

Pretzels, Inc. Expands Product Line by Introducing Almond Butter Filled Pretzels

Austin, TX, April 5, 2021 – Pretzels, Inc. ("Pretzels" or "the Company"), a leading manufacturer of pretzels and other snack products, announced today that the Company has expanded its product line to offer almond butter filled pretzels. This addition complements Pretzels' other snack offerings, which fulfill consumer demand for pretzel-based snacks in the better-for-you category that are tasty and satiating. An affiliate of Peak Rock Capital made a majority investment in Pretzels in 2018.

The almond butter filled pretzel launched under the Harvest Road brand in March 2021 at select Walmart stores nationwide. Pretzels is also partnering with numerous retailers with premium private label offerings of the almond butter filled product.

"We are thrilled to launch our new almond butter filled pretzel, which exemplifies our commitment to innovation," said Greg Pearson, Chief Executive Officer of Pretzels. "We continue to develop our exceptional pipeline of differentiated products to serve changing consumer preferences. Innovation is at the heart of everything we do—from our dedicated R&D team, which has doubled in size over the past year, to our state-of-the-art manufacturing facilities and innovation center. We are well-positioned to drive growth at Pretzels and for our customers' businesses, while reaching consumers with the innovative products that they crave."

Robert Strauss, Managing Director of Peak Rock Capital, said, "Pretzels has made tremendous progress developing and commercializing new products across its portfolio. The launch of almond butter filled pretzels is emblematic of ongoing investments Pretzels is making in people, facilities, and capabilities to drive growth in the category. We are excited to continue supporting our customers' growth through new product developments that capitalize on evolving consumer demand."

As Pretzels invests in its future and the future of its customers, the Company is continuously pursuing new opportunities for differentiated products through consumer insight research led by its dedicated Marketing team and real-time production trials led by its dedicated staff of food scientists in its newly-built innovation center. Insights leading to the launch of almond butter filled pretzels included:

- Filled pretzels have seen tremendous popularity over the last several years, growing ~18% on volume in 2020.
- Almond butter is the clear favorite in the nut butter category, growing ~19% on volume versus total nut butter category growth of ~9% in 2020.

"Through our consumer insights research, we kept hearing requests for more variety in the pretzel category, and in particular, requests for new types of great-tasting filled pretzels," Pearson said. "Likewise, our customers were requesting more premium products to increase basket ring. Combining these insights with the over-performance of both filled pretzels and jarred almond butter, it was clear that we could bring high value to customers with this brand new product. We look forward to introducing additional, similarly innovative products to the snack category in the years to come."

For more information on the almond butter filled pretzel, as well as Pretzels' diverse product portfolio, which includes filled pretzels, seasoned pretzels, classic pretzels, organic cheese puffs, and more, visit pretzels-inc.com.

ABOUT PRETZELS, INC.

Founded in 1978, Pretzels, Inc. is a leading manufacturer of pretzels and extruded snack products. Based in Bluffton, Indiana with an additional facility in Plymouth, Indiana, and a third facility under construction in Kansas, the company manufactures and distributes traditional, peanut butter filled, flavored, seasonal, and gluten-free pretzels, as well as extruded snack products, to a diverse, blue-chip customer base that includes leading grocers and national brands. For more information, visit Pretzels-inc.com.

ABOUT PEAK ROCK CAPITAL

Peak Rock Capital is a leading middle-market private investment firm that makes equity and debt investments in companies in North America and Europe. Peak Rock's equity investment platform focuses on opportunities where it can support senior management to drive rapid growth and profit improvement, with expertise in corporate carve-outs and partnering with families and founders seeking first-time institutional capital. Peak Rock's credit platform invests across capital structures, with a broad mandate to provide flexible, tailored capital solutions to middle-market and growth-oriented businesses. Peak Rock's real estate platform makes equity and debt investments in small to mid-sized real estate assets in attractive, growing geographies. Peak Rock's principals have deep expertise in complex situations and cross-border transactions, with the ability to close transactions quickly where speed and certainty are priorities. For further information about Peak Rock Capital, please visit www.peakrockcapital.com.

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