Second Quarter Fiscal Year 2021 Earnings Conference Call & Webcast Presentation

April 7, 2021

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 forward-looking statements include the expected effects from the COVID-19 outbreak, statements regarding the integration of Quest, future plans for the Company, the estimated or anticipated future results and benefits of the Company’s future plans and operations, future capital structure, future opportunities for the Company, 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. These risks and uncertainties include, but are not limited to the effect of the COVID-19 outbreak on the Company's business, suppliers (including its contract manufacturing and logistics suppliers), customers, consumers and employees along with disruptions or inefficiencies in the supply chain resulting from any effects of the COVID-19 outbreak; achieving the anticipated benefits of the Quest acquisition; difficulties and delays in achieving the synergies and cost savings in connection with the Quest acquisition; changes in the business environment in which the Company operates including general financial, economic, capital market, regulatory and political conditions affecting the Company and the industry in which the Company operates; changes in consumer preferences and purchasing habits; the Company’s 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 the Company or to expand the Company’s business; competitive product and pricing activity; difficulties of managing growth profitably; the loss of one or more members of the Company’s or Quest’s management team; and other risk factors described from time to time 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, 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 April 7, 2021. 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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JOSEPH E. SCALZO

PRESIDENT AND CHIEF EXECUTIVE OFFICER

Today’s Speakers and Agenda

Speakers

Mark Pogharian
VP, Investor Relations

Joe Scalzo
President & Chief Executive Officer

Todd Cunfer
Chief Financial Officer

Agenda

- Introduction
- Q2 Highlights
- Business Update
- Financial Summary
- Q&A

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Second Quarter Fiscal 2021 Overview

- Q2 Simply Good Foods net sales increased +1.5% versus last year. Core on-going net sales increased +2.7%, driven by e-commerce strength, strong Quest performance and international growth
  - As expected, trade promotion greater than last year supporting higher levels of in-store merchandising and display in the important New Year's resolution season
  - U.S. sales, when adjusting for the Q1 retailer inventory build, was slightly less than consumption
  - SimplyProtein divestiture and European business exit represent a combined 1.2% headwind

- Q2 Adjusted EBITDA[1] of $42.6 million, increased 2.2% versus last year
  - SG&A cost control and Quest acquisition synergies partially offset by higher trade promotion

- Total U.S. Simply Good Foods Q2 IRI MULO + C-store retail takeaway +1.7%.[2] Combined measured and unmeasured retail takeaway increased mid single-digits
  - Growth driven by solid e-commerce gains and strong Quest performance
  - "Snackier" portion of our portfolio - confections, chips and cookies – continue to do well
  - Bars remain temporarily soft due to fewer on-the-go usage occasions

- Executed well against our priorities in the first half of the year and positioned to deliver solid net sales and Adjusted EBITDA growth over the remainder of the year

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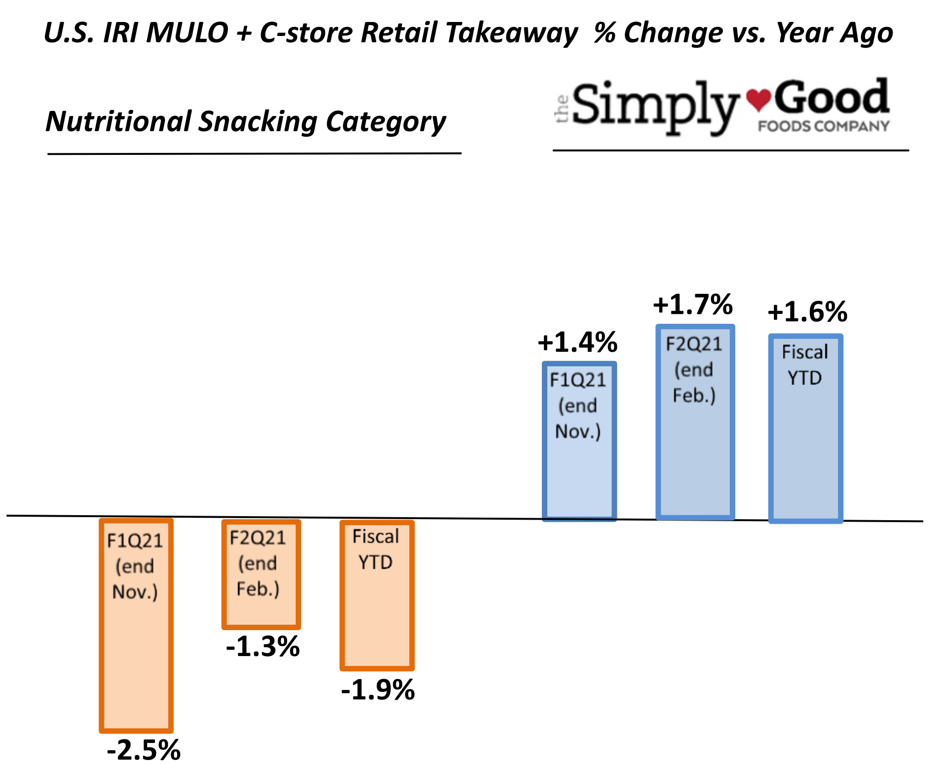
[1]Adjusted EBITDA is a non-GAAP financial measure. Please refer to "Reconciliation of Adjusted EBITDA" in the earnings release dated April 7, 2021 available on our website for a presentation of the most directly comparable GAAP financial measure and an explanation and reconciliation of this non-GAAP financial measure.

[2]*IRI MULO + C-store and management estimate of e-commerce and specialty channel performance for the 13 weeks ended 2/28/21*

Simply Good Foods Retail Takeaway Outpacing the Category

- Simply Good Foods IRI MULO + C-store market share increased
- Marketplace trends similar to Q1
- Shopper trips in the mass channel challenged but should improve in the second half of the year



Atkins® Retail Takeaway

- Strong e-commerce performance resulted in total Atkins Q2 retail takeaway in measured and unmeasured channels down low single-digits[1]

- Atkins Q2 IRI MULO retail takeaway off -5.7%, identical[2] to the Q1 decline. As expected, channel and form trends similar to the last few quarters
  - Atkins Endulge confections solid. Bars and shakes off due to fewer on-the-go usage occasions and lower shopper trips in the mass channel

- Q2 in-store merchandising and display greater than last year supporting consumer seasonal participation

- E-commerce retail takeaway strong, with growth similar to last quarter

- Total buyer growth up due to renewed interest in weight management
  - Buy rate lower than historical average due to lower on-the-go usage occasions
  - Consumer research indicates a strong correlation to Atkins bar consumption to increasing mobility

- In the second half of fiscal 2021:
  - Year ago comparisons easier as we lap consumption declines from early stages of COVID-19 lockdowns
  - Anticipate improvement in shopper traffic in measured channels, particularly the mass class-of-trade
  - Marketing initiatives and innovation should enable Atkins to build on the year-to-date buyer trends
  - In-store merchandising and display reinstated as consumer shopping and consumption habits are expected to improve

[1]IRI MULO + C-store and management estimate of e-commerce and specialty channel performance for the 13 weeks ended 2/28/21

[2]IRI MULO + C-store, 13 weeks ending 2/28/21 (excludes frozen pizza)

Quest® Retail Takeaway

- Quest Q2 measured channel[1] retail takeaway increased +16.0%, significantly outpacing the category, driven by cookies, chips and confections
  - Confections off to a strong start and more than offset RTD shake declines

- Quest bars Q2 retail takeaway, off -4.3%, sequentially improved versus last quarter and outpaced the bar category that declined –11.2%

- Quest Q2 e-commerce retail takeaway was strong with growth about the same as last quarter
  - Retail takeaway solid across all forms, particularly chips
  - Confections momentum continues to build

- In second half of fiscal 2021:
  - Anticipate that POS will continue to be strong in measured and e-commerce channels in Q3 and moderate in Q4
  - Expect chips and confection momentum will continue and bar consumption will improve
  - In-store merchandising and display reinstated as consumer shopping and consumption habits are anticipated to improve

[1] *IRI MULO + C-store, 13 weeks ending 2/28/21 (excludes frozen pizza)*

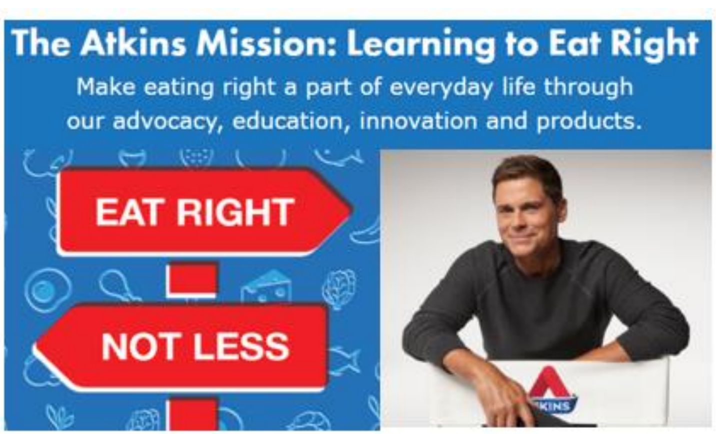
Summary

- Second quarter results largely in-line with our plans. Retail takeaway slightly better than expected driven by solid e-commerce growth as well as Quest performance in measured channels

- Encouraged with improving nutritional snacking category trends
  - Increase of Atkins new buyers indicates weight management is becoming more relevant
  - Easier year ago comparisons should result in solid growth in the second half of fiscal year 2021

- Increasing consumer mobility correlates to greater levels of consumption of our brands

- Executing well against our plan and initiatives and positioned well to deliver solid sales and earnings growth in the second half of the year



QUEST NUTRITION®

OUR MISSION

Making the foods you crave work for you, not against you.

TODD CUNFER

CHIEF FINANCIAL OFFICER

Net Sales Performance

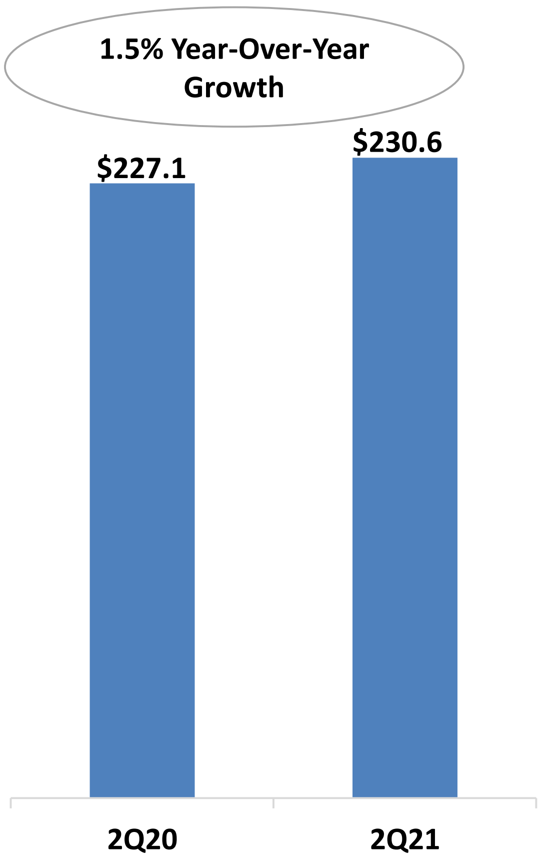
Net Sales Drivers of Growth

	Q2
Core North America	1.0%
Core International	1.7%
	2.7%
SimplyProtein Divestiture and Europe Exit	-1.2%
Total Simply Good Foods	1.5%

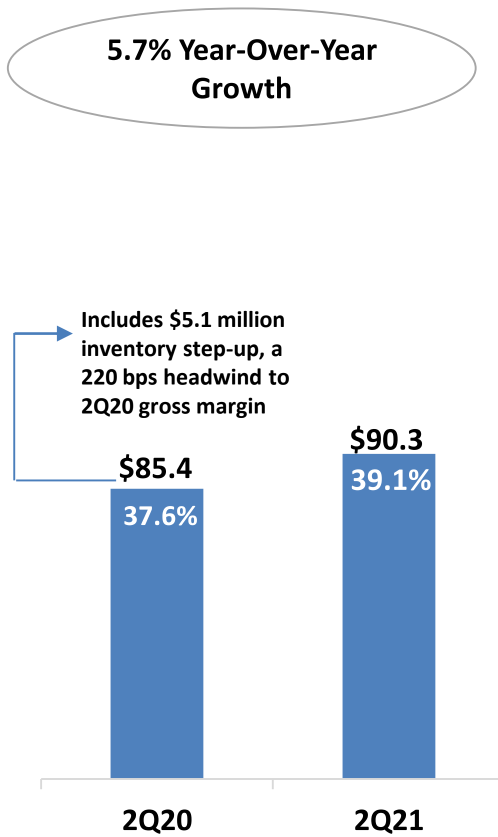
2nd Quarter Net Sales and Profit

Fiscal Q2 2021 vs. Year Ago Period

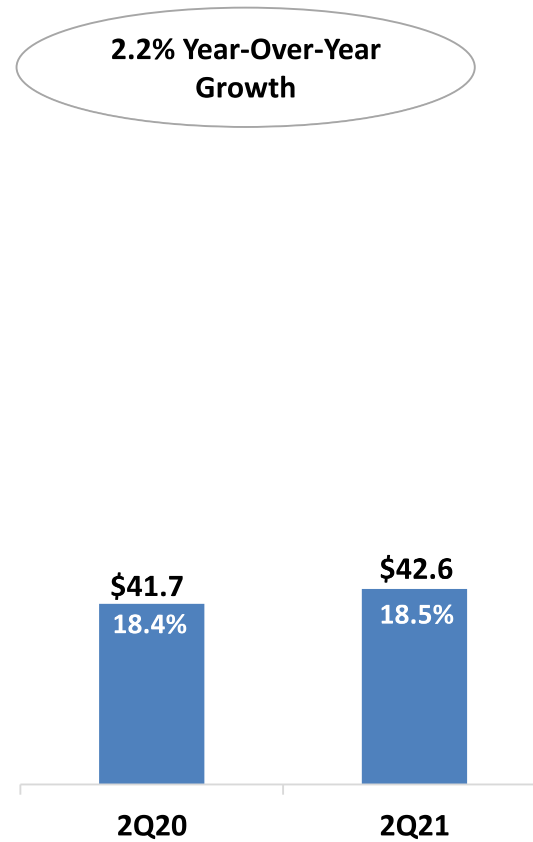
Net Sales[1]



Gross Profit
(and % Margin)[1]



Adjusted EBITDA
(and % Margin)[1,2]



[1] Dollars in millions. Unaudited financial information for the 13-weeks ended February 29, 2020 and 13 weeks ended February 27, 2021

[2] Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) is a non-GAAP financial measure. Please refer to "Reconciliation of Adjusted EBITDA" in the earnings release dated April 7, 2021 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*

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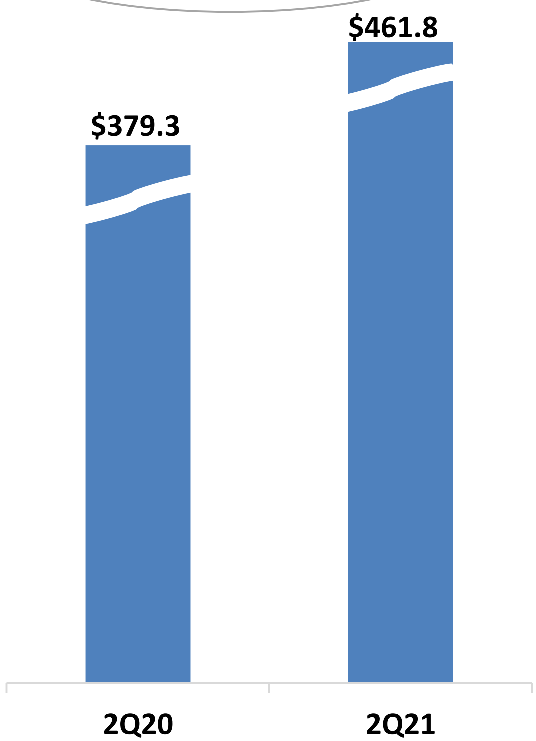
Year-to-Date Net Sales and Profit

Fiscal YTD 2021 vs. Year Ago Period

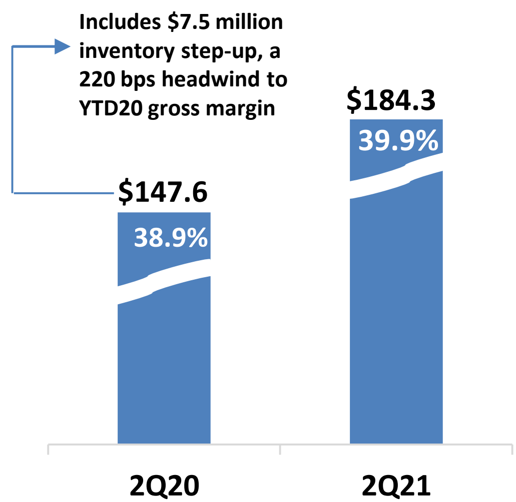
Net Sales[1]

21.8% Year-Over-Year Growth



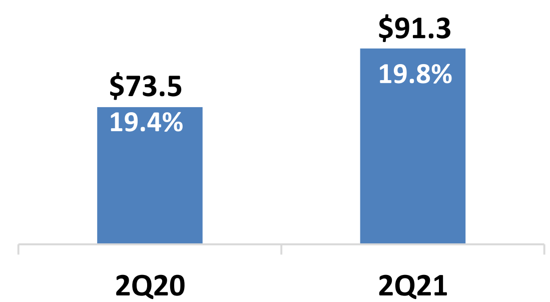
Gross Profit
(and % Margin)[1]

24.9% Year-Over-Year Growth



Adjusted EBITDA
(and % Margin)[1,2]

24.2% Year-Over-Year Growth



[1] Dollars in millions. Unaudited financial information for the 26-weeks ended February 29, 2020 and 26 weeks ended February 27, 2021

[2] Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) is a non-GAAP financial measure. Please refer to "Reconciliation of Adjusted EBITDA" in the earnings release dated April 7, 2021 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*

Earnings Per Share-Diluted

Reconciliation of Adjusted Diluted EPS[1]

	2Q	YTD
GAAP Diluted EPS	$0.19	$0.41
Integration Expense	$0.01	$0.02
Stock Based Compensation	$0.02	$0.04
Depreciation & Amortization	$0.04	$0.09
Restructuring	$0.01	$0.04
Other[2]	($0.01)	($0.01)
Tax Effects of Adjustments[3]	($0.02)	($0.05)
Rounding[4]	$0.01	--
Adjusted Diluted EPS	$0.25	$0.54

[1] Adjusted Diluted Earnings Per Share is a non-GAAP financial measure. The Company excludes, among other items, acquisition related costs, such as business transaction costs, integration expense and non-cash deal amortization expense to derive Adjusted Diluted Earnings Per Share. Please refer to the earnings release dated April 7, 2021, for the full definition and reconciliation of this non-GAAP financial measure.

[2] Other items consist principally of exchange impact of foreign currency transactions and other expenses.

[3] This 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 27% for the thirteen and twenty-six weeks ended February 27, 2021 and 26% for the thirteen and twenty-six weeks ended February 29, 2020.

[4] Adjusted Diluted Earnings Per Share amounts are computed independently for each quarter. Therefore, the sum of the quarterly Adjusted Diluted Earnings Per Share amounts may not equal the year to date Adjusted Diluted Earnings Per Share amounts due to rounding.

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Balance Sheet & Cash Flow

- Fiscal 2Q21 term loan debt pay-down of $25 million; term loan debt balance at February 27, 2021, $556.5 million (LIBOR[1] +375 bps)
- Fiscal second quarter year-to-date cash flow from operations of $39.8 million
  - Cash and cash equivalents balance at February 27, 2021 of $91.3 million
  - Trailing twelve month Net Debt to Adjusted EBITDA[2] ratio 2.7x
- Second quarter depreciation and amortization of $4.5 million. Year-to-date capital expenditures $0.4 million
- Fiscal 2021 capital expenditures expected to be $5-6 million driven by equipment purchases at our new warehouse
- Anticipate fiscal 2021 GAAP interest expense, including amortization of debt issuance costs, of approximately $30 million

[1] LIBOR minimum floor 1.00%

[2] Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) is a non-GAAP financial measure. Please refer to "Reconciliation of Adjusted EBITDA" and "Reconciliation of Net Debt to Adjusted EBITDA" in the earnings release dated April 7, 2021 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.

Fiscal 2021

- Our business continues to perform well despite the significant effects over the last year due to reduced consumer mobility related to COVID-19. In the second half of the year, we anticipate improving retail takeaway trends in our business driven by:
  - Easier year ago comparisons
  - Improving shopper traffic in brick and mortar, especially mass channel
  - Strong buyer growth on our brands
- Full Year 2021 Outlook:
  - Assuming consumer mobility in the U.S. remains at current levels and broad lockdowns are not reimposed, anticipate full-year net sales of $930-940 million; includes divestiture of SimplyProtein business and the European business exit, about a combined 1.5% headwind
  - Adjusted EBITDA expected to be in the $180-185 million range
  - Adjusted Diluted Earnings Per Share expected to be in the $1.07 to $1.11 range
- Full year fiscal 2021 gross margin, apart from the non-cash inventory step in the year ago period, is expected to be slightly lower versus fiscal 2020; the Company continues to anticipate Adjusted EBITDA margin expansion
  - Acquisition synergies and SG&A cost control expected to more than offset higher levels of reinstated in-store merchandising, modest supply chain inflation and incentive compensation
- A portfolio of brands uniquely aligned with consumer megatrends of wellness snacking, convenience and meal replacement. These characteristics will become increasingly more relevant as consumers return to more normal lives
- Asset-light business model with lean infrastructure enables strong cash flow from operations and flexibility to invest in organic opportunities and participate in M&A
- We remain confident in our growth prospects and will continue to execute against our plans that position us well to deliver on our financial objectives and increase shareholder value over the long term

Q&A