

Utz Brands, Inc.

Third Quarter 2024 Earnings Presentation
October 31, 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 future plans for Utz Brands, Inc. (“the Company”), including plans related to the 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.

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. Some factors that could cause actual results to differ include, without limitation: the risk that the Company’s gross profit margins may be adversely impacted by a variety of factors, including variations in pricing of raw materials, 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, including changes in consumer spending due to factors such as increasing household debt; 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, particularly in the Company’s “expansion geographies”; costs associated with building brand loyalty and interest in the Company’s products, which may be affected by actions by the Company’s competitors that result in the Company’s products not being suitably differentiated from the products of their competitors; consolidation of key suppliers of the Company; any inability of the Company to adopt efficiencies into its manufacturing processes, including automation and labor optimization, its network, including through plant consolidation and lowest landed cost for shipping its products or its logistics operations; 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; the risk that business combinations and other acquisitions or dispositions recently completed by the Company disrupt plans and operations; the ability of the Company to recognize the anticipated benefits of such business combinations, acquisitions, or dispositions, 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, acquisitions, or dispositions; changes in applicable law or regulations; costs related to the business combinations, acquisitions, or dispositions; the ability of the Company to maintain the listing of the Company’s Class A Common Stock on the New York Stock Exchange; the ability of the Company to develop and maintain effective internal controls; 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 December 31, 2023, 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.

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.

Industry Information

Unless otherwise indicated, information contained in this presentation or made orally during this presentation concerning the Company’s industry, competitive position and the markets in which it operates is based on information from independent research organizations, other third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third-party sources, as well as data from the Company’s internal research, and are based on assumptions made by the Company upon reviewing such data, and the Company’s experience in, and knowledge of, such industry and markets, which the Company believes to be reasonable. In addition, projections, assumptions and estimates of the future performance of the industry in which the Company operates, and the Company’s future performance are necessarily subject to uncertainty and risk due to a variety of factors, which could cause results to differ materially from those expressed in the estimates made by the independent parties and by the Company.

Trademarks

This presentation may contain trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners. Solely for convenience, some of the trademarks, service marks, trade names and copyrights referred to in this presentation may be listed without the TM, SM, © or ® symbols, but we will assert, to the fullest extent under applicable law, the rights of the applicable owners, if any, to these trademarks, service marks, trade names and copyrights.

Disclaimer (cont.)

Projected Financial Information

This presentation contains financial forecasts, which were prepared in good faith by the Company on a basis believed to be reasonable. Such financial forecasts have not been prepared in conformity with U.S. generally accepted accounting principles (“GAAP”). The Company’s independent auditors have not audited, reviewed, compiled or performed any procedures with respect to the projections for the purposes of their inclusion in this presentation, and accordingly, they have not expressed an opinion nor provided any other form of assurance with respect thereto for the purpose of this presentation. These projections are for illustrative purposes only and should not be relied upon as being necessarily indicative of future results. Certain of the above-mentioned projected information has been provided for purposes of providing comparisons with historical data. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Projections are inherently uncertain due to a number of factors outside of the Company’s control, as discussed under Forward-Looking Statements above. Accordingly, there can be no assurance that the prospective results are indicative of the future performance of the Company or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

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 Gross Margin, Adjusted SD&A, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Normalized Adjusted EBITDA, Adjusted Net Income, Adjusted Earnings Per Share, and Adjusted Net Leverage Ratio, 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) 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. In addition, quantitative reconciliations are not available for the forward-looking GAAP financial measures used in this presentation without unreasonable efforts due to the high variability, complexity, and low visibility with respect to certain items which are excluded from Net Organic Sales, Adjusted EBITDA, Adjusted Earnings Per Share, and Net Leverage Ratio, respectively. We expect the variability of these items to have a potentially unpredictable, and potentially significant, impact on our future financial results.

Business Overview

Howard Friedman
Chief Executive Officer



Third Quarter Key Takeaways

ONE

Organic Net Sales **growth of 1.9% led by branded volume** growth supported by increased distribution and marketing investments

TWO

Gained volume share in the Salty Snack category for the 5th consecutive quarter⁽¹⁾, while **maintaining a disciplined pricing strategy**, as consumers seek more value

THREE

Drove a **7th consecutive quarter of year-over-year Adjusted EBITDA Margin expansion** fueled by strong productivity

FOUR

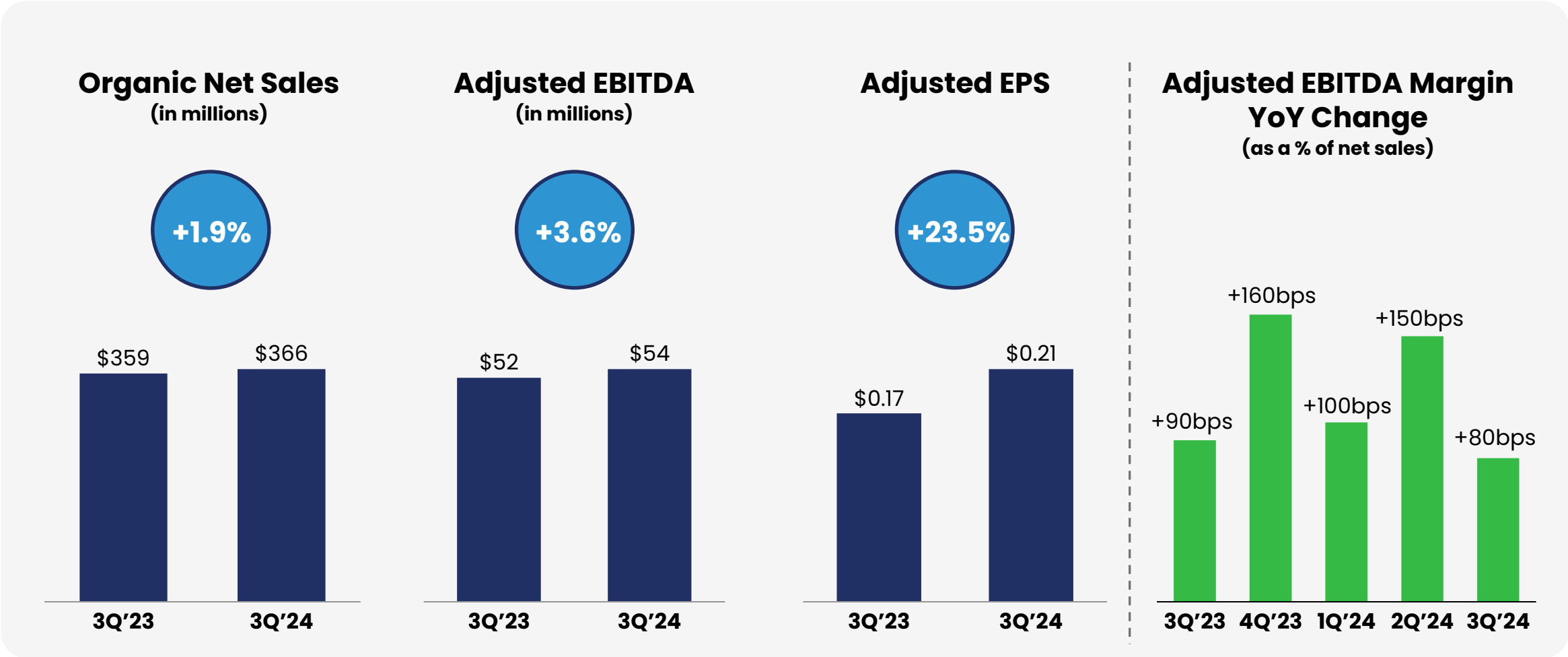
Reaffirmed FY'24 financial outlook which was updated on September 5, 2024⁽²⁾

Our Mission is to become the fastest growing pure-play U.S. snacking company of scale

(1) Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks ended 9/29/2024; % YoY growth compared to the 13-weeks ended 10/1/23 period in the prior year on a pro forma basis.

(2) See press release dated September 5, 2024.

Consistent Top and Bottom-line Growth, and Margin Expansion



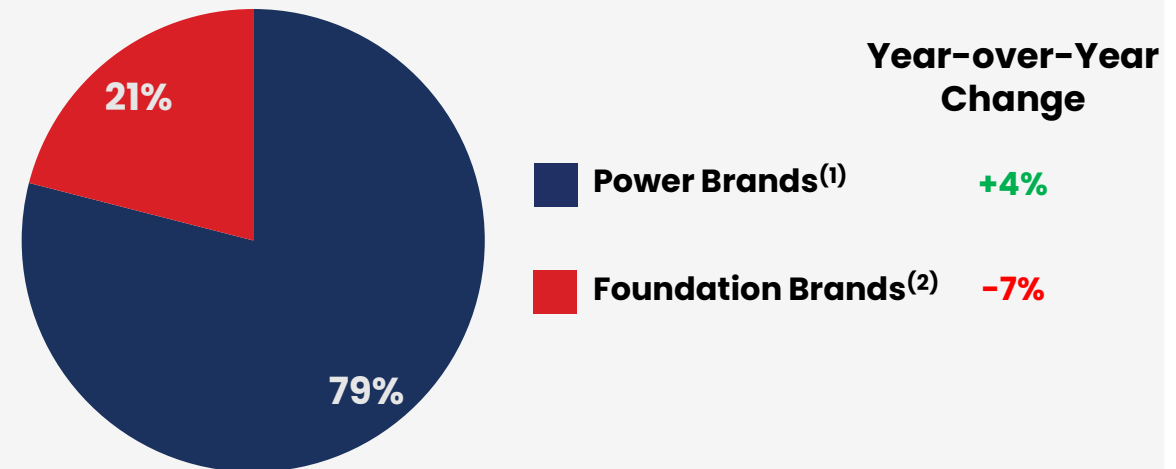
Note: See appendix for reconciliation of Utz Non-GAAP financial measures to most directly comparable GAAP measures.

Strong Execution Against a Clearly Defined Portfolio Strategy

Power Brand⁽¹⁾ volume increased ~4% in 3Q'24

- **Strong Power Brand⁽¹⁾ volume** led by On The Border® and Boulder Canyon®
- **Strong performance in non-measured channels**, e.g., club, natural, dollar stores, e-commerce, etc., with branded volume year-over-year growth of ~8%
- **Increasing our marketing investments** while managing our promotional spend
- Foundation Brands⁽²⁾ volume continuing to be impacted by **dips and salsa declines** and purposeful **de-emphasis of co-manufacturing**

3Q'24 Measured + Unmeasured Channels Volume Breakdown (lbs.)⁽³⁾



(1) Total Company Power Brands include Utz®, On The Border®, Zapp's®, Boulder Canyon®, Golden Flake® Pork, TGI Fridays®, Hawaiian®, Tim's Cascade®, TORTYAHS®, Dirty®, and Jax®.

(2) Total Company Foundation Brands include Golden Flake® ex-Pork, Snyder of Berlin®, Bachman®, H.K. Anderson®, Vitner's®, Kitchen Cooked®, Wachusett®, and other small brands, and also includes Partner Brands, Private Label, Co-Manufacturing, and Utz Branded non-salty snacks such as On The Border® Dips and Salsa.

(3) Source: Total company volume. Internal company data.

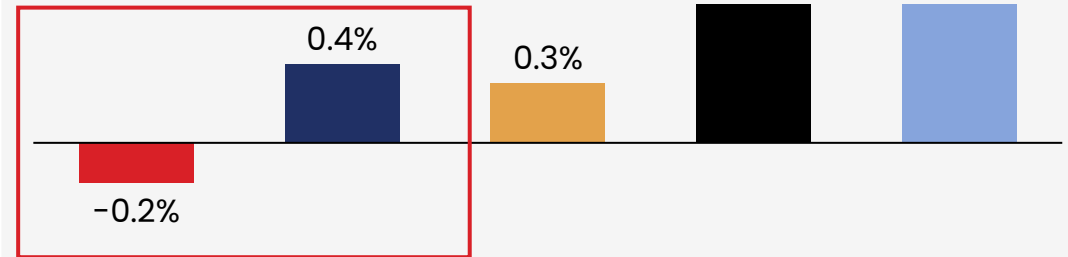
Retail Volume Share Gains in a More Promotional Environment

- Organic Net Sales growth outpaced retail sales growth primarily due **to strength in non-measured channels** and stronger seasonal shipments vs. LY
- Investments in geographic expansion and disciplined pricing strategy driving **volume share gains led by our Power Four Brands**
- Retail sales trends impacted by a **more competitive promotional environment** in potato chips and softness in convenience store channel
- Retail price per pound declined due to **disciplined promotional pricing and convenience store channel weakness**

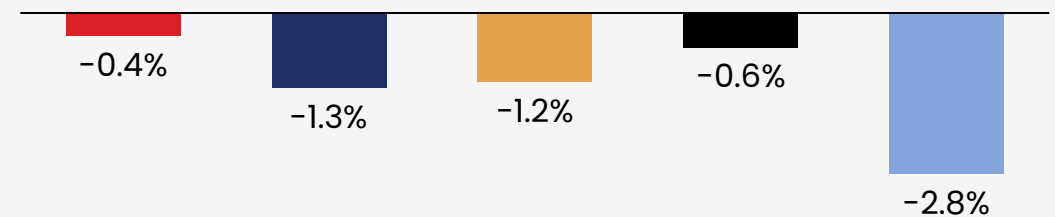
3Q'24 Measured Channels Year-over-Year Retail Growth

(13-Weeks Ended 9/29/24)

Retail Volume (lbs.)



Retail Sales \$



Total Salty Category



Power Brands

Power Four Brands

Foundation Brands⁽¹⁾



Source: Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks ended 9/29/2024; % YoY growth compared to the 13-weeks ended 10/1/23 period in the prior year on a pro forma basis.

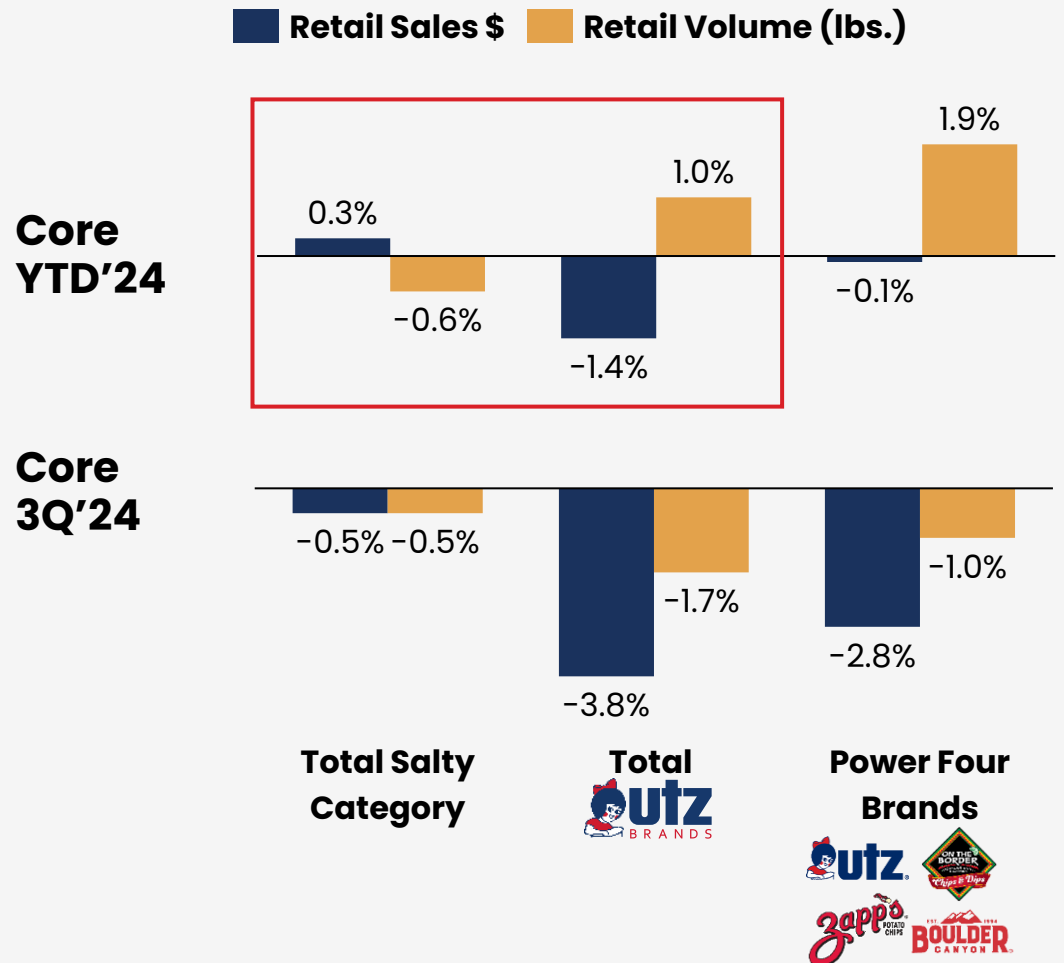
(1) Represents Foundation Brands salty snack sales based on Circana Total MULO-C, custom Utz Brands hierarchy. This differs from internal total company volume results as it excludes Dips & Salsas, Private Label, Partner Brands and other small sales categories.

On Track to Hold Volume Share in our Core Geographies in 2024⁽¹⁾

Core Geography Third Quarter Highlights

- **Performance impacted by competitive promotional pricing** in potato chips across major tracked channels
- **Continued convenience store softness** due to price pack architecture opportunities, overall channel weakness, and heightened competitive activity
- **Maintained or gained share** across tortilla chips, pretzels, cheese snacks, and pork

Measured Channels Year-over-Year Retail Growth



(1) See Appendix for Utz Core and Expansion geography state groupings.

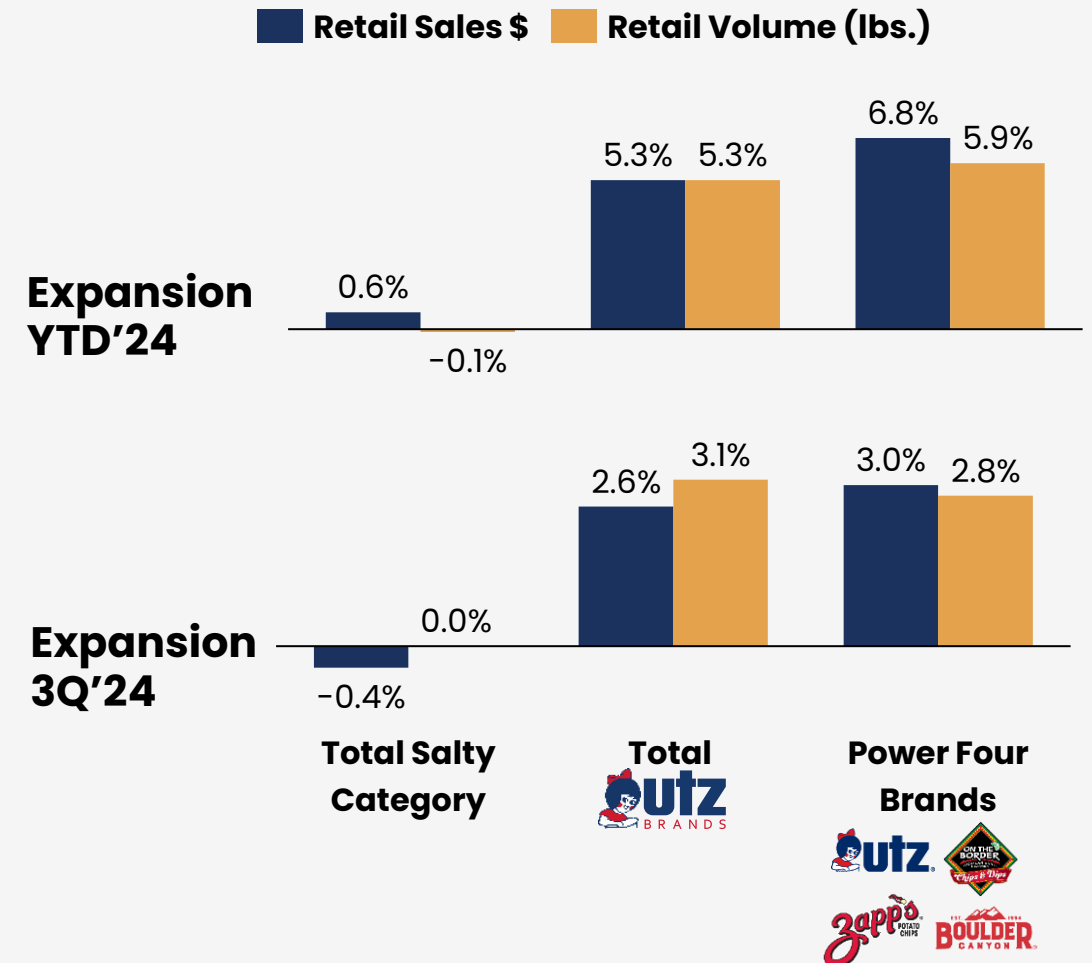
Source: Retail sales and volume are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks and 39-weeks ended 9/29/2024; % YoY growth compared to the 13-weeks and 39-weeks ended 10/1/23 period in the prior year on a pro forma basis.

4th Consecutive Quarter of Share Gains in our Expansion Geographies⁽¹⁾

Expansion Geography Third Quarter Highlights

- **4th consecutive quarter of share gains in Expansion geographies** led by Utz®, On The Border®, and Boulder Canyon®
- **Utz® brand retail sales +7%** led by strong volume growth in the grocery channel
- **Distribution wins and space additions** across large national grocers, and the mass and club channels

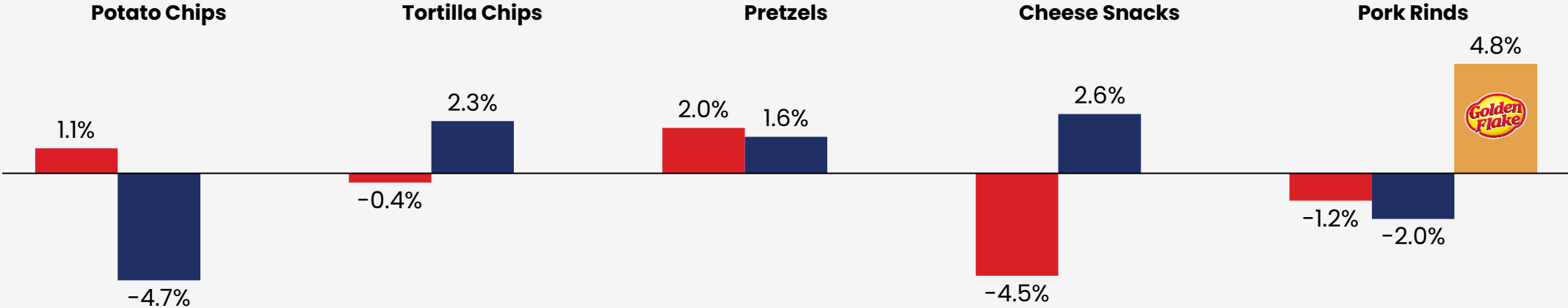
Measured Channels Year-over-Year Retail Growth



(1) See Appendix for Utz Core and Expansion geography state groupings.
 Source: Retail sales and volume are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks and 39-weeks ended 9/29/2024;
 % YoY growth compared to the 13-weeks and 39-weeks ended 10/1/23 period in the prior year on a pro forma basis.

Strong Growth in Tortilla Chips, Cheese Snacks, and Golden Flake® Pork

Measured Channels Sub-Category Retail Sales Year-over-Year Growth
(13-Weeks Ended 9/29/24)



| % of Utz Retail Sales | Potato Chips | Tortilla Chips | Pretzels | Cheese Snacks | Pork Rinds |
|-----------------------|--------------|----------------|----------|---------------|------------|
| | 42% | 21% | 12% | 9% | 4% |

- Share performance impacted by competitive promotional environment
- Boulder Canyon® share gains fueled by strong velocities
- On The Border® growth led by grocery and mass channels
- Utz® pretzels share gains led by grocery channel
- Zapp's® pretzels nearing end of 2023 sell-in lap
- Utz® cheese snacks share gains led by grocery and club channels
- Golden Flake® growth of 5% and gaining share
- Utz® pork rind brand declines as planned

Source: Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 13-weeks ended 9/29/2024; % YoY growth compared to the 13-weeks ended 10/1/23 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 9/29/2024.

Significant Outperformance by Boulder Canyon® in Natural and Traditional Channels

Boulder Canyon® on track to reach \$100M in annual retail sales in 2024

SPINS Retail Sales (natural channel) Year-over-Year Growth

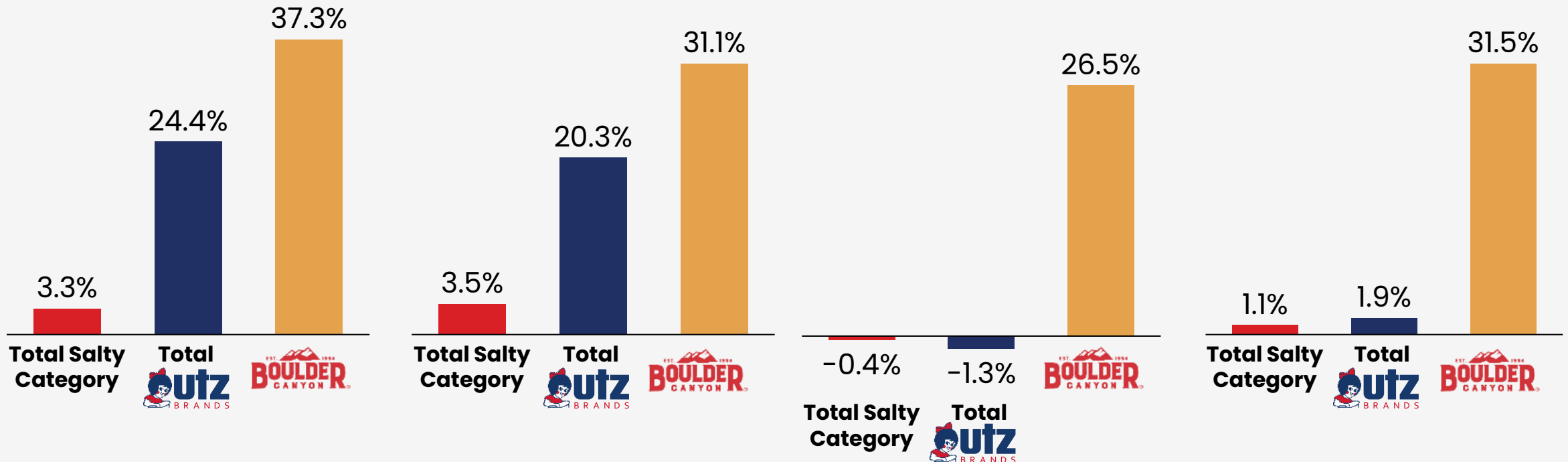
Circana MULO-C Retail Sales (traditional channels) Year-over-Year Growth

13-Weeks Ended 9/29/24

52-Weeks Ended 9/29/24

13-Weeks Ended 9/29/24

52-Weeks Ended 9/29/24



Source: SPINS, Total US – Natural Enhanced Channel (TPL) and Circana Total US MULO-C, custom Utz Brands hierarchy.

On-trend Innovation Supporting Continued Sales Growth for Boulder Canyon®



Boulder Canyon® enters Wavy Potato Chip Segment

Launch builds on Boulder's continued potato chip double-digit growth across channels⁽¹⁾

- Wavy/Ripple is the #2 segment in potato chips⁽²⁾
- Two flavors – Sea Salt and Cheddar Sour Cream – represent the top segment flavors



Boulder Canyon® enters Cheese Snacks Sub-Category

Boulder Canyon® moves beyond potato chips with Canyon Poppers®

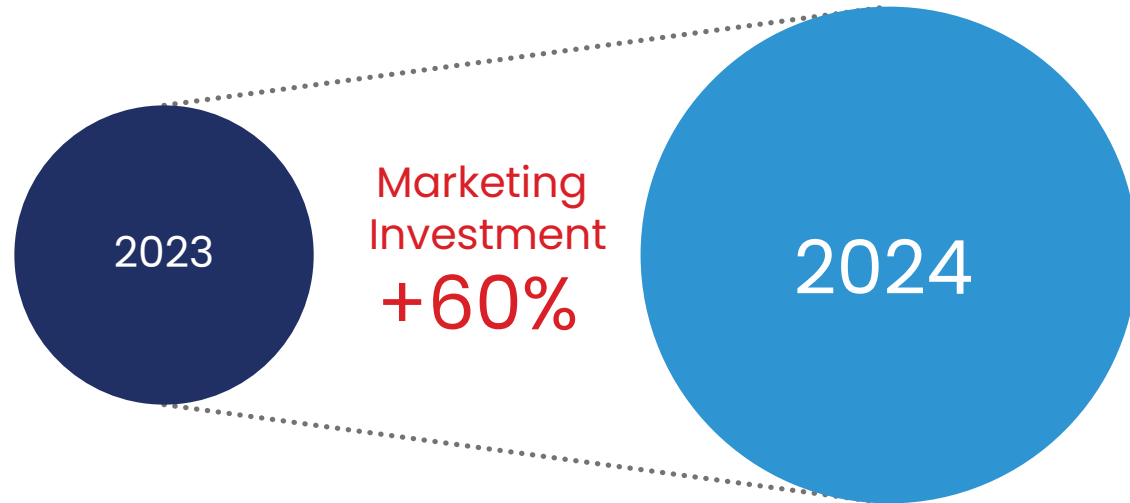
- Launch leverages expertise in cheese snacks and consumer desire for better-for-you snacks
- Two flavors – White Cheddar and Jalapeno Ranch – represent top category flavors, Cheddar and Hot & Spicy⁽²⁾



(1) Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 52-weeks ended 9/29/2024; Natural Channel sales are SPINS, 52-weeks ending 9/8/24.

(2) Retail sales are Circana Total US MULO-C, custom Utz Brands hierarchy, 52-weeks ended 9/29/2024.

Driving Awareness with Increased Media Spend and New Brand Campaigns



Social and Influencer



Digital Video



Connected TV Streaming




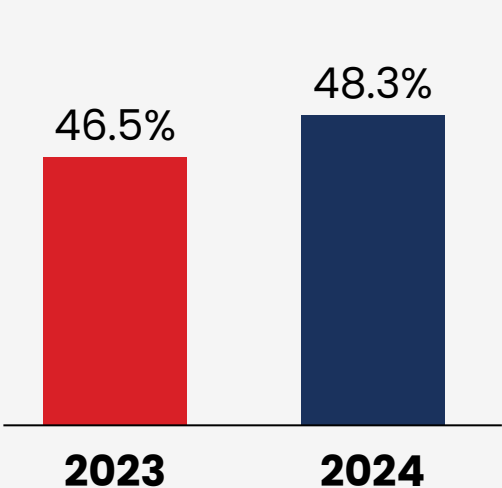
New Brand Campaigns



Positive Trends Across Household Penetration and Buyers, and Strong Buyer Repeat Rates

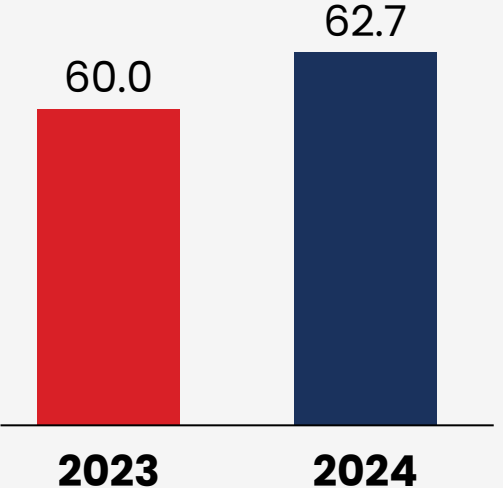
Household Penetration
(52-Weeks Ended 9/29/24)

 **+180bps**
VS.
Salty Snacks Category +30bps



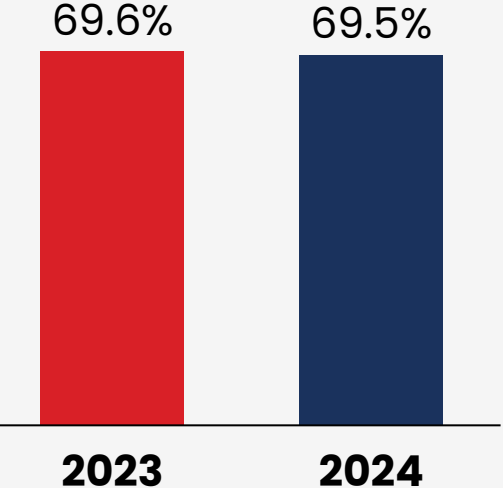
Buyers (millions)
(52-Weeks Ended 9/29/24)

 **+2.7M**
VS.
Salty Snacks Category +1.1M



Total Buyer Repeat Rate
(52-Weeks Ended 9/29/24)

 **Flattish**
VS.
Salty Snacks Category +10bps



Source: Circana CSIA Total U.S. All Outlets 52WE data through 9/29/2024 compared to the 52WE ended 10/1/23 in the prior year period.

Financial Review

Ajay Kataria

Chief Financial Officer



3Q'24 Financial Results Summary

- **Organic Net Sales increase of +1.9%**
 - +2.4% volume/mix and (0.5%) price
- **Adjusted Gross Margin expansion of +270 bps**
 - Benefits from productivity programs
- **Adjusted SD&A Expense increase of +6.9%**
 - Increased investment in marketing, selling, and distribution costs to support growth
- **Adjusted EBITDA increased 3.6% to \$54.0M**
 - Margin expansion of 80bps
- **Adjusted EPS growth of +23.5% to \$0.21**
 - Operating earnings growth
 - Lower interest expense due to long-term debt repayment
 - Lower depreciation and amortization expense due to plant dispositions

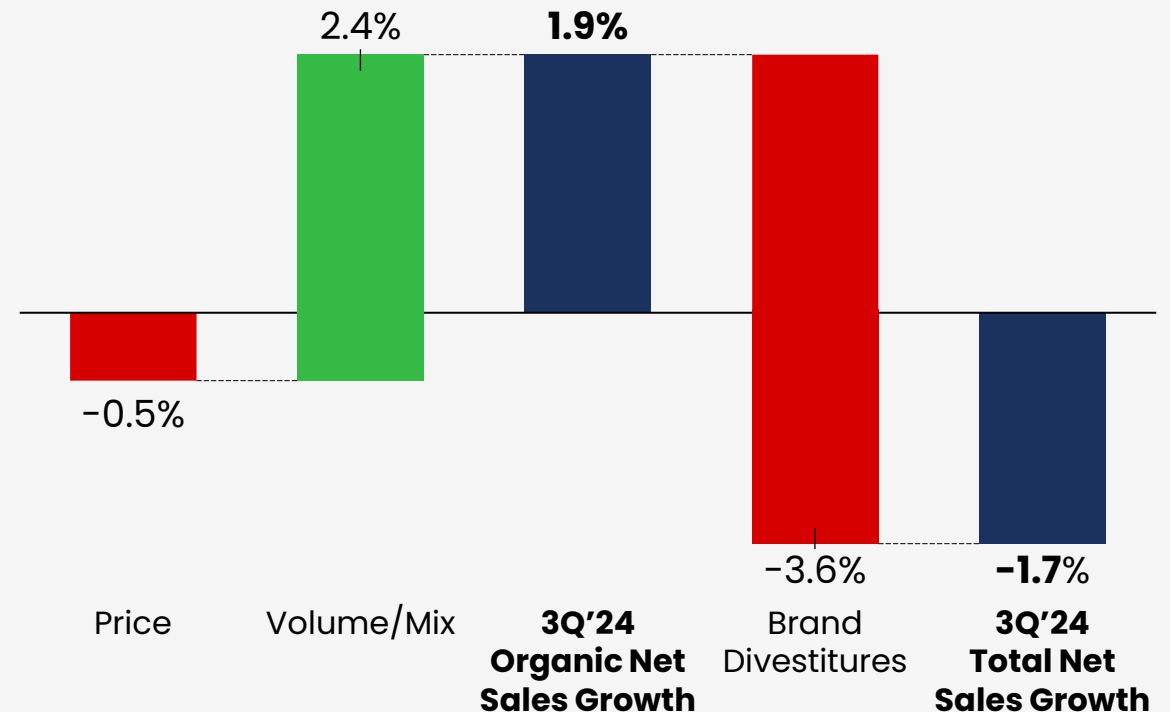
| | 3Q'24 | 3Q'23 | YoY Change |
|---|-----------------------------------|--------------------------------|-------------------|
| In \$ millions, except per share amounts | 13-weeks ended September 29, 2024 | 13-weeks Ended October 1, 2023 | |
| Net Sales | 365.5 | 371.9 | (1.7%) |
| Organic Net Sales | 365.5 | 358.8 | +1.9% |
| Adj. Gross Profit | 142.7 | 135.1 | +5.6% |
| <i>Adj. Gross Margin</i> | <i>39.0%</i> | <i>36.3%</i> | <i>+270 bps</i> |
| Adj. SD&A Expense | 88.7 | 83.0 | +6.9% |
| <i>Adj. SD&A Expense % of net sales</i> | <i>24.3%</i> | <i>22.3%</i> | <i>+200 bps</i> |
| Adj. EBITDA | 54.0 | 52.1 | +3.6% |
| <i>Adj. EBITDA Margin</i> | <i>14.8%</i> | <i>14.0%</i> | <i>+80 bps</i> |
| Adj. Net Income | 29.6 | 24.6 | +20.3% |
| Adj. EPS | \$0.21 | \$0.17 | +23.5% |

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

3Q'24 Net Sales Bridge

- Pricing impact of (0.5)% from **implementing a disciplined pricing strategy**
- **Volume/mix growth of +2.4%** primarily driven by our Power Four Brands
- Divestiture impact of (3.6%) from the **disposition of R.W. Garcia® and Good Health® brands**

3Q'24 Net Sales YoY Growth Decomposition



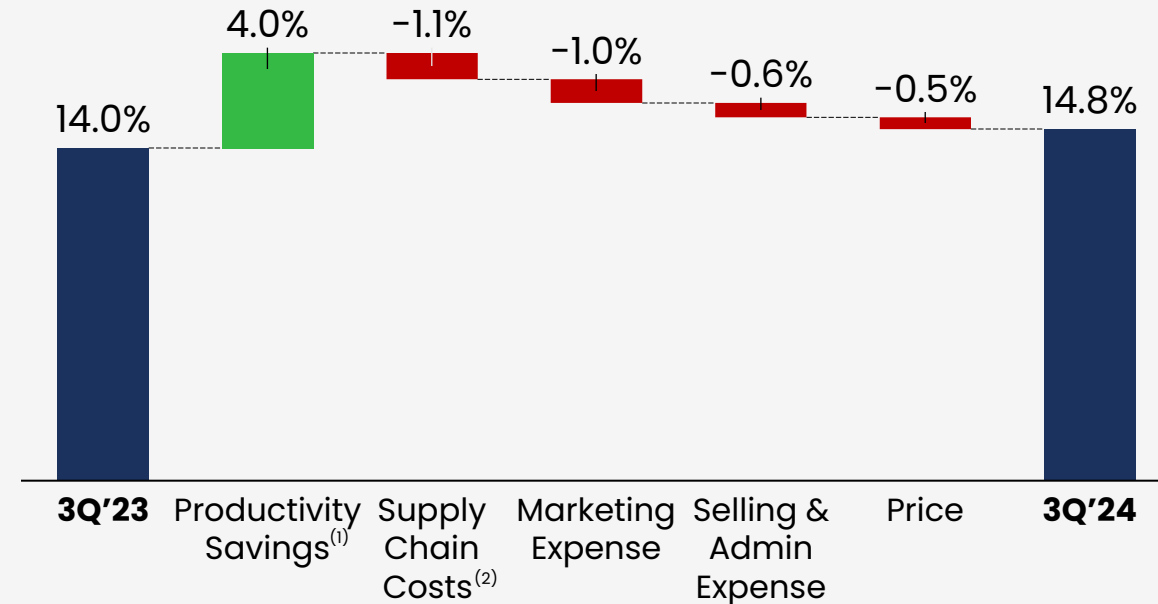
Note: See appendix for reconciliation of Non-GAAP financial measures to most directly comparable GAAP measures.

3Q'24 Adjusted EBITDA Margin Bridge

- **Productivity programs** driven by manufacturing and procurement cost savings more than offsetting higher supply chain costs
- **Increased marketing spend** to support continued branded volume growth
- Higher selling and admin expense primarily to **support distribution growth** in Expansion geographies
- Pricing impact from **disciplined promotional spending** adjustments

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

3Q'24 Adjusted EBITDA Margin Change Decomposition



- (1) Represents savings realized during 3Q'24 as a % of prior year net sales.
 (2) Delivery included.

Cash Flow and Balance Sheet Highlights

Cash Flow Highlights *39-Weeks Ended September 29, 2024*

| | |
|---|----------------|
| Net Cash Provided by Operations | \$52.0M |
| Capital Expenditures | \$60.9M |
| Dividends and Distributions Paid⁽¹⁾ | \$30.8M |

Balance Sheet Highlights *As of September 29, 2024*

| | |
|---|-----------------|
| Cash and Cash Equivalents | \$64.9M |
| Gross Debt⁽²⁾ | \$796.4M |
| Net Debt | \$731.5M |
| Net Leverage Ratio⁽³⁾ | 3.7x |

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

(1) Includes \$14.9M of distributions to non-controlling Interest and a special excess cash dividend of \$1.7M.

(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 Net Debt divided by last 52-weeks Normalized Adjusted EBITDA.

Reaffirming Fiscal 2024 Outlook

| Fiscal 2024 Growth versus Fiscal 2023 Actual Results | Current⁽¹⁾ | Versus Previous as of Sept. 5, 2024 |
|---|------------------------------|--|
| Organic Net Sales | +2% to +2.5% growth | Unchanged |
| Adjusted EBITDA | +5% to +8% growth | Unchanged |
| Adjusted EPS | +28% to 32% growth | Unchanged |
| Additional Outlook Assumptions: | | |
| Effective Normalized Tax Rate⁽²⁾ | 17% to 19% | Unchanged |
| Net Interest Expense | ~\$47 million | Unchanged |
| Capital Expenditures | \$80 to \$90 million | Unchanged |
| Net Leverage Ratio | ~3.6x at fiscal YE24 | Unchanged |

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

(1) The Company's 2024 financial outlook was updated on September 5, 2024. Please see the press release issued on that date.

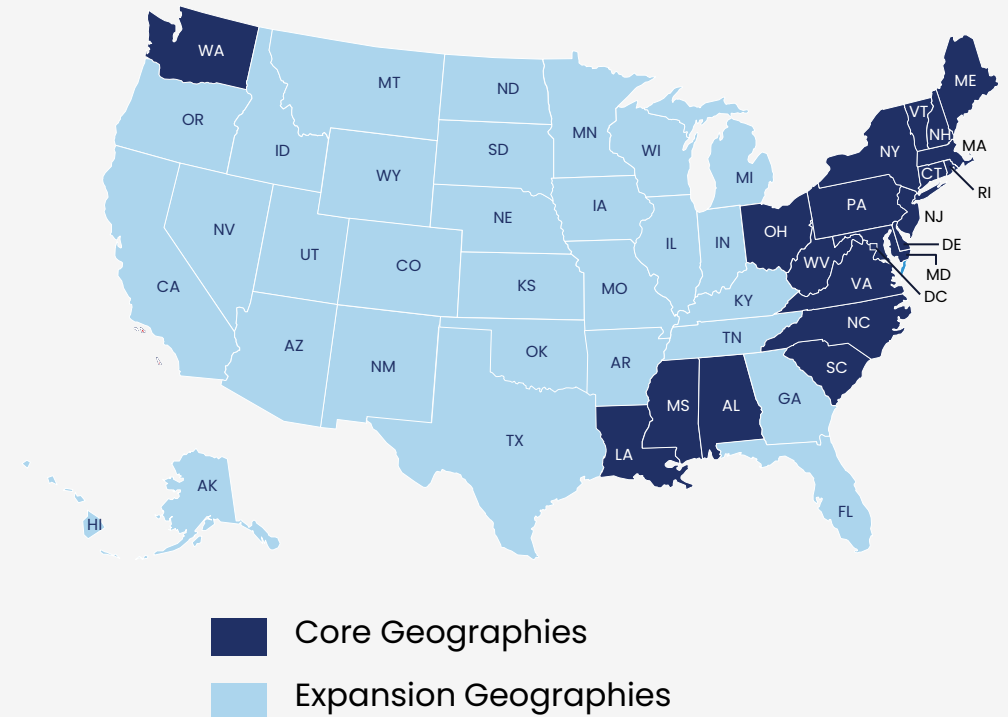
(2) Normalized GAAP basis tax expense, which excludes one-time items.

Closing Remarks







Well-positioned to Drive Accelerated Sales Growth in 4Q'24

- **Activating distribution gains** in both Core and Expansion geographies across key grocery, natural, mass, and club retailers
- **Driving growth and momentum** of our Utz®, On The Border® and Boulder Canyon® brands
- **Increasing marketing spend** on the Power Four Brands
- Gaining momentum of **innovation investments** and **well-positioned for holidays**
- **Lapping a more favorable** growth comparison



Strong Progress in 2024 Against our Fundamental Strategies

| | STRATEGY | 2024 Progress |
|---|--|---|
| 1 |  <p>Focus our portfolio to further penetrate Expansion geographies while holding the Core</p> | <ul style="list-style-type: none"> ○ Growing volume share in Core and Expansion geographies ○ Increasing household penetration ○ Continuing distribution gains |
| 2 |  <p>Transform our supply chain to fund growth and margin improvement</p> | <ul style="list-style-type: none"> ○ Strong progress on productivity programs ○ Accelerated network optimization ○ Increasing investments in scale plants |
| 3 |  <p>Develop leading capabilities to build a best-in-class organization</p> | <ul style="list-style-type: none"> ○ Implementing Integrated Business Planning ○ Building-out analytics platform ○ Developing marketing capabilities |
| 4 |  <p>Improve balance sheet flexibility and pursue opportunistic M&A</p> | <ul style="list-style-type: none"> ○ Sold five manufacturing facilities and two brands ○ Improving cash conversion cycle ○ Evaluating opportunistic M&A |

Appendix



Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Net Sales and Organic Net Sales

| <i>(dollars in millions)</i> | 13-Weeks Ended | | | 39-Weeks Ended | | |
|----------------------------------|--------------------|-----------------|--------|--------------------|-------------------|--------|
| | September 29, 2024 | October 1, 2023 | Change | September 29, 2024 | October 1, 2023 | Change |
| Net Sales as Reported | \$ 365.5 | \$ 371.9 | (1.7)% | \$ 1,068.2 | \$ 1,086.1 | (1.6)% |
| Impact of Dispositions | — | (13.1) | | — | (33.4) | |
| Impact of IO Conversions | — | — | | 2.0 | — | |
| Organic Net Sales ⁽⁴⁾ | <u>\$ 365.5</u> | <u>\$ 358.8</u> | 1.9 % | <u>\$ 1,070.2</u> | <u>\$ 1,052.7</u> | 1.7 % |

Gross Profit and Adjusted Gross Profit

| <i>(dollars in millions)</i> | 13-Weeks Ended | | 39-Weeks Ended | |
|---|--------------------|-----------------|--------------------|-----------------|
| | September 29, 2024 | October 1, 2023 | September 29, 2024 | October 1, 2023 |
| Gross Profit | \$ 131.0 | \$ 119.3 | \$ 375.4 | \$ 341.2 |
| Gross Profit as a % of Net Sales | 35.8 % | 32.1 % | 35.1 % | 31.4 % |
| Depreciation and Amortization | 6.6 | 8.3 | 20.5 | 25.9 |
| Non-Cash, Non-recurring adjustments | 5.1 | 7.5 | 9.7 | 15.9 |
| Adjusted Gross Profit | <u>\$ 142.7</u> | <u>\$ 135.1</u> | <u>\$ 405.6</u> | <u>\$ 383.0</u> |
| Adjusted Gross Profit as a % of Net Sales | 39.0 % | 36.3 % | 38.0 % | 35.3 % |

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Adjusted Selling, Distribution, and Administrative Expense

| <i>(dollars in millions)</i> | 13-Weeks Ended | | 39-Weeks Ended | |
|---|--------------------|-----------------|--------------------|-----------------|
| | September 29, 2024 | October 1, 2023 | September 29, 2024 | October 1, 2023 |
| Selling, Distribution, and Administrative Expense | \$ 110.0 | \$ 105.5 | \$ 324.1 | \$ 326.0 |
| Depreciation and Amortization in SD&A Expense | (10.9) | (11.4) | (32.9) | (34.2) |
| Non-Cash, and/or Non-recurring Adjustments | (10.4) | (11.1) | (32.5) | (46.6) |
| Adjusted Selling, Distribution, and Administrative Expense | \$ 88.7 | \$ 83.0 | \$ 258.7 | \$ 245.2 |
| Adjusted SD&A Expense as a % of Net Sales | 24.3 % | 22.3 % | 24.2 % | 22.6 % |

Depreciation & Amortization

| <i>(dollars in millions)</i> | 13-Weeks Ended | | 39-Weeks Ended | |
|---|--------------------|-----------------|--------------------|-----------------|
| | September 29, 2024 | October 1, 2023 | September 29, 2024 | October 1, 2023 |
| Core D&A - Non-Acquisition-related included in Gross Profit | \$ 4.5 | \$ 5.4 | \$ 13.7 | \$ 17.5 |
| Step-Up D&A - Transaction-related included in Gross Profit | 2.1 | 2.9 | 6.8 | 8.4 |
| Depreciation & Amortization - included in Gross Profit | 6.6 | 8.3 | 20.5 | 25.9 |
| Core D&A - Non-Acquisition-related included in SD&A Expense | \$ 2.3 | 2.3 | \$ 6.7 | 7.0 |
| Step-Up D&A - Transaction-related included in SD&A Expense | 8.6 | 9.1 | 26.2 | 27.2 |
| Depreciation & Amortization - included in SD&A Expense | 10.9 | 11.4 | 32.9 | 34.2 |
| Depreciation & Amortization - Total | \$ 17.5 | \$ 19.7 | \$ 53.4 | \$ 60.1 |
| Core Depreciation and Amortization | \$ 6.8 | \$ 7.7 | \$ 20.4 | \$ 24.5 |
| Step-Up Depreciation and Amortization | \$ 10.7 | 12.0 | \$ 33.0 | 35.6 |
| Total Depreciation and Amortization | \$ 17.5 | \$ 19.7 | \$ 53.4 | \$ 60.1 |

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Adjusted Net Income

| | 13-Weeks Ended | | 39-Weeks Ended | |
|--|-----------------------|-----------------|-----------------------|-----------------|
| | September 29, 2024 | October 1, 2023 | September 29, 2024 | October 1, 2023 |
| <i>(dollars in millions, except per share data)</i> | | | | |
| Net Income (Loss) | \$ 0.8 | \$ 16.2 | \$ 28.6 | \$ (6.8) |
| Income Tax Expense (Benefit) | 0.2 | (10.1) | 25.4 | (13.4) |
| Income (loss) Before Taxes | 1.0 | 6.1 | 54.0 | (20.2) |
| Deferred Financing Fees | 0.3 | 0.6 | 2.8 | 1.1 |
| Acquisition Step-Up Depreciation and Amortization | 10.7 | 12.0 | 33.0 | 35.6 |
| Certain Non-Cash Adjustments | 6.2 | 24.5 | 15.1 | 42.2 |
| Acquisition, Divestiture and Integration | 2.8 | 1.3 | (34.5) | 8.7 |
| Business and Transformation Initiatives | 8.1 | 1.4 | 18.4 | 19.9 |
| Financing-Related Costs | — | 0.1 | 0.3 | 0.2 |
| Loss on Remeasurement of Warrant Liability | 6.4 | (16.0) | 5.3 | (16.6) |
| Other Non-Cash and/or Non-Recurring Adjustments | 34.5 | 23.9 | 40.4 | 91.1 |
| Adjusted Earnings before Taxes | 35.5 | 30.0 | 94.4 | 70.9 |
| Taxes on Earnings as Reported | (0.2) | 10.1 | (25.4) | 13.4 |
| Income Tax Adjustments ⁽⁴⁾ | (5.7) | (15.5) | 8.9 | (25.9) |
| Adjusted Taxes on Earnings | (5.9) | (5.4) | (16.5) | (12.5) |
| Adjusted Net Income | \$ 29.6 | \$ 24.6 | \$ 77.9 | \$ 58.4 |
| Average Weighted Basic Shares Outstanding on an As-Converted Basis | 140.9 | 140.5 | 140.8 | 140.4 |
| Fully Diluted Shares on an As-Converted Basis | 144.1 | 142.8 | 144.0 | 142.9 |
| Adjusted Earnings Per Share | \$ 0.21 | \$ 0.17 | \$ 0.54 | \$ 0.41 |

See footnotes in Utz's 3Q'24 earnings press release dated October 31, 2024

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

EBITDA and Adjusted EBITDA

| <i>(dollars in millions)</i> | 13-Weeks Ended | | 39-Weeks Ended | |
|---|--------------------|-----------------|--------------------|-----------------|
| | September 29, 2024 | October 1, 2023 | September 29, 2024 | October 1, 2023 |
| Net Income (Loss) | \$ 0.8 | \$ 16.2 | \$ 28.6 | \$ (6.8) |
| Plus non-GAAP adjustments: | | | | |
| Income Tax Expense (Benefit) | 0.2 | (10.1) | 25.4 | (13.4) |
| Depreciation and Amortization | 17.5 | 19.7 | 53.4 | 60.1 |
| Interest Expense, Net | 12.6 | 15.5 | 36.6 | 44.9 |
| Interest Income from IO loans ⁽⁴⁾ | (0.6) | (0.5) | (1.5) | (1.4) |
| EBITDA | 30.5 | 40.8 | 142.5 | 83.4 |
| Certain Non-Cash Adjustments ⁽²⁾ | 6.2 | 24.5 | 15.1 | 42.2 |
| Acquisition, Divestiture and Integration ⁽³⁾ | 2.8 | 1.3 | (34.5) | 8.7 |
| Business Transformation Initiatives ⁽⁴⁾ | 8.1 | 1.4 | 18.4 | 19.9 |
| Financing-Related Costs ⁽⁵⁾ | — | 0.1 | 0.3 | 0.2 |
| Gain on Remeasurement of Warrant Liability ⁽⁶⁾ | 6.4 | (16.0) | 5.3 | (16.6) |
| Adjusted EBITDA | \$ 54.0 | \$ 52.1 | \$ 147.1 | \$ 137.8 |
| Net income (loss) as a % of Net Sales | 0.2 % | 4.4 % | 2.7 % | (0.6)% |
| Adjusted EBITDA as a % of Net Sales | 14.8 % | 14.0 % | 13.8 % | 12.7 % |

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

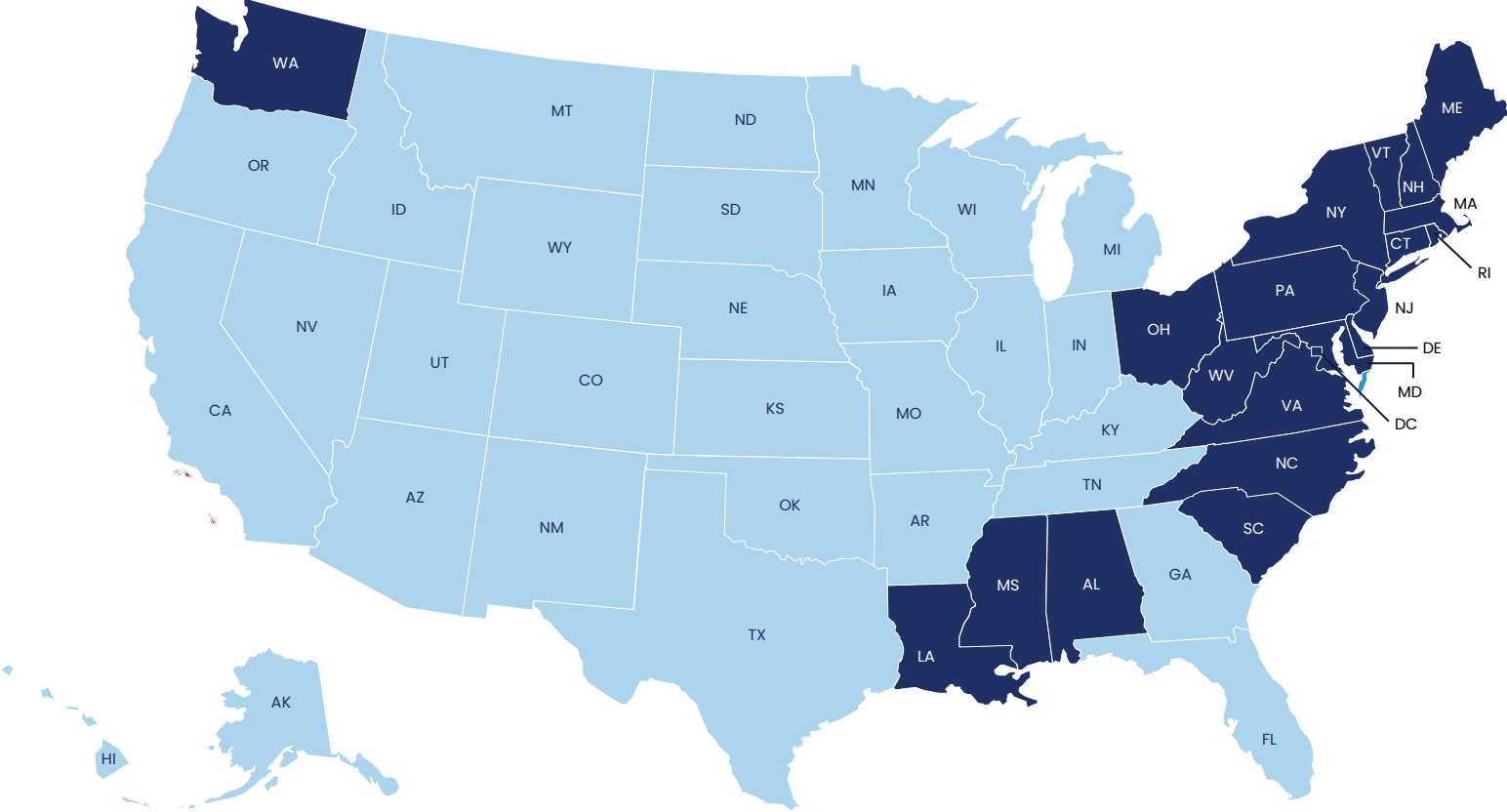
Normalized Adjusted EBITDA

| <i>(dollars in millions)</i> | FY 2023 | | | | FY 2024 | | | | |
|--|----------------|----------------|----------------|----------------|--------------------------------|----------------|----------------|----------------|-----------------|
| | Q1 | Q2 | Q3 | Q4 | FY 2023 | Q1 | Q2 | Q3 | TTM |
| Adjusted EBITDA | \$ 40.4 | \$ 45.2 | \$ 52.1 | \$ 49.4 | \$ 187.2 ⁽¹⁾ | \$ 43.4 | \$ 49.7 | \$ 54.0 | \$ 196.5 |
| Pre-Acquisition Adjusted EBITDA ⁽¹⁾ | — | — | — | — | — | — | — | — | — |
| Normalized Adjusted EBITDA | \$ 40.4 | \$ 45.2 | \$ 52.1 | \$ 49.4 | \$ 187.2 ⁽¹⁾ | \$ 43.4 | \$ 49.7 | \$ 54.0 | \$ 196.5 |

Net Debt and Leverage Ratio

| <i>(dollars in millions)</i> | As of September 29, 2024 |
|--|--------------------------|
| Term Loan | \$ 630.3 |
| Real Estate Loan | 60.3 |
| ABL Facility | 22.7 |
| Capital Leases ⁽¹⁾ | 83.0 |
| Deferred Purchase Price | 0.1 |
| Gross Debt ⁽²⁾ | 796.4 |
| Cash and Cash Equivalents | 64.9 |
| Total Net Debt | \$ 731.5 |
| Last 52-Weeks Normalized Adjusted EBITDA | \$ 196.5 |
| Net Leverage Ratio ⁽³⁾ | 3.7x |

Utz Core and Expansion Geography State Groupings



- Core Geographies
- Expansion Geographies