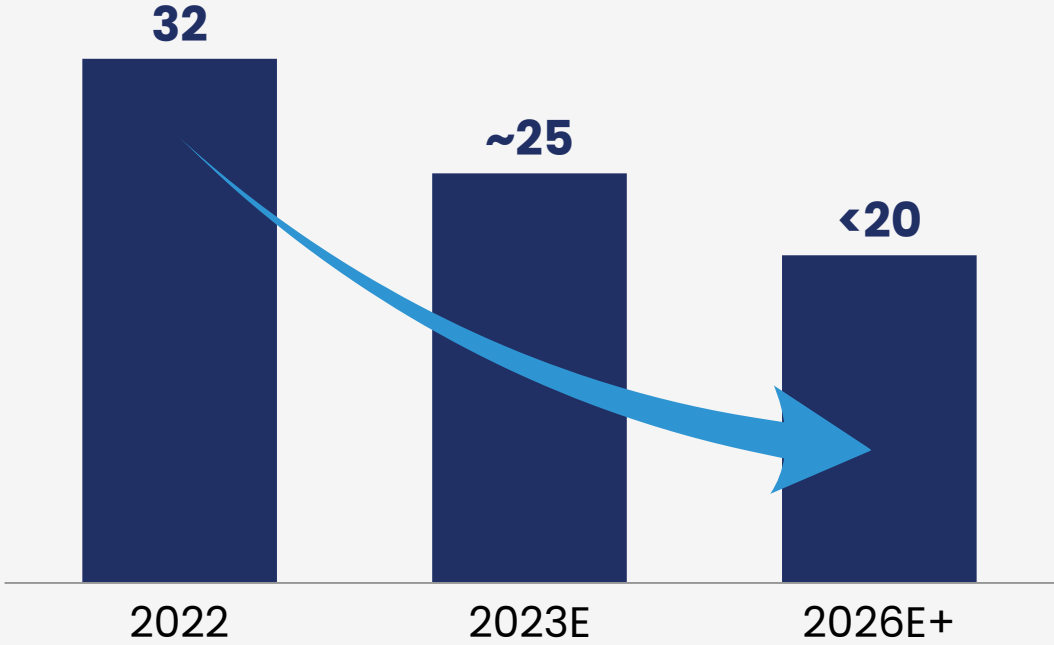
### Capital investment focus:

- Continuous improvement program
- Technology and automation
- Scale mixing centers and manufacturing plants
- Network optimization



# Cash conversion cycle significantly improved with additional opportunities being pursued

## Cash Conversion Cycle (Days)

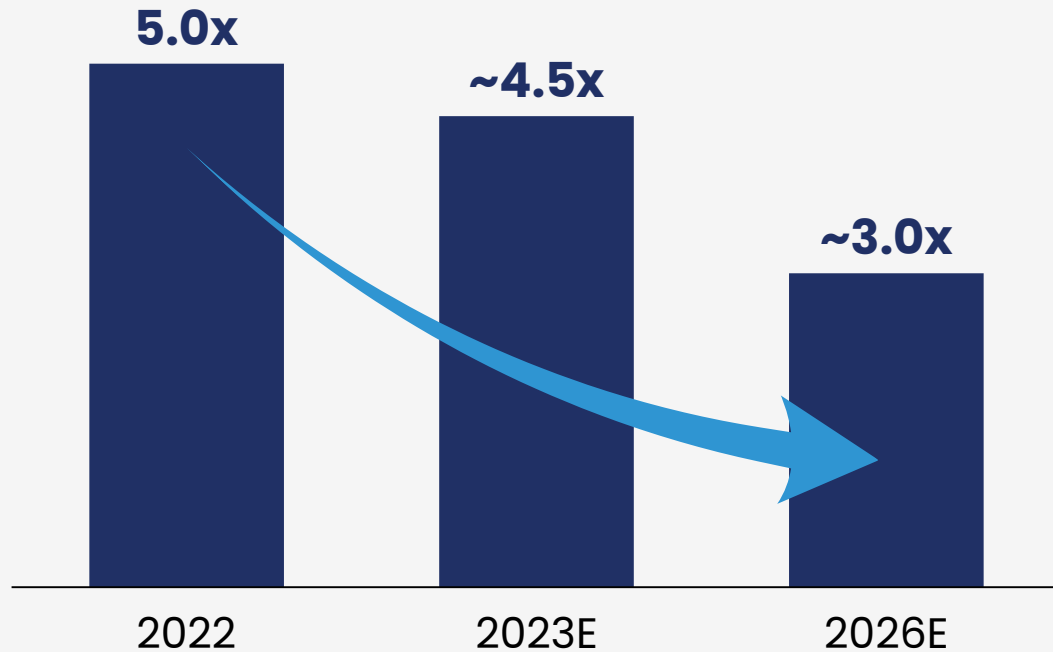


### Working capital improvements driven by people, processes and technology:

- Procure-to-pay, improving terms with suppliers
- Order-to-cash, driving efficiencies in collections
- Inventory management, optimizing days-on-hand as part of IBM process adoption

# Expecting to reduce net leverage to ~3x Adjusted EBITDA by year-end 2026

## Net Leverage Ratio (Fiscal Year-end)



## Key Drivers

- Adj. EBITDA improvement planned through net sales growth and margin improvement
- Prioritizing free cash flow to pay down floating rate debt
- Opportunistic asset monetization

# Maintaining a disciplined capital allocation approach

## Cash Flow Priorities

### 1 Organic Business Growth

- Increase brand investment to drive volume-led growth
- High-return manufacturing and capability investments

### 2 Debt Reduction

- Targeted net leverage ratio of ~3x by year-end 2026
- Maintain flexibility for opportunistic M&A

### 3 Dividend

- Consistently grow over time

### 4 Share Buyback

- Opportunistic if excess cash is available

# Opportunistic M&A given optionality within the snacking category

## Proven track record

Acquisition-savvy management team and experienced board

## Scalable M&A platform

Significant synergy opportunities driven by highly leverageable manufacturing and distribution system

## Robust pipeline & favorable competitive dynamics

Utz is logical consolidator in category with numerous opportunities

- Smaller tuck-ins
- Transformative / RMT vehicle





**Confident in our ability to deliver both short-term and long-term shareholder value supported by our fundamental strategies**

**Focus our portfolio** to further penetrate our Expansion geographies while holding the Core

**Transform our supply chain** to fund growth and margin improvement

**Develop leading capabilities** to build a best-in-class organization

**Improve balance sheet flexibility** and pursue opportunistic M&A

# Question and Answer Session



# Appendix

# Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

EBITDA and Adjusted EBITDA (dollars in millions)	Trailing 52-weeks Ended	52-Weeks Ended	52-Weeks Ended	39-Weeks Ended	13-Weeks Ended	Trailing 52-weeks Ended
	October 1, 2023	January 1, 2023	January 2, 2022	October 1, 2023	January 1, 2023	October 1, 2023
<b>Net Income (Loss)</b>	<b>\$7.0</b>	<b>\$(14.0)</b>	<b>\$8.0</b>	<b>\$(6.8)</b>	<b>\$13.8</b>	<b>\$7.0</b>
Plus non-GAAP adjustments:						
Income Tax (Benefit) or Expense	(35.6)	(23.9)	8.1	(13.4)	(22.2)	(35.6)
Depreciation and Amortization	80.6	86.8	80.7	60.1	20.5	80.6
Interest Expense, Net	57.8	44.4	34.7	44.9	12.9	57.8
Interest Income (IO loans) <sup>(1)</sup>	(1.7)	(1.6)	(2.4)	(1.4)	(0.3)	(1.7)
<b>EBITDA</b>	<b>108.1</b>	<b>91.7</b>	<b>129.1</b>	<b>83.4</b>	<b>24.7</b>	<b>108.1</b>
Certain Non-Cash Adjustments <sup>(2)</sup>	44.3	11.3	11.6	42.2	2.1	44.3
Acquisition and Integration <sup>(3)</sup>	13.8	45.8	27.0	8.7	5.1	13.8
Business Transformation Initiatives <sup>(4)</sup>	28.7	22.1	24.5	19.9	8.8	28.7
Financing-Related Costs <sup>(5)</sup>	0.3	0.3	0.7	0.2	0.1	0.3
(Gain) Loss on Remeasurement of Warrant Liabilities <sup>(6)</sup>	(13.3)	(0.7)	(36.7)	(16.6)	3.3	(13.3)
<b>Adjusted EBITDA</b>	<b>\$181.9</b>	<b>\$170.5</b>	<b>\$156.2</b>	<b>\$137.8</b>	<b>\$44.1</b>	<b>\$181.9</b>
Adjusted EBITDA as a % of Net Sales	12.6%	12.1%	13.2%	12.7%	12.4%	12.6%

(1) Interest Income from IO loans refers to Interest Income that we earn from IO notes receivable that have resulted from our initiatives to transition from RSP distribution to IO distribution ("Business Transformation Initiatives"). There is a notes payable recorded that mirrors most of the IO notes receivable, and the interest expense associated with the notes payable is part of the Interest Expense, Net adjustment.

(2) Certain Non-Cash Adjustments are comprised primarily of

- Incentive programs consisting of share-based compensation awarded to associates and directors, and compensation expense associated with the employee stock purchase plan.
- Asset Impairments and Write-Offs
- Purchase Commitments and Other Adjustments - We have purchase Commitments and options for specific quantities at fixed prices for certain of our products' key ingredients. To facilitate comparisons of our underlying operating results, this adjustment was made to remove the volatility of purchase Commitments and options related unrealized gains and losses.

(3) Adjustment for Acquisition and Integration Costs - This is comprised of consulting, transaction services, and legal fees incurred for acquisitions and certain potential acquisitions, in addition to expenses associated with integrating recent acquisitions.

(4) Business Transformation Initiatives Adjustment - This adjustment is related to consultancy, professional, legal, closure and other expenses incurred for specific initiatives and structural changes to the business that do not reflect the cost of normal business operations. In addition, gains and losses realized from the sale of distribution rights to IOs and the subsequent disposal of trucks, severance costs associated with the elimination of RSP positions, and Enterprise Resource Planning transition costs, fall into this category.

(5) Financing-Related Costs - These costs include adjustments for various items related to raising debt and equity capital or debt extinguishment costs.

(6) Gains and losses related to the changes in the remeasurement of warrant liabilities are not expected to be settled in cash, and when exercised would result in a cash inflow to the Company with the Warrants converting to Class A Common Stock with the liability being extinguished and the fair value of the Warrants at the time of exercise being recorded as an increase to equity.



# Net Debt and Leverage Ratio

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(dollars in millions)	As of January 1, 2023
Term Loan	\$779.3
Real Estate Loan	88.1
ABL Facility	-
Capital Leases <sup>(1)</sup>	65.0
Deferred Purchase Price	0.8
<b>Gross Debt<sup>(2)</sup></b>	<b>933.2</b>
Cash and Cash Equivalents	72.9
<b>Total Net Debt</b>	<b>\$860.3</b>
Last 52-Weeks Normalized Further Adjusted EBITDA	\$170.7
<b>Net Leverage Ratio<sup>(3)</sup></b>	<b>5.0x</b>

(1) Capital Leases include equipment term loans and excludes the impact of step-up accounting.

(2) Excludes amounts related to guarantees on IO loans which are collateralized by routes. We have the ability to recover substantially all of the outstanding loan value in the event of a default scenario, which historically has been uncommon.

(3) Based on Normalized Adjusted EBITDA.