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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 OR 15(d) of The**  
**Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 6, 2023



**BellRing Brands, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation)

**001-39093**  
(Commission File Number)

**87-3296749**  
(IRS Employer Identification No.)

**2503 S. Hanley Road**  
(Address of Principal Executive Offices)

**St. Louis**

**Missouri**

**63144**  
(Zip Code)

Registrant's telephone number, including area code: **(314) 644-7600**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value per share	BRBR	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of

the Exchange Act.

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**Item 2.02. Results of Operation and Financial Condition.**

On February 6, 2023, BellRing Brands, Inc. (the "Company") issued a press release announcing results for its first fiscal quarter ended December 31, 2022. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

In addition, on February 6, 2023, the Company published to the "Investor Relations" section of its website, [www.bellringbrands.com](http://www.bellringbrands.com), a supplemental presentation related to results for its first fiscal quarter ended December 31, 2022. A copy of the presentation is attached hereto as Exhibit 99.2 and incorporated herein by reference.

The information contained in Item 2.02, including Exhibit 99.1 and Exhibit 99.2 attached hereto, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, nor shall they be deemed incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press Release dated February 6, 2023</a>
99.2	<a href="#">First Fiscal Quarter Ended December 31, 2022 Supplemental Presentation</a>
104	Cover Page Interactive Data File (the cover page iXBRL tags are embedded within the Inline XBRL document)

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: February 6, 2023

**BellRing Brands, Inc.**

(Registrant)

By:	<u>/s/ Paul A. Rode</u>
Name:	Paul A. Rode
Title:	Chief Financial Officer



## BellRing Brands Reports Results for the First Quarter of Fiscal Year 2023; Raises Certain Fiscal Year 2023 Outlook

St. Louis - February 6, 2023 - BellRing Brands, Inc. (NYSE:BRBR) ("BellRing"), a holding company operating in the global convenient nutrition category, today reported results for the first fiscal quarter ended December 31, 2022.

### Highlights:

- **First quarter net sales of \$362.7 million**
- **Operating profit of \$75.2 million; net earnings available to common stockholders of \$44.2 million and Adjusted EBITDA of \$84.9 million**
- **Affirmed fiscal year 2023 net sales guidance of between \$1.56-\$1.64 billion; raises Adjusted EBITDA (non-GAAP)\* guidance to \$306-\$325 million**
- **Post Holdings completes its exit of BellRing ownership**

\*BellRing provides Adjusted EBITDA guidance only on a non-GAAP basis and does not provide a reconciliation of its forward-looking Adjusted EBITDA non-GAAP guidance measure to the most directly comparable GAAP measure due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including the adjustments described under "Outlook" below.

"We are pleased with our strong first quarter performance, which came in ahead of our expectations. Our shake production came in slightly higher than we forecasted, improving both internal and customer trade inventory levels and driving *Premier Protein* volumes back to growth. *Premier Protein* and *Dymatize* saw healthy retail consumption growth in the quarter, which has continued into January," said Darcy H. Davenport, President and Chief Executive Officer of BellRing. "The convenient nutrition category continues to show momentum. Our new capacity expansions remain on track. Our brands are resonating with consumers and our first quarter results give us greater confidence in our full year outlook and long-term prospects."

Dollar consumption of *Premier Protein* ready-to-drink ("RTD") shakes and *Dymatize* United States ("U.S.") powder products increased 15.1% and 29.9%, respectively, in the 13-week period ended January 1, 2023, as compared to the same period in 2022 (inclusive of IRI Multi Outlet including Convenience and management estimates of untracked channels).

### First Quarter Operating Results

Net sales were \$362.7 million, an increase of 18.3%, or \$56.2 million, compared to the prior year period, driven by 15.4% improvement in price/mix and 2.9% increase in volume.

*Premier Protein* net sales increased 22.9%, driven by 18.0% improvement in price and 4.9% increase in volume. *Premier Protein* RTD shake net sales increased 21.8%, driven by 16.7% improvement in price and 5.1% increase in volume. Net sales benefited from higher average net selling prices driven by price increases to offset significant cost inflation. Higher RTD shake production, along with RTD category growth, drove underlying net sales growth. Partially offsetting this volume growth was the lapping of temporarily discontinued flavors.

*Dymatize* net sales increased 2.5%, driven by 21.5% improvement in price/mix, which was partially offset by 19.0% decrease in volume. Price/mix benefited from higher average net selling prices (driven by price increases to offset significant cost inflation) and favorable product mix, which was partially offset by increased promotional spending. Volume contraction was driven by lapping discontinued products and shifts in quarterly shipment timing within the international and specialty channels. These declines were partially offset by volume growth driven by new product distribution gains and promotional activities.

Gross profit was \$121.8 million, or 33.6% of net sales, an increase of 32.0%, or \$29.5 million, compared to \$92.3 million, or 30.1% of net sales, in the prior year period. The higher gross profit margin was driven by improved pricing that offset significant cost inflation, \$3.8 million of production attainment fees received in the current year period from shake contract manufacturers and lapping logistics inefficiencies in the prior year period (resulting from capacity constraints).

Selling, general and administrative (“SG&A”) expenses were \$41.7 million, or 11.5% of net sales, an increase of \$4.9 million compared to \$36.8 million, or 12.0% of net sales, in the prior year period. SG&A expenses included \$0.3 million and \$2.0 million in the first quarter of 2023 and 2022, respectively, of costs incurred in connection with BellRing’s separation from Post Holdings, Inc. (“Post”), which were treated as adjustments for non-GAAP measures.

Operating profit was \$75.2 million, an increase of 48.6%, or \$24.6 million, compared to \$50.6 million in the prior year period.

Net earnings available to common stockholders were \$44.2 million, an increase of 439.0%, or \$36.0 million, compared to \$8.2 million in the prior year period. Net earnings available to common stockholders in the prior year period excluded \$31.1 million of net earnings attributable to the Company’s redeemable noncontrolling interest (“NCI”). Net earnings per diluted share of common stock were \$0.33, compared to \$0.21 in the prior year period. Adjusted net earnings available to common stockholders were \$44.9 million, or \$0.33 per diluted share of common stock, compared to \$10.1 million, or \$0.26 per diluted share of common stock, in the prior year period.

Adjusted EBITDA was \$84.9 million, an increase of 42.0%, or \$25.1 million, compared to \$59.8 million in the prior year period. Adjusted EBITDA in the prior year period included an adjustment for the portion of BellRing Brands, LLC’s (“BellRing LLC”) consolidated net earnings which was allocated to NCI in the period prior to Post’s distribution to its shareholders of 80.1% of Post’s interest in BellRing (the “Distribution” and, together with the transactions related thereto, the “Spin-off”), resulting in the calculation of Adjusted EBITDA including 100% of BellRing.

#### **Interest and Income Tax**

Interest expense, net was \$16.7 million in the first quarter of 2023, compared to \$8.4 million in the first quarter of 2022. The increase was primarily driven by increases in the aggregate principal amount of debt outstanding and the weighted-average interest rate, both of which resulted from the Spin-off transactions.

Income tax expense was \$14.3 million in the first quarter of 2023, an effective income tax rate of 24.4%, compared to \$2.9 million in the first quarter of 2022, an effective income tax rate of 6.9%. In the three months ended December 31, 2022, the increase in the effective income tax rate when compared to the prior year period was driven primarily by inclusion of 100% of the items of income, gain, loss and deduction of BellRing LLC in the period subsequent to the Spin-off. In the three months ended December 31, 2021, the effective income tax rate differed significantly from the statutory rate as a result of taking into account for U.S. federal, state and local income tax purposes its distributive share of the items of income, gain, loss and deduction of BellRing LLC in the period prior to the Spin-off.

#### **Share Repurchases**

During the first quarter of 2023, BellRing repurchased 1.8 million shares for \$41.2 million at an average price of \$23.33 per share, 0.9 million of which were repurchased in November in connection with a secondary offering of shares previously held by Post. As of December 31, 2022, BellRing had \$28.9 million remaining under its share repurchase authorization.

#### **Post Completes Exit of BellRing Ownership**

On November 25, 2022, Post transferred all of its remaining shares of BellRing common stock to certain financial institutions in satisfaction of certain indebtedness of Post. As a result, Post no longer owns any shares of BellRing’s common stock.

#### **Basis of Presentation**

On March 10, 2022, Post’s distribution to its shareholders of 80.1% of its interest in BellRing was completed. From October 21, 2019 through March 10, 2022, BellRing allocated a portion of the consolidated net earnings of BellRing LLC to its redeemable NCI, reflecting the entitlement of Post to a portion of the consolidated net earnings. Subsequent to the Spin-off, any remaining ownership of BellRing by Post no longer represented an NCI to BellRing LLC.

#### **Outlook**

For fiscal year 2023, BellRing management continues to expect net sales to range between \$1.56-\$1.64 billion and has raised its Adjusted EBITDA outlook to range between \$306-\$325 million (resulting in net sales and Adjusted EBITDA growth of 14%-20% and 13%-20%, respectively, over fiscal year 2022). BellRing management expects fiscal year 2023 capital expenditures of approximately \$4 million.

BellRing provides Adjusted EBITDA guidance only on a non-GAAP basis and does not provide a reconciliation of its forward-looking Adjusted EBITDA non-GAAP guidance measure to the most directly comparable GAAP measure due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that

could be made for separation costs and other charges reflected in BellRing's reconciliation of historical numbers, the amounts of which, based on historical experience, could be significant. For additional information regarding BellRing's non-GAAP measures, see the related explanations presented under "Use of Non-GAAP Measures."

#### **Use of Non-GAAP Measures**

BellRing uses certain non-GAAP measures in this release to supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP measures include Adjusted net earnings available to common stockholders, Adjusted diluted earnings per share of common stock and Adjusted EBITDA. The reconciliation of each of these non-GAAP measures to the most directly comparable GAAP measure is provided later in this release under "Explanation and Reconciliation of Non-GAAP Measures."

Management uses certain of these non-GAAP measures, including Adjusted EBITDA, as key metrics in the evaluation of underlying company performance, in making financial, operating and planning decisions and, in part, in the determination of bonuses for its executive officers and employees. Additionally, BellRing is required to comply with certain covenants and limitations that are based on variations of EBITDA in its financing documents. Management believes the use of these non-GAAP measures provides increased transparency and assists investors in understanding the underlying operating performance of BellRing and in the analysis of ongoing operating trends. Non-GAAP measures are not prepared in accordance with GAAP, as they exclude certain items as described later in this release. These non-GAAP measures may not be comparable to similarly titled measures of other companies. For additional information regarding BellRing's non-GAAP measures, see the related explanations provided under "Explanation and Reconciliation of Non-GAAP Measures" later in this release.

#### **Conference Call to Discuss Earnings Results and Outlook**

BellRing will host a conference call on Tuesday, February 7, 2023 at 9:00 a.m. EST to discuss financial results for the first quarter of fiscal year 2023 and fiscal year 2023 outlook and to respond to questions. Darcy H. Davenport, President and Chief Executive Officer, and Paul A. Rode, Chief Financial Officer, will participate in the call.

Interested parties may join the conference call by dialing (800) 245-3047 in the United States and (203) 518-9783 from outside of the United States. The conference identification number is BRBRQ123. Interested parties are invited to listen to the webcast of the conference call, which can be accessed by visiting the Investor Relations section of BellRing's website at [www.bellring.com](http://www.bellring.com). A slide presentation containing supplemental material will also be available at the same location on BellRing's website.

A replay of the conference call will be available through Tuesday, February 14, 2023 by dialing (800) 695-0671 in the United States and (402) 220-1397 from outside of the United States. A webcast replay also will be available for a limited period on BellRing's website in the Investor Relations section.

#### **Prospective Financial Information**

Prospective financial information is necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the prospective financial information described above will not materialize or will vary significantly from actual results. For further discussion of some of the factors that may cause actual results to vary materially from the information provided above, see "Forward-Looking Statements" below. Accordingly, the prospective financial information provided above is only an estimate of what BellRing's management believes is realizable as of the date of this release. It also should be recognized that the reliability of any forecasted financial data diminishes the farther in the future that the data is forecasted. In light of the foregoing, the information should be viewed in context and undue reliance should not be placed upon it.

#### **Forward-Looking Statements**

Certain matters discussed in this release and on BellRing's conference call are forward-looking statements, including BellRing's net sales and Adjusted EBITDA and capital expenditures outlook for fiscal year 2023. These forward-looking statements are sometimes identified from the use of forward-looking words such as "believe," "should," "could," "potential," "continue," "expect," "project," "estimate," "predict," "anticipate," "aim," "intend," "plan," "forecast," "target," "is likely," "will," "can," "may" or "would" or the negative of these terms or similar expressions, and include all statements regarding future performance, earnings projections, events or developments. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements made herein. These risks and uncertainties include, but are not limited to, the following:

- BellRing's dependence on sales from its RTD protein shakes;
- BellRing's ability to continue to compete in its product categories and its ability to retain its market position and favorable perceptions of its brands;

- disruptions or inefficiencies in BellRing's supply chain, including as a result of BellRing's reliance on third party suppliers or manufacturers for the manufacturing of many of its products, pandemics (including the COVID-19 pandemic) and other outbreaks of contagious diseases, labor shortages, fires and evacuations related thereto, changes in weather conditions, natural disasters, agricultural diseases and pests and other events beyond BellRing's control;
- BellRing's dependence on a limited number of third party contract manufacturers for the manufacturing of most of its products, including one manufacturer for the majority of its RTD protein shakes;
- the ability of BellRing's third party contract manufacturers to produce an amount of BellRing's products that enables BellRing to meet customer and consumer demand for the products;
- BellRing's reliance on a limited number of third party suppliers to provide certain ingredients and packaging;
- significant volatility in the cost or availability of inputs to BellRing's business (including freight, raw materials, packaging, energy, labor and other supplies);
- the impact of the COVID-19 pandemic, including negative impacts on the global economy and capital markets, the health of BellRing's employees, BellRing's ability and the ability of its third party contract manufacturers to manufacture and deliver its products, operating costs, demand for its on-the-go products and its operations generally;
- BellRing's ability to anticipate and respond to changes in consumer and customer preferences and behaviors and introduce new products;
- consolidation in BellRing's distribution channels;
- BellRing's ability to expand existing market penetration and enter into new markets;
- the loss of, a significant reduction of purchases by or the bankruptcy of a major customer;
- legal and regulatory factors, such as compliance with existing laws and regulations, as well as new laws and regulations and changes to existing laws and regulations and interpretations thereof, affecting BellRing's business, including current and future laws and regulations regarding food safety, advertising, labeling, tax matters and environmental matters;
- fluctuations in BellRing's business due to changes in its promotional activities and seasonality;
- BellRing's ability to maintain the net selling prices of its products and manage promotional activities with respect to its products;
- BellRing's leverage, its ability to obtain additional financing (including both secured and unsecured debt) and its ability to service its outstanding debt (including covenants that restrict the operation of its business);
- the accuracy of BellRing's market data and attributes and related information;
- changes in estimates in critical accounting judgments;
- uncertain or unfavorable economic conditions that limit customer and consumer demand for BellRing's products or increase its costs;
- risks related to BellRing's ongoing relationship with Post following BellRing's separation from Post and the Spin-off, including BellRing's obligations under various agreements with Post;
- conflicting interests or the appearance of conflicting interests resulting from certain of BellRing's directors also serving as officers or directors of Post;
- risks related to the previously completed Spin-off, including BellRing's inability to take certain actions because such actions could jeopardize the tax-free status of the Distribution and BellRing's possible responsibility for U.S. federal tax liabilities related to the Distribution;
- the ultimate impact litigation or other regulatory matters may have on BellRing;
- risks associated with BellRing's international business;
- BellRing's ability to protect its intellectual property and other assets and to continue to use third party intellectual property subject to intellectual property licenses;
- costs, business disruptions and reputational damage associated with information technology failures, cybersecurity incidents and/or information security breaches;
- impairment in the carrying value of goodwill or other intangibles;
- BellRing's ability to identify, complete and integrate or otherwise effectively execute acquisitions or other strategic transactions and effectively manage its growth;
- BellRing's ability to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002;
- significant differences in BellRing's actual operating results from any guidance BellRing may give regarding its performance;
- BellRing's ability to hire and retain talented personnel, employee absenteeism, labor strikes, work stoppages or unionization efforts; and
- other risks and uncertainties described in BellRing's filings with the Securities and Exchange Commission.

These forward-looking statements represent BellRing's judgment as of the date of this release. BellRing disclaims, however, any intent or obligation to update these forward-looking statements.

**About BellRing Brands, Inc.**

BellRing Brands, Inc. is a rapidly growing leader in the global convenient nutrition category offering ready-to-drink shake and powder protein products. Its primary brands, *Premier Protein*<sup>®</sup> and *Dymatize*<sup>®</sup>, appeal to a broad range of consumers and are distributed across a diverse network of channels including club, food, drug, mass, eCommerce, specialty and convenience. BellRing's commitment to consumers is to strive to make highly effective products that deliver best-in-class nutritionals and superior taste. For more information, visit [www.bellring.com](http://www.bellring.com).

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**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**  
(in millions, except for per share data)

	Three Months Ended December 31,			
	2022		2021	
<b>Net Sales</b>	\$	362.7	\$	306.5
Cost of goods sold		240.9		214.2
<b>Gross Profit</b>		121.8		92.3
Selling, general and administrative expenses		41.7		36.8
Amortization of intangible assets		4.9		4.9
<b>Operating Profit</b>		75.2		50.6
Interest expense, net		16.7		8.4
<b>Earnings before Income Taxes</b>		58.5		42.2
Income tax expense		14.3		2.9
<b>Net Earnings Including Redeemable Noncontrolling Interest</b>		44.2		39.3
Less: Net earnings attributable to redeemable noncontrolling interest		—		31.1
<b>Net Earnings Available to Common Stockholders</b>	\$	44.2	\$	8.2
<b>Earnings per share of Common Stock:</b>				
Basic	\$	0.33	\$	0.21
Diluted	\$	0.33	\$	0.21
<b>Weighted-Average shares of Common Stock Outstanding:</b>				
Basic		134.9		39.4
Diluted		135.1		39.6

**CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)**  
(in millions)

	December 31, 2022	September 30, 2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 43.9	\$ 35.8
Receivables, net	182.0	173.3
Inventories	212.7	199.8
Prepaid expenses and other current assets	15.4	12.4
<b>Total Current Assets</b>	<b>454.0</b>	<b>421.3</b>
Property, net	8.5	8.0
Goodwill	65.9	65.9
Intangible assets, net	198.5	203.3
Other assets	8.1	8.7
<b>Total Assets</b>	<b>\$ 735.0</b>	<b>\$ 707.2</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 94.4	\$ 93.8
Other current liabilities	54.7	49.7
<b>Total Current Liabilities</b>	<b>149.1</b>	<b>143.5</b>
Long-term debt	944.8	929.5
Deferred income taxes	3.6	2.2
Other liabilities	7.8	8.2
<b>Total Liabilities</b>	<b>1,105.3</b>	<b>1,083.4</b>
<b>Stockholders' Deficit</b>		
Common stock	1.4	1.4
Additional paid-in capital	8.4	7.0
Accumulated deficit	(311.4)	(355.6)
Accumulated other comprehensive loss	(2.8)	(4.3)
Treasury stock, at cost	(65.9)	(24.7)
<b>Total Stockholders' Deficit</b>	<b>(370.3)</b>	<b>(376.2)</b>
<b>Total Liabilities and Stockholders' Deficit</b>	<b>\$ 735.0</b>	<b>\$ 707.2</b>

**SELECTED CONDENSED CONSOLIDATED CASH FLOWS INFORMATION (Unaudited)**  
(in millions)

	Three Months Ended December 31,	
	2022	2021
<b>Cash provided by (used in):</b>		
Operating activities	\$ 36.3	\$ (9.1)
Investing activities	(0.3)	(0.6)
Financing activities	(28.4)	(112.5)
Effect of exchange rate changes on cash and cash equivalents	0.5	—
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>\$ 8.1</b>	<b>\$ (122.2)</b>

## EXPLANATION AND RECONCILIATION OF NON-GAAP MEASURES

BellRing uses certain non-GAAP measures in this release to supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP measures include Adjusted net earnings available to common stockholders, Adjusted diluted earnings per share of common stock and Adjusted EBITDA. The reconciliation of each of these non-GAAP measures to the most directly comparable GAAP measure is provided in the tables following this section. Non-GAAP measures are not prepared in accordance with GAAP, as they exclude certain items as described below. These non-GAAP measures may not be comparable to similarly titled measures of other companies.

### Adjusted net earnings available to common stockholders and Adjusted diluted earnings per share of common stock

BellRing believes Adjusted net earnings available to common stockholders and Adjusted diluted earnings per share of common stock are useful to investors in evaluating BellRing's operating performance because they exclude items that affect the comparability of BellRing's financial results and could potentially distort an understanding of the trends in business performance.

Adjusted net earnings available to common stockholders and Adjusted diluted earnings per share of common stock are adjusted for the following items:

- a. *Separation costs*: BellRing has excluded certain expenses incurred in connection with (i) Post's distribution of 80.1% of its interest in BellRing and (ii) secondary offerings of shares of BellRing common stock previously held by Post, as the amount and frequency of such expenses are not consistent. Additionally, BellRing believes that these costs do not reflect expected ongoing future operating expenses and do not contribute to a meaningful evaluation of BellRing's current operating performance or comparisons of BellRing's operating performance to other periods.
- b. *Foreign currency gain/loss on intercompany loans*: BellRing has excluded the impact of foreign currency fluctuations related to intercompany loans denominated in currencies other than the functional currency of the respective legal entity in evaluating BellRing's performance to allow for more meaningful comparisons of performance to other periods.
- c. *Mark-to-market adjustments on commodity hedges*: BellRing has excluded the impact of mark-to-market adjustments on commodity hedges due to the inherent uncertainty and volatility associated with such amounts based on changes in assumptions with respect to fair value estimates. Additionally, these adjustments are primarily non-cash items and the amount and frequency of such adjustments are not consistent.
- d. *NCI adjustment*: BellRing has included an adjustment to reflect the removal of non-GAAP adjustments which are attributable to redeemable NCI in the period prior to the Spin-off in the calculation of Adjusted net earnings available to common stockholders and Adjusted diluted earnings per share of common stock, as BellRing believes this adjustment contributes to a more meaningful evaluation of BellRing's current operating performance.
- e. *Income tax effect on adjustments*: BellRing has included the income tax impact of the non-GAAP adjustments using a rate described in the applicable footnote of the reconciliation tables, as BellRing believes that its GAAP effective income tax rate as reported is not representative of the income tax expense impact of the adjustments.

### Adjusted EBITDA

BellRing believes that Adjusted EBITDA is useful to investors in evaluating BellRing's operating performance and liquidity because (i) BellRing believes it is widely used to measure a company's operating performance without regard to items such as depreciation and amortization, which can vary depending upon accounting methods and the book value of assets, (ii) it presents a measure of corporate performance exclusive of BellRing's capital structure and the method by which the assets were acquired and (iii) it is a financial indicator of a company's ability to service its debt, as BellRing is required to comply with certain covenants and limitations that are based on variations of EBITDA in its financing documents. Management uses Adjusted EBITDA to provide forward-looking guidance and to forecast future results.

Adjusted EBITDA reflects adjustments for income tax expense, interest expense, net and depreciation and amortization, and the following adjustments discussed above: separation costs, foreign currency gain/loss on intercompany loans and mark-to-market adjustments on commodity hedges. Additionally, Adjusted EBITDA reflects adjustments for the following items:

- f. *Stock-based compensation*: BellRing's compensation strategy includes the use of BellRing stock-based compensation to attract and retain executives and employees by aligning their long-term compensation interests with BellRing's stockholders' investment interests. BellRing's director compensation strategy includes an election by any director who earns retainers in which the director may elect to defer compensation granted as a director to BellRing common stock, earning a match on the deferral, both of which are stock-settled upon the director's retirement from the BellRing board of directors. BellRing has excluded stock-based compensation as stock-based compensation can vary significantly based on reasons such as the timing, size and nature of the awards granted and subjective assumptions which are unrelated to operational decisions and performance in any particular period and does not contribute to meaningful comparisons of BellRing's operating performance to other periods.

g. *Net earnings attributable to redeemable noncontrolling interest:* BellRing has included adjustments for the portion of its consolidated net earnings which were allocated to redeemable NCI for the period prior to the Spin-off, allowing for the calculation of Adjusted EBITDA to include 100% of BellRing as BellRing's management evaluates BellRing's operating performance on a basis that includes 100% of BellRing.

**RECONCILIATION OF NET EARNINGS AVAILABLE TO COMMON STOCKHOLDERS  
TO ADJUSTED NET EARNINGS AVAILABLE TO COMMON STOCKHOLDERS (Unaudited)**  
(in millions)

	Three Months Ended December 31,	
	2022	2021
<b>Net Earnings Available to Common Stockholders</b>	\$ 44.2	\$ 8.2
Dilutive impact of net earnings attributable to NCI	—	0.1
<b>Net Earnings Available to Common Stockholders for Diluted Earnings per Share</b>	44.2	8.3
<b>Adjustments:</b>		
Separation costs	0.3	2.0
Mark-to-market adjustments on commodity hedges	1.2	(0.3)
Foreign currency (gain) loss on intercompany loans	(0.6)	0.2
NCI adjustment	—	0.1
<b>Total Net Adjustments</b>	0.9	2.0
Income tax effect on adjustments <sup>(1)</sup>	(0.2)	(0.2)
<b>Adjusted Net Earnings Available to Common Stockholders</b>	\$ 44.9	\$ 10.1

<sup>(1)</sup> For the period subsequent to the Spin-off (October 1, 2022 through December 31, 2022), income tax effect on adjustments was calculated on all items, except for separation costs, using a rate of 24.0%. For the period prior to the Spin-off (October 1, 2021 through December 31, 2021), income tax effect on adjustments was calculated on all items, except for separation costs and NCI adjustment, using a rate of 7.0%, which represents the effective income tax rate on BellRing's distributive share from BellRing LLC. For the period prior to the Spin-off, income tax effect for NCI adjustment was calculated using a rate of 0.0%. For all periods, income tax effect for separation costs was calculated using a rate of 8.0%.

**RECONCILIATION OF DILUTED EARNINGS PER SHARE OF COMMON STOCK  
TO ADJUSTED DILUTED EARNINGS PER SHARE OF COMMON STOCK (Unaudited)**

	Three Months Ended December 31,	
	2022	2021
<b>Diluted Earnings per share of Common Stock</b>	\$ 0.33	\$ 0.21
<b>Adjustments:</b>		
Separation costs	—	0.05
Mark-to-market adjustments on commodity hedges	0.01	(0.01)
Foreign currency (gain) loss on intercompany loans	(0.01)	0.01
<b>Total Net Adjustments</b>	—	0.05
Income tax effect on adjustments <sup>(1)</sup>	—	—
<b>Adjusted Diluted Earnings per share of Common Stock</b>	\$ 0.33	\$ 0.26

<sup>(1)</sup> For the period subsequent to the Spin-off (October 1, 2022 through December 31, 2022), income tax effect on adjustments was calculated on all items, except for separation costs, using a rate of 24.0%. For the period prior to the Spin-off (October 1, 2021 through December 31, 2021), income tax effect on adjustments was calculated on all items, except for separation costs and NCI adjustment, using a rate of 7.0%, which represents the effective income tax rate on BellRing's distributive share from BellRing LLC. For the period prior to the Spin-off, income tax effect for NCI adjustment was calculated using a rate of 0.0%. For all periods, income tax effect for separation costs was calculated using a rate of 8.0%.

**RECONCILIATION OF NET EARNINGS AVAILABLE TO COMMON STOCKHOLDERS  
TO ADJUSTED EBITDA (Unaudited)**  
(in millions)

	Three Months Ended December 31,	
	2022	2021
<b>Net Earnings Available to Common Stockholders</b>	\$ 44.2	\$ 8.2
Income tax expense	14.3	2.9
Interest expense, net	16.7	8.4
Depreciation and amortization	5.3	5.3
Stock-based compensation	3.5	2.0
Separation costs	0.3	2.0
Mark-to-market adjustments on commodity hedges	1.2	(0.3)
Foreign currency (gain) loss on intercompany loans	(0.6)	0.2
Net earnings attributable to redeemable noncontrolling interest	—	31.1
<b>Adjusted EBITDA</b>	<b>\$ 84.9</b>	<b>\$ 59.8</b>
<b>Adjusted EBITDA as a percentage of Net Sales</b>	<b>23.4 %</b>	<b>19.5 %</b>



**First Quarter Fiscal Year 2023  
Supplemental Presentation**

Feb 6, 2023

# Cautionary Statement Regarding Forward-Looking Statements



Certain matters discussed in this presentation and the accompanying oral presentation are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made based on known events and circumstances at the time of presentation, and as such, are subject to uncertainty and changes in circumstances.

These forward-looking statements include, among others, statements regarding BellRing Brands, Inc.'s ("BellRing") net sales, Adjusted EBITDA and capital expenditure outlook ranges, BellRing's prospective financial and operating performance and opportunities and statements regarding the effect of the COVID-19 pandemic on BellRing's business and BellRing's continuing response to the COVID-19 pandemic. These forward-looking statements are sometimes identified from the use of forward-looking words such as "believe," "should," "could," "potential," "continue," "expect," "project," "estimate," "predict," "anticipate," "aim," "intend," "plan," "forecast," "target," "is likely," "will," "can," "may" or "would" or the negative of these terms or similar expressions, and include all statements regarding future performance, events or developments. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements made herein.

## THESE RISKS AND UNCERTAINTIES INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

- BellRing's dependence on sales from its ready-to-drink ("RTD") protein shakes;
- BellRing's ability to continue to compete in its product categories and its ability to retain its market position and favorable perceptions of its brands;
- disruptions or inefficiencies in BellRing's supply chain, including as a result of BellRing's reliance on third party suppliers or manufacturers for the manufacturing of many of its products, pandemics (including the COVID-19 pandemic) and other outbreaks of contagious diseases, labor shortages, fires and evacuations related thereto, changes in weather conditions, natural disasters, agricultural diseases and pests and other events beyond BellRing's control;
- BellRing's dependence on a limited number of third party contract manufacturers for the manufacturing of most of its products, including one manufacturer for the majority of its RTD protein shakes;
- the ability of BellRing's third party contract manufacturers to produce an amount of BellRing's products that enables BellRing to meet customer and consumer demand for the products;
- BellRing's reliance on a limited number of third party suppliers to provide certain ingredients and packaging;
- significant volatility in the cost or availability of inputs to BellRing's business (including freight, raw materials, packaging, energy, labor and other supplies);
- the impact of the COVID-19 pandemic, including negative impacts on the global economy and capital markets, the health of BellRing's employees, BellRing's ability and the ability of its third party contract manufacturers to manufacture and deliver its products, operating costs, demand for its on-the-go products and its operations generally;
- BellRing's ability to anticipate and respond to changes in consumer and customer preferences and behaviors and introduce new products;
- consolidation in BellRing's distribution channels;
- BellRing's ability to expand existing market penetration and enter into new markets;
- the loss of, a significant reduction of purchases by or the bankruptcy of a major customer;
- legal and regulatory factors, such as compliance with existing laws and regulations, as well as new laws and regulations and changes to existing laws and regulations and interpretations thereof, affecting BellRing's business, including current and future laws and regulations regarding food safety, advertising, labeling, tax matters and environmental matters;
- fluctuations in BellRing's business due to changes in its promotional activities and seasonality;
- BellRing's ability to maintain the net selling prices of its products and manage promotional activities with respect to its products;



## Cautionary Statement Regarding Forward-Looking Statements (Cont'd)

(CONTINUED FROM PRIOR PAGE):

- BellRing's high leverage, its ability to obtain additional financing (including both secured and unsecured debt) and its ability to service its outstanding debt (including covenants that restrict the operation of its business);
- the accuracy of BellRing's market data and attributes and related information;
- changes in estimates in critical accounting judgments;
- uncertain or unfavorable economic conditions that limit customer and consumer demand for BellRing's products or increase its costs;
- risks related to BellRing's ongoing relationship with Post following BellRing's separation from Post and the Spin-off, including BellRing's obligations under various agreements with Post;
- conflicting interests or the appearance of conflicting interests resulting from certain of BellRing's directors also serving as officers or directors of Post;
- risks related to the previously completed Spin-off, including BellRing's inability to take certain actions because such actions could jeopardize the tax-free status of the Distribution and BellRing's possible responsibility for U.S. federal tax liabilities related to the Distribution;
- the ultimate impact litigation or other regulatory matters may have on BellRing;
- risks associated with BellRing's international business;
- BellRing's ability to protect its intellectual property and other assets and to continue to use third party intellectual property subject to intellectual property licenses;
- costs, business disruptions and reputational damage associated with information technology failures, cybersecurity incidents and/or information security breaches;
- impairment in the carrying value of goodwill or other intangibles;
- BellRing's ability to identify, complete and integrate or otherwise effectively execute acquisitions or other strategic transactions and effectively manage its growth;
- BellRing's ability to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002;
- significant differences in BellRing's actual operating results from any guidance BellRing may give regarding its performance;
- BellRing's ability to hire and retain talented personnel, employee absenteeism, labor strikes, work stoppages or unionization efforts; and
- other risks and uncertainties described in BellRing's filings with the Securities and Exchange Commission ("SEC").

You should not rely upon forward-looking statements as predictions of future events. Although BellRing believes that the expectations reflected in the forward-looking statements are reasonable, BellRing cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, BellRing undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in its expectations.

# Additional Information



## Prospective Information

Any prospective information provided in this presentation regarding BellRing's future performance, including BellRing's plans, expectations, estimates and similar statements, represents BellRing management's estimates as of February 6, 2023 only and are qualified by, and subject to, the assumptions and the other information set forth on the slide captioned "Cautionary Statement Regarding Forward-Looking Statements."

Prospective information provided in this presentation regarding BellRing's plans, expectations, estimates and similar statements contained in this presentation are based upon a number of assumptions and estimates that, while they may be presented with numerical specificity, are inherently subject to business, economic and competitive uncertainties and contingencies, many of which are beyond BellRing's control, are based upon specific assumptions with respect to future business decisions, some of which will change, and are necessarily speculative in nature. It can be expected that some or all of the assumptions of the estimates will not materialize or will vary significantly from actual results. Accordingly, the information set forth herein is only an estimate as of February 6, 2023, and actual results will vary from the estimates set forth herein. It should be recognized that the reliability of any forecasted financial data diminishes the farther in the future that the data is forecast. In light of the foregoing, investors should put all prospective information in context and not rely on it.

Any failure to successfully implement BellRing's operating strategy or the occurrence of the events or circumstances set forth under "Cautionary Statement Regarding Forward-Looking Statements" could result in the actual operating results being different than the estimates set forth herein, and such differences may be adverse and material.

## Market and Industry Data

This presentation includes industry and trade association data, forecasts and information that were prepared based, in part, upon data, forecasts and information obtained from independent trade associations, industry publications and surveys and other independent sources available to BellRing. Some data also is based on BellRing management's good faith estimates, which are derived from management's knowledge of the industry and from independent sources. These third party publications and surveys generally state that the information included therein has been obtained from sources believed to be reliable, but that the publications and surveys can give no assurance as to the accuracy or completeness of such information. BellRing has not independently verified any of the data from third party sources nor has it ascertained the underlying economic assumptions on which such data are based. Similarly, BellRing believes its internal research is reliable, even though such research has not been verified by any independent sources and BellRing cannot guarantee its accuracy or completeness.

## Trademarks and Service Marks

Logos, trademarks, trade names and service marks mentioned in this presentation, including BellRing®, BellRing Brands®, Premier Protein®, Dymatize®, PowerBar®, Premier Protein Clear®, ISO 100®, Elite Mass®, Elite Whey Protein®, Elite 100% Whey®, Super Mass Gainer®, All9 Amino®, Pebbles®, Dunkin®, PREW O®, Athlete's BCAAs®, PowerBar Clean Whey™, PowerBar Protein Plus™, Protein Nut2™, PowerBar Energize™ and Joint Juice®, are currently the property of, or are under license by, BellRing or one of its subsidiaries. BellRing or one of its subsidiaries owns or has rights to use the trademarks, service marks and trade names that are used in conjunction with the operation of BellRing or its subsidiaries' businesses. Some of the more important trademarks that BellRing or one of its subsidiaries owns or has rights to use that appear in this presentation may be registered in the U.S. and other jurisdictions. Each logo, trademark, trade name or service mark of any other company appearing in this presentation is owned or used under license by such company.

## Q1 FY2023 Consumption and Key Metrics Executive Summary

- Premier Protein ready-to-drink (“RTD”) shake consumption was up +15%<sup>1</sup> in Q1 FY2023.
  - Shipments outpaced consumption in Q1 as we continued to rebuild trade inventory levels.
- Premier Protein’s key metrics remain strong and reaffirm a long runway for sustained growth.
  - Market share in tracked channels is stable, but slightly down versus year ago.
  - Total distribution points (“TDPs”) remain at healthy levels.
  - Household penetration is down versus year ago due to intentional reduction of promotions and assortment. Household penetration, repeat and buy rate continue to lead the category, demonstrating the strength of the brand and future potential.
- Dymatize Q1 FY2023 U.S. powder consumption experienced strong growth +30%<sup>1</sup> in Q1 FY2023.
  - Market share has reached all-time highs as demand drivers returned.
  - Total distribution points reached record highs.
- Effective with Q1 FY2023, we have changed our data sources to IRI for consumption in tracked channels and Numerator for household penetration; see the following slide for more information.

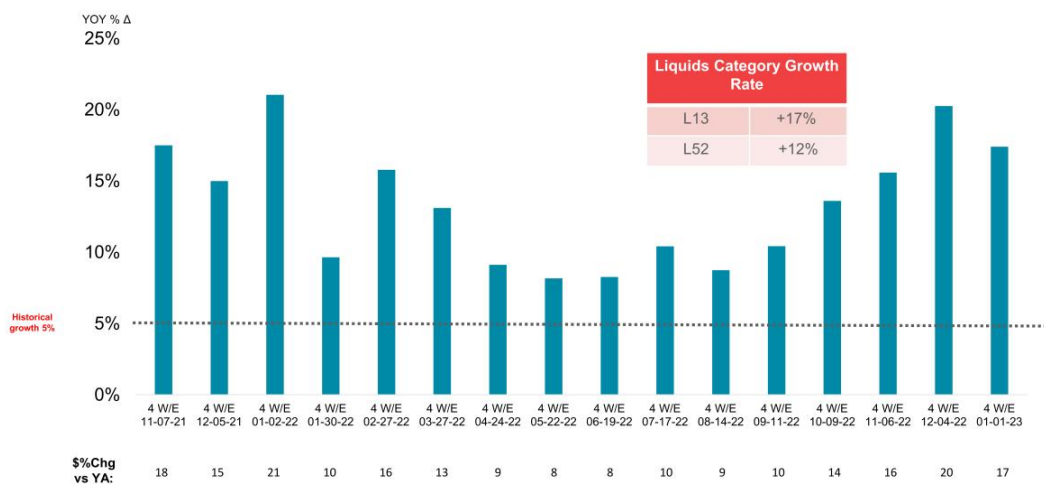
**Notes:**

1. IRI Multi Outlet + Convenience 13 and 52 weeks ended January 1, 2023 and management estimates of untracked channels for the 13 and 52 weeks ended January 1, 2023.

## Data Source Changes

- Effective with Q1 FY2023, we have changed two of our data sources:
  - IRI Multi Outlet + Convenience (“IRI MULO+C”) is the source for consumption in tracked channels (previous source was Nielsen Expanded All Outlets + Convenience (“Nielsen xAOC+C”)
    - IRI provides more coverage of our business (more UPCs are being captured)
    - This results in slightly higher distribution, particularly for Dymatize
    - Overall historical trends remain similar between IRI MULO+C and Nielsen xAOC+C
  - Management estimates of consumption in untracked channels have not changed
  - Numerator is the source for household penetration
    - Consumer panel is larger than the IRI/Nielsen panel; panel is highly engaged with easier purchase reporting mechanisms
    - Higher capture rate of eCommerce and convenience channel purchases
    - Results in more robust data with deeper, better insights into our business
    - Premier Protein and the RTD category household penetration both increase
    - Overall historical trends remain similar between Numerator and IRI/Nielsen

# Liquids Category Continues to Outpace Historical Growth Rates



Notes:  
IRI Multi Outlet + Convenience.

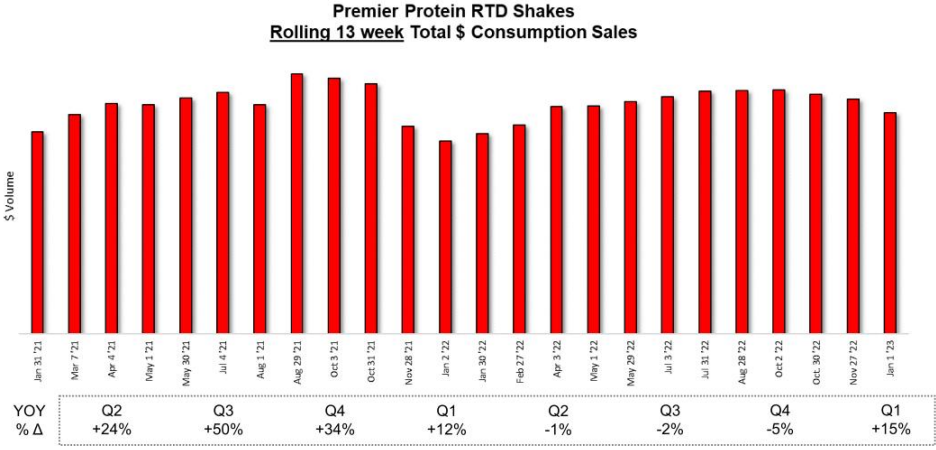
# Premier Protein RTD Shake Growth Accelerating Through Pricing and Underlying Strength Partially Offset by eCommerce Network Constraints



Channel	Premier Protein RTD Shakes \$ Sales vs. Prior Year	
	13 Weeks	52 Weeks
Club	+13.8%	+0.3%
Mass	+33.3%	+8.8%
Food	+29.0%	+1.0%
eCommerce	-9.5%	-8.3%
<b>Total Consumption (tracked + untracked channels)</b>	<b>+15.1%</b>	<b>+1.0%</b>
<i>Total Tracked</i>	<i>+24.0%</i>	<i>+5.1%</i>
<i>Total Untracked</i>	<i>+6.4%</i>	<i>-3.1%</i>

Notes:  
IRI Multi Outlet + Convenience 13 and 52 weeks ended January 1, 2023 and management estimates of untracked channels for the 13 and 52 weeks ended January 1, 2023.

# Premier Protein RTD Shake Consumption Growing vs. Year Ago, with Expected Seasonality in Q1

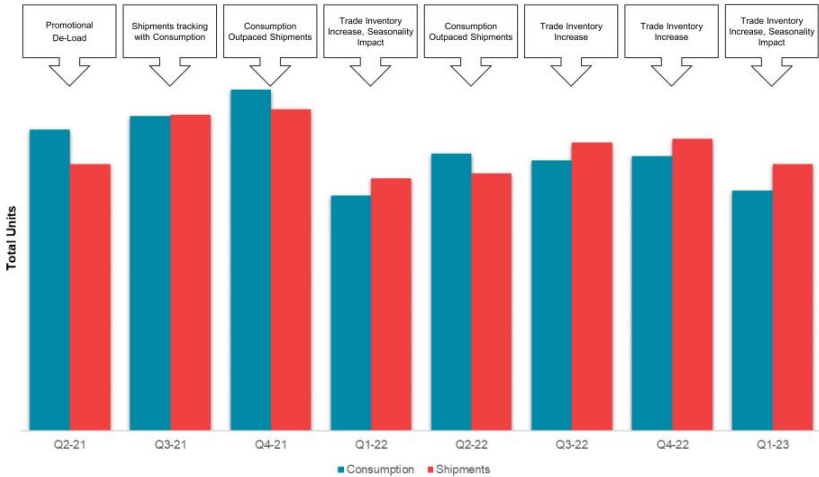


Notes:  
IRI Multi Outlet + Convenience and management estimates of untracked channels.

# Q1 Shipments Exceeded Consumption as Customers Continue to Build Inventory to Target Levels



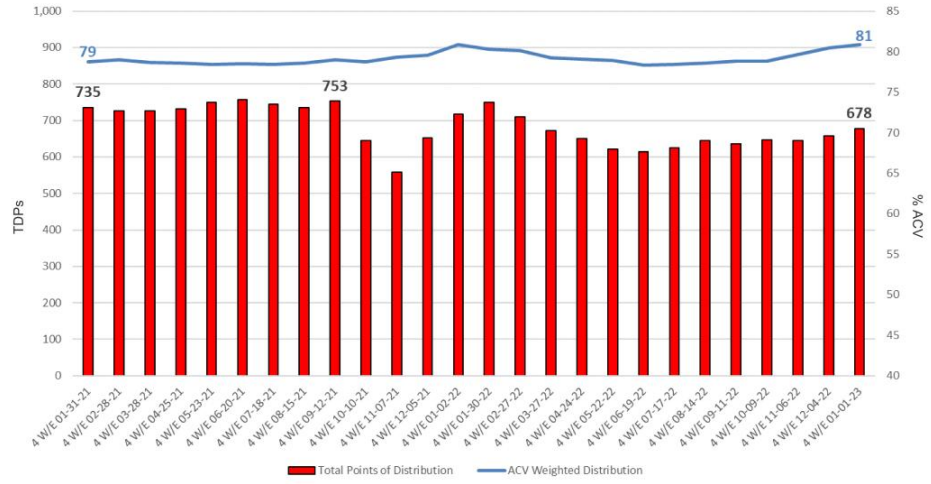
Premier Protein RTD Shakes Consumption vs. Shipments  
(13 Week Quarters)



Notes:  
IRI Multi Outlet + Convenience and management estimates of untracked channels.



# Premier Protein RTD Shake TDPs Remain Stable

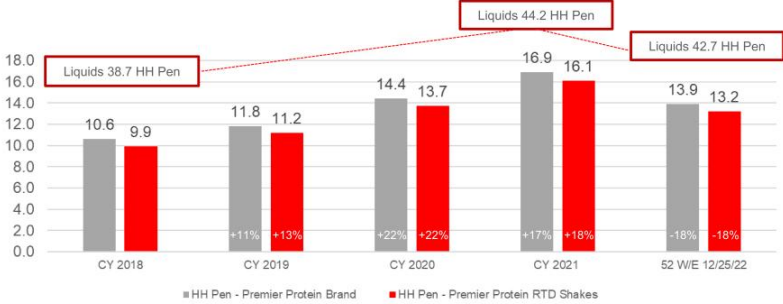


Notes:  
IRI Multi Outlet + Convenience.

# Household Penetration Softened as Deal-Seeking Buyers Temporarily Exited Due to Lack of Promotions



Premier Protein Total Brand & RTD Shakes Penetration



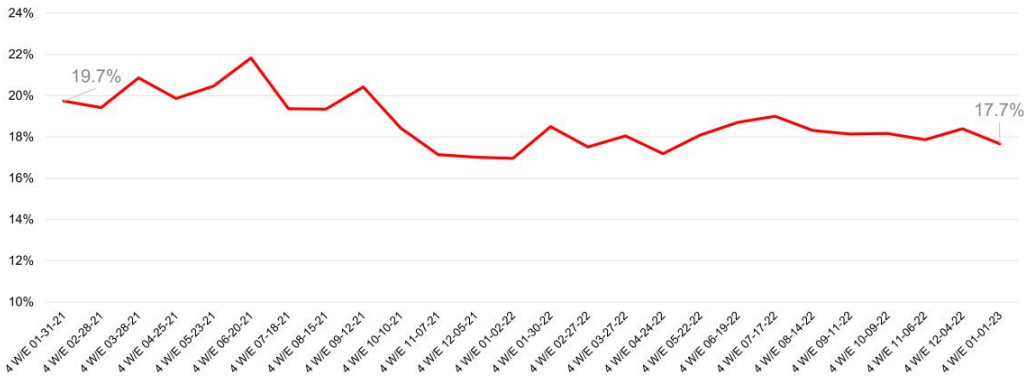
<b>30g Shake Repeat Rate</b>	53%	53%	52%	53%	50%
<b>30g Shake Buy Rate</b>	\$76	\$75	\$74	\$81	\$78

**Notes:**  
 Numerator: HH Panel 52 weeks ending 12/25/2022. Liquids refers to the liquid sub-category of the convenient nutrition category. Calendar Year ("CY").  
 Numerator metrics such as penetration are subject to potential restatement or revisions due to market definition changes or late reporters.

# Premier Protein RTD Shakes Continue to Maintain ~18% Share Despite Intentional Pullback in Promotions, Marketing and Assortment



Monthly Premier Protein RTD Shakes \$ Share%



Notes:  
IRI Multi Outlet + Convenience.

# Dymatize Achieving Strong Growth Despite Temporary Club Discontinuation



Channel	U.S. Dymatize Powders \$ Sales vs. Prior Year	
	13 Weeks	52 Weeks
eCommerce	+32.4%	+30.2%
Specialty/All Other	+20.0%	+22.9%
Mass	+99.9%	+75.8%
Club	-82.2%	-45.3%
Food	+114.9%	+87.4%
<b>Total Consumption (tracked + untracked channels)</b>	<b>+29.9%</b>	<b>+29.7%</b>
<i>Total Tracked</i>	+32.4%	+33.2%
<i>Total Untracked</i>	+28.8%	+28.0%

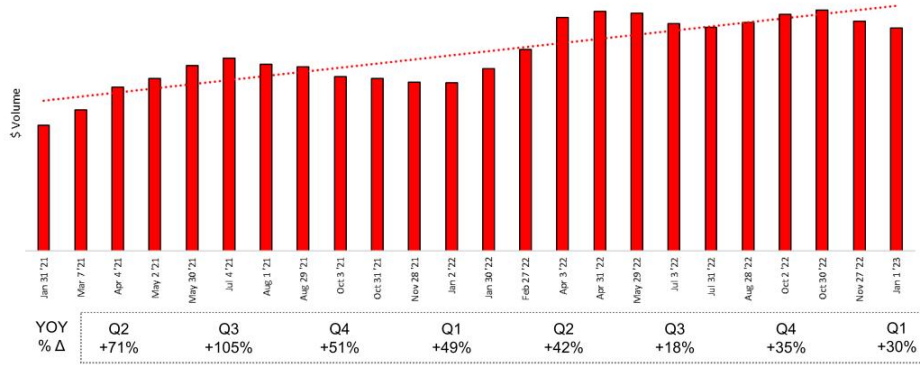
- Tracked and untracked consumption represents ~65% of total global business

Notes:  
IRI Multi Outlet + Convenience 13 and 52 weeks ended January 1, 2023 and management estimates of untracked channels for the 13 and 52 weeks ended January 1, 2023.

# U.S. Dymatize Powders Continue Strong Track Record of Growth

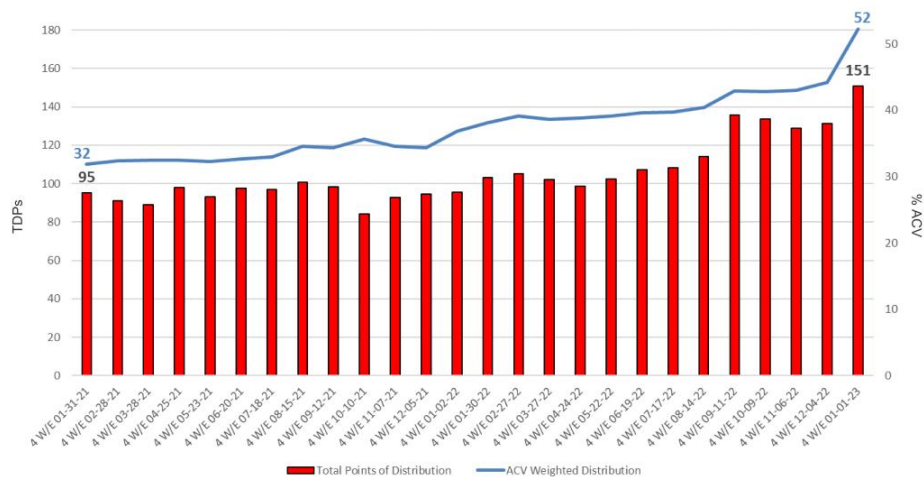


**U.S. Dymatize Powders**  
**Rolling 13 week Total \$ Consumption Sales**



**Notes:**  
 IRI Multi Outlet + Convenience and management estimates of untracked channels.

# U.S. Dymatize Powders Distribution Levels Reach All Time High



Notes:  
IRI Multi Outlet + Convenience.



