



NASDAQ: RGF

First Quarter 2023 Earnings Presentation

May 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.

In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially from those anticipated in or implied by the forward-looking statements, including as a result of the following factors: our limited operating history and significant operating losses; our ability to (i) increase our net sales from existing customers and acquire new customers; (ii) retain our customers; (iii) compete successfully in our industry; (iv) respond to new trends and changes in consumer preferences; (v) introduce new products or successfully improve existing products; (vi) implement our growth strategy; (vii) effectively expand our manufacturing and production capacity; (viii) retain our co-manufacturers and identify new co-manufacturers; (ix) obtain ingredients in sufficient quantities to meet demand for our products; or (x) obtain financing to achieve our goals to develop and commercialize new products, invest in our manufacturing facilities, and expand our product offerings; the impact of the COVID-19 pandemic on our supply chain and consumer behaviors; the requirements of becoming a public company; failure or interruption of our data systems; and cybersecurity incidents, or real or perceived errors, failures, or bugs in our systems or other technology disruptions or failure to comply with laws and regulations relating to privacy and the protection of data relating to our confidential information or our customers' personal information.

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.

Industry Information

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

All third-party brand names and logos appearing in this presentation are trademarks or registered trademarks of their respective holders. Any such appearance does not necessarily imply any affiliation with or endorsement of the Company.

First Quarter 2023 Company Highlights



HHP of 8.3% Ranks #2 & Is 50% Higher Than Plant Based Foods Category

- 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 Up 78% On A 2 Year Basis

- Sales were up 78% on a 2-year basis
- Growth on a y/y basis was negatively impacted by timing of promotional events
 - Excluding these transitory issues sales would have been up DD
- Baseline velocities and distribution grew 8% and 4% sequentially, respectively

Strong Momentum & Increased Conviction in 2023 Sales Target

- Enchiladas 2.0 and Breaded Poultry (BP) performing well in Unmeasured Channel resulting nationwide, full distribution authorization in 2H23
- Expect sequential distribution and velocity growth across both channels
- Measured channel Mass retailers BP expansion on plan – ship in May
- Multi-serve Asian and Entrée expansion across several other retailers
- 14K incremental distribution points authorized since last earnings call

Gross Margins Continue to Improve

- Achieved 16.7% gross margin despite plant network being <40% utilized
- Adjusted gross margin of 33.5% is best in company's history
- Significant R&D and distribution costs to support growth

Q1 Financial Highlights

| | 1Q23 | 1Q22 | \$ Chg y/y | % Chg y/y |
|--|----------------|----------------|------------|-----------|
| Net Sales | \$29.8 | \$37.6 | (\$7.8) | -20.7% |
| Cost of Goods Sold | \$24.8 | \$33.3 | (\$8.5) | -25.6% |
| Gross Profit | \$5.0 | \$4.3 | \$0.7 | 17.5% |
| <i>Gross Margin⁽¹⁾</i> | 16.7% | 11.3% | | 540 bps |
| Adjusted Gross Profit | \$10.0 | \$6.5 | \$3.5 | 54.5% |
| <i>Adjusted Gross Margin⁽¹⁾</i> | 33.5% | 17.2% | | 1630 bps |
| Adjusted Operating Expenses | \$12.8 | \$10.2 | \$2.6 | 25.3% |
| Adjusted EBIT | (\$2.8) | (\$3.7) | \$1.0 | 27.3% |
| Adjusted EBITDA | (\$1.1) | (\$3.3) | \$2.2 | 66.5% |

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.

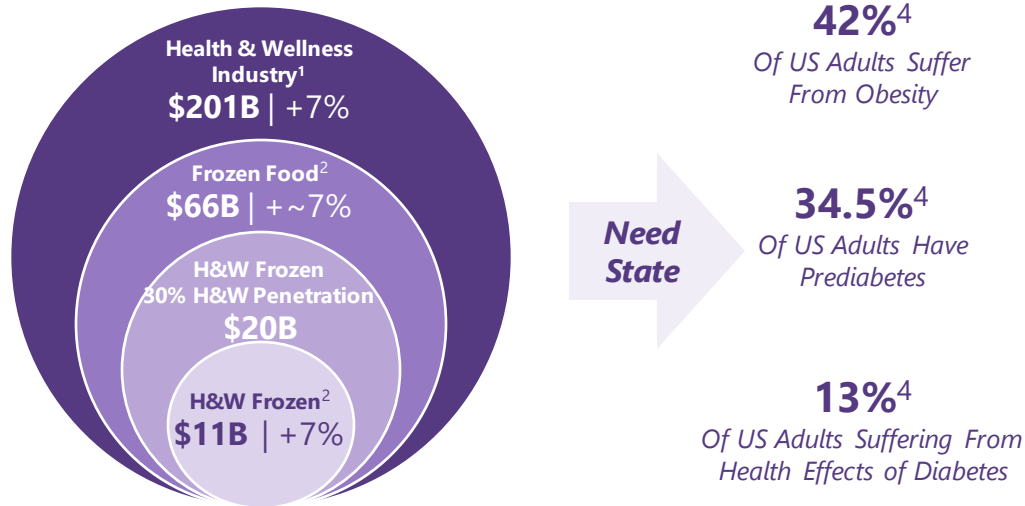
* Per SPINS data. 1) Change is shown as changes to basis points. 2) Adjusted Gross Profit, Adjusted Gross Margin, and Adjusted EBITDA are nonGAAP financial measures. Adjusted Gross Profit means, for any reporting period, Gross Profit adjusted to exclude the impacts of costs and adjustments identified 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 \$201B¹, grew at 7% over last 52 weeks

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



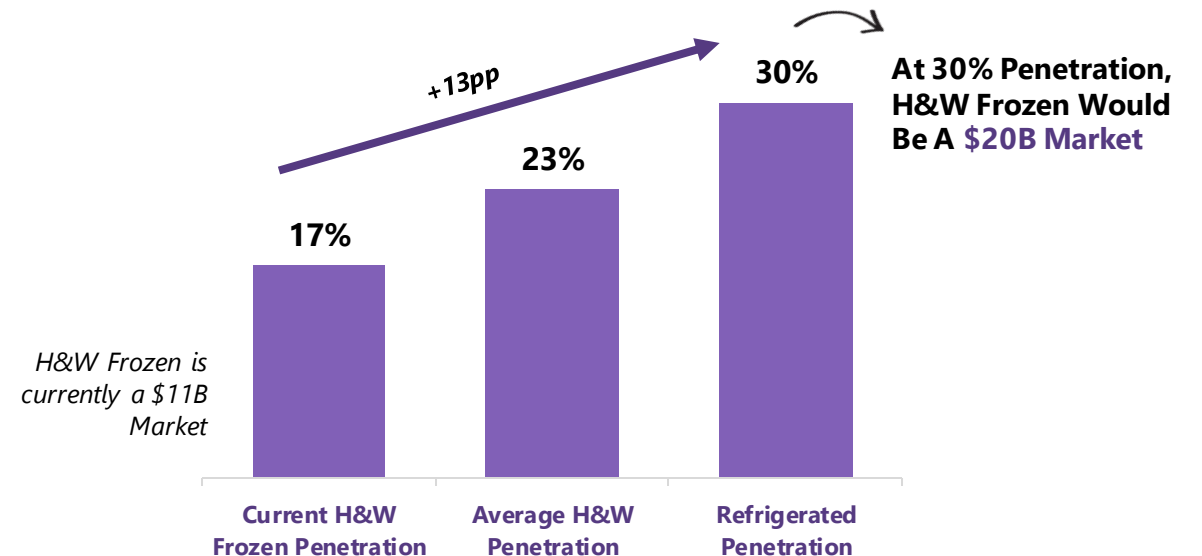
For Perspective...

Gluten Free
Adhere to Diet (US)⁵
1%
Population

Vegan
Adhere to Diet (US)⁶
3%
Population

Strong Category Growth Dynamics

- Over the 52 weeks ending 4/30/23, **Frozen Food category growth accelerated to 10%** while the broader \$201B HWI category grew at an impressive 7% rate
- On average across all departments of the grocery store, **H&W penetration is 23% compared to only ~17% for Frozen**
- RGF needs a 5% share of HWI Frozen or 1% share of Frozen to meet long-term \$500M annual revenue goal

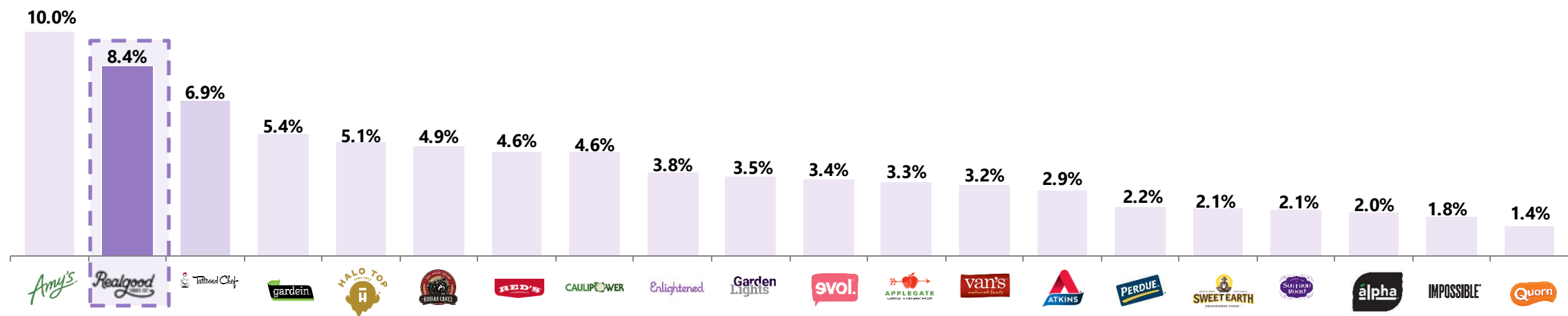


(1) For 52wk period ended 4/30/23 per SPINS. Health & Wellness category consists of specialty and natural products, as defined by SPINS. Total frozen food market excludes frozen and refrigerated meat. (2) For 52wk period ended 4/30/23 per SPINS. Health & Wellness category consists of specialty and natural products, as defined by SPINS. Total frozen food market excludes frozen and refrigerated meats. (3) Includes frozen appetizers & snacks, breakfast entrees, ice cream, meat/poultry/seafood entrees, vegetable entrees, and pizza. (4) CDC. (5) Forbes "The Number of Americans Going Gluten Free has Tripled Since 2009", January 2017. (6) Vegan News, March 2020.

Brand Health Indicators



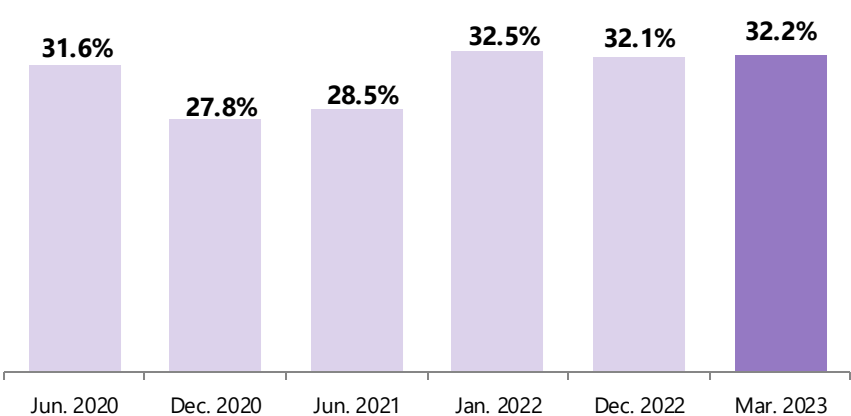
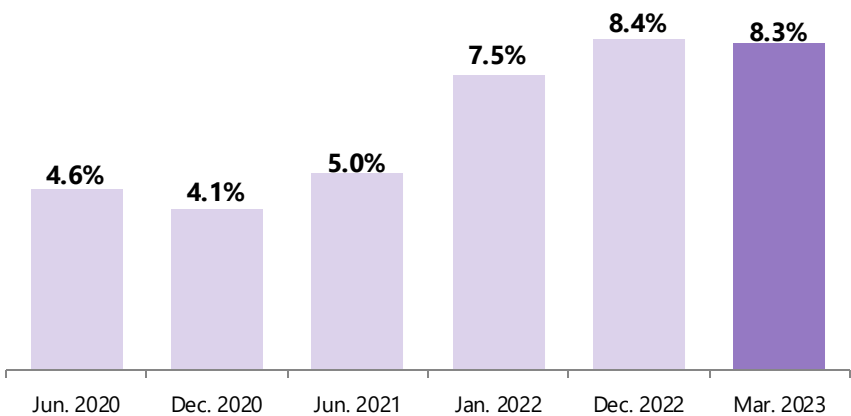
RGF ranks #2 in HHP amongst HWI frozen brands



Household Penetration



Repeat Purchase Rates



Engaged Digital Community Creates Demand



Massive Digital Presence That Drives Sales Within All Channels¹

More Followers Than These BIG Brands Combined

466,000+ Followers



250,000 Combined Followers



1,500,000

500,000

335,000

10,000

2,500

Total Social Media Followers

Total Email Subscribers

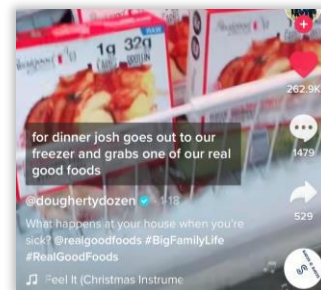
Total SMS Subscribers (90% open rate)

Total Clicks on Website Store Locator Daily

Ambassadors / Influencers (10M Total Reach)

Using A Variety of Standard Tactics...

- 1 Organic Social
- 2 Influencers
- 3 Paid Social
- 4 Email & Text
- 5 Direct Mail



Doughertydozen
4.3M Impressions
1,479 comments

...And Innovative Programs

RGFLABS

An invite-only community where customers can sample and give feedback on NEW products before launched AND receive exclusive merch.

Realgood's VIPS

SUPER Fan Page With Over
20,000 Members

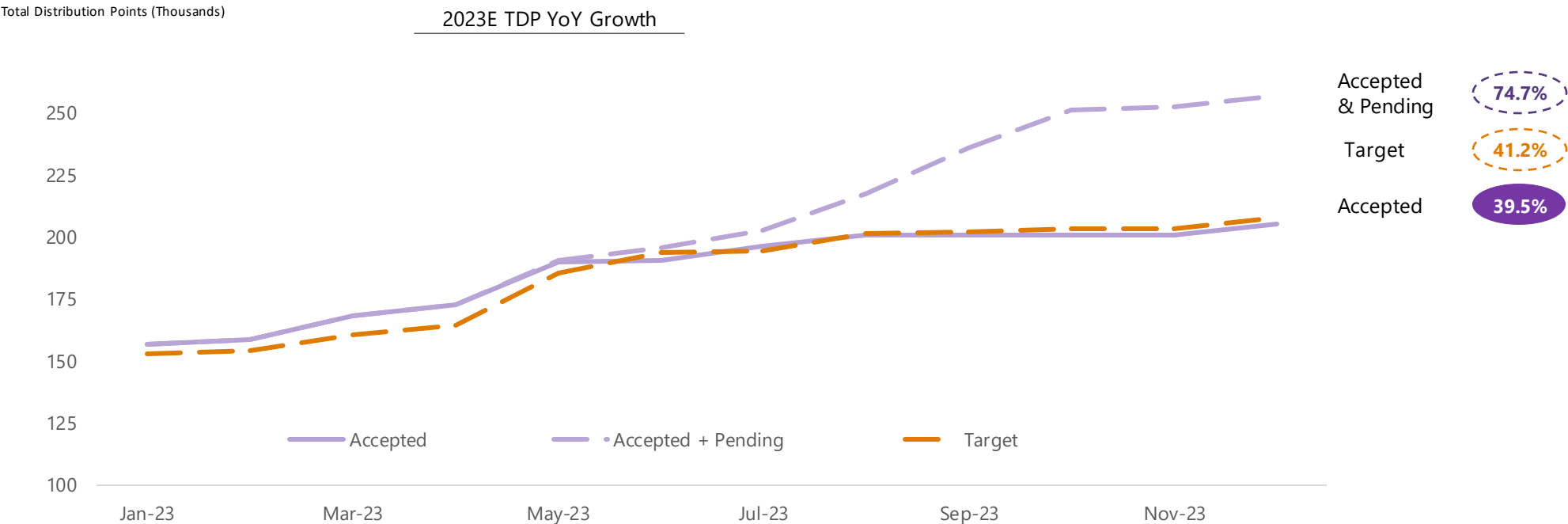
1000+ Posts Every Week
Sharing Recipes, Stories & More

Clear Visibility Into 2023 Sales Growth



On pace to meet measured channel sales target with ~40% TDP growth already authorized

We Are On Track To Meet and Exceed 2023 Distribution Growth Goals



Through 3/31/23 RGF Has CONFIRMED Wins To Achieve...

91%

Of 2023 Net Sales
Target

96%

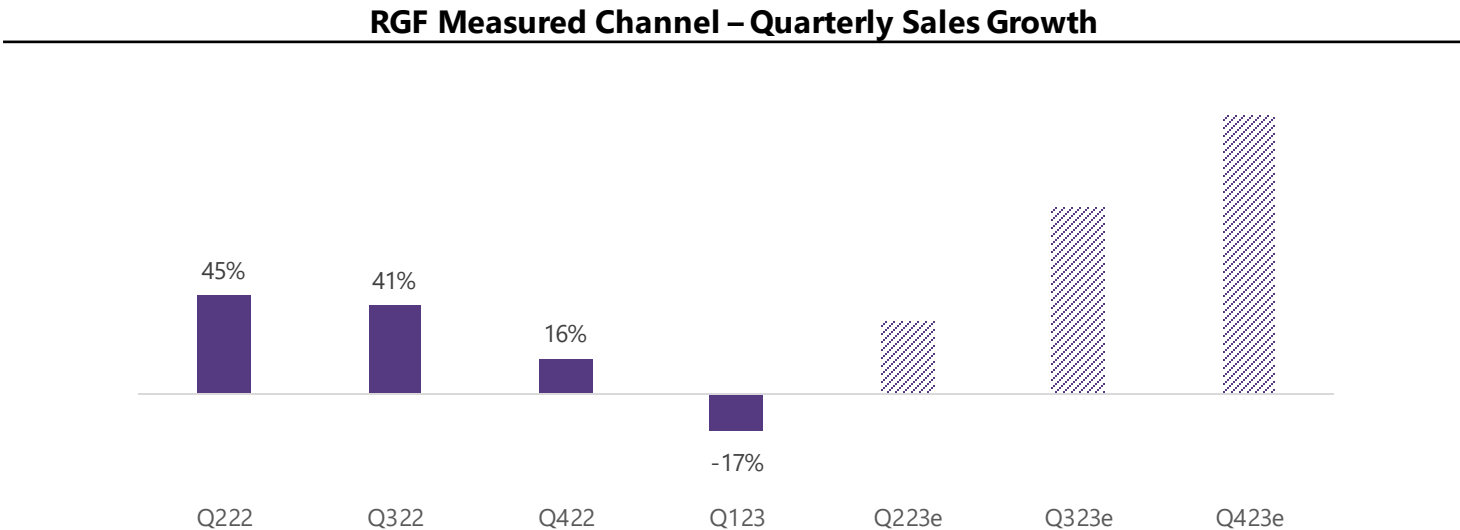
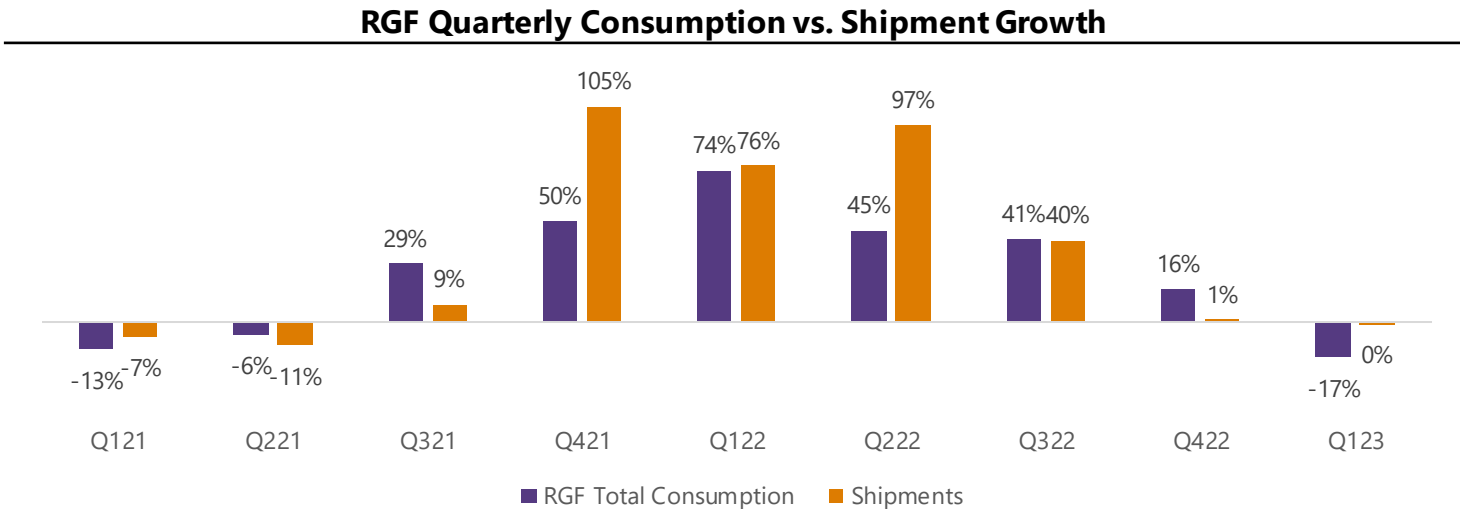
Of Total Points of
Distribution Target

Measured Channel Sales Growth has Inflected



Shipments outpaced consumption in the first quarter of 2023

- Consumption declined in Q123 was driven by tough comparisons (74% growth YAG) that were driven by promotions, a temporary spike in category wide consumption
- Underlying velocities remain strong and increased 8% sequentially vs 4Q22 and trailing 9 month average
- Shipments significantly outpaced consumption in 1Q23, which is a leading indicator to a rebound in consumption growth as new products are yet to show up in syndicated data
- Expect growth to inflect starting in late 2Q and accelerate as year progresses driven by distribution gains and higher velocities from new products



SPINS Data, 4-wk periods adjusted to calendar quarters









Unmeasured Channel – Broadened Footprint



Diversified & broad category presence enables incremental growth & limits downside risk

Realgood[®] offers **8** items across **7** different categories, **2** different temperature states and **3** different consumer usage occasions in the Unmeasured Channel today, which is unprecedented.

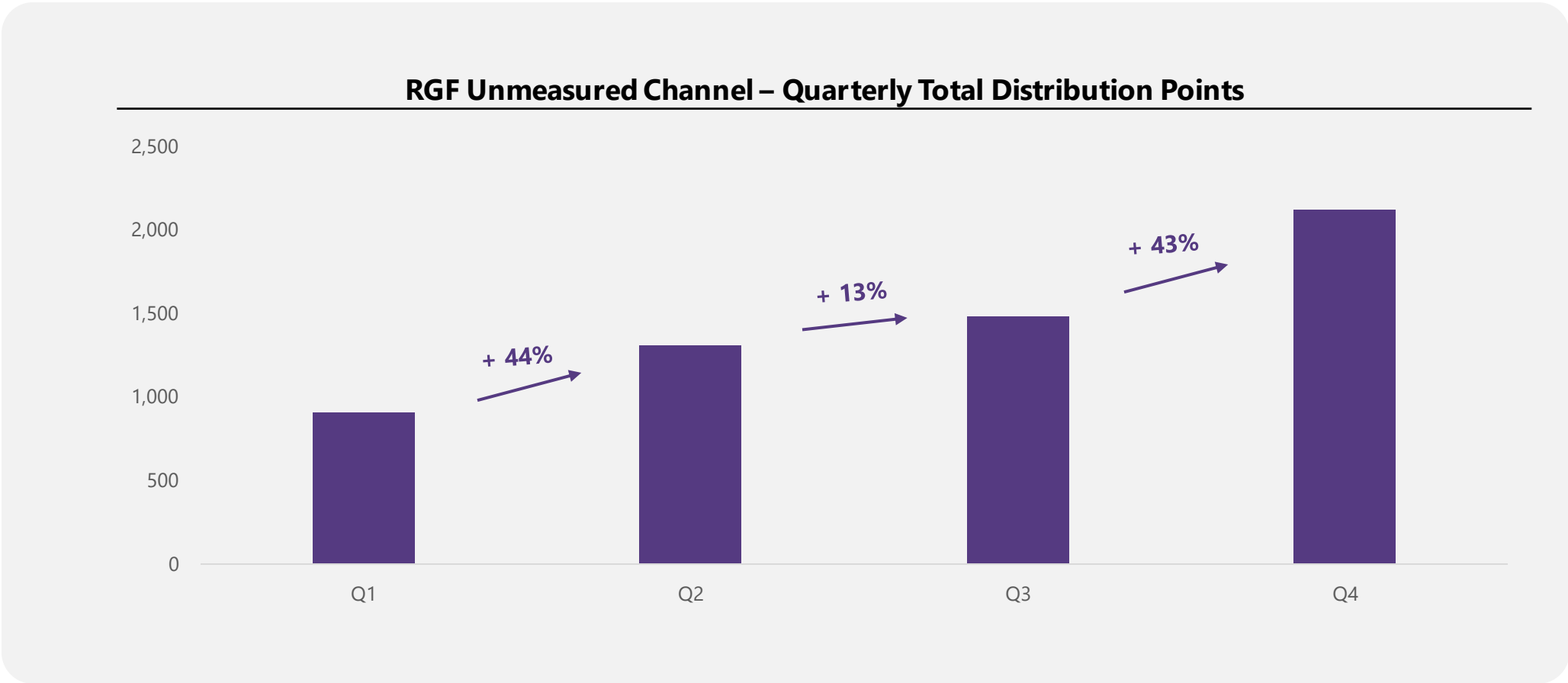
Newly
Authorized
SKUs in
March 2023

| # of SKU | Unmeasured Channel Category | Active Unmeasured Channel SKU |
|----------|-----------------------------|---|
| 1 | Frozen Entrée | Stuffed Chicken Breast  |
| 2 | Frozen Snacks | Bacon Wrapped Jalapenos  |
| 3 | Frozen Mexican Entrée | Enchiladas  |
| 4 | Refrigerated Mexican Entrée | Flautas  |
| 5 | Frozen Poultry | Breaded Chicken Strips  |
| 6 | Frozen Breakfast | Breakfast Flautas  |
| 7 | Frozen Asian Entrée | General Tso's  |
| 8 | Refrigerated Entrée | Burritos  |

Unmeasured Channel – Distribution Growth



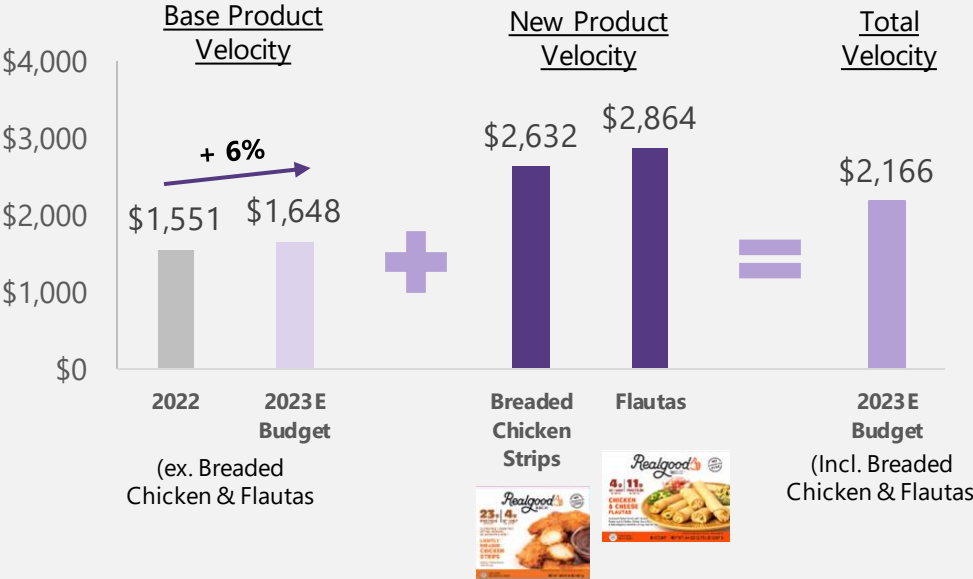
Strong Sequential Growth In Distribution Points Expected Starting in 2Q



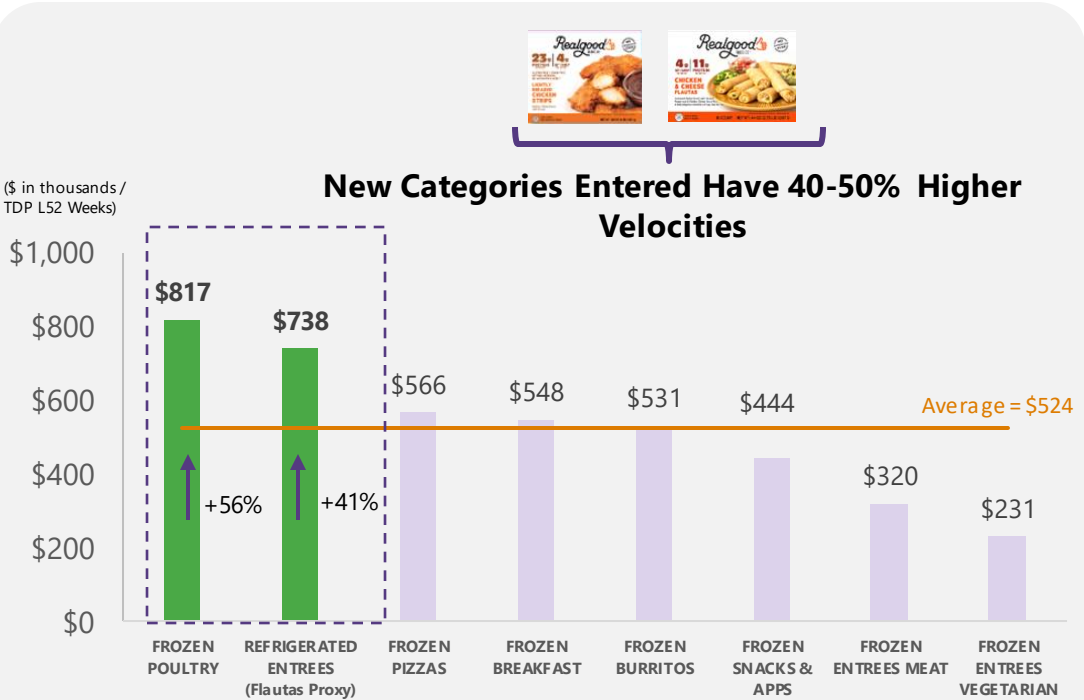
2023 Velocity Increases in the Unmeasured Channel Driven Almost Entirely by Entrance Into Higher Velocity Categories



2023E Gross Sales \$ Per Store Per Week By Product



- Excluding two new, high velocity products, the 2023E Budget implies a conservative YoY grow in velocity of 6%
- Breaded Chicken Strips and Flautas have historically outperformed other SKUs, in RGF and across brands



- 56% Frozen Poultry is significantly stronger in velocity than other frozen categories
- 41% Refrigerated Entrees are also stronger in velocity than most frozen categories

Exceptional New Product Velocities – Breaded Poultry



RGF chicken nuggets #1 H&W frozen meat item at a leading national customer.
Outperforming Perdue and Applegate by a significant margin in velocity.

Because of Velocity, RGF Chicken Rolling out nationally at leading Club Channel & Retail Channel Customer in Q3 2023. Expected ACV at end of 2023 = 40% (7% today).

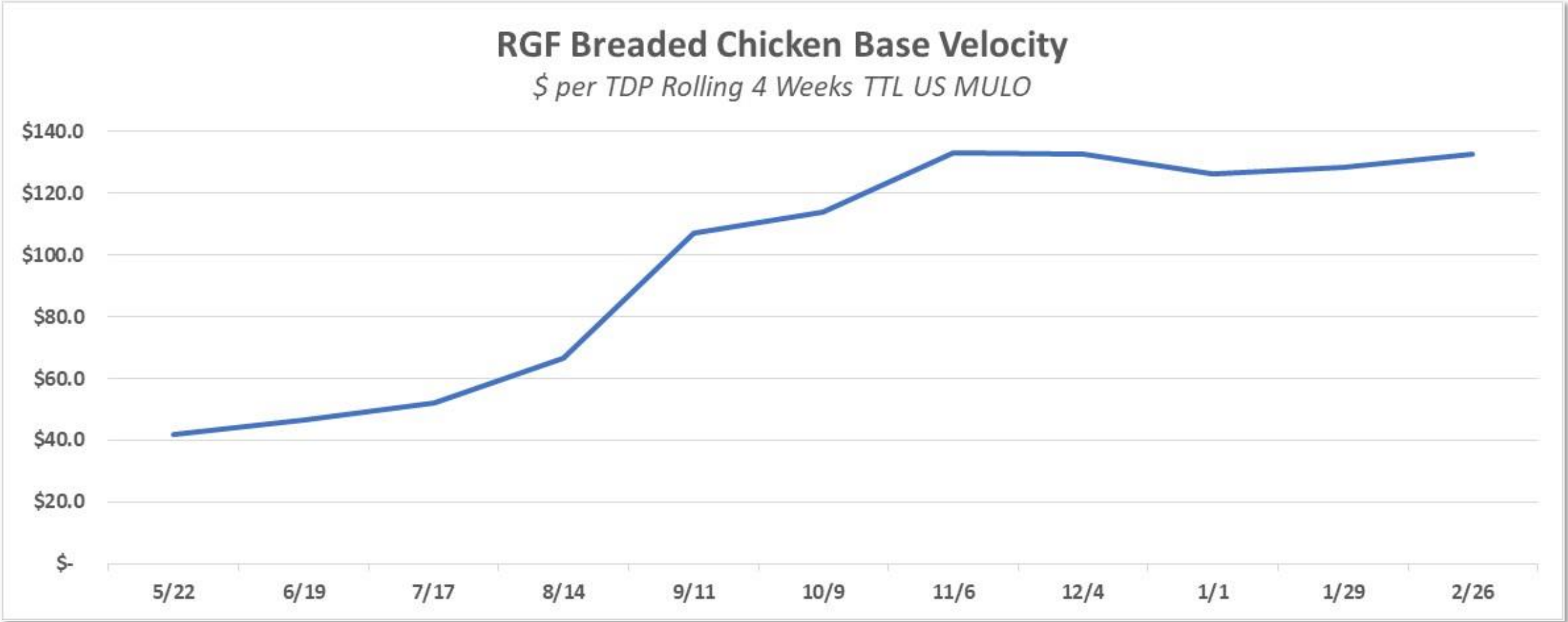
| Rank | Row Labels | | \$s | Max % ACV | \$s/TDP |
|------|---------------------------------|--|--------------|-----------|-----------|
| 1 | REAL GOOD FOODS BREADED POULTRY | | \$ 507,532 | 28 | \$ 18,342 |
| 2 | PERDUE SIMPLY SMART | | \$ 949,832 | 34 | \$ 12,958 |
| 3 | INNOVASIAN CUISINE | | \$ 2,686,795 | 98 | \$ 9,389 |
| 4 | SEAFOOD AMERICA | | \$ 261,913 | 48 | \$ 5,444 |
| 5 | APPLEGATE FARMS | | \$ 2,366,710 | 98 | \$ 5,362 |
| 6 | MARGARITAVILLE | | \$ 408,537 | 58 | \$ 3,742 |
| 7 | CAULIPOWER | | \$ 745,806 | 91 | \$ 3,330 |
| 8 | HOT ONES | | \$ 625,261 | 68 | \$ 2,996 |
| 9 | CJ | | \$ 155,653 | 54 | \$ 2,873 |
| 11 | RAOS HOMEMADE | | \$ 60,442 | 31 | \$ 1,968 |
| 12 | DOCKSIDE CLASSICS | | \$ 32,339 | 17 | \$ 1,880 |
| 13 | MAPLE LEAF FARMS | | \$ 65,045 | 35 | \$ 1,873 |
| 14 | DON LEE FARMS | | \$ 100,532 | 63 | \$ 1,603 |



Velocities Growing Weekly Without Promotions



Breaded chicken seeing strong repeat rates with velocities 5-10x our core portfolio



Source: SPINS Ending 2/26 Rolling 4 weeks Real Good Foods Breaded Chicken

Significantly Dist. Expansion & Improved Placement



Upcoming Expansion At Large Mass Retailer In June

- Secured national and full distribution of 2 SKU's at large national mass retailers
- Placement is a step-function change w move to conventional poultry freezer door at eye level
- New door has 6x velocities compared to current placement
- Only other brand in this door is leading national brand, Tyson who sells an average of \$290 per store per week (compared to \$100 per store per week currently for RGF)
- RGF's price per unit is 20-30% premium to leading brand but is significantly lower on per unit basis owing to smaller pack size

Current State – 1 SKU Top Shelf in Specialty Protein Door



Future State – 2 SKUs (2-4 Facings depending on Plan-O-Gram) Eye Level Shelf in Conventional Poultry Door



Exceptional New Product Velocities - Asian



RGF Asian 18oz Entrees #2 Brand in MS Entrée Velocity (Conventional and HWI) at a leading national customer. Expanding to 3,000 Stores at this National Customer in June.

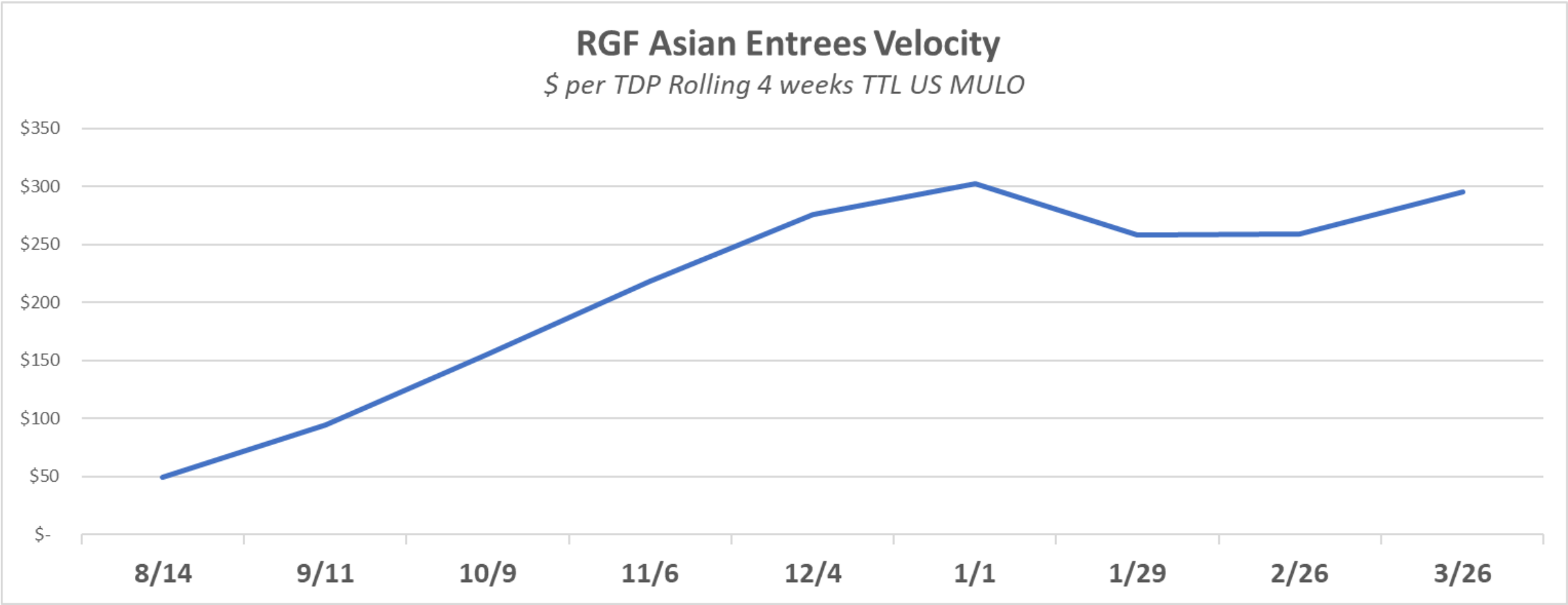
| Rank | Frozen Entrée Brands | Average of Dollars/TDP |
|------|------------------------|------------------------|
| 1 | INNOVASIAN CUISINE | \$37,556 |
| 2 | REAL GOOD FOODS | \$34,321 |
| 3 | BERTOLLI | \$34,313 |
| 4 | EL MONTEREY | \$32,436 |
| 5 | MICHELINAS | \$31,966 |
| 6 | PF CHANGS | \$29,930 |
| 7 | BANQUET | \$29,817 |
| 8 | HEALTHY CHOICE | \$27,101 |
| 9 | BIRDS EYE | \$26,227 |
| 10 | LEAN CUISINE | \$22,384 |
| 11 | AMYS KITCHEN | \$19,538 |
| 12 | CHEF BOMBAY | \$16,341 |
| 13 | HEALTHY CHOICE | \$15,815 |
| 14 | MICHAEL ANGELOS | \$15,776 |
| 15 | UDIS | \$14,529 |



Velocities Growing Weekly Without Promotions



Asian 18oz MS Entrees Velocities are 2x Higher than Legacy RGF Entrees



Source: SPINS Ending 3/29 Rolling 4 weeks Real Good Foods Asian Entrees

2023 & LT Guidance



| | FY 2023 | Long Term |
|--|---------------------------------------|----------------|
| Net Sales | At least \$200 million ~40% growth | ~\$500 million |
| Adjusted Gross Margin ⁽¹⁾ | At least 24% | 35% |
| Adjusted EBITDA / EBITDA Margin ⁽²⁾ | Mid to High Single Digit \$M | 15% |

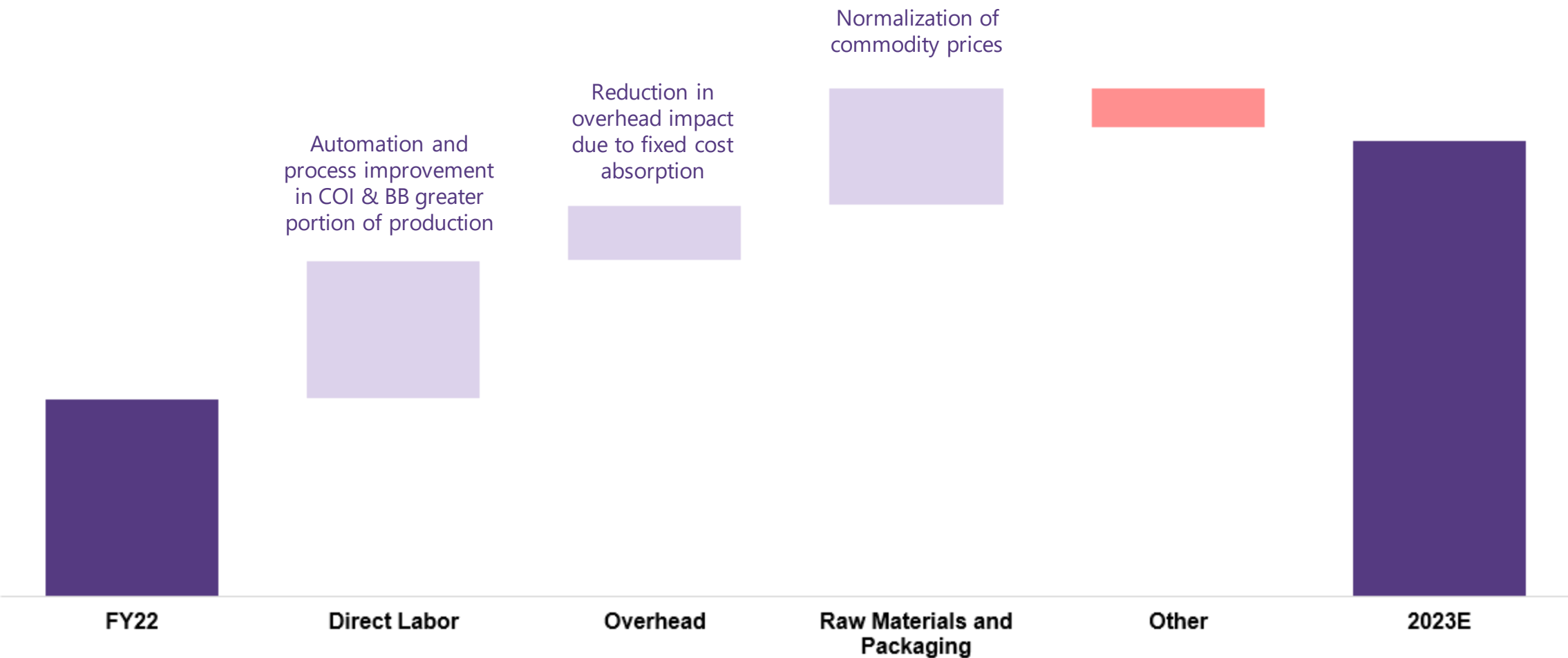
1)

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

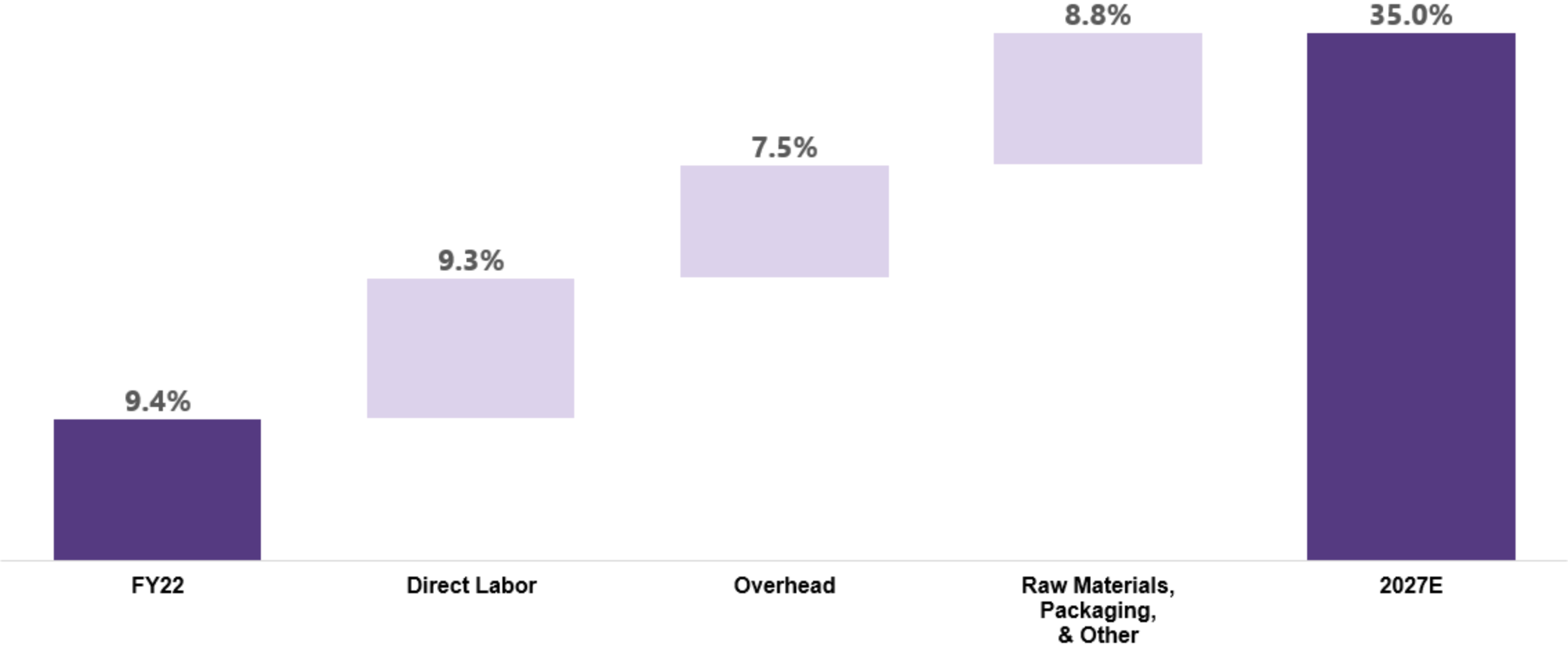
2023 Gross Margin Bridge



Significant Opportunity for Gross Margin Expansion



Planned labor, overhead and materials cost improvements to accelerate profitability





Real Food You Feel *Good* About Eating

Investor Relations

Akshay Jagdale

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www.realgoodfoods.com

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.

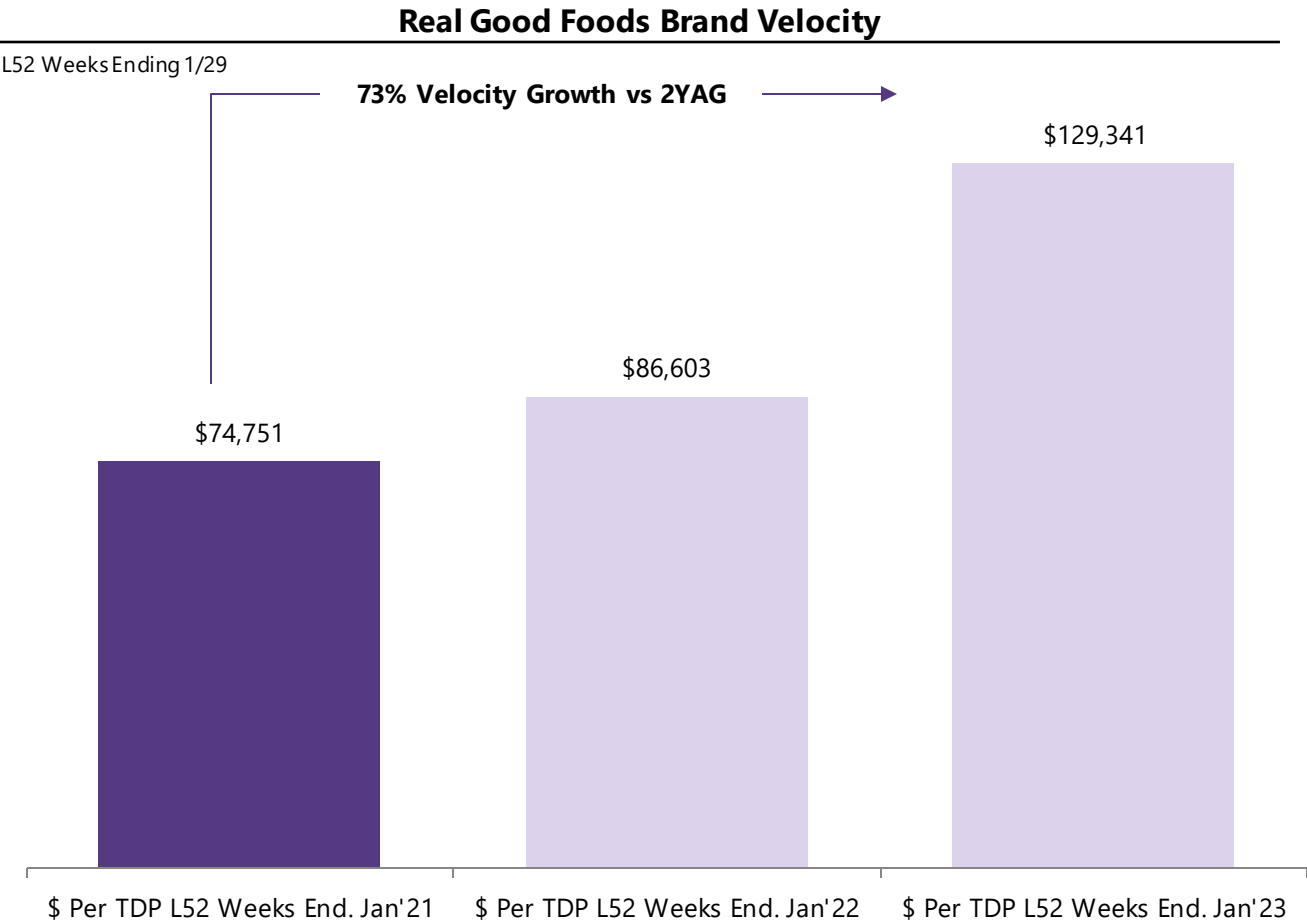
| 3 months ended March 31 | | | 3 months ended March 31 | | |
|---|------------------|------------------|---|----------------|----------------|
| (US \$ in thousands - unaudited) | 2023 | 2022 | (US \$ in thousands - unaudited) | 2023 | 2022 |
| Net Loss | \$(13,677) | \$(9,557) | Gross Profit | \$4,988 | \$4,247 |
| Depreciation and amortization | 1,591 | 400 | Start-up and idle capacity costs ⁽⁶⁾ | 4,985 | 1,310 |
| Provision for income tax | - | - | Costs related to the COVID-19 pandemic ⁽⁷⁾ | 0 | 900 |
| Interest expense | 3,282 | 890 | | | |
| Other Income | (348) | - | | | |
| Start-up and idle capacity costs ⁽¹⁾ | 4,985 | 1,310 | | | |
| Costs related to the COVID-19 pandemic ⁽²⁾ | - | 900 | | | |
| Share-based compensation ⁽³⁾ | 1,943 | 1,698 | | | |
| Other ⁽⁴⁾ | 1,043 | 25 | | | |
| Bolingbrook start-up admin. costs ⁽⁵⁾ | - | 1,017 | | | |
| Adjusted EBITDA | \$(1,181) | \$(3,317) | Adjusted Gross Profit | \$9,973 | \$6,457 |
| Adjusted EBITDA Margin | (4.0)% | (8.8)% | Adjusted Gross Profit Margin | 33.5% | 17.2% |

(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 share-based compensation expense. (4) Represents other non-recurring administrative costs incurred during the period. (5) Represents administrative costs incurred in connection with start-up of the new Bolingbrook Facility. (6) 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. (7) Represents direct costs incurred in connection with the COVID-19 pandemic, including freight rush charges, labor costs, tolling upcharges, and storage.

2022 Measured Channel Velocity Growth Was Significant vs. YAG & 2YAG

RGF velocities in 2022 stronger than YAG as Core Products Delivering on Shelf at Key Retailers





RGF Nutritious Chicken Tenders: Grain Free, Low Carb & High Protein



- ❖ 14g carbs
- ❖ 11g Protein
- ❖ Processed Grains



- ❖ 14g carbs
- ❖ 11g Protein
- ❖ Processed Grains



- ❖ 14g carbs
- ❖ 10g Protein
- ❖ Processed Grains

RGF Nutritious Orange Chicken: Low Sugar, Low Carb & High Protein

Realgood
FOODS CO.®



Options today are **LOADED**
with Sugar and Carbs ~
InnovAsian has more sugar
than a Snickers bar!



- ❖ 47g carbs
- ❖ 21g Sugar
- ❖ Processed Grains



- ❖ 42g carbs
- ❖ 20g Sugar
- ❖ Processed Grains

NEW Low Carb Enchiladas with Flour Tortilla



36g carbs
14g protein



56g carbs
18g
Protein

Texture of traditional tortilla with 80% Less Carbs

Delicious and nutritious—These enchiladas will out-cut any traditional frozen enchilada on shelf today

Other Burrito Nutrition Virtually Identical



8g Carbs

25g+ Protein

**Whole muscle,
Chicken Chunks &
Queso Filling**



37g Carbs

9g Protein

**Mushy,
Processed
Filling**



47g Carbs

16g Protein

**Mushy,
Processed
Filling**



47g Carbs

12g Protein

**Mushy,
Processed
Filling**

RGF Nutritious Asian Entrée Bowls: Low Sugar, Grain Free, Low Carb & High Protein



- ❖ 54g carbs
- ❖ 9g Sugar
- ❖ Processed Grains



- ❖ 76g carbs
- ❖ 19g Sugar
- ❖ Processed Grains



- ❖ 62g carbs
- ❖ 23g Sugar
- ❖ Processed Grains