



NASDAQ: RGF

Third Quarter 2023 Earnings Presentation

November 2023

Disclaimer



Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which statements are subject to considerable risks and uncertainties. These forward-looking statements are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact or relating to present facts or current conditions included in this presentation are forward-looking statements. Forward-looking statements give The Real Good Food Company, Inc.'s (the "Company," "we," "us," or "our") current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "will continue," "will likely result," "will," and similar expressions, as they relate to our Company, our business and our management, are intended to identify forward looking statements.

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Forward-looking statements contained within this presentation include statements regarding our projected financial results and future financial performance; our future sales growth; new customer relationships; the price of our products; our expanding production capabilities, including commencing operations at our Bolingbrook, IL facility; and our ability to drive future growth and success. Any forward-looking statement made by us in this presentation speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

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This presentation contains statistical data, estimates, and forecasts that are based on various sources, including independent industry publications and other publicly available information, as well as other information based on our internal sources. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these data, estimates, and forecasts. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Our industry and market data are subject to a variety of risks and uncertainties, including those described in the section entitled "Risk Factors," of our prospectus, which could cause results to differ materially from those expressed in these publications and reports.

Non-GAAP Financial Measures

We present adjusted gross profit, adjusted gross margin, adjusted EBITDA and adjusted EBITDA margin, which are non-GAAP financial measures and should not be considered alternatives to measures calculated and presented in accordance with GAAP. Adjusted gross profit means, for any reporting period, gross profit adjusted to exclude the impacts of costs and adjustments identified by management as affecting the comparability of our gross profit from period to period. Adjusted gross margin means adjusted gross profit as a percentage of net sales. Adjusted EBITDA means, for any reporting period, net income (loss) before depreciation and amortization, income taxes, and interest expense, and adjusted to exclude the impact of transaction expenses, as well as other costs and adjustments identified by management as affecting the comparability of our operating results from period to period. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. Adjusted gross profit, adjusted gross margin, adjusted EBITDA, and adjusted EBITDA margin should not be considered as alternatives to gross profit, gross profit margin, net loss or any other measure of financial performance calculated and presented in accordance with GAAP. There are a number of limitations related to the use of adjusted gross profit, adjusted gross margin, adjusted EBITDA, and adjusted EBITDA margin rather than gross profit, gross profit margin, and net loss, which are the most directly comparable GAAP measures, respectively. Our presentation of adjusted gross profit, adjusted gross margin, adjusted EBITDA, and adjusted EBITDA margin should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. There can be no assurance that we will not modify the presentation of adjusted gross profit, adjusted gross margin, adjusted EBITDA, and adjusted EBITDA margin in the future, and any such modifications may be material. In addition, adjusted gross profit, adjusted gross margin, adjusted EBITDA, and adjusted EBITDA margin may not be comparable to similarly titled measures used by other companies in our industry or across different industries.

Additional Information

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Third Quarter 2023 Company Highlights



HHP increased to 8.8% & Ranks RGF as #2 Amongst HWI Brands

- RGF continues to rank as #2 HWI Frozen Brand behind only Amy's
- Only 99 brands make Bain's Insurgent Brand list, RGF one of them and one of only a handful that is over \$100M and growing

Sales Growth Accelerated in 3Q23 & Trend Expected to Continue in 4Q23

- Sales were up 48% YoY which is an acceleration compared to 15% growth in 2Q
- Consumption growth across both channels accelerated to over 90% YoY and outpaced shipments
- Retailer inventories are depleted which bodes well for 4Q23 shipment growth

Strong Unmeasured Channel Performance

- Branded sales were up 90% YoY driven by distribution growth and continued strong velocity
- Despite the strong growth in shipments, we under shipped demand by ~60 pts
- Distribution points doubled sequentially in Q3 and continue to increase
- Measured channel consumption growth also accelerated by 30 pts sequentially to 31%. Similar to unmeasured channel, shipment growth lagged consumption by ~10 pts in 3Q.

Cash burn was only \$2M despite several one-time headwinds

- Trade credit contracted significantly in 3Q resulting in a \$5M+ headwind to cash flow vs plan
- Temporary spike in chicken prices cost ~\$2-\$3M in margins in 3Q. Prices are already below pre-spike levels which bodes well for 4Q margins

Q3 Financial Highlights

	3Q23	3Q22	\$ Chg y/y	% Chg y/y
Net Sales	\$55.6	\$37.6	\$18.0	48.0%
Cost of Goods Sold	\$44.0	\$35.8	\$8.2	22.9%
Gross Profit	\$11.6	\$1.8	\$9.8	555.4%
<i>Gross Margin⁽¹⁾</i>	20.9%	4.7%		1,614 bps
Adjusted Gross Profit	\$15.5	\$6.0	\$9.5	160.0%
<i>Adjusted Gross Margin⁽¹⁾</i>	27.8%	15.8%		1,199 bps
Adjusted Operating Expenses	\$15.9	\$10.7	\$5.2	48.6%
Adjusted EBIT	(\$0.4)	(\$4.7)	\$4.3	91.3%
Adjusted EBITDA	\$1.2	(\$3.8)	\$4.9	130.8%

Our Mission

Our mission is to make craveable, nutritious comfort foods that have very little carbohydrates and sugar and plenty of protein. By providing functional foods that are **accessible to everyone across the United States** and, eventually, throughout the world, we can improve the lives of millions of people and help reduce the negative impact associated with obesity and diabetes.

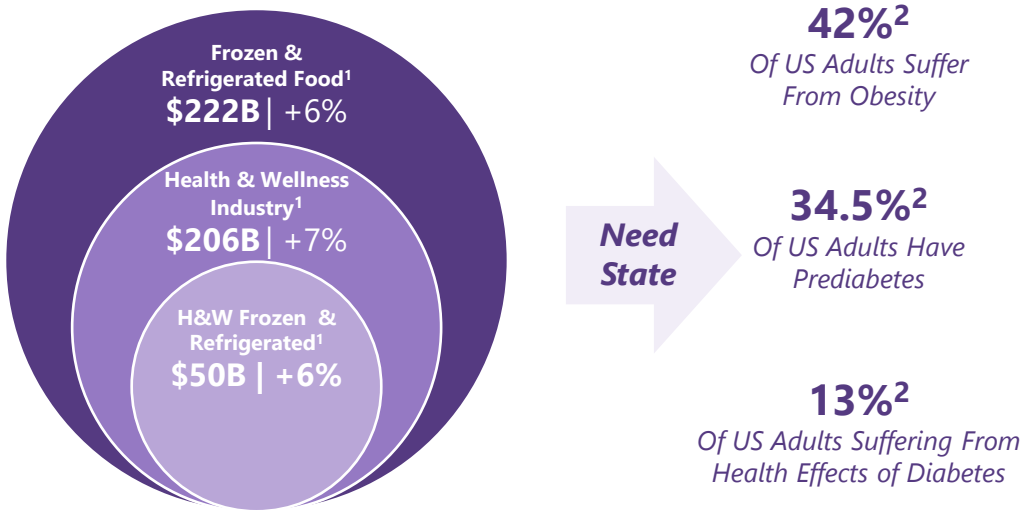
* Per SPINS data. 1) Change is shown as changes to basis points. 2) Adjusted Gross Profit, Adjusted Gross Margin, and Adjusted EBITDA are non-GAAP financial measures. Adjusted Gross Profit means, for any reporting period, Gross Profit adjusted to exclude the impacts of costs and adjustments identified by management as affecting the comparability of our Gross Profit from period to period. Adjusted Gross Margin means Adjusted Gross Profit as a percentage of Net Sales. Please see the appendix for a reconciliation of Adjusted Gross Profit and Adjusted Gross Margin to the most directly comparable GAAP measures, Gross Profit and Gross Margin, respectively. 3) Adjusted EBITDA means, for any reporting period, net income (loss) before depreciation and amortization, income taxes, and interest expense, adjusted to exclude the impact of transaction expenses, as well as other costs and adjustments identified by management as affecting the comparability of our operating results from period to period. Please see the appendix for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure, net loss.

Large & Growing Total Addressable Market



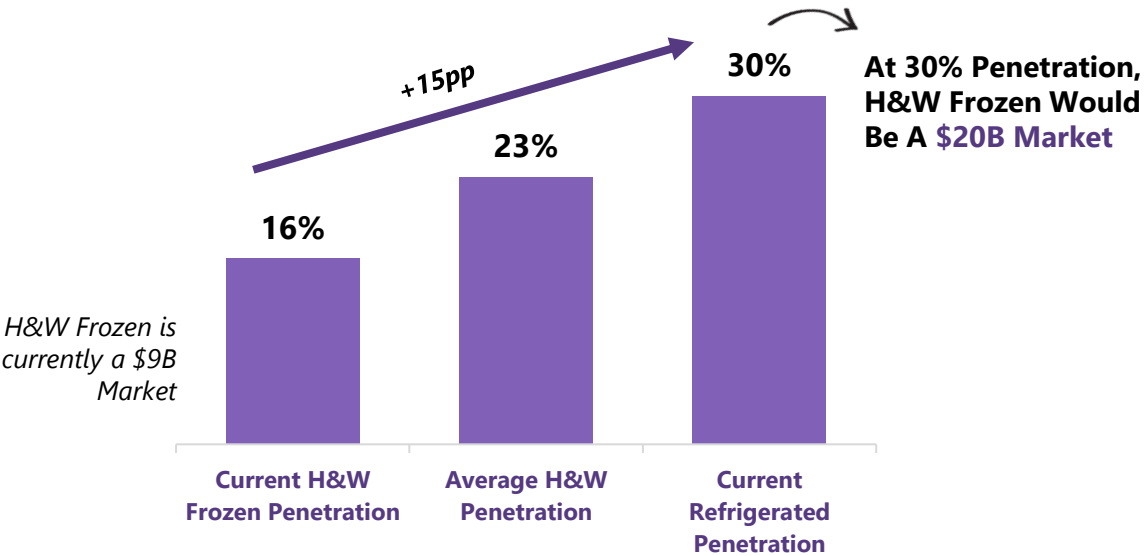
Health & Wellness market of \$206B¹ Remains Strong, Growing at a 3 Year CAGR of 7%

Industry Snapshot (Category growth represents 3 YR CAGR for CY 2021 – 2023)



Strong Category Growth Dynamics

- The broader \$206B HWI category grew at 3% and 7% rate over the 4 weeks and 52 weeks ending 9/10/23 respectively
- On average across all departments of the grocery store, **H&W penetration is 23% compared to only ~16% for Frozen**
- RGF needs a 5% share of HWI Frozen or 1% share of Total Frozen to meet long-term \$500M annual revenue goal



For Perspective...

Gluten Free
Adhere to Diet (US)³
1%
Population

Vegan
Adhere to Diet (US)⁴
3%
Population

(1) For 52wk period ended 9/10/23 per SPINS. Health & Wellness category consists of specialty and natural products, as defined by SPINS. Total frozen food market excludes frozen and refrigerated meat. (2) CDC. (3) Forbes "The Number of Americans Going Gluten Free has Tripled Since 2009", January 2017. (4) Vegan News, March 2020.

RGF's Mission is Addressing the Largest Consumer Need State in the US



Our Mission to Make Nutritious Foods More Accessible



1 in 2 US Adults are **Pre-Diabetic or Diabetic** (130M Americans)



70% of US Adults are **Overweight**, and trying to lost weight



Big Food is not Helping, **95% of Foods in Frozen are High Glycemic** (spiking blood sugar and causing diabetes)



is the **Only** Brand in Frozen **Offering High Protein / Low Glycemic Foods**

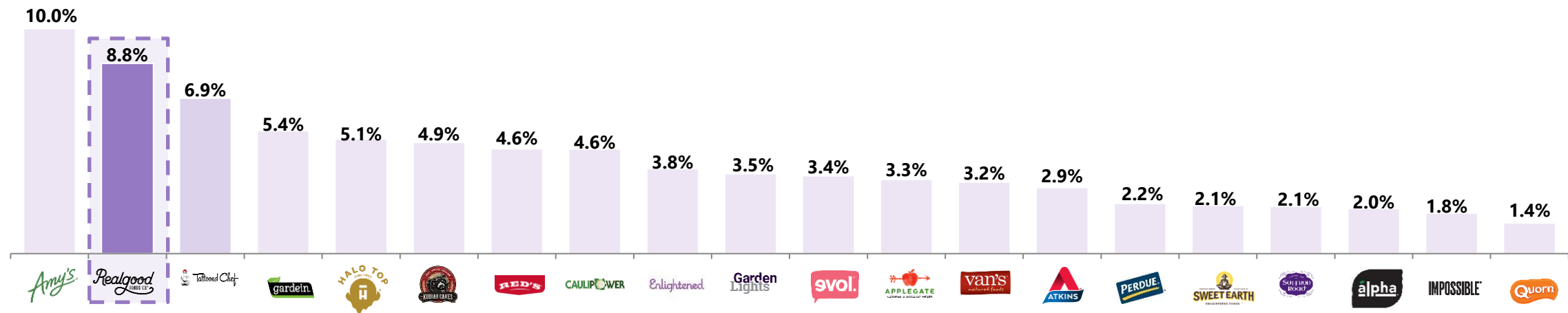
Per NPD, the #1 Consumer Priority is
Cutting Back on Sugar



Brand Health Indicators Remain Strong



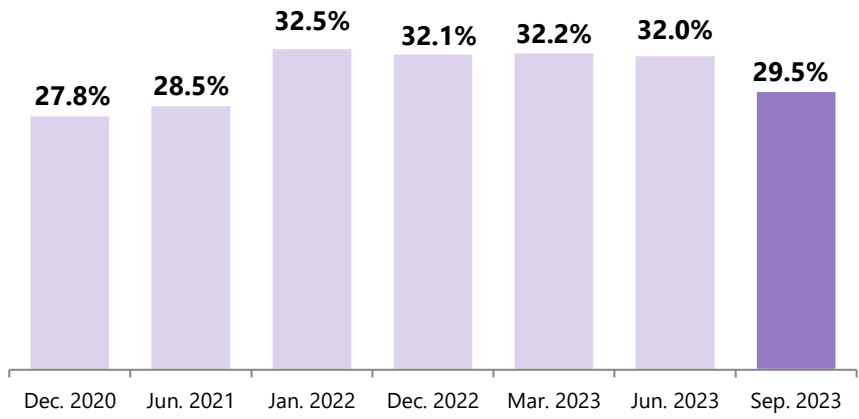
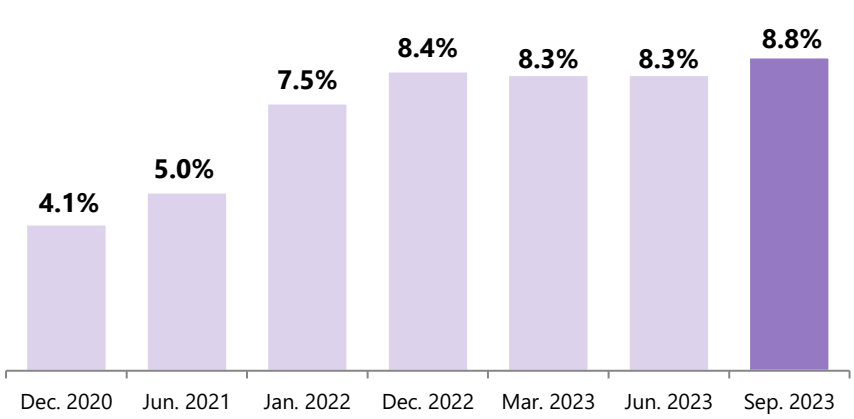
RGF ranks #2 in HHP amongst HWI frozen brands



Household Penetration



Repeat Purchase Rates



RGF is the #1 Brand on Social in Frozen Food



Massive Digital Presence That Drives Sales Within All Channels

More Followers Than These BIG Brands Combined

495,000+
Followers



250,000
Combined Followers



RGF Social Size Unlocks Massive Awareness & Value

- RGF generated **245m Organic & Influencer Organic Impressions** through Q3 (cost only spent \$443k)
- For context, 245m video impressions would cost 'Big CPG / Industry average **\$2m- \$4m in Spend** (\$10-\$20 CPM)*
- Social Community & Influencer has catapulted RGF to **2nd Largest HH Penetration** in HWI Frozen, only behind Amy's

**RGF Secret Sauce =
Influencer Capabilities**

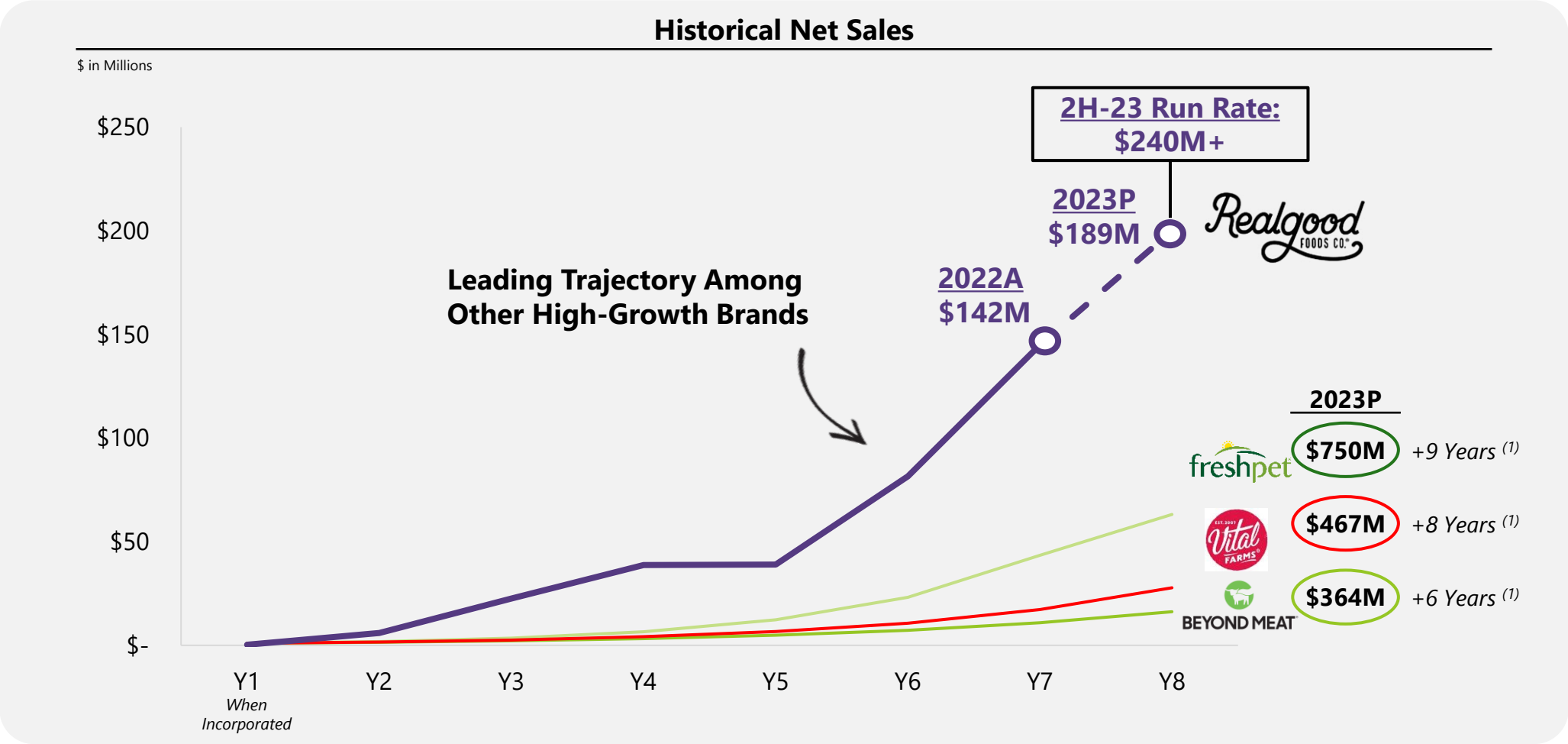
YTD 166m+ Influencer impressions at \$1.8 CPM = 7x to 10x STRONGER than Industry average ad CPM*



Rare Platform Asset in CPG – Fastest Growing Frozen Brand Ever



Real Good Foods Growth is Unprecedented Within the Category and is a Stand-Out Brand to Consumers



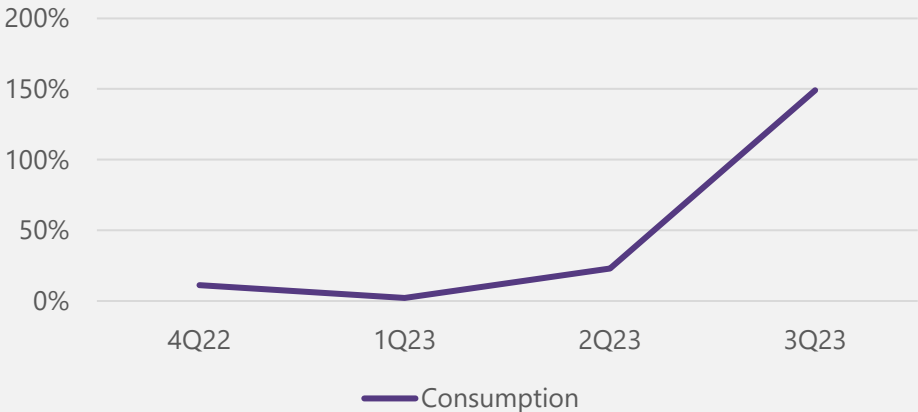
(1) Additional years since inception taken to reach calendar year 2023P revenues

Record Consumption Outpacing Shipments



Overall consumption grew over 90% in 3Q outpacing shipment growth – points to low inventory levels at Retail which bodes well for 4Q sales

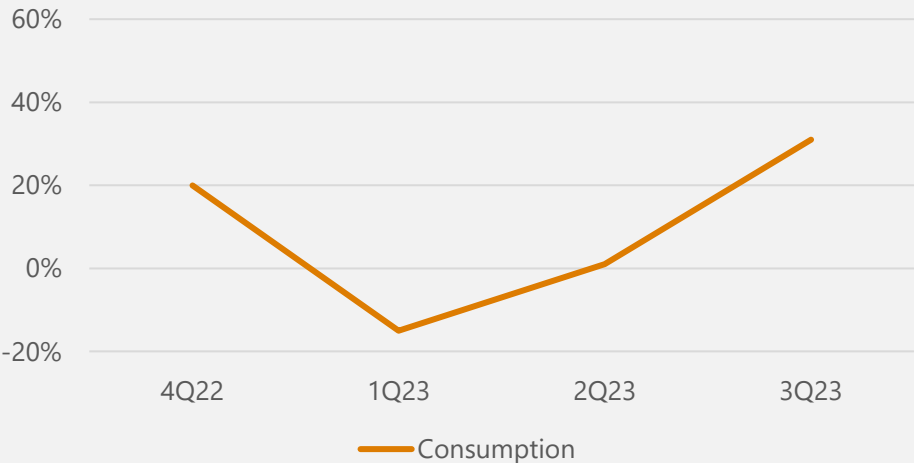
Unmeasured Channel – Consumption Growth



Growth in Unmeasured Channel Was Explosive in 3Q
Unmeasured channel consumption growth of 149%, accelerated 126% sequentially

Consumption Outpaced Shipments
Consumption grew 149% but shipment growth of 90% lagged as we had trouble keeping up with the steep demand curve

Measured Channel – Consumption Growth



Measured Channel Growth Continued To Accelerate
Measured channel growth of 31% in 3Q accelerated ~30 pts sequentially

Consumption Outpaced Shipments
Consumption grew 31% but shipment growth of 12% lagged as we prioritized unmeasured channel steep demand

Unmatched Distribution in Unmeasured Channel














Diversified & broad category presence equates to durable, predictable and profitable growth

- RGF's distribution spans four categories, two temperature states and three eating occasions
- Currently have seven items authorized, which is 2x previous high and broader than national leading brands
- RGF has Become **the LEADING Brand in Frozen & Refrigerated** in # of Active SKUs with **7 Active SKUs**

RGF's 7 Items In Distribution Compare Favorably to Competitors

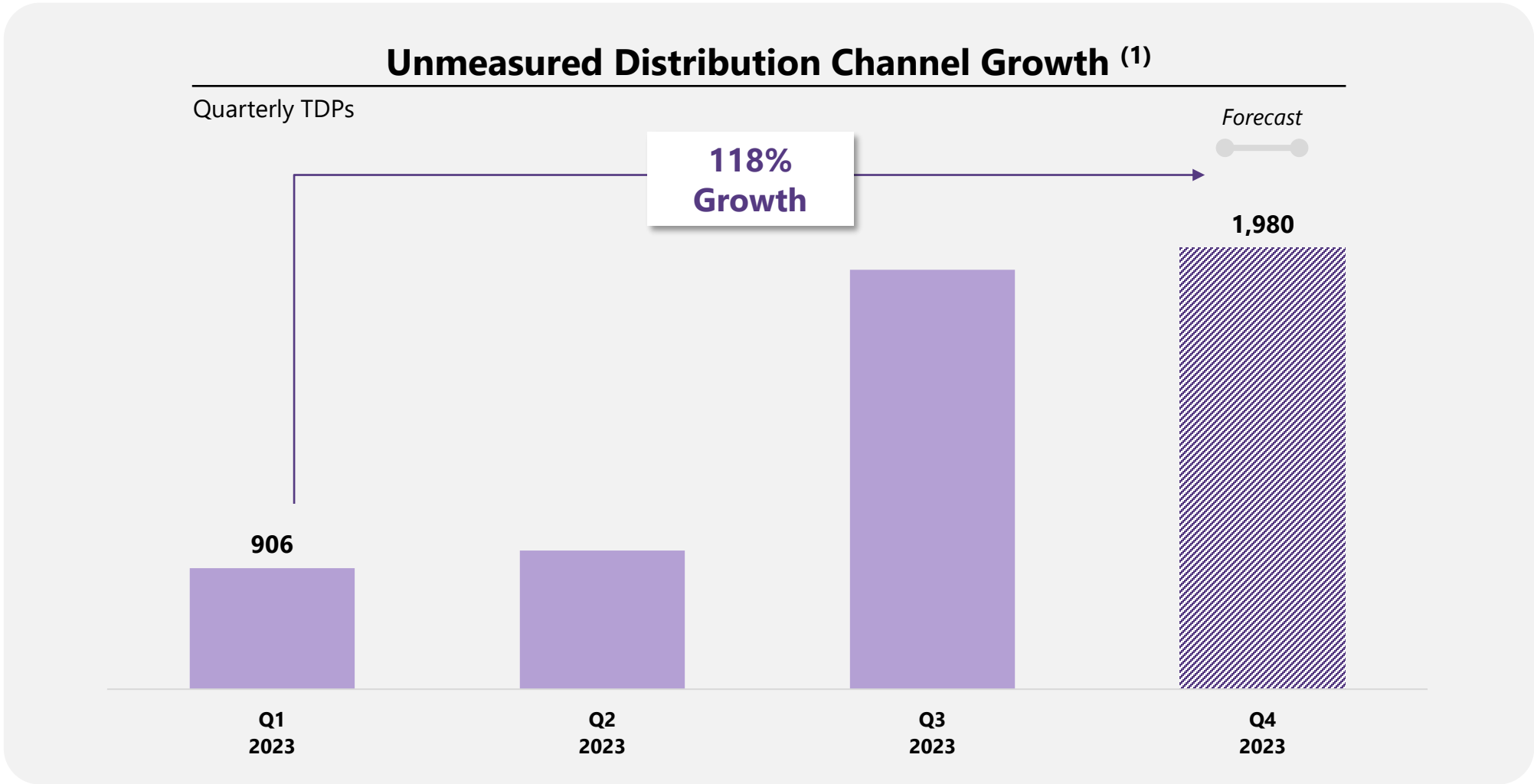


#	Launch Date	Active Unmeasured Channel SKU
1	Jan 2020	Stuffed Chicken Breast 
2	Feb 2021	Bacon Wrapped Jalapenos 
3	March 2021	Enchiladas 
4	Jan 2023	Flautas 
5	September 2022	Breaded Chicken Strips 
6	April 2023	Refrigerated Burritos 
7	June 2023	Breakfast Flautas 
8	New / Q4	General Tso's 
9	New / Q4	Breakfast Bowls 
10	New / 2024	Seasoned Chicken Nuggets 
11	New / 2024	Chicken Quesadillas 

Unmeasured Distribution Growth Doubled in 3Q



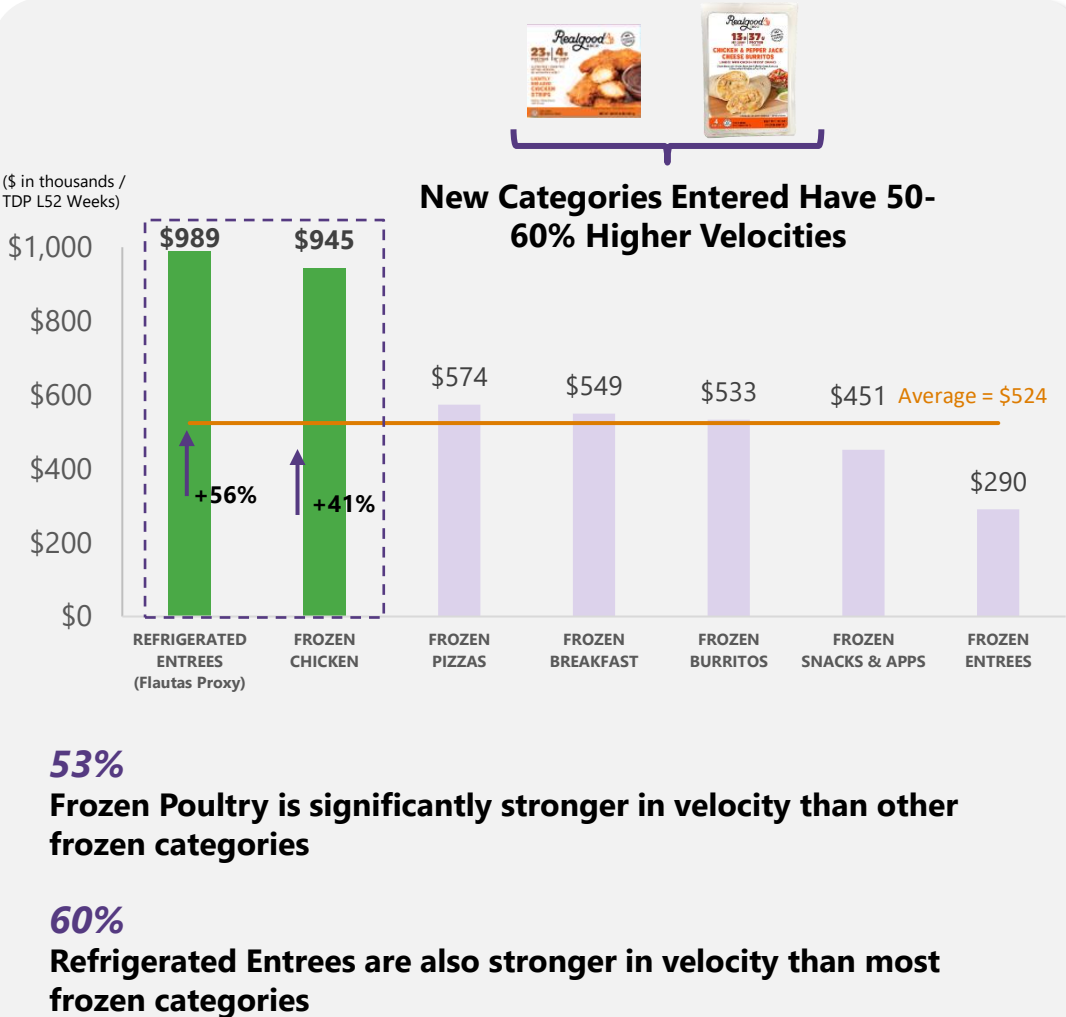
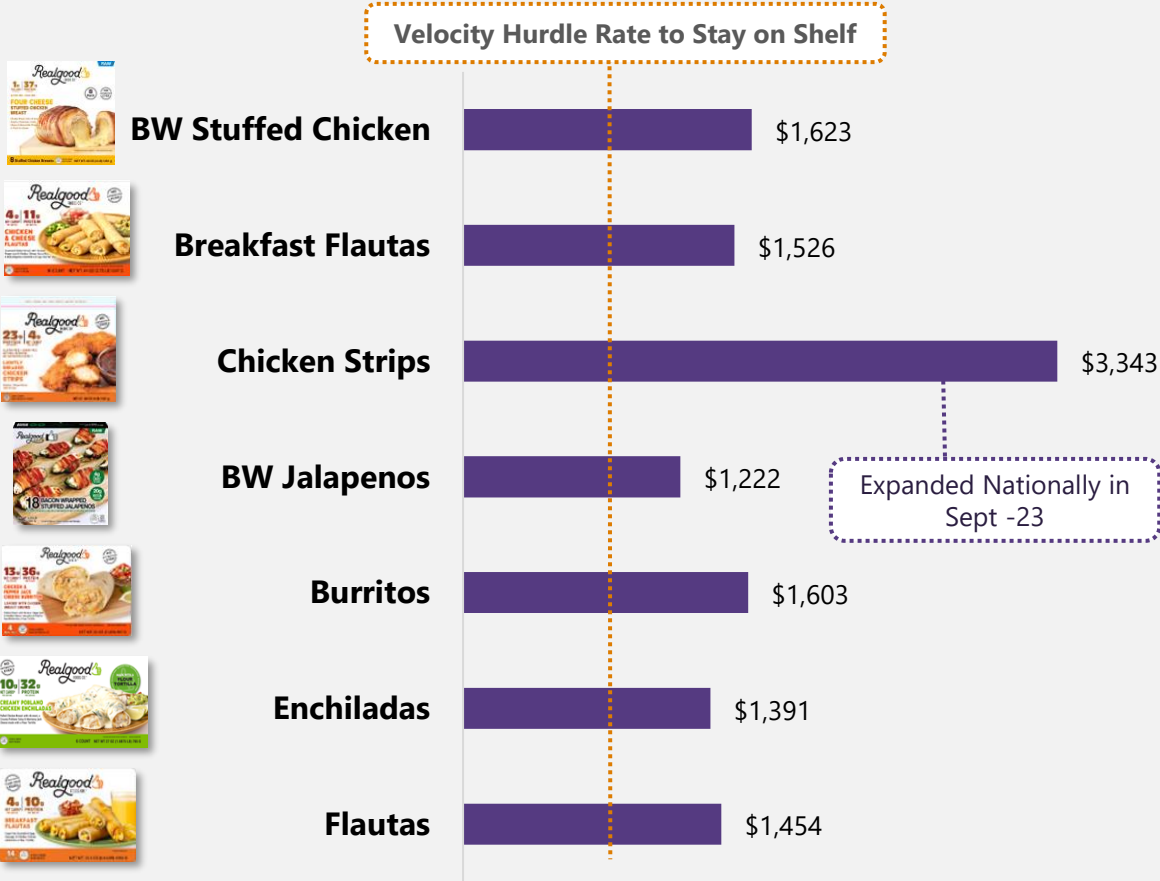
Distribution Growth Driven by Broad Based Wins Across Diverse Portfolio



Unmeasured Channel Velocities Outperforming Category Thresholds, Best-In-Class Velocities in Club



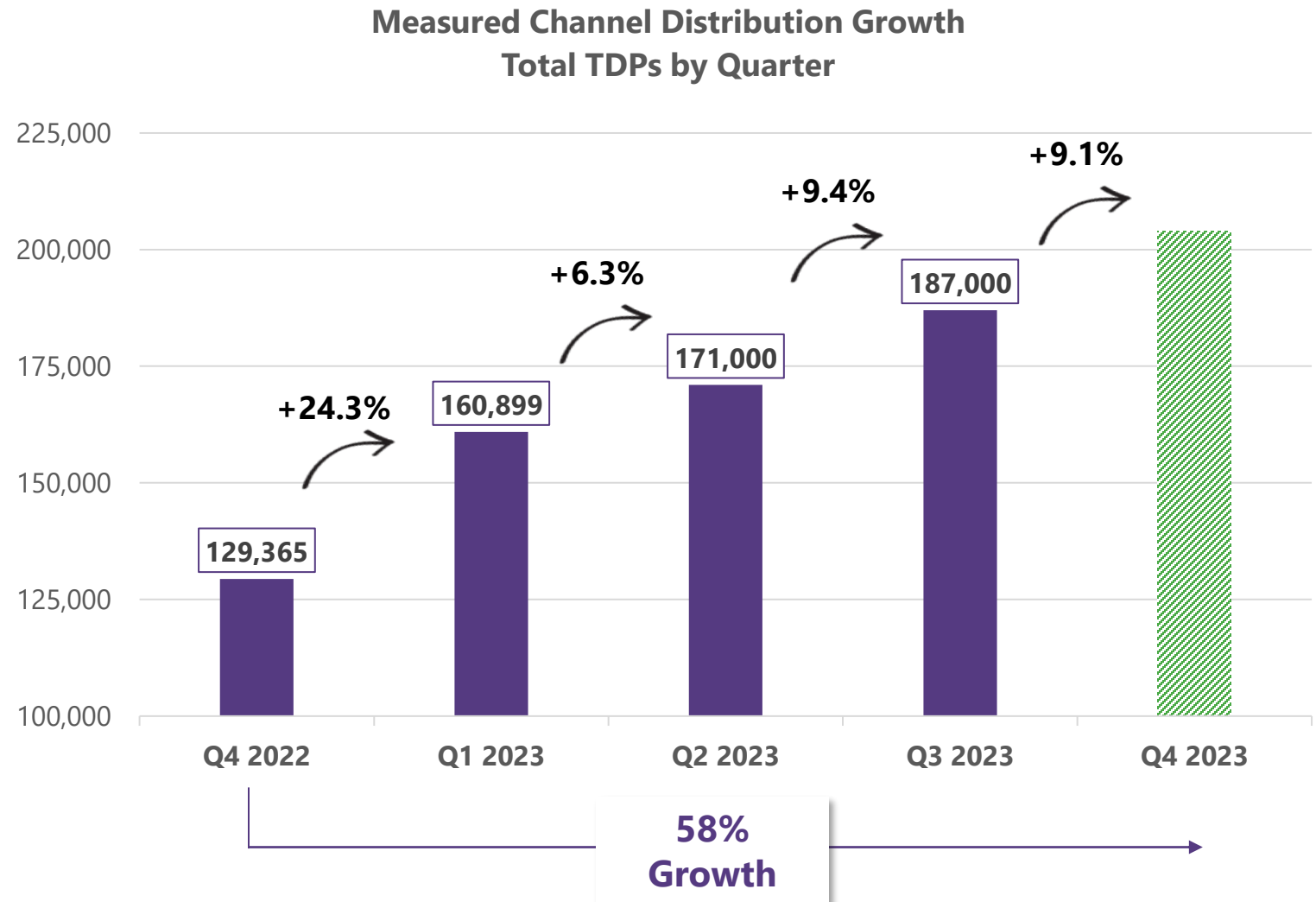
Items Across Categories are Exceeding Category Hurdle Rates \$ per club per week



Measured Channel Distribution Continues To Grow *Realgood* FOODS CO.®

58% growth in TDP's in 2023 compared to beginning of the year

- Distribution growth picked up late in Q3'23
- Expect another 17k TDPs to come online in Q4 with Breaded Chicken & MS Entrees
- 58% growth in TDP's from the beginning of the year
- Roughly 75% of 2023 New TDPs from RGFs two Strategic / highest velocity platforms ~ Breaded Chicken (15k TDPs) and MS Global Entrees (14k TDPs)

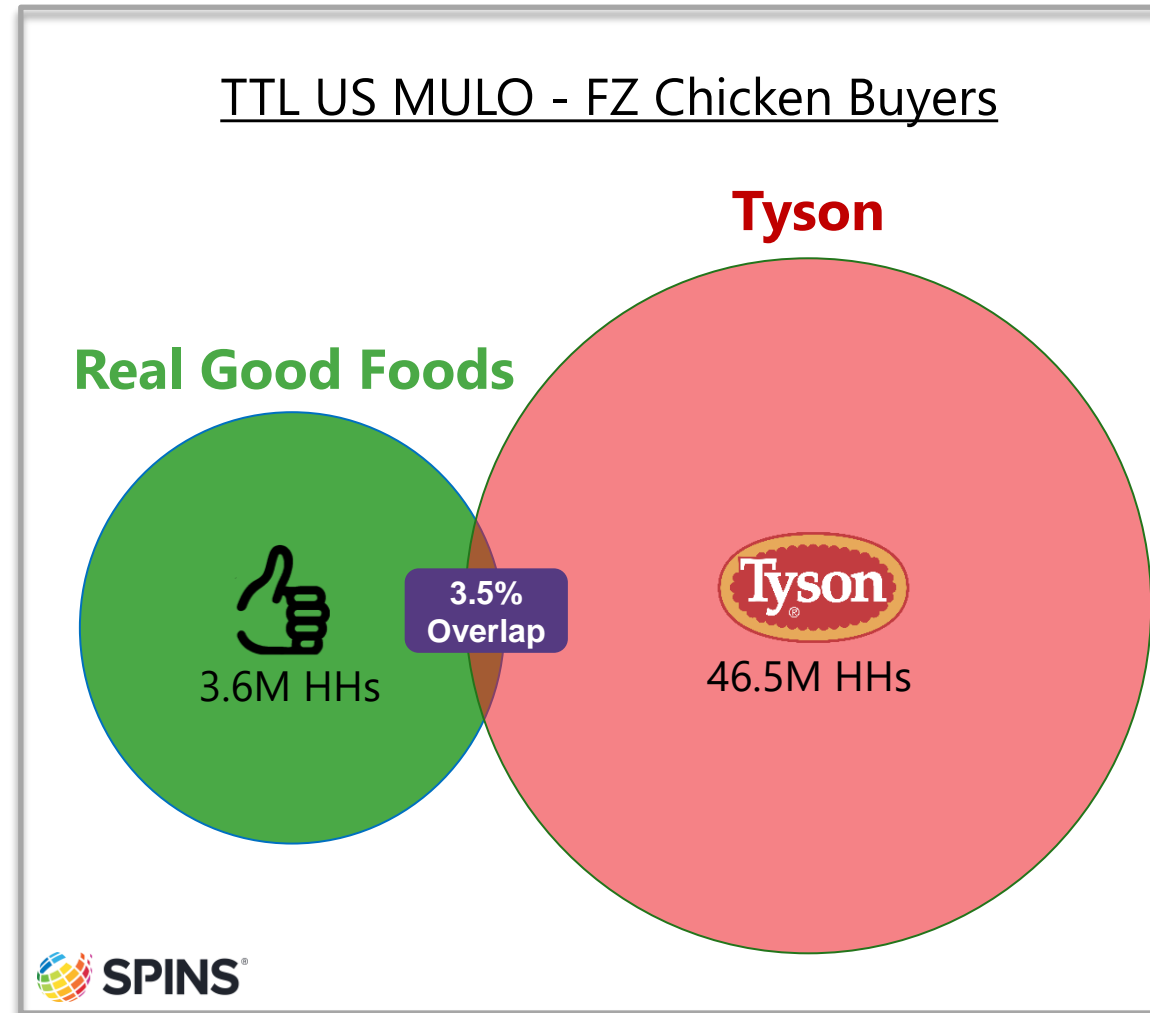


RGF Chicken Expansion Highly Incremental

Real Good Foods Frozen Chicken is 97% Incremental to Tyson Brand



- There is only a 3.5% buyer overlap between RGF & Tyson Frozen Chicken, according to measured channel data study conducted by Spins
- Customer feedback points to growth in the unmeasured channel being almost 100% incremental to the category – none of the incumbent brands have seen a decline in sales since RGF's entry
- Strong velocities and incrementality of growth gives RGF permission to extend further into the large and growing Frozen Chicken Category
 - Retail partners asking us 'what's next'
 - Q1 2024 innovation plan includes 10-12 new SKUs in the Frozen Poultry & Seafood Category




Breaded Chicken Launch Update



RGF Chicken Nuggets Ranked #1 at Walmart in Velocity

#1 Breaded Chicken Brand in Walmart HWI Frozen ⁽¹⁾

Sorted by \$ per TDP

Rank	Company	Dollars L4 Weeks	\$ Per TDP
1		\$2.8M	\$16.5K
2	Yummy Dino Buddies	\$2.9M	\$14.3K
3	Foster Farms	\$3.7M	\$13.3K
4	Perdue Simply Smart	\$1.1M	\$11.7K
5	California Pizza Kitchen	\$3.4M	\$11.2K
6	Innovasian Cuisine	\$3.3M	\$8.6K
7	505 Southwestern	\$0.6M	\$8.0K
8	La Terra Fina	\$0.3M	\$6.3K
9	Applegate Farms	\$2.3M	\$6.1K
10	BIBIGO	\$1.3M	\$5.9K
11	Hebrew National	\$0.4M	\$5.9K
12	CJ	\$0.6M	\$5.4K
13	Devour	\$2.1M	\$5.5K
14	Veggies Made Great	\$0.4M	\$5.1K
15	Aqua Star	\$1.0M	\$4.4K



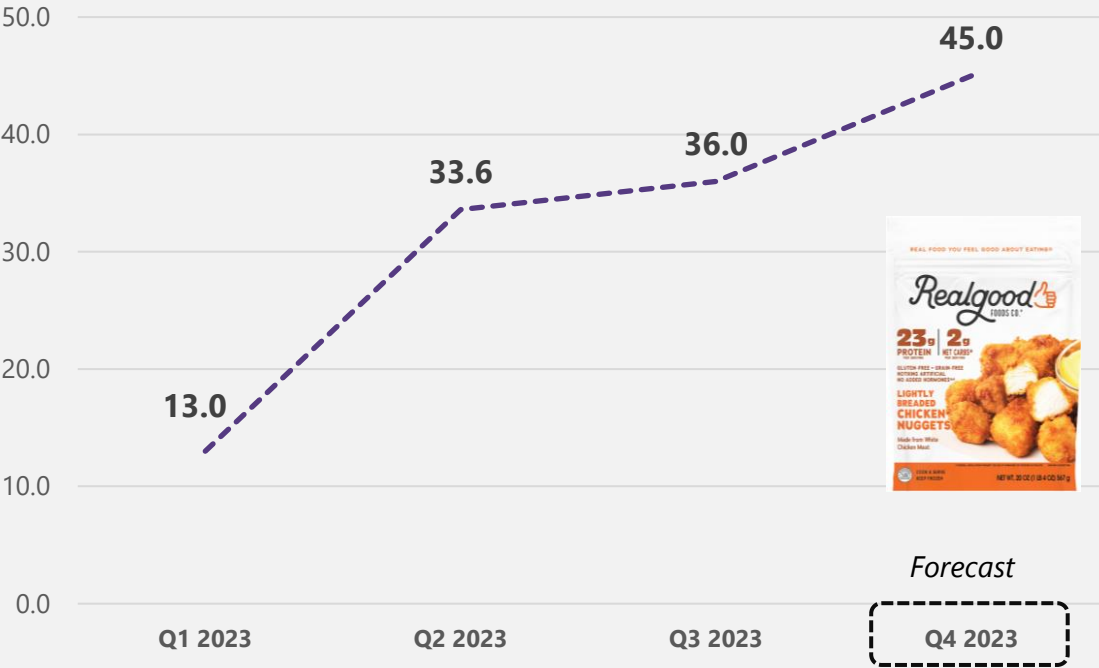
(1) SPINS L4 Weeks, National Mass Retailer, Frozen Meat, Poultry & Seafood SKU Ranking Ending 1/29/23.

Breaded Chicken Launch Update

RGF Breaded Poultry Will Rank #3 by YE 2023 Ahead of Several Legacy National Brands



TTL US MULO ACV Growth
RGF Breaded Chicken ACV



Tyson #1 SKU = 85 ACV.
Tyson Brand \$2.5B Frozen Meat & Poultry



Perdue #1 SKU = 49 ACV.
Perdue Brand \$492m Frozen Meat & Poultry



Foster #1 SKU = 27 ACV.
Foster Brand \$236m Frozen Meat & Poultry

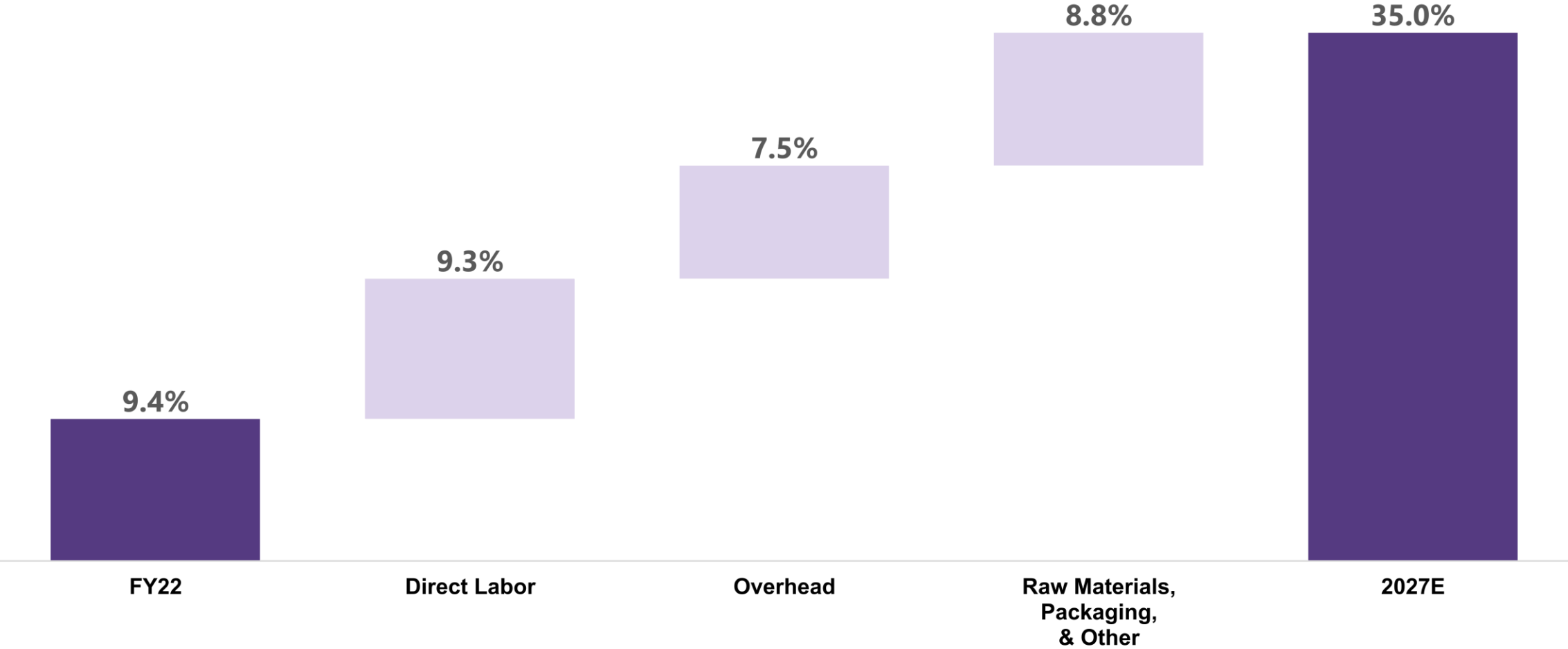


Banquet #1 SKU = 28 ACV.
Banquet Brand \$222m Frozen Meat & Poultry

Significant Opportunity for Gross Margin Expansion



Planned labor, overhead and materials cost improvements to accelerate profitability



2024 & LT Guidance



	FY 2023	FY 2024	Long Term
Net Sales	\$185 - \$194 million ~31% to ~37% growth	At least \$245 million	~\$500 million
Adjusted Gross Margin ⁽¹⁾	At least 24%	Increase of 1% to 2% as compared to 2023	35%
Adjusted EBITDA / EBITDA Margin ⁽²⁾	Low to Mid Single Digit \$M	At least \$15 million	15%

1)

Adjusted gross margin is a non-GAAP financial measure. Adjusted gross profit means, for any reporting period, gross profit adjusted to exclude the impacts of costs and adjustments identified by management as affecting the comparability of our gross profit from period to period. Adjusted gross margin means adjusted gross profit as a percentage of net sales. Please see appendix for a reconciliation of adjusted gross profit and adjusted gross margin to the most directly comparable GAAP measures, gross profit and gross margin, respectively.

2)

Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA means, for any reporting period, net income (loss) before depreciation and amortization, income taxes, and interest expense, adjusted to exclude the impact of transaction expenses, as well as other costs and adjustments identified by management as affecting the comparability of our operating results from period to period. Please see appendix for a reconciliation of adjusted EBITDA to the most directly comparable GAAP measure, net loss



Real Food You Feel *Good* About Eating

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Non-GAAP Financial Measure – Adjusted Figures



The following table reconciles net earnings or losses to Adjusted EBITDA based on the consolidated financial statements of the Company for the periods indicated.

	3 months ended September 30,	
(US \$ in thousands - unaudited)	2023	2022
Net Loss	\$(13,121)	\$(13,117)
Depreciation and amortization	1,569	971
Provision for income tax	-	-
Interest expense	4,257	2,469
Other Income	-	-
Start-up and idle capacity costs ⁽¹⁾	3,877	3,932
Costs related to the COVID-19 pandemic ⁽²⁾	-	249
Share-based compensation ⁽³⁾	1,987	1,735
Transaction expenses ⁽⁴⁾	-	-
Other ^{(4) (5)}	2,589	-
Bolingbrook start-up admin. costs ⁽⁶⁾	-	-
Adjusted EBITDA	\$1,158	\$(3,761)
Adjusted EBITDA Margin	2.1%	(10.0)%

	3 months ended September 30,	
(US \$ in thousands - unaudited)	2023	2022
Gross Profit	\$11,588	\$1,768
Start-up and idle capacity costs ⁽¹⁾	3,877	3,932
Costs related to the COVID-19 pandemic ⁽²⁾	-	249
Adjusted Gross Profit	\$15,465	\$5,949
Adjusted Gross Profit Margin	27.8%	15.8%

(1) Represents start-up costs associated with commencing operations at our City of Industry and Bolingbrook facilities and other costs associated with temporary manufacturing capacity at our City of Industry and Bolingbrook facilities, including indirect labor costs, utility costs, and rent. (2) Represents direct costs incurred in connection with the COVID-19 pandemic, including freight rush charges, labor costs, tolling upcharges, and storage. (3) Represents equity-based compensation expense. (4) Represents costs incurred in connection with pursuing certain strategic and financing transactions, including legal, consulting, insurance and accounting costs. (5) Non-recurring distribution cost incurred as a result of a strategic decision to consolidate network & commissions (6) Represents administrative costs incurred in connection with start-up of the new Bolingbrook Facility.

RGF 2024 Innovation Roadmap



Massive TAM with each platform + ALL Launching in Q4. Each of these Platforms Represents \$50m to \$100m in Annualized Revenue Potential

Refrigerated Entrees	Frozen Poultry	Frozen Seafood
\$6B Total Addressable Market	\$7B Total Addressable Market	\$7B Total Addressable Market

RGF Has Developed Innovative Products For Large, Attractive Categories

Zero Sugar BBQ Proteins Seasoned Chicken Breast Nuggets Light & Crispy Breaded Seafood



RGF 2024 Innovation Roadmap Continued



Food as Medicine: The Rise of GLP-1 Drugs & Low Glycemic Foods

- GLP-1 Consumers are Eating Far Less Sugar, Carbs & More Protein
- **Recent Study highlights Massive Shift to Low Carb & Low Sugar foods when taking GLP-1 Medications**
 - *Nearly HALF of US Adults (45%) say they would be interested in taking a weight loss drug*

Solution: RGF Prepared & Portion Meals

GLP-1 DRUGS

- Reduce Appetite and Cravings, Resulting In Less Food Intake & Smaller Portions
- The **TOP** Diet Recommendation is Higher Protein Intake and Low Glycemic Portioned Meals
- **20% of Muscle Mass is Lost** on Average for Those Taking GLP-1 Drug

RGF Prepped Meals

High Protein

- From Lean Meat Sources Helps Naturally Improve GLP-1 Secretion

Portioned Meals

- Help Hit Protein & Reduce Gastric Side Effects

Low Glycemic

- Stabilizes Blood Sugar & helps support weight loss

