



NEWS RELEASE

# Utz Brands Completes Acquisition of RW Garcia

12/6/2021

HANOVER, Pa.--(BUSINESS WIRE)-- Utz Brands, Inc. (NYSE: UTZ) ("Utz" or the "Company"), a leading U.S. manufacturer of branded salty snacks, announced that its subsidiaries have completed the acquisition of R.W. Garcia Holdings, LLC and related entities ("RW Garcia") for a total purchase price of \$56 million, subject to customary purchase price adjustments. The Company used balance sheet cash and its revolving credit facility to fund the acquisition and the impact to the Company's net leverage ratio is not meaningful. Utz continues to expect the transaction to be accretive to earnings in fiscal 2022 and beyond.

RW Garcia is a family-owned and operated artisan maker of high-quality organic tortilla chips, crackers, and corn chips. All RW Garcia products are non-GMO verified, certified gluten-free, low sodium, kosher, and free of artificial additives or preservatives. With manufacturing facilities located in Nevada and North Carolina, RW Garcia has significant production capacity to support the continued growth of the Utz portfolio of brands. RW Garcia is complementary to Utz's June 2021 acquisition of Michigan-based Festida Foods, providing Utz with strategically well-placed production capabilities in the North, East, and West regions of the United States. RW Garcia also has strong capabilities in Better-For-You tortilla chips, crackers, and corn chips, which will benefit from Utz's distribution capabilities and customer relationships across the United States.

## About Utz Brands, Inc.

Utz Brands, Inc. (NYSE: UTZ) manufactures a diverse portfolio of savory snacks through popular brands including Utz®, ON THE BORDER® Chips & Dips, Golden Flake®, Zapp's®, Good Health®, Boulder Canyon®, Hawaiian® Brand, and TORTIYAHS!®, among others. After nearly a century with strong family heritage, Utz continues to have a passion for exciting and delighting consumers with delicious snack foods made from top-quality ingredients. Utz's products are distributed nationally through grocery, mass merchant, club, convenience, drug and other channels. Based in Hanover, Pennsylvania, Utz operates 17 facilities located in Alabama, Arizona, Illinois, Indiana, Louisiana, Massachusetts, Michigan, Nevada, North Carolina, Pennsylvania, and Washington. For more information, please visit [www.utzsnacks.com](http://www.utzsnacks.com) or call 1-800-FOR-SNAX.

Investors and others should note that Utz announces material financial information to its investors using its investor relations website ([investors.utzsnacks.com](http://investors.utzsnacks.com)), SEC filings, press releases, public conference calls and webcasts. Utz uses these channels, as well as social media, to communicate with our stockholders and the public about the Company, the Company's products and other issues. It is possible that the information that Utz posts on social media could be deemed to be material information. Therefore, Utz encourages investors, the media, and others interested in the Company to review the information posted on the social media channels listed on Utz's investor relations website.

## About RW Garcia

Founded in 1982, RW Garcia is a family-owned and operated artisan maker of high-quality, tortilla chips, crackers, and corn chips. RW Garcia is committed to sourcing the finest ingredients available and produces all products in its wholly owned tree nut- and peanut-free facilities in Las Vegas, Nevada and Lincolnton, North Carolina. All RW Garcia products are non-GMO verified, certified gluten-free, low sodium, kosher and free of artificial additives or preservatives. RW Garcia founders Robert and Margaret Garcia are Specialty Food Association Hall of Fame inductees for their outstanding contributions to the industry. Their distinctive products can be found throughout North America as well as in Europe and Australia. For more information, visit [www.rwgarcia.com](http://www.rwgarcia.com) or visit the brand on **Facebook**, **Twitter**, or Instagram.

## Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements contained in this press release include, without limitation, statements related to the acquisition of RW Garcia; the expected impact of the acquisition, including without limitation, the expected impact on Utz's overall market position included in the release and the predictions related to earnings included in the release, the projected retail sales included in the release. Utz's actual results may differ from its expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements. We also make statements that assume the RW Garcia transaction has closed, those statements should also be seen as forward looking. These forward-looking statements include, without limitation, Utz's expectations with respect to future performance. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside Utz's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: whether and when the closing conditions will be satisfied and whether and when the acquisition will close, whether and when Utz will be able to realize the expected financial results and intended accretive effect of the acquisition, and how customers, competitors, suppliers and employees will react to the acquisition; the risk that recently completed

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 Utz to grow and manage growth profitably and retain its key employees; the outcome of any legal proceedings that may be instituted against Utz following the consummation of such business combinations; changes in applicable law or regulations; costs related to recently completed and future business combinations; the inability of Utz to maintain the listing of Utz's Class A Common Stock and public warrants on the New York Stock Exchange; the inability of Utz to develop and maintain effective internal controls; the risk that Utz'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 Utz's control; changes in demand for Utz's products affected by changes in consumer preferences and tastes or if Utz is unable to innovate or market its products effectively; costs associated with building brand loyalty and interest in Utz's products, which may be affected by Utz's competitors' actions that result in Utz's products not suitably differentiated from the products of competitors; fluctuations in results of operations of Utz from quarter to quarter because of changes in promotional activities; the possibility that Utz 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 Utz's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission for the fiscal year ended January 3, 2021. Some of these risks and uncertainties may in the future be amplified by the COVID-19 outbreak and there may be additional risks that Utz considers immaterial or which are unknown. It is not possible to predict or identify all such risks. Utz cautions that the foregoing list of factors is not exclusive. Utz cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Utz does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based, except as otherwise required by law.

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