Fourth Quarter Fiscal Year 2021 Earnings Conference Call & Webcast Presentation

October 22, 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.

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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 October 22, 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

Joe Scalzo
President & Chief Executive Officer

Agenda

- Introduction
- Overview and Q4 Highlights
- Business Update
- Financial Summary
- Fiscal Year 2022 Outlook
- Q&A

Fiscal 2021 Overview

- As consumer mobility improved in the second half of the year, our business accelerated resulting in strong full year sales and earnings growth
  - Exceeded our original plan as net sales surpassed $1 billion
- Diversification of our business provides us with multiple ways for us to win in the marketplace
  - Growth across key customers and channels
  - Successful new product launches and strong innovation pipeline that give us increasing access to new snacking occasions
- Supply chain – procurement, manufacturing and distribution – performed well in a challenging external environment
  - Gross margin expansion in an increasingly inflationary period
  - Announced a price increase in June, effective September 12th
- Solid cash flow provides financial flexibility to support future growth and enabled significant debt reduction in fiscal 2021
- Executing against our priorities and positioning our business for long-term, sustainable net sales and earnings growth

Fourth Quarter Fiscal 2021 Overview

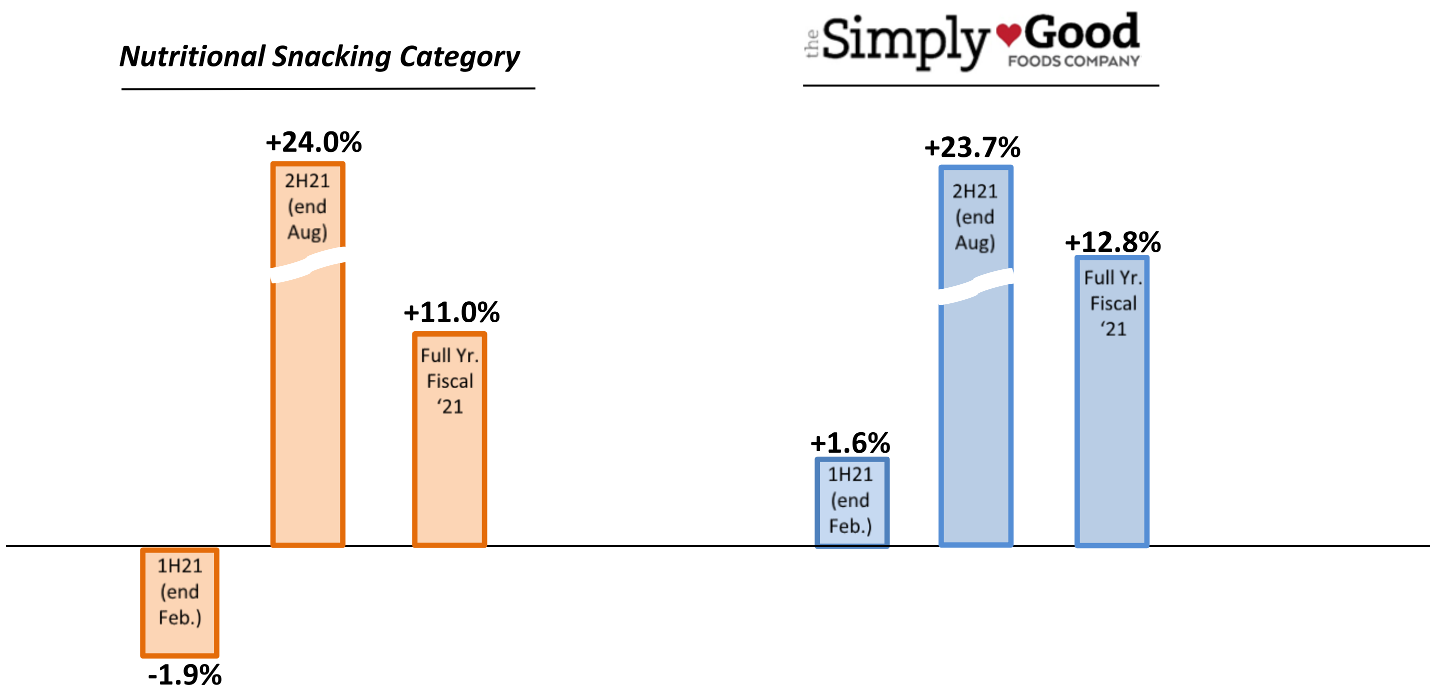
- Simply Good Foods Q4 net sales increased +16.9% and relatively in-line with our estimate
  - Workplace mobility in Q4 similar to Q3
- Gross margin increased 60 basis points versus the year ago period
  - As expected, supply chain inflation a headwind
  - Net price realization and both favorable product and customer mix, more than offset inflation and resulted in gross margin expansion
- Net income of $18.2 million was affected by a non-operating, non-cash charge of $5.5 million related to the fair value change of private warrant liabilities
- Q4 Adjusted EBITDA[1] of $48.5 million, increased 30.9% versus last year
  - Strong sales growth, G&A cost control and Quest acquisition synergies more than offset supply chain inflation, higher marketing investment and incentive compensation
- Total U.S. Simply Good Foods Q4 IRI MULO + C-store retail takeaway +18.7%
- Executed well against our priorities and remain committed to doing the right thing for our brands, customers, and consumers

[1]Adjusted EBITDA is a non-GAAP financial measure. Please refer to "Reconciliation of EBITDA and Adjusted EBITDA" in the earnings release dated October 22, 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.

Simply Good Foods and Nutritional Snacking Category Retail Performance

- Simply Good Foods IRI MULO + C-store market share increased in fiscal 2021
- Atkins and Quest outpaced the sub-segments of weight management and active nutrition
- Simply Good Foods fiscal 2021 e-commerce retail takeaway about 40% and exceeded total measured channel growth
  - As expected, 2H21 retail takeaway moderated and was similar to measured channels

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



Source: IRI MULO + C-store; bars/graph not to scale

Atkins® Overview

- Atkins Q4 IRI MULO + C-store retail takeaway increased 8.7%[1], with growth across all forms and in key retail channels
  - Benefited from increasing growth in buyers, improving shopper trips, particularly in the mass channel, and stable consumer mobility

- Atkins bars and shakes Q4 retail takeaway in measured channels increased +3.0% and +10.6%

- Atkins Endulge confections Q4 measured channel retail takeaway increased 8.9%

- Retail takeaway at Amazon – our 2nd largest customer - was solid; up low teens on a percentage basis versus last year
  - Total Q4 e-commerce retail takeaway growth similar to measured channels

- Relevance of weight management resulted in continued growth of new buyers in Q4
  - New buyer metrics remain strong
  - Buy rate lower than historical average due to the high correlation of Atkins bars consumption in the workplace

[1]IRI MULO + C-store, 13 weeks ending 8/29/21

Quest® Overview

- Quest Q4 measured channel retail takeaway increased +34.9%[1], outpacing the category
  - Growth driven by the increase of household penetration, improving shopper trips and stronger bar growth along with new product form success

- Bars about ~60% of total Quest retail sales, continued its momentum in Q4. Retail takeaway in Q4 increased +23.9%, more than 50% greater than the segment growth rate

- Cookies, chips and confections performance strong, up a combined 105% in Q4
  - Continue to see robust chips demand as we manage supply within our network
  - Lower level of trade promotion in the near term as we manage demand within our available supply
  - Adding more supply during fiscal year 2022

- Quest continues to grow across all major customers and channels:
  - Mass and C-store channels strong; increased shopper trips resulted in Q4 POS of about 40% and 50% in these two important channels
  - E-commerce momentum continues, with growth in line with measured channels

[1] *IRI MULO + C-store, 13 weeks ending 8/29/21 (excludes frozen pizza)*

Simply Good Foods 2022 Brand Initiatives

- Anticipate marketing expense in fiscal 2022 to increase in line with sales growth
- New Rob Lowe Atkins advertising across all forms. Messaging focused on “Bars are Back” and “A healthier approach to life”
- Quest first time television advertising beginning to air now; a fun campaign focused on “Athlete Worthy Nutrition”
- New products continue to be strong, and we have a solid pipeline of innovation
  - In fiscal 2022 we have a good balance of innovation and variety across brands and forms

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Summary

- Fourth quarter results in line with our expectations

- Positioned well to build on our momentum and deliver solid net sales and Adjusted EBITDA growth in fiscal 2022
  - Don't expect any meaningful changes in workplace mobility

- Expect a solid start to fiscal 2022 and that growth in the first half of the year will be stronger than the second half of the year:
  - Growth rate in 2H22 more challenging due to difficult year-over-year comparisons
  - New products and advertising in place to drive retail and consumer interest and excitement

- Expect supply chain cost inflation in fiscal 2022

- Executing well against our plan and delivering on our financial objectives with flexibility to invest in the business as a path to increasing shareholder value

TODD CUNFER

CHIEF FINANCIAL OFFICER

Net Sales Performance

Net Sales Drivers of Growth

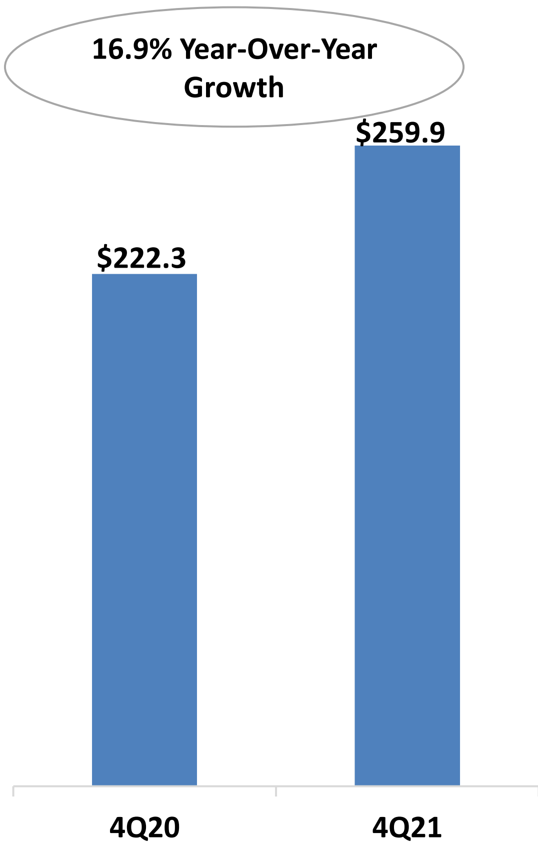
	Q4	FY 2021
Core North America[1]	17.1 ppt.	22.2 ppt.
Core International[1]	2.1 ppt.	2.4 ppt.
SimplyProtein Divestiture and Europe Exit[1]	-2.3 ppt.	-1.5 ppt.
Total Simply Goods Foods	16.9%	23.1%

[1]*Percentage points of growth*

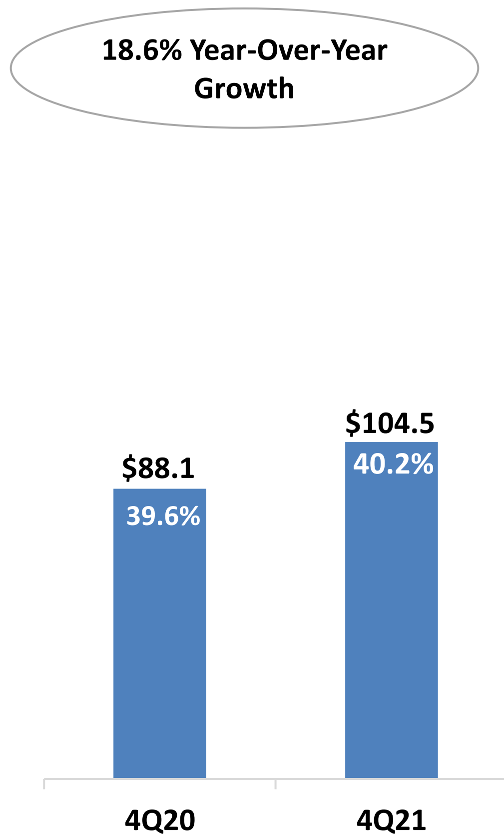
4th Quarter Net Sales and Profit

Fiscal Q4 2021 vs. Year Ago Period

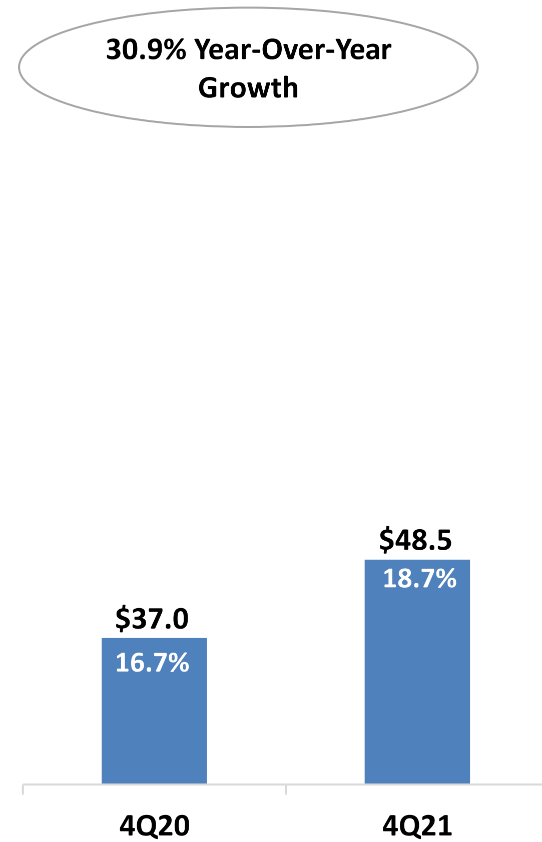
Net Sales[1]



Gross Profit
(and % Margin)[1]



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



[1] Dollars in millions. Unaudited financial information for the 13-weeks ended August 29, 2020 and 13 weeks ended August 28, 2021

[2] Adjusted 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 October 22, 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.

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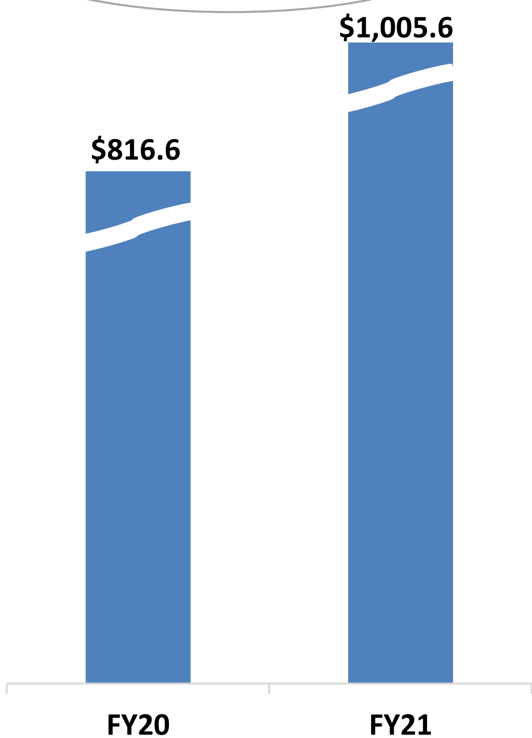
Note: *Dollar amounts in millions; Bars/graphs not to scale*

Full Year Fiscal 2021 Net Sales and Profit

2021 vs. Year Ago Period

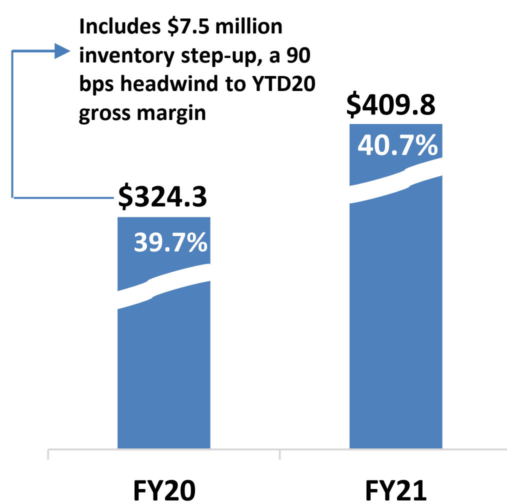
Net Sales[1]

23.1% Year-Over-Year Growth



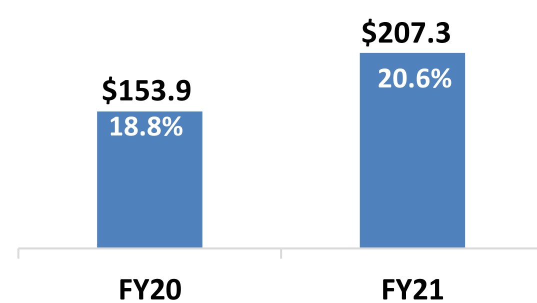
Gross Profit *(and % Margin)*[1]

26.3% Year-Over-Year Growth



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

34.7% Year-Over-Year Growth



[1] Dollars in millions. Unaudited financial information for the 52-weeks ended August 29, 2020 and 52 weeks ended August 28, 2021

[2] Adjusted 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 October 22, 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.

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Adjusted Diluted Earnings Per Share

Reconciliation of Adjusted Diluted EPS

	4Q	FY 2021
GAAP Diluted EPS	$0.19	$0.42
Depreciation & Amortization	$0.05	$0.19
Stock Based Compensation	$0.03	$0.08
Loss in fair value change of warrant liability [1,2]	$0.06	$0.68
Dilution impact from Warrant Accounting Treatment[1,2]	($0.01)	($0.05)
Integration of Quest	--	$0.03
Restructuring	--	$0.04
Gain on Legal Settlement	--	($0.05)
Other[3]	$0.01	--
Tax Effects of Adjustments[4]	($0.02)	($0.08)
Rounding [5]	($0.02)	--
Adjusted Diluted EPS[1]	$0.29	$1.26

[1]Adjusted Diluted EPS for the 13 and 52 weeks ended August 28, 2021 reflects fully diluted shares outstanding of 102.4 million and 101.5 million which includes 4.6 million and 4.1 million shares to reverse the exclusion of the private warrants in fully diluted shares outstanding under GAAP due to the private warrants being classified as a liability on our balance sheet.

[2]Diluted earnings per share includes the fair value loss and the resulting exclusion of anti-dilutive shares related to the Private Warrants. Fair value adjustments are a permanent tax difference and do not impact tax expense. The Company excludes the non-cash fair value loss and subsequently considers the dilutive share count effect of such adjustment in the non-GAAP measure. Note, mark to market gain adjustments are already excluded from the numerator, and dilutive shares are included, in calculating diluted earnings per share in accordance with GAAP.

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

[4]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 fifty-two weeks ended August 28, 2021.

[5]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.

Balance Sheet & Cash Flow

- In fiscal 2021, term loan debt pay-down was $150 million; term loan debt balance at August 28, 2021, $456.5 million (LIBOR[1] +375 bps)

- Fiscal fourth quarter and full year cash flow from operations of $41 million and $132.1 million, respectively
  - Cash and cash equivalents balance at August 28, 2021 of $75.3 million
  - Trailing twelve-month Net Debt to Adjusted EBITDA[2,3] ratio 1.8x

- Full year fiscal 2021 capital expenditures of $5.9 million driven by equipment purchases at our new warehouse
  - Full year fiscal 2022 capital expenditures expected to be similar to last year

- Full year fiscal 2021 depreciation and amortization $18.2 million

- Anticipate fiscal 2022 GAAP interest expense, including amortization of debt issuance costs, of approximately $25 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 EBITDA and Adjusted EBITDA" and "Reconciliation of Net Debt to Adjusted EBITDA" in the earnings release dated October 22, 2021 available on our website for a presentation of the most directly comparable GAAP financial measure and an explanation and reconciliation of these non-GAAP financial measure.

[3] Please refer to the earnings release dated October 22, 2021 available on our website for a presentation of the trailing twelve-month net debt to Adjusted EBITDA calculation

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Fiscal 2022 Outlook and Commentary

- Anticipate that we will build on our momentum and deliver solid net sales and Adjusted EBITDA growth in fiscal 2022
  - We do not expect any meaningful changes in workplace mobility in our outlook
  - Both Atkins and Quest are strong brands with advertising, marketing and innovation initiatives in place to drive growth
- Full Fiscal Year 2022 Outlook versus 2021:

	Fiscal 2021 Results	Fiscal 2022 Outlook	
Net Sales	$1,005.6[1]	+8% to +10%	- Includes Europe exit, a ~1 ppt. headwind
Gross Margin	40.7%	⇩ modestly lower	- Pricing & cost savings initiatives in place to largely offset supply chain cost pressures
Adjusted EBITDA	$207.3[1]	⇧ slightly higher than Net Sales growth rate	- Marketing expected to increase in line with sales growth - G&A leverage enables Adj. EBITDA margin expansion
Adjusted Diluted EPS	$1.26	⇧ higher than Adj. EBITDA growth rate	

- Net sales growth in the 1st half of fiscal 2022 expected to be stronger than the 2nd half of fiscal 2022 as year-over-year comparisons are more difficult as we proceed through the year
- We 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

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[1]*Dollars in millions*

Q&A