

Third Quarter Fiscal Year 2024

Earnings Presentation

June 27, 2024



Disclaimer

Forward Looking Statements

Certain statements made herein are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by or include words such as “will”, “expect”, “intends” or other similar words, phrases or expressions. These statements relate to future events or our future financial or operational performance and involve known and unknown risks, uncertainties and other factors that could cause our actual results, levels of activity, performance or achievement to differ materially from those expressed or implied by these forward-looking statements. We caution you that these forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. You should not place undue reliance on forward-looking statements. These statements reflect our current views with respect to future events, are based on assumptions and are subject to risks and uncertainties. These risks and uncertainties relate to, among other things, our ability to achieve our estimates of OWYN’s net sales and Adjusted EBITDA and our anticipated synergies from the acquisition of OWYN, our net leverage ratio post-acquisition, our Adjusted EPS post-acquisition, our ability to maintain OWYN personnel and effectively integrate OWYN, our operations being dependent on changes in consumer preferences and purchasing habits regarding our products, a global supply chain and effects of supply chain constraints and inflationary pressure on us and our contract manufacturers, our ability to continue to operate at a profit or to maintain our margins, the effect pandemics or other global disruptions on our business, financial condition and results of operations, the sufficiency of our sources of liquidity and capital, our ability to maintain current operation levels and implement our growth strategies, our ability to maintain and gain market acceptance for our products or new products, our ability to capitalize on attractive opportunities, our ability to respond to competition and changes in the economy including changes regarding inflation and increasing ingredient and packaging costs and labor challenges at our contract manufacturers and third party logistics providers, the amounts of or changes with respect to certain anticipated raw materials and other costs, difficulties and delays in achieving the synergies and cost savings in connection with acquisitions, changes in the business environment in which we operate including general financial, economic, capital market, regulatory and geopolitical conditions affecting us and the industry in which we operate, our ability to maintain adequate product inventory levels to timely supply customer orders, changes in taxes, tariffs, duties, governmental laws and regulations, the availability of or competition for other brands, assets or other opportunities for investment by us or to expand our business, competitive product and pricing activity, difficulties of managing growth profitably, the loss of one or more members of our management team, potential for increased costs and harm to our business resulting from unauthorized access of the information technology systems we use in our business, expansion of our wellness platform and other risks and uncertainties indicated in the Company’s Form 10-K, Form 10-Q, and Form 8-K reports (including all amendments to those reports) filed with the U.S. Securities and Exchange Commission from time to time. In addition, forward-looking statements provide the Company’s expectations, plans or forecasts of future events and views as of the date of this communication. Except as required by law, the Company undertakes no obligation to update such statements to reflect events or circumstances arising after such date and cautions investors not to place undue reliance on any such forward-looking statements. These forward-looking statements should not be relied upon as representing the Company’s assessments as of any date subsequent to the date of this communication.

Non-GAAP Financial Measures

This presentation includes certain financial measures not presented in accordance with generally accepted accounting principles (“GAAP”) including, but not limited to, EBITDA, Adjusted EBITDA and certain ratios and other metrics derived there from and Adjusted Diluted EPS. These non-GAAP financial measures are not measures of 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, earnings per share, cash flows from operations 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 Press Release dated June 27, 2024. 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) that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends in and 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.

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Geoff Tanner

President and Chief Executive Officer





Agenda

1. Introduction by Mark Pogharian,
VP of Investor Relations
2. Overview and Q3 Highlights by Geoff
Tanner, President and CEO
3. Financial Summary and Fiscal Year 2024
Outlook by Shaun Mara, CFO
4. Q&A

Third Quarter Fiscal 2024 Overview



Simply Good Foods F3Q24 retail takeaway increased 5.0%¹ and, as expected, outpaced the net sales increase of 3.1%

- Ecommerce POS growth for both Quest and Atkins continues to be solid
- Total Quest retail takeaway in line with estimates
- Atkins measured channel POS improved as we progressed thru the quarter

Net Income of \$41.3 million versus \$35.4 million last year

Gross Margin of 39.9%, an increase of 320 bps versus last year primarily due to lower supply chain costs

Adjusted EBITDA² of \$71.9 million versus \$66.6 million last year

Successfully closed on the OWYN acquisition on June 13th

- At closing, Mark Olivieri appointed Senior Vice President and General Manager, OWYN
- Integration plan established and work is beginning
- OWYN tracking to acquisition model

Updating Simply Good Foods full year fiscal 2024 outlook

- Reaffirm “legacy” Simply Good Foods full year fiscal 2024 net sales outlook
 - Excluding OWYN, anticipate net sales growth, including the benefit of the 53rd week, to be around the mid-point of the Company’s long-term 4-6% algorithm. OWYN net sales expected to be in the \$25-30 million range
- Including OWYN, total Simply Good Foods full year fiscal 2024 Adjusted EBITDA expected to increase about 8% compared to last year and versus the Company’s previous estimate of 6-8%



¹Combined IRI MULO + C-store and unmeasured channel estimate, 13 weeks ending May 26, 2024

²Adjusted EBITDA is a non-GAAP financial measure. Please refer to “Reconciliation of EBITDA and Adjusted EBITDA” in the earnings release dated June 27, 2024

Simply Good Foods Third Quarter Fiscal 2024 Retail Takeaway Performance

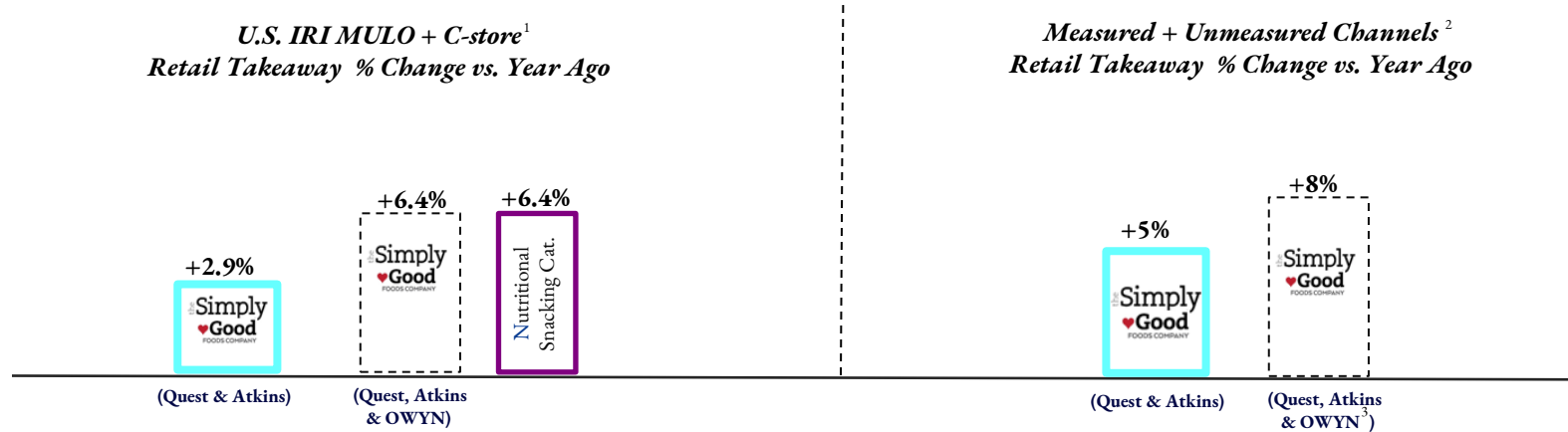


Nutritional Snacking Category (NSC) growth solid, driven by volume, and primarily by brands with protein

Quest is a category leader and gaining market share within the NSC. Quest's strong performance is partially offset by Atkins softness, resulting in total Simply Good Foods third quarter measured channel retail takeaway of 2.9%

Unmeasured channels, driven by eCommerce about 2 ppt additive to measured channels POS

Total Simply Good Foods Q3 combined measured and unmeasured channel retail takeaway increased 5%



¹IRI MULO + C-store, 13 weeks ending May 26, 2024

²Combined IRI MULO + C-store and unmeasured channel estimate, 13 weeks ending May 26, 2024

³OWYN POS includes measured channels + eCommerce, (represents approximately ~85% of total brand sales)

Quest Overview

Quest on track with IRI MULO + C-store retail takeaway growth in Q3 of 13.5%¹

- Solid performance across major channels driven by volume growth
- Positive consumer reaction to new on-air advertising campaign
 - Will be a short and long-term benefit to driving overall brand growth

Q3 POS growth in unmeasured channels about 12%

- Solid eCommerce retail takeaway growth of about 16% partially offset by specialty channel softness

Snacks³ and Bars Q3 IRI MULO + C-store POS increased about 27% and 2%

- Meaningful salty snacks growth, up nearly 50%
- Accelerated bars innovation progressing and tracking for launch in 2H25

Over the remainder of the year:

- Continue to expect low double digit POS growth driven by volume
- Spring new product launches gaining distribution; retail customers supportive and excited for the fall “bake shop” launch

Fiscal 2024



Fiscal 2025



¹IRI MULO + C-store, 13 weeks ending May 26, 2024

²Unmeasured channel estimates, 13 weeks ending May 26, 2024

³Snack = Confections, Cookies & Salty Snacks

Atkins Overview



Atkins Q3 retail takeaway¹ in the IRI MULO +C-store universe and combined measured and unmeasured channel off about 9% and 5%, respectively

- Ecommerce remains solid with Q3 retail takeaway at Amazon up 16%

Retail takeaway trends stabilized in Q3

Atkins Retail Takeaway	F2Q24	Mar	Apr	May	F3Q24	Jun ²
IRI MULO + C-store	-11%	-10%	-8%	-7%	-9%	-8%
Unmeasured Channels	12%	12%	16%	23%	16%	20%
Total	-8%	-7%	-5%	-3%	-5%	-4%

Revitalization plan on track with some elements of the plan in market now and all to be in market in fiscal 2H25

- Core innovation introduced in the fiscal 2024 is in line with expectations and fiscal 2025 new product launches are on track
 - While discussions with retailers continue, innovation and marketing investments have enabled Atkins to maintain distribution at most customers



- Revised advertising that refocuses on (1) weight management, (2) more strongly communicates the benefit of the brands unique macro-nutrient profile and (3) emphasizes Atkins as a sustainable and “diet free” way to weight management
- Continue to believe in the long-term vitality of the brand given the renewed cultural relevance conversation on weight
 - In fiscal 2025, we will move to the next phase of the Atkins journey and focus on ROI optimization of investments across forms and customers to ensure long-term sustainable growth

¹IRI MULO + C-store and unmeasured channel estimate, 13 weeks ending May 26, 2024

²IRI MULO + C-store and unmeasured channel estimate, 3 weeks ending June 16, 2024



OWYN Overview

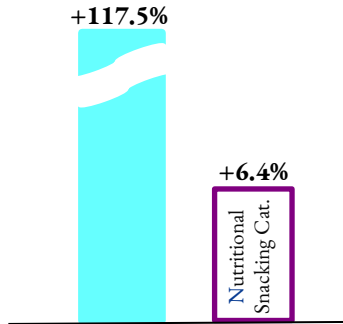


OWYN transaction successfully closed on June 13th

Strong retail takeaway in measured and unmeasured channels:



U.S. IRI MULO + C-store¹
Retail Takeaway % Change vs. Year Ago



Strong plans in place to drive growth

- Increases in marketing efforts to drive awareness, consideration and trial
- Continue to build distribution of key products

OWYN acquisition expands portfolio breadth in the on-trend protein shake segment

Confident in our ability to effectively integrate OWYN into our business and deliver on the acquisition model commitments



¹IRI MULO + C-store and unmeasured channel estimate, 13 weeks ending May 26, 2024

Summary

- ✓ Simply Good Foods is the \$1.4 billion U.S. leader in nutritional snacking with a diversified portfolio across brands, forms and consumers that is aligned with lifestyle megatrends of high protein, low carb and minimal sugar :

QUEST

TTM Net Sales
\$768 million¹



- High Protein & Performance
- Gen X & Millennials



TTM Net Sales
\$508 million¹



- Low Carb, Weight
- Boomers & Gen X

OWYN

Calendar '24 est.
Net Sales
\$120 million²



- Plant-Based, Allergen Free,
- Simple Ingredients
- Millennials & Gen Z

- ✓ A high-performance business culture with motivated and highly engaged employees
- ✓ Executing against our strategy and delivering on our financial objectives with flexibility to invest in the business as a path to increasing shareholder value over the long term

¹Quest and Atkins net sales for 12 months ended 5/25/24

²Management estimate for 12 months ended 12/31/24

Shaun Mara

Chief Financial Officer



Third Quarter Net Sales and Earnings



Fiscal Q3 2024 vs. Year Ago Period

Net Sales¹

+3.1% Year-Over-Year
Percent Change

Gross Profit
(and % Margin)¹

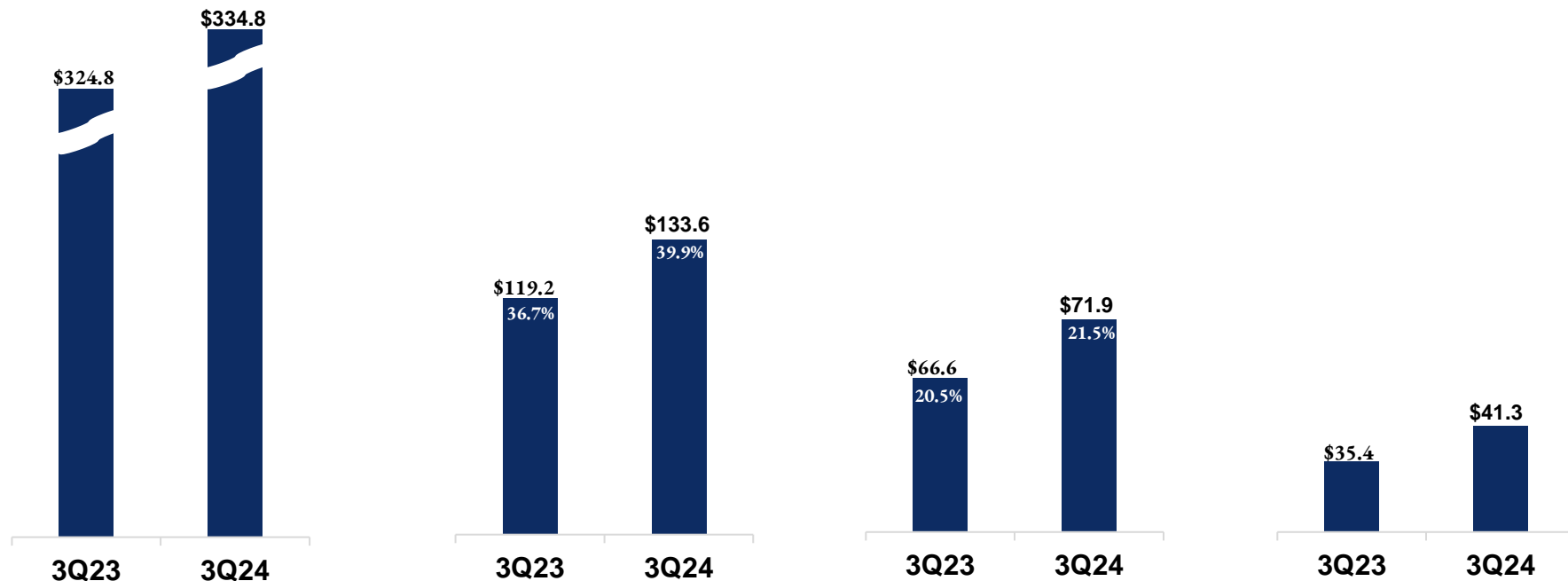
+12.1% Year-Over-Year
Percent Change

Adjusted EBITDA
(and % Margin)^{1,2}

+7.9% Year-Over-Year
Percent Change

Net Income¹

+16.7% Year-Over-Year
Percent Change



¹Dollars in millions. Unaudited financial information for the 13-weeks ended May 27, 2023, and 13-weeks ended May 25, 2024

²Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) is a non-GAAP financial measure. Please refer to "Reconciliation of EBITDA and Adjusted EBITDA" in the earnings release dated June 27, 2024 available on our website for a presentation of the most directly comparable GAAP financial measure and an explanation and reconciliation of this non-GAAP financial measure.

Note: Dollar amounts in millions; Bars / graphs not to scale



Year-to-Date Third Quarter Net Sales and Earnings



Year-to-Date Fiscal Q3 2024 vs. Year Ago Period

Net Sales¹

+3.6% Year-Over-Year
Percent Change

Gross Profit
(and % Margin)¹

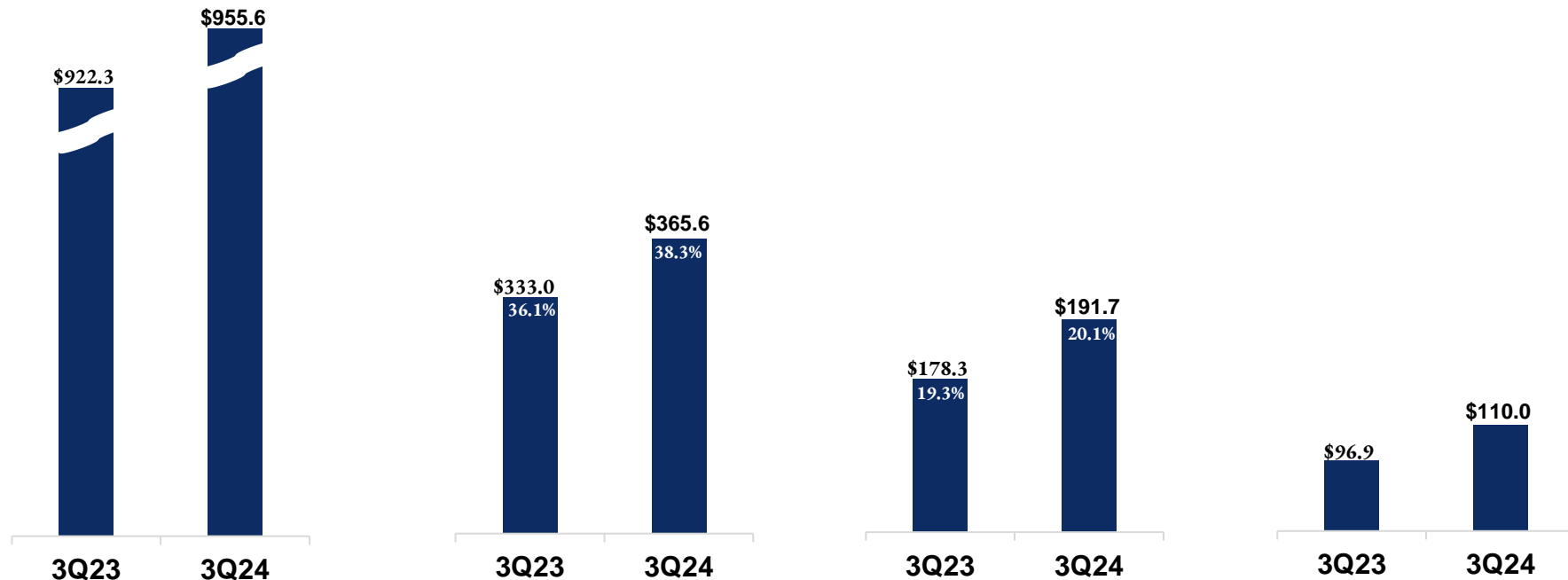
+9.8% Year-Over-Year
Percent Change

Adjusted EBITDA
(and % Margin)^{1,2}

+7.5% Year-Over-Year
Percent Change

Net Income¹

+13.5% Year-Over-Year
Percent Change



¹Dollars in millions. Unaudited financial information for the 39-weeks ended May 27, 2023, and 39-weeks ended May 25, 2024

²Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) is a non-GAAP financial measure. Please refer to "Reconciliation of EBITDA and Adjusted EBITDA" in the earnings release dated June 27, 2024 available on our website for a presentation of the most directly comparable GAAP financial measure and an explanation and reconciliation of this non-GAAP financial measure.

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Adjusted Diluted Earnings Per Share



Reconciliation of Adjusted Diluted EPS

	Fiscal 2024	
	Q3	YTD
GAAP Diluted EPS	\$0.41	\$1.09
Depreciation & Amortization	\$0.05	\$0.16
Stock Based Compensation	\$0.04	\$0.13
Business Combination Transaction Costs	\$0.03	\$0.03
Executive Transition Costs	--	\$0.01
Tax Effects of Adjustments ¹	-\$0.03	-\$0.08
Rounding	--	-\$0.01
Adjusted Diluted EPS	\$0.50	\$1.33

¹This line item reflects the aggregate tax effect of all non-tax adjustments reflected in the preceding line items of the table. The tax effect of each adjustment is computed (i) by dividing the gross amount of the adjustment, as shown in the Adjusted EBITDA reconciliation, by the number of diluted weighted average shares outstanding for the applicable fiscal period and (ii) applying an overall assumed statutory tax rate of 25% for the 13 weeks ended May 25, 2024.

Balance Sheet & Cash Flow



Cash balance at May 25, 2024 of \$208.7 million

- Year-to-date cash flow from operations of \$167million

Term loan balance at May 25, 2024, \$240 million (SOFR¹ + 250 bps) million

- On June 13, 2024, the Company closed on the OWYN acquisition, as such, the term loan balance at June 26, 2024, is \$490 million
- The Company expects to pay down a portion of the term loan debt in Q4 and is targeting a net debt to Adjusted EBITDA ratio of around 1.25x by fiscal year-end August 2024

Anticipate fiscal 2024 interest income and GAAP interest expense, including amortization of debt issuance costs of approximately \$22-24 million

Year-to-date capital expenditures of \$1.8 million

- Fiscal 2024 capital expenditures expected to be in the \$8-10 million range

¹SOFR minimum floor 0.50%, plus applicable credit spread adjustment

Updating Simply Good Foods full year fiscal 2024 outlook

Reaffirm “legacy” Simply Good Foods full year fiscal 2024 net sales outlook

- Excluding OWYN, anticipate net sales growth, including the benefit of the 53rd week, to be around the mid-point of the Company’s long-term 4-6% algorithm
- OWYN net sales expected to be in the \$25-30 million range
 - Represents about 11 weeks of contribution in fiscal 2024

Total Simply Good Foods full year fiscal 2024 Adjusted EBITDA, including OWYN, expected to increase about 8% compared to last year and versus the Company’s previous estimate of 6-8%

Q&A



THANK YOU.

