

## Risk Factors Comparison 2024-10-29 to 2023-10-24 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

An investment in our securities involves a high degree of risk. You should carefully consider the risks described below before making an investment decision. Our business, prospects, financial condition or operating results could be harmed by any of these risks, and other risks not currently known to us or that we currently consider immaterial, which could become material. The trading price of our securities could decline due to any of these risks, and, as a result, you may lose all or part of your investment. Risks Related to our Business Changing consumer preferences, habits, perceptions of certain nutritional snacking products and discretionary spending may negatively affect our brand loyalty, purchase frequency rate and net sales, and materially and adversely affect our business, financial condition and results of operations. We **focus on develop, market and sell** products we believe have positive effects on health and compete in a market that relies on innovation and evolving consumer preferences. The packaged food industry in general, and the nutritional snacking industry in particular, is subject to changing consumer trends, demands and preferences and ~~emerging~~ nutrition science is constantly evolving. Products, ingredients, or methods of eating once considered healthy may become disfavored by consumers, scientifically ~~disproven~~ **questioned** or no longer be perceived as healthy. Trends within the food industry change over time and our failure to anticipate, identify or react to changes in these trends could, among other things, lead to reduced consumer demand, shelf or retail space and price reductions, and could materially and adversely affect our business, financial condition and results of operations. Additionally, certain ingredients used in our products may become negatively perceived by consumers for a variety of reasons, resulting in reformulation of existing products to remove such ingredients, which may negatively affect the taste or other qualities of our products. Factors that may affect consumer perception of healthy products include dietary trends and attention to different nutritional aspects of foods, concerns regarding the health effects of specific ingredients and nutrients, **regulations on certain ingredients**, trends away from specific ingredients and processing in products and increasing awareness of the environmental and social effects of product production. Consumer perceptions of the nutritional profile of our products and related eating practices may shift. Consumers may also no longer perceive products with fewer carbohydrates, higher levels of protein, higher levels of fat, or additional fiber or which contain alternative sweeteners as healthy or needed to achieve personal weight management, wellness, **lifestyle**, or fitness goals. Adverse messaging in the media, including social media, or within certain influencer communities, relating to the marketing of nutritional snacking products or weight- related dietary programs may adversely affect the overall consumer impression of certain ~~of our~~ products, programs or brands, which may materially and adversely affect our business. Approaches regarding nutritional approaches and healthy lifestyles are the subject of numerous studies and publications, often with differentiating views and opinions, some of which may be adverse to us. Conflicting scientific information on what constitutes good nutrition, or the benefits of certain dietary approaches may also materially and adversely affect our business. Our success depends, in part, on our ability to advance sound nutrition research and to anticipate the tastes and dietary habits of consumers and other consumer trends and to offer products with marketing ~~messaging that appeal~~ **appeals** to their needs and preferences on a timely and affordable basis. A change in consumer discretionary spending, due to inflationary pressures, economic downturn or other reasons may also materially and adversely affect our sales, and We may not be able to compete successfully in the highly competitive nutritional snacking industry. Our business is committed to providing people a more nutritious way to eat. We compete in the nutritional snacking industry, which is included in the general snack foods industry. The nutritious snacking industry is large and intensely competitive. Competitive factors in the nutritional snacking industry include product quality, taste, ~~texture~~, brand awareness among consumers, nutritional content, **simpler the sourcing and less processed** degree of processing of ingredients, innovation of “ on- trend ” snacks, variety of snacks offered, ~~allergen profile~~, grocery aisle placement, access to retailer shelf space, price, advertising and promotion, product packaging and package design. We compete in this market against numerous multinational, regional and local companies principally based on our nutritional content, product taste and quality, our brand recognition and loyalty, marketing, advertising, price and the ability to satisfy specific consumer dietary needs. An increasing focus on ~~macronutrient- focused~~ **healthy and simpler** products in the marketplace will likely increase these competitive pressures within the category in future periods. Our competitors in the nutritional snacking industry include companies selling ~~protein~~ **meal replacement** bars, ~~chips, confections~~, shakes and nutritional supplements **and through** often with a focus on specific dietary approaches such as keto, paleo, vegan, gluten free, vegetarian and others. Views towards nutritional snacking, weight loss and management, and other nutritional approaches, are cyclical and trendy, with constantly changing consumer perceptions. Besides remaining competitive through the quality of our products and consumer perceptions of the effectiveness of a low- carb, low- sugar and protein- rich eating approach, both our brands must continue to be viewed favorably, or our business and reputation may be materially and adversely affected. If other nutritional approaches become more popular, or are generally perceived to be more effective, we may not be able to compete effectively. In addition, public opinion on the use of chronic weight management medication **is continues to shift shifting** significantly as the popularity of clinical solutions grows and more ~~weight management~~ medications are approved by the FDA. Moreover, the growing acceptance and use of medication to manage weight could negatively affect the demand for many types of food in general and our products. If the use of weight management medication becomes more popular and more widely used and we are unable to communicate effectively to consumers how our products can support achieving or maintaining their weight management goals, **of** our business could be materially and adversely affected. Some of our competitors have resources substantially greater than we have ~~and market~~ and sell brands that may be more widely recognized than our brands. Our current and potential competitors may offer products similar to our products, a wider range of products than we offer, and may offer such

products at more competitive prices than we do. Local or regional markets often have significant additional competitors, many of whom offer products similar to ours and may have unique ties to regional or national retail chains. Any increased competition from new entrants into the nutritional snacking industry or any increased success by existing competition could cause reductions in our sales, require us to reduce our prices, or **both, which could materially and adversely affect our business, financial condition and results of operations.** Our business, financial condition and results of operations. Our operations are dependent on a global supply chain and **the** effects of supply chain constraints and inflationary pressure on us, or our suppliers could adversely affect our operating results. Our operations and the operations of our contract manufacturers have been, and may continue to be, affected by supply chain constraints and packaging, ingredient and labor challenges resulting in increased costs. The continuing uncertain economic environment, and macroeconomic and geopolitical events and trends may increase **or prolong** these risks. In addition, current or future governmental policies **or regulations or the effects on certain ingredients resulting from climate change or regulations associated with combating climate change** may increase the risk of further inflation, which could further increase the costs of ingredients, packaging and finished goods for our business. Similarly, if costs of goods and labor continue to increase, our suppliers may continue to seek price increases from us. These circumstances have resulted in negative effects on our results of operations. If we cannot mitigate the effect of supply chain constraints and inflationary pressure through price increases or cost saving measures, our results of operations and financial condition could be further negatively affected. Even if we can raise the prices of our products, consumers might react negatively to these price increases, which could have a material adverse effect on, among other things, our brands, reputation, and sales. ~~During fiscal year 2023, our price increases may have caused some consumers to purchase fewer of our products than they have in the past.~~ If our competitors maintain or lower their prices while we raise prices, we may lose customers or the purchase frequency of our products may slow, which would both adversely affect sales. Our profitability may be negatively affected by higher costs, inadequate pricing or a reduction in purchase frequencies of our products, which may negatively affect gross margins and sales. Even though we continue to work to alleviate supply chain constraints through various measures, we cannot predict the effect of these constraints on the timing of revenue and operating costs of our business in the near future. Supply chain challenges and supply chain constraints relating to ingredients, freight and packaging, including cost inflation, have negatively affected our gross margins and profitability **in the past during fiscal year 2023** and may continue to have a negative effect on our future operating results and profitability. In addition, prolonged unfavorable economic conditions, including because of recession or slowed economic growth, **labor strikes**, or public health outbreaks, endemics or pandemics, may have an adverse effect on our sales and profitability. If we cannot maintain or increase **the** prices of our products to cover elevated input costs, our margins may decrease. We rely, in part, on price increases to offset cost increases and maintain or improve the profitability of our business. Our ability to maintain prices or effectively implement price increases, may be affected by several factors, including competition, effectiveness of our marketing programs, the continuing strength of our brands, market demand and general economic conditions, including broader inflationary pressures. During challenging economic times, consumers may be less willing or able to pay a price premium for our branded products and may shift purchases to lower- priced or other value offerings, making it more difficult for us to maintain prices and / or effectively implement price increases. In addition, our retail partners and distributors may pressure us to rescind price increases we have announced or already implemented, whether through a change in list price or increased trade and promotional activity. If we cannot maintain or increase prices for our products or must increase trade and promotional activity, our margins may be adversely affected. ~~For more information on the effects of supply chain cost increases on our profitability during fiscal year 2023, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Form 10-K.~~ Furthermore, price increases generally cause volume losses, as consumers tend to purchase fewer units at higher price points. If such losses are greater than expected or if we lose distribution due to price increases, our business, financial condition and results of operations may be materially and adversely affected. **We may not be able to compete..... financial condition and results of operations.** If we fail to implement our growth strategies successfully, timely, or at all, our ability to increase our revenue and operating profits could be materially and adversely affected. Our success depends, largely, on our ability to implement our growth strategies effectively. However, we may fail to accomplish this. We expect to continue focusing on nutritional snacking and intend to add additional brands to our product portfolio, **such as OWYN, which we acquired during fiscal year 2024**. Our ability to expand successfully our nutritional snacking brands and other growth strategies depends on, among other things, our ability to identify, and successfully cater to, new demographics and consumer trends, develop new and innovative products, identify and acquire additional product lines and businesses, secure shelf space in grocery stores, wholesale clubs and other retailers, increase consumer awareness of our brands, enter into distribution and other strategic arrangements with third- party retailers and other potential distributors of our products, and compete with numerous other companies and products. In addition, low carbohydrate eating lifestyle consumers of our products and those consumers using chronic weight management medication to support their weight loss goals may have different preferences and spending habits than the consumers of traditional weight loss products. We may also fail to adequately explain to consumers using chronic weight management medication how our products can support achieving and maintaining weight loss goals. We may fail in reaching and maintaining the loyalty or purchase frequency rate of new consumers to the same extent, or at all, as we have with our historical consumers. We may also not succeed in evolving our advertising and other efforts to appeal to our target consumers. If we cannot identify and capture new audiences and demographics for **all** our brands, our ability to integrate additional brands successfully will be adversely affected. We may also not succeed in evolving our advertising and other efforts to appeal to our target consumers. Accordingly, we may not be able to successfully implement our growth strategies, expand the number of our brands, or continue to maintain growth in our sales at our current rate, or at all. If we fail to implement our growth strategies or if we invest resources in growth strategies that ultimately prove unsuccessful, our sales and profitability may be negatively affected, which would materially and adversely affect our business, financial condition and results of operations. If we do not continually enhance our brand recognition,

maintain or increase distribution of our products, attract new consumers to our brands and introduce new and innovative products, either on a timely basis or at all, our business may suffer. The nutritional snacking industry is subject to rapid and frequent changes in consumer demands. Because consumers are constantly seeking new products and strategies to achieve their healthy eating goals, our success relies heavily on our ability to continue to enhance our brand recognition amongst consumers, develop and market new and innovative products and extensions and effectively inform consumers of these new products. New product sales represent a growing and important portion of our net sales. To respond to new and evolving consumer demands, achieve market acceptance and keep pace with new nutritional, scientific, technological and other developments, we must constantly introduce new and innovative products into the market, some of which may not be accepted by consumers, may be sent to market prematurely, or may contravene our taste or texture standards. Accordingly, we may fail in timely developing, introducing or marketing any new or enhanced products. If we cannot commercialize new products, our revenue may not grow as expected, which would materially and adversely affect our business, financial condition and results of operations. Our growth may be limited if we cannot maintain or secure additional shelf or retail space for our products in brick- and- mortar retailers. Our results depend on our ability to drive revenue growth, in part, by **maintaining and** expanding the distribution channels for our products. Our ability to do so may be limited by an inability to secure new retailers or maintain or add shelf and retail space for our products. Shelf and retail space for nutritional snacks is limited and subject to competitive and other pressures. There can be no assurance that retailers will provide sufficient, or any, shelf space, nor that online retailers will provide online access to, or adequate product visibility on, their platform to enable us to meet our growth objectives. Unattractive placement or pricing ; ~~including because of our recent price increases,~~ may put our products at a disadvantage compared to those of our competitors. Even if we obtain shelf space or preferable shelf placement, our new and existing products may fail to achieve the sales expectations set by our retailers, potentially causing these retailers to remove our products from their shelves. Additionally, an increase in the availability, quantity and quality of private label products in the product categories in which we compete could create more pressure for shelf space and placement for branded products within each such category, which could materially and adversely affect our sales. If the perception of our brands or organizational reputation are damaged, our consumers, distributors and retailers may react negatively, which could materially and adversely affect our business, financial condition and results of operations. We believe we have built our reputation on the efficacy of our nutritional approach, and the high- quality flavor and nutritional content of our food. We must protect and expand on the value of our brands to continue to succeed in the future. Any incident that erodes consumer affinity for our brands or our business operations could significantly reduce our value and damage our business. For example, negative third- party research or media reports on our nutritional approach, use of ingredients or the quality of our food, whether accurate or not, may adversely affect consumer perceptions, which could cause the value of our brands to suffer and adversely affect our business. In addition, if we recall certain products, including licensed products over which we may not have full quality control, the public perception of the quality of our food may be diminished. We may also be adversely affected by news or other negative publicity, regardless of accuracy, regarding other aspects of our business, such as: • public health concerns, illness or safety; • the perception of our environmental stewardship and the effects our business has on the environment; • security breaches of confidential consumer or employee information; • employee related claims relating to alleged employment discrimination, health care and benefit issues; or • government or industry findings about or the financial stability of our retailers, distributors, manufacturers or others across our supply chain. As part of our marketing initiatives, we have contracted with certain public figures to market and endorse our products. While we maintain specific selection criteria and are diligent in our efforts to seek out public figures that resonate genuinely and effectively with our consumer audience, the individuals we choose to market and endorse our products may fall into negative favor with the general public. Because our consumers may associate the public figures that market and endorse our products with us, any negative publicity on behalf of such individuals may cause negative publicity about us and our products. This negative publicity could materially and adversely affect our brands and reputation and our revenue and profits. Negative information, including inaccurate information, about us on social media may harm our reputation and brands, which could have a material and adverse effect on our business, financial condition and results of operations. There has been a marked increase in using social media platforms and similar channels that provide individuals with access to a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate, as is its effect. Many social media platforms provide the content their subscribers and participants post, often without filters or checks on accuracy of the content posted. The opportunity for dissemination of information, including inaccurate information, is potentially limitless. Information about our business and / or products may be circulated on such platforms at any time. Negative views regarding our products and the efficacy of our eating approaches have been posted on various social media platforms, may continue to be posted in the future, and are out of our control. Regardless of their accuracy or authenticity, such information and views may be adverse to our interests and may harm our reputation and brands. The harm may be immediate without affording an opportunity for redress or correction. Ultimately, the risks associated with any such negative publicity cannot be eliminated or completely mitigated and may materially and adversely affect our business, financial condition and results of operations. We must appropriately allocate resources to maintain consumer awareness of our brands, build brand loyalty and generate interest in our products. Our marketing strategies and channels will evolve, and our programs may or may not be successful. To remain competitive and expand and keep shelf placement for our products, we may need to increase our marketing and advertising spending to maintain and increase consumer awareness, protect and grow our existing market share or promote new products, which could affect our operating results. Substantial advertising and promotional expenditures may be required to maintain or improve the market position of our brands or to introduce new products to the market. We along with participants in our industry are increasingly engaging with non- traditional and evolving media channels, including consumer outreach through social media and web- based communications, which may not prove successful. An increase in our marketing and advertising efforts may not maintain our current reputation or lead to increased awareness for our brands. Moreover, we may not maintain current awareness of our

brands due to any potential fragmentation of our marketing efforts as we continue to focus primarily on a low- carb, low- sugar and protein- rich nutritional approach for everyday snacking consumers. In addition, as media becomes increasingly fragmented, with consumers viewing media more and more through a variety of different platforms, channels and devices such as mobile devices and online streaming and less from traditional broadcast and cable television outlets, our costs to reach a comparable number of target consumers for our advertising activities has increased. We also consistently evaluate our product lines to determine whether to **redesign or** discontinue certain products. **Redesigning or Discontinuing discontinuing** products may increase our profitability but could reduce our sales and cause consumers to shop other brands. The **reformulation or** discontinuation of product lines may have an adverse effect on our business, financial condition and results of operations. Our geographic focus makes us particularly vulnerable to economic and other events and trends in North America. We operate mainly in North America and, therefore, are particularly susceptible to adverse regulations, economic climate, consumer trends, market fluctuations, including commodity price fluctuations or supply shortages of key ingredients, and other adverse events in North America. The concentration of our businesses in North America could present challenges and may increase the likelihood that an adverse event in North America would disproportionately materially and adversely affect product sales, financial condition and operating results. Pandemics, epidemics or disease outbreaks, such as COVID, have in the past and may in the future disrupt our business, including, among other things, consumption and trade patterns, our supply chain and production processes, each of which could materially affect our operations, liquidity, financial condition and results of operations. The actual or perceived effects of a disease outbreak, epidemic, pandemic or similar widespread public health concern, such as COVID- 19, could negatively affect our operations, liquidity, financial condition and results of operations. Pandemics, epidemics or disease outbreaks may affect demand for our products because quarantines or other government restrictions on movement may cause erratic consumer purchase behavior. ~~Our business experienced these effects during fiscal year 2022.~~ Future governmental or societal impositions of restrictions on public gatherings, especially if prolonged, may have adverse effects on consumption rates and in- person traffic to retail stores and, in turn, our business. Even the perceived risk of infection or health risk may adversely affect traffic to our store- based retail customers and, in turn, our business, liquidity, financial condition and results of operations, particularly if **any mobility restrictions are in place for significant time.** The **spread of pandemics, epidemics or disease outbreaks such as** COVID- 19 ~~pandemic situation continues to remain dynamic and subject to rapid and possibly material change, including but not limited to changes that may materially also disrupt our third- party business partners' ability to meet their obligations to us, which may negatively affect the our operations of our customers and.~~ **These third parties include those who supply chain partners in our ingredients, packaging, and the other necessary operating future, which ultimately could cause material materials negative effects on our business, contract manufacturers, distributors, and results of operations logistics and transportation services providers.** For example, the operations of several of our contract manufacturers were affected ~~by at the height of the~~ COVID- 19 pandemic's effect on the availability of labor. ~~Pandemics, epidemics or disease outbreaks may..... effect on the availability of labor.~~ Ports and other channels of entry may be closed or operate at only a portion of capacity, as workers may be prohibited or otherwise unable to report to work and means of transporting products within regions or countries may be limited for the same reason. Because of the COVID- 19 pandemic, transport restrictions ~~were have been~~ put in place and global supply was ~~and may become again in the future~~ constrained, each of which ~~may cause and have~~ caused price increases or shortages of certain ingredients and raw materials used in our products - ~~In addition we may experience disruptions to our operations.~~ Further, our contract manufacturers' ability to manufacture our products was, and may again in the future be, impaired by disruption to their employee staffing, procurement, manufacturing, or warehousing capabilities because of COVID- 19 or similar outbreaks. Our results of operations depend on, among other things, our ability to maintain and increase sales volume with our existing customers, to attract new consumers and to provide products that appeal to consumers at prices they are willing and able to pay. Our ability to implement our innovation, advertising, display and promotion activities designed to maintain and increase our sales volumes on a timely basis may be negatively affected because of modifications to retailer shelf reset timing or retailer pullback on in- store display and promotional activities during pandemic or similar situations. Retailers may also alter their normal inventory receiving and product restocking practices during pandemics, epidemics or disease outbreaks such as COVID- 19, which may negatively affect our business. Workforce limitations and travel restrictions resulting from pandemics, epidemics or disease outbreaks such as COVID- 19 and related government actions may affect many aspects of our business. If a significant percentage of our workforce cannot work or we cannot visit our contract manufacturers' locations, including because of illness, travel or government restrictions related to pandemics or disease outbreaks, our operations may be negatively affected. In addition, pandemics or disease outbreaks could cause a widespread health crisis that could adversely affect the economies and financial markets of many countries where we offer products, resulting in an economic downturn that could affect customers' and consumers' demand for our products. Adverse and uncertain economic conditions, such as decreases in per capita income and level of disposable income, increased unemployment or a decline in consumer confidence because of pandemic or similar situations, could have an adverse effect on distributor, retailer and consumer demand for our products. Consumers may shift purchases to lower- priced or other perceived value offerings during economic downturns. We believe the effects on consumer demand and shopping behavior because of the COVID- 19 pandemic could continue, including because of new virus variants and the effect these variants have on consumer shopping patterns. Our efforts to manage and mitigate these factors may be unsuccessful, and the effectiveness of these efforts depends on factors beyond our control, including the duration and severity of any pandemic, epidemic or disease outbreak, and third- party actions taken to contain its spread and mitigate public health effects. Risks Related to our Operating Model Ingredient and packaging costs are volatile and may rise significantly, which may negatively affect the profitability of our business. We negotiate the prices for large quantities of core ingredients, such as nuts, protein, fiber and packaging materials. Several ingredients are farmed or manufactured outside of the United States. Costs of ingredients and packaging are volatile and can fluctuate due to conditions difficult to predict, including global competition for resources, fluctuations in currency and

exchange rates, weather conditions, the effects of climate change, natural or man-made disasters, consumer demand, geopolitical events, and changes in governmental trade and agricultural programs and environmental regulations affecting the production or manufacturing of ingredients and packaging. Volatility in the prices of the core ingredients and other supplies we purchase increased in **recent fiscal year years 2023** and, while these price increases have begun to moderate **for some core ingredients and other supplies**, **we anticipate increases in these**— **the prices may remain elevated**— **cost of certain core ingredients and supplies** during fiscal year **2024 2025**. ~~As a result, our cost of goods sold increased in fiscal year 2023, and our profitability was reduced.~~ We do not use hedges for availability of any core ingredients **or packaging**. Any material upward movement in core ingredient or packaging pricing could negatively affect our margins if we cannot find efficiencies or pass these costs on to our consumers, ~~or our sales if we are forced to increase our prices.~~ If we are unsuccessful in managing our ingredient and packaging costs, if we cannot increase our prices to cover increased costs or if such price increases reduce our sales volumes, then such increases in costs will materially and adversely affect our business, financial condition and results of operations. ~~For more information on the effects of supply chain cost increases on our results of operations during fiscal year 2023, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Form 10-K.~~ Certain of our core ingredient contracts have minimum volume commitments that could require purchases without matching revenue during weaker sales periods. Future core ingredient and packaging prices may be affected by new laws or regulations, tariffs, suppliers’ allocations to other purchasers, interruptions in production by suppliers, natural disasters, volatility in the price of crude oil and related petrochemical products and changes in exchange rates. Shortages or interruptions in the supply or delivery of our core ingredients, packaging, products or equipment we purchase could materially and adversely affect our operating results as we rely on a limited number of third-party suppliers to supply our core ingredients and packaging and a limited number of contract manufacturers to manufacture our products. The core ingredients used in manufacturing our products include nuts, protein and fiber. We rely on a limited number ~~of~~ **and in certain cases single** third-party suppliers to provide these core ingredients, a portion of which are international companies. There may be a limited market supply of any of these core ingredients. Any disruption in supply could materially and adversely affect our business, particularly our profitability and margins. Events that adversely affect our suppliers could impair our ability to obtain core ingredient inventories in the quantities desired. Such events include problems with our suppliers’ businesses, finances, labor relations, sustainability concerns, evolving applicable environmental regulations, ability to import core ingredients, delays in imported core ingredients being processed through local customs, costs, production, insurance, reputation and weather conditions during growing, harvesting or shipping, including flood, drought, frost and earthquakes, man-made disasters or other catastrophic occurrences, and geopolitical events such as the continuing conflict between Ukraine and Russia. Our financial performance depends largely on our ability to purchase core ingredients and packaging in sufficient quantities at competitive prices. We may not have continued supply, pricing or exclusive access to core ingredients and packaging from these sources. Any of our suppliers could discontinue or seek to alter their relationships with us. We may be adversely affected by increased demand for our specific core ingredients, a reduction in **the** overall supply of required core ingredients, suppliers raising their prices, and increases in the cost of packaging and distributing core ingredients. **We may not be able to identify and qualify new suppliers of core ingredients promptly, which could adversely affect our ability to make timely deliveries of products.** Additionally, we may be adversely affected if suppliers stop selling to us or enter into arrangements that impair their abilities to provide us with core ingredients and packaging. We rely on a limited number of contract manufacturers to manufacture our products. If any of these manufacturers: • experience adverse effects on their businesses, including an inability to fulfill their labor or other human capital needs; • cannot continue manufacturing our products at required levels, on a timely basis, or at all; or • choose to cancel or not renew our contract with them to manufacture our products; we may be forced to seek other manufacturers. We may not be able to identify and qualify new manufacturers promptly that could allocate sufficient capacity to meet our requirements, which could adversely affect our ability to make timely deliveries of products. Furthermore, we may be unable to negotiate pricing or other terms with existing or new manufacturers as favorable as what we currently enjoy. In addition, there is no guarantee a new manufacturing partner could accurately replicate the production process and taste profile of the existing products. In addition, occasionally we determine to select new contract manufacturers to replace existing manufacturers to produce our products. If the transition to a new manufacturer is delayed or we experience product quality or other production issues during the transition to the new manufacturer, our business may be negatively affected until these issues are resolved. Our contract manufacturers also independently contract for and obtain certain ingredients and packaging for our products. If we or our contract manufacturers cannot obtain certain ingredients or packaging in the required amounts or at all, their ability to manufacture our products could be adversely affected. It could take a significant period of time to locate and qualify such alternative production sources or alternative ingredients or packaging, which could materially and adversely affect our business. If having our products available for consumer purchase through our retail customers is disrupted because of an inability to obtain ingredients or packaging, labor challenges at our logistics providers or our contract manufacturers, or if our customers experience delays in stocking our products in their locations, we will experience a reduction in sales at retail and our results of operations could be material and adversely affected. **We are subject to risks associated..... in the short and long- term.** We rely in large part on our third-party contract manufacturers to maintain the quality of our products. The failure or inability of contract manufacturers to comply with the specifications and requirements of our products could cause product recalls, which could materially and adversely affect our reputation and subject us to significant liability should the consumption of any of our products cause or be claimed to cause illness or injury. Our products implicate risks such as product contamination, spoilage, product tampering, other adulteration, mislabeling and misbranding. We also license certain products that contain our brands and logos, but which are produced and distributed exclusively by third parties of whom we have limited control. In addition, we do not own our warehouse facilities, but they are managed for us by a third party. Under certain circumstances, we may be required to, or may voluntarily, recall or withdraw products. A widespread recall or withdrawal of any of ours or licensed products may negatively and significantly

affect our sales and profitability and could cause significant losses depending on the costs of the recall, destruction of product inventory, reduction in product availability, and reaction of competitors and consumers. We may be subject to claims or lawsuits, including class actions lawsuits (which could significantly increase any adverse settlements or rulings) or judgments, resulting in liability for actual or claimed injuries, illness or death. Any of these events could materially and adversely affect our business, financial condition and results of operations. Whether or not a claim or lawsuit is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused illness or injury could adversely affect our reputation with existing and potential consumers and our corporate and brand image. Moreover, claims or liabilities of this sort might not be covered by our insurance or by any rights of indemnity or contribution we may have against others. We maintain product liability insurance in an amount we believe to be adequate. However, we may incur claims or liabilities for which we are not insured or that exceed our insurance coverage. A product liability judgment against us or a product recall could materially and adversely affect our business, financial condition and results of operations. We **.We** are subject to risks associated with protection of our trade secrets by our third- party contract manufacturers.If our contract manufacturers fail to protect our trade secrets,either intentionally or unintentionally,our business,financial condition and results of operations could be materially and adversely affected.If we experience significant increased demand for our products,or need to replace an existing supplier or manufacturer,additional supplies of core ingredients or manufacturers may not be available when required,on acceptable terms,or at all.Suppliers may not allocate sufficient capacity to meet our requirements,fill our orders promptly or meet our strict quality standards.Even if our existing suppliers and manufacturers can expand their capacities to meet our needs,or we can find new sources of core ingredients or new contract manufacturers,we may encounter delays in production,inconsistencies in quality and added costs.We may not be able to pass increased costs onto the consumer immediately,if at all,which may decrease or eliminate our profitability.Any manufacturing and / or supply disruptions or cost increases could have an adverse effect on our ability to meet consumer demand for our products and result in lower net sales and profitability,both in the short and long- term .We rely on sales to a limited number of retailers for a substantial portion of our net sales and losing one or more such retailers may materially harm our business. In addition, we maintain “ at- will ” contracts with these retailers, which do not require recurring or minimum purchase amounts of our products. A substantial **majority amount** of our sales are generated from a limited number of retailers. Sales to our largest retailer **customer**, Walmart **Inc.**, represented approximately 31 % of consolidated sales in fiscal year **2023-2024**, of which approximately **24-23** % is through their mass retail channel and approximately **7-8** % is through their Sam’ s club and e- commerce channels. Sales to our next largest retailer, Amazon, represented approximately **16-18** % of consolidated sales in fiscal year **2023-2024**. Although the composition of our significant retailers may vary from period ~~to~~ ~~to~~ period, we expect most of our sales will continue to come from a relatively small number of retailers for the foreseeable future. These retailers may take actions that affect us for reasons we cannot anticipate or control, such as their financial condition, changes in their business strategy or operations, including their inability to meet their labor or other human capital needs, the perceived quality of their products and introducing competing products. There can be no assurance that Walmart or Amazon or our other significant customers will continue to purchase our products in the same quantities or on the same terms as in the past, particularly as increasingly powerful retailers continue to demand lower pricing. Our retailers rarely provide us with firm, long- or short- term volume purchase commitments. As a result, we could have periods with little to no orders for our products while still incurring costs related to workforce maintenance, marketing, general corporate and debt service. Furthermore, despite operating in different channels, our retailers sometimes compete for the same consumers. Because of actual or perceived conflicts resulting from competition, retailers may take actions that negatively affect us. We may not find new retailers to supplement our revenue in periods when we experience reduced purchase orders or recover fixed costs because of experiencing reduced purchase orders. Periods of reduced purchase orders could materially and adversely affect our business, financial condition and results of operations. Conversely, occasionally, we may experience unanticipated increases in orders for our products from these retailers that can create supply chain problems and may cause unfilled orders. If we cannot meet increased demand for our products, our reputation with these retailers, and ultimately our consumers, may be harmed. Unanticipated fluctuations in product requirements could cause fluctuations in our results from quarter- to- quarter. Consolidation among retailers may also materially and adversely affect our results. An increase in the concentration of our sales to large customers may negatively affect our profitability due to the effect of higher shelving fees and reduced volumes of product sold. Furthermore, as retailers consolidate or account for a larger percentage of our sales, they may reduce the number of branded products they offer to accommodate private label products and pressure us to lower the prices of our products. The loss of, a disruption in or an inability to efficiently operate our fulfillment network could materially and adversely affect our business, financial condition, and results of operations. For our U. S. operations, we utilize distribution centers in Greenfield, Indiana, **Greenwood, Indiana, Romeoville, Illinois and Hackettstown, New Jersey**. A substantial portion of our inventory is shipped directly to our retailers from these centers by a third- party logistics provider. Most of our other customers pick- up their orders at our distribution centers and arrange for delivery to their fulfillment network. A small percentage of our customers are shipped certain products directly from a co- manufacturing location. We rely significantly on the orderly operation of our distributions centers and logistics providers. If complications arise, a particular facility is damaged or destroyed or if either our third- party logistics partners or our customers who transport their own orders to their fulfillment network cannot meet their labor or other human capital needs for delivery drivers or other warehouse personnel or if trucking regulations affect current trucking norms (such as a shift to electric vehicles), our ability to deliver inventory timely or cost effectively could be significantly impaired, which could materially and adversely affect our business because of lost consumer purchases at retail thereby negatively affecting our operations. We rely **primarily** on a single- sourced logistics provider for distribution and product shipments in the United States from our distribution centers. Our utilization of delivery services for shipments is subject to risks that may affect the ability to provide delivery services that adequately meet our shipping needs including increases in fuel prices, labor shortages, employee strikes and inclement weather. Occasionally, we may change third- party logistics

providers and we could face logistical difficulties that could adversely affect deliveries. In addition, we could incur costs and expend resources in connection with such change and fail to obtain terms as favorable as those we currently receive. Disruptions at our distribution facilities or in our operations due to natural or man-made disasters, pandemics or other disease outbreaks, fire, flooding, terrorism or other catastrophic events, system failure, labor shortages or disagreements or shipping problems may cause delays in the delivery of products to retailers and could materially and adversely affect our results of operations. Severe weather conditions, natural disasters such as fires, floods, droughts, hurricanes, earthquakes and tornadoes, government regulation related to climate change, and the effects of climate change and geopolitical events can affect crop supplies, and supply chain infrastructure, and negatively affect the operating results of our business. Severe weather conditions and natural disasters, such as fires, floods, droughts, frosts, hurricanes, earthquakes, tornadoes, insect infestations and plant disease, and geopolitical events may affect the supply of core ingredients and packaging used to make and protect food products or may prevent the manufacturing or distribution of food products by third parties. In addition, a number of these weather conditions could become even more severe over time because of the effects of climate change. Competing manufacturers might be affected differently by weather conditions, natural disasters, and geopolitical events depending on the location of their sources of supplies and manufacturing or distribution facilities. If supplies of core ingredients and packaging available to us are reduced, we may not find enough supplemental supply sources on favorable terms, which could materially and adversely affect our business, financial condition and results of operations. In addition, because we rely on few contract manufacturers for most of our manufacturing needs and because our distribution warehouses are all in a similar geographic location, adverse weather conditions could affect the ability for those third-party operators to manufacture, store or move our products. We intend to grow through mergers and acquisitions or joint ventures, and we may not successfully integrate, operate or realize the anticipated benefits of such business combinations. As part of our strategic initiatives, we intend to pursue ~~mergers and acquisitions or joint ventures~~, **such as the OWYN Acquisition we completed during fiscal year 2024**. Our acquisition strategy is based on identifying and acquiring brands with products that complement our existing products and identifying and acquiring brands in new categories and new geographies to expand our platform of nutritional snacks and potentially other food products. Although we regularly evaluate multiple acquisition candidates, we cannot be certain that we can successfully identify suitable acquisition candidates, negotiate acquisitions of identified candidates on favorable terms, or integrate acquisitions we complete. Acquisitions involve numerous risks and uncertainties, including intense competition for suitable acquisition targets, which could increase target prices and / or materially and adversely affect our ability to consummate deals on favorable terms, the potential unavailability of financial resources necessary to consummate acquisitions, the risk we improperly value and price a target, the potential inability to identify all of the risks and liabilities inherent in a target company or assets notwithstanding our diligence efforts, the diversion of management's attention from the day-to-day operations of our business and additional strain on our existing personnel, increased leverage resulting from the additional debt financing that may be required to complete an acquisition, dilution of our net current book value per share if we issue additional equity securities to finance an acquisition, difficulties in identifying suitable acquisition targets or in completing any transactions identified on sufficiently favorable terms and the need to obtain regulatory or other governmental approvals that may be necessary to complete acquisitions. Any future acquisitions may pose risks associated with entry into new geographic markets, including outside the United States and our current international markets, distribution channels, lines of business or product categories, where we may not have significant prior experience and where we may not be as successful or profitable as we are in businesses and geographic regions where we have greater familiarity and brand recognition. Potential acquisitions may entail significant transaction costs and require significant management time and distraction from our core business, even where we cannot consummate or decide not to pursue a particular transaction. Besides the risks above, even when acquisitions are completed, integration of acquired entities can involve significant difficulties. These include failure to achieve financial or operating objectives regarding an acquisition, systems, operational and managerial controls and procedures, the need to modify systems or to add management resources, difficulties in the integration and retention of consumers or personnel and the integration and effective deployment of operations or technologies, amortization of acquired assets (which would reduce future reported earnings), possible adverse short-term effects on cash flows or operating results, ~~the integrating-~~ **integration of** personnel with diverse backgrounds and organizational cultures, ~~the coordinating-~~ **coordination of** sales and marketing functions and failure to obtain and retain key personnel of an acquired business. Failure to manage these acquisition growth risks could have an adverse effect on our business. **We may not realize the expected benefits of the OWYN acquisition because of integration difficulties and other challenges. We completed the OWYN Acquisition in June 2024. The success of the OWYN acquisition will depend, in part, on our ability to realize all or some of the anticipated benefits from integrating OWYN's business with our existing businesses. The integration process may be complex, costly and time-consuming. The difficulties of integrating the operations of OWYN's business include, among others: • failure to implement our business plan for the combined business; • unanticipated issues in integrating co-manufacturing, logistics, information, communications and other systems; • possible inconsistencies in standards, controls, procedures and policies, and compensation structures between OWYN's structure and our structure; • failure to retain key employees, customers and suppliers; • unanticipated changes in applicable laws and regulations; • the complexities associated with integrating personnel from another company; • operating risks inherent in OWYN's business and our business; • diversion of management's attention from other business concerns; • increasing the scope, geographic diversity and complexity of our operations; and • unanticipated issues, expenses and liabilities. We may not be able to maintain the levels of net sales, earnings or operating efficiency that each company had achieved historically or might achieve separately. In addition, we may not accomplish the integration of OWYN's business smoothly, successfully or within the anticipated costs or timeframe. If we experience difficulties with the integration process, the anticipated benefits of the acquisition may not be realized fully, or at all, or may take longer to realize than expected.** Our insurance policies may not provide adequate levels of

coverage against claims. We believe that we maintain insurance policies customary for businesses of our size and type. However, there are losses we may incur that cannot be insured against or that we believe are not economically reasonable to insure. Such losses could have a material adverse effect on our business, financial condition and results of operations. Loss of our key executive officers or other personnel, or an inability to attract and retain such management and other personnel, could negatively affect our business. Our future success depends to a significant degree on the skills, experience and efforts of our key executives and the strength of our talent positions throughout the organization. The sudden loss of key personnel or our failure to appropriately plan for any expected key executive succession could materially and adversely affect our business and prospects, as we may not be able to find suitable individuals to replace them on a timely basis, if at all. Additionally, we also depend on our ability to attract and retain qualified personnel to operate and expand our business. If we fail to attract talented new employees, our business and results of operations could be negatively affected. We may not be able to adequately protect our intellectual property and other proprietary rights that are material to our business. Our ability to compete effectively depends in part upon protection of our rights in trademarks, trade dress, copyrights and other intellectual property rights we own or license. Our use of contractual provisions, confidentiality procedures and agreements, and trademark, copyright, unfair competition, trade secret and other laws to protect our intellectual property and other proprietary rights may not be adequate. We may not be able to preclude third parties from using our intellectual property regarding food or beverage products and may not be able to leverage our branding beyond our current product offerings. In addition, our trademark or other intellectual property applications may not always be granted. Third parties may oppose our intellectual property applications, or otherwise challenge our use of trademarks or other intellectual property. Third parties may infringe, misappropriate, or otherwise violate our intellectual property. Changes in applicable laws could lessen or remove the current legal protections available for intellectual property. Any legal action we may bring to protect our brand and other intellectual property could be unsuccessful, result in substantial costs and could divert management's attention from other business concerns. A successful claim of trademark, copyright or other intellectual property infringement, misappropriation, or other violation against us could prevent us from providing our products or services or could require us to redesign or rebrand our products or packaging if we cannot license such third-party intellectual property on reasonable terms. Certain of our intellectual property licenses have fixed terms, and even for those that do not, we cannot guarantee all our intellectual property licenses will remain in effect indefinitely. Termination or breaches of intellectual property licenses granted by or to us could cause the loss of profits generated under such licenses. Any of the foregoing outcomes could materially and adversely harm our business, financial condition or results of our operations. Any inadequacy, failure or interruption of our information technology systems may harm our ability to effectively operate our business, and our business is subject to online security risks, including security breaches and identity theft. We rely heavily on information systems for management of our supply chain, inventory, payment of obligations, collection of cash, human capital management, financial tools and other business processes and procedures. Our ability to efficiently and effectively manage our business functions depends significantly on the reliability and capacity of these systems. Our operations depend upon our ability to protect our computer equipment and systems against damage from physical theft, fire, power loss and outages, telecommunications failure or other catastrophic events and from internal and external security breaches, viruses and other disruptive problems. The failure of these systems to operate effectively, whether from maintenance problems, upgrading or transitioning to new platforms, or a breach in security of these systems, could result in interruptions or delays in our operations, reduce efficiency or negatively affect our operations. If our information technology systems fail and our redundant systems or disaster recovery plans are not adequate to address such failures, or if our business interruption or cyber-security insurance does not sufficiently compensate us for any losses we may incur, our revenue and profits could be reduced, and the reputation of our brand and our business could be materially adversely affected. In addition, remediation of any problems with our systems could result in significant, unplanned expenses. We have instituted controls, including information system governance controls intended to protect our computer systems and our information technology systems and networks. We also have business continuity plans that attempt to anticipate and mitigate failures. However, we cannot control or prevent every potential technology failure, adverse environmental event, third-party service interruption or cybersecurity risk. Unauthorized users who penetrate our information security systems could misappropriate proprietary, employee, or consumer information. As a result, it may become necessary to expend additional amounts of capital and resources to protect against, or to alleviate, problems caused by unauthorized access. Data security breaches could cause damaged reputation with consumers and reduced demand for our products. Additional expenditures may not prove to be a timely remedy against breaches by unauthorized users who are able to penetrate our information security. Besides purposeful security breaches, the inadvertent transmission of computer viruses could adversely affect our computer systems and, in turn, harm our business. We increasingly rely on cloud computing and other technologies that result in third parties holding significant amounts of customer, consumer or employee information on our behalf. There has been an increase over the past several years in the frequency and sophistication of attempts to compromise the security of these systems. If the security and information systems we or our outsourced third-party providers use to store or process such information are compromised or if we, or such third parties, otherwise fail to comply with applicable laws and regulations, we could face litigation and the imposition of penalties that could adversely affect our financial performance. Our reputation as a brand or as an employer could also be adversely affected by these types of security breaches or regulatory violations, which could impair our ability to attract and retain qualified employees. Many states require that consumers be notified if a security breach results in disclosing their personal financial account or other information. Additional states and governmental entities are considering such "notice" laws. In addition, other public disclosure laws may require that material security breaches be reported. If we experience a security breach, and such notice or public disclosure is required in the future, our reputation and our business may be harmed. Except for limited information voluntarily submitted by users of our website, we typically do not collect or store consumer data or personal information, although we do share information to third-party providers to provide consumer advertising. However, third-party providers, including our licensees, contract manufacturers, e-

commerce contractors and third- party sellers may do so. The website operations of such third parties may be affected by reliance on other third- party hardware and software providers, technology changes, risks related to the failure of computer systems through which these website operations are conducted, telecommunications failures, data security breaches and similar disruptions. If we or our third- party providers fail to maintain or protect our respective information technology systems and data integrity effectively, fail to implement new systems, update or expand existing systems, fail to provide necessary privacy law disclosures or fail to anticipate, plan for or manage significant disruptions to or compromises of systems involved in our operations, we could: • lose existing customers; • have difficulty preventing, detecting, and controlling fraud; • have disputes with customers, suppliers, distributors or others; • be subject to regulatory sanctions, including sanctions stemming from violations of the Health Insurance Portability and Accountability Act of 1996 or other federal or state privacy laws; • suffer reputational harm, and • incur unexpected costs to remediate any unauthorized access of our systems and implement protective measures against future attacks. Because of these possible outcomes we could incur increases in operating expenses and our results of operations could be materially and adversely affected. While we maintain insurance against losses related to unauthorized access to our systems, there can be no assurance our level of coverage will be sufficient to address the losses we sustain.

**Regulatory Risks and Litigation Risks** All of our products must comply with federal, state and local regulations. Any non- compliance with the FDA or other applicable regulations could harm our business. Our products must comply with various rules and regulations, including those regarding product manufacturing, food safety, required testing, and appropriate labeling of our products. The FDA has not defined nutrient content claims regarding low- carbohydrates, but it has not objected to using net carbohydrate information on food labels if the label adequately explains how the term is used so it would not be false or misleading to consumers. The FDA requires all carbohydrates per serving to be listed on the Nutrition Facts Panel (“NFP”) of a package. Besides the information on the NFP, we **often** use the term “net carbohydrate” (or “net carbs”) on our existing product packaging. We determine the number of net carbs in a serving by subtracting fiber, and sugar alcohols if any, from the total carbohydrates listed on the NFP. It is possible that FDA regulations and / or their interpretations may materially change related to, for example, definitions of certain of our core ingredients, such as fiber, labeling requirements for describing other ingredients or nutrients, such as sugar alcohols or protein, or disclosures of any ingredient labeled as genetically modified (“GMO”). As such, there is a risk that our products could become non- compliant with the FDA’s regulations, and any such non- compliance could harm our business. In addition, if FDA or other regulations restrict us from labeling and marketing certain ingredients or product attributes, such as fiber or “net carb” count, we may not effectively reach our target demographics, promote what we believe to be the benefits of our products or communicate that our products are composed of what we consider to be low- carb, low- sugar and protein- rich ingredients. We must rely on the contract manufacturers we engage to produce our products to maintain compliance with applicable regulatory requirements. Although we require our contract manufacturers to be compliant with regulatory requirements, we do not have direct control over such facilities. Failure of our contract manufacturers to comply with applicable regulation could have a material and adverse effect on our ability to sell our products to our customers and our results of operations. Conflicts between state and federal law regarding definitions of our core ingredients, and labeling requirements, may lead to non- compliance with state and local regulations. For example, certain states may maintain narrower definitions of certain ingredients, and more stringent labeling requirements, of which we are unaware. Any non- compliance at the state or local level could materially and adversely affect our business, financial condition and results of operations. Our advertising is regulated for accuracy, and if our advertising is determined to be false or misleading, we may face fines or sanctions. Our advertising is subject to regulation by the FTC under the Federal Trade Commission Act, which prohibits dissemination of false or misleading advertising. In addition, the National Advertising Division of the Council of Better Business Bureaus, Inc., which we refer to as NAD, administers a self- regulatory program of the advertising industry to ensure truth and accuracy in national advertising. NAD both monitors national advertising and entertains inquiries and challenges from competing companies and consumers. Should our advertising be determined to be false or misleading, we may have to pay damages, revise or withdraw our campaign and possibly face fines or sanctions, which could have a material adverse effect on our sales and operating results. Changes in the legal and regulatory environment could limit our business activities, increase our operating costs, reduce demand for our products or result in litigation. Elements of our business, including the production, storage, distribution, sale, display, advertising, marketing, labeling, health and safety practices, transportation and use of many of our products, are subject to various laws and regulations administered by federal, state and local governmental agencies in the United States, and the laws and regulations administered by government entities and agencies outside the United States in markets in which our products or components thereof, such as core ingredients and packaging, may be made, manufactured or sold. These laws, regulations and interpretations thereof may change, sometimes dramatically, because of a variety of factors, including political, economic or social events. Such factors may include changes in: • food and drug laws (including FDA regulations); • laws related to product labeling, advertising and marketing practices; • laws and programs restricting the sale and advertising of certain of our products; • laws and programs aimed at reducing, restricting or eliminating ingredients present in certain of our products; • laws and programs aimed at reducing, restricting or eliminating ingredients or packaging present in certain of our products to meet government objectives to combat climate change or certain labor practices; • laws and programs aimed at discouraging the consumption of products or ingredients or altering the package or portion size of certain of our products; • state consumer protection and disclosure laws; • taxation requirements, including the imposition or proposed imposition of new or increased taxes or other limitations on the sale of our products; competition laws; • anti- corruption laws, including the U. S. Foreign Corrupt Practices Act of 1977, as amended (the “FCPA”), and the UK Bribery Act of 2010 (the “Bribery Act”); • economic sanctions and anti- boycott laws, including laws administered by the U. S. Department of Treasury, Office of Foreign Assets Control (“OFAC”) and the European Union (“EU”); • laws relating to export, re- export, transfer, tariffs and import controls, including the Export Administration Regulations, the EU Dual Use Regulation and the customs and import laws administered by the U. S. Customs and Border Protection and other local governments where are contract

manufacturers are located; • employment laws; • privacy laws; • laws regulating the price we may charge for our products; • regulatory requirements from any required disclosures related to climate change; and • farming, transportation and environmental laws. New laws, regulations or governmental policies and their related interpretations, or changes in any of the foregoing, including taxes, tariffs or other limitations on the sale of our products, ingredients in our products or commodities used in the production of our products, may alter the environment in which we do business and, therefore, may affect our operating results or increase our costs or liabilities. In addition, if we fail to adhere to such laws and regulations, we could be subject to regulatory investigations, civil or criminal sanctions, and class action litigation, which has increased in the industry in recent years. Litigation or legal proceedings could expose us to significant liabilities and have a negative effect on our reputation. Occasionally, we may defend against various claims and litigation. We evaluate these claims and litigation, assess the likelihood of unfavorable outcomes, and estimate, if possible, potential losses when appropriate. We may establish reserves, as appropriate based on the information available to management at the time. These assessments and estimates involve a significant amount of management judgment and may differ materially from actual outcomes. There is an additional risk that potential litigation may lead to adverse publicity, consumer confusion, distrust and additional legal challenges for us. Should we become subject to related or additional unforeseen lawsuits, including claims related to our products, labeling or advertising, which may vary under state and federal rules and regulations, consumers may avoid purchasing our products or seek alternative products, even if the basis for the claims against us is unfounded. Risks Related to our Capital Structure Our indebtedness could materially and adversely affect our financial condition and ability to operate our company, and we may incur additional debt. As of August 26 31, 2023 2024, we had approximately \$ 285 400 million in outstanding term loan indebtedness and a revolving credit facility with availability of up to \$ 75 million with no amounts drawn on that revolving credit facility. Our current and future debt level and the terms of our debt arrangements could materially and adversely affect our financial condition and limit our ability to successfully implement our growth strategies. In addition, under the credit facilities governing our indebtedness, we have granted the lenders a security interest in substantially all of our assets, including the assets of our subsidiaries and an affiliate. Our ability to meet our debt service obligations will depend on our future performance, which will be affected by the other risk factors described herein. If we do not generate enough cash flow to pay our debt service obligations, we may have to refinance all or part of our existing debt, sell our assets, borrow more money or raise equity. We may not be able to take any of these actions timely, on terms satisfactory to us, or at all. The credit facilities governing our debt arrangements contain financial and other covenants. The credit facilities governing our existing debt arrangements contain certain financial and other covenants. Our revolving credit facility has a maximum total net leverage ratio equal to or less than 6. 00: 1. 00 contingent on credit extensions in excess of 30 % of the total amount of commitments available under the revolving credit facility, and limitations on our ability to, among other things, incur and / or undertake asset sales and other dispositions, liens, indebtedness, certain acquisitions and investments, consolidations, mergers, reorganizations and other fundamental changes, payment of dividends and other distributions to equity and warrant holders, and prepayments of material subordinated debt, in each case, subject to customary exceptions materially consistent with credit facilities of such type and size. Any failure to comply with the restrictions of the credit facilities may cause an event of default. The credit facilities governing our existing debt arrangements bear interest at variable rates. If market interest rates increase, variable rate debt will create higher debt service requirements, which could materially and adversely affect our cash flow. Changes in interest rates may adversely affect our earnings and cash flows. Our indebtedness under our revolving credit facility bears interest at variable interest rates that use the Secured Overnight Financing Rate (“ SOFR ”) as a benchmark rate. SOFR is calculated based on short- term repurchase agreements, backed by Treasury securities. SOFR is observed and backward looking , which stands in contrast with the London Inter- Bank Offered Rate (“ LIBOR ”) under the previous methodology, which is an estimated forward- looking rate and relies, to some degree, on the expert judgment of submitting panel members. Given that SOFR is a secured rate backed by government securities, it is a rate that does not take into account bank credit risk , as was the case with LIBOR. SOFR is therefore likely to be lower than LIBOR and is less likely to correlate with the funding costs of financial institutions. Because of these and other differences, there is no assurance that SOFR will perform in the same way as LIBOR would have performed at any time, and there is no guarantee that it is a comparable substitute for LIBOR. Whether or not SOFR attains market traction as a LIBOR replacement tool remains in question. At this time, it is not possible to predict the effect of any establishment of alternative reference rates or any other reforms that may be enacted in the United Kingdom or elsewhere. Uncertainty as to the nature of such potential changes, alternative reference rates, including SOFR, or other reforms may adversely affect the trading market for LIBOR or SOFR- based securities, including ours. As a result, our interest expense may increase, our ability to refinance some or all of our existing indebtedness may be affected, and our available cash flow may be adversely affected. We may need additional capital in the future, and it may not be available on acceptable terms or at all. We have historically relied upon cash generated by our operations to fund our operations and strategy. We may also need to access the debt and equity capital markets ; however, these sources of financing may not be available on acceptable terms, or at all. Our ability to obtain additional financing will be subject to several factors, including market conditions, our operating performance, investor sentiment and our ability to incur additional debt in compliance with agreements governing our outstanding debt. These factors may make the timing, amount, terms or conditions of additional financing unattractive to us. If we cannot generate sufficient funds from operations or raise additional capital, our growth could be impeded. We have incurred and will continue to incur significant costs because of operating as a public company, and our management has been and will continue to be required to devote substantial time to compliance efforts. We have incurred and expect to continue to incur significant legal, accounting, insurance and other expenses because of being a public company. The Dodd- Frank Wall Street Reform and Customer Protection Act (the “ Dodd- Frank Act ”) and the Sarbanes- Oxley Act of 2002 (the “ Sarbanes- Oxley Act ”), and related rules implemented by the SEC and listing exchange rules and requirements, have required changes in corporate governance practices of public companies. In addition, rules that the SEC is implementing or is required to implement pursuant to the Dodd- Frank Act are expected to require

additional changes. Compliance with these and other similar laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act (“Section 404”), has and will continue to substantially increase expense, including our legal and accounting costs, and make some activities more time-consuming and costly. We may be unable to hire, train or retain necessary staff and may be reliant on engaging outside consultants or professionals, which could adversely affect our business if our internal infrastructure is inadequate to fulfill our public company obligations. These laws, regulations and rules, including new compensation clawback rules, could also make it more expensive for us to obtain director and officer liability insurance and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our executive officers. In addition, more investors and other market professionals are expecting more detailed environmental, social and governance or ESG reporting from public companies of our size that are currently produced by public companies with human and financial resources that are greater than ours. Furthermore, the SEC has ~~proposed~~ **adopted** rule changes, **and the State of California has enacted legislation** that would require ~~registrants~~ **us** to include certain climate-related disclosures, including greenhouse gas emission data with third-party attestation and climate-related financial statement metrics in a note to their audited financial statements. These ~~rules~~ **SEC proposals related to the enhancement and legislation** ~~standardization of climate-related disclosures~~ may require us to change our accounting policies, to alter our operational policies and to implement new or enhance existing systems so that they reflect new or amended financial reporting standards, or to restate our published financial statements. Such changes may have an adverse effect on our business, financial position and operating results, or cause an adverse deviation from our revenue and operating profit targets, which may negatively affect our financial results. As a result, we expect to incur additional expenses to meet these reporting expectations as well as any climate related reporting mandated in the future by government regulations. If we cannot implement appropriate systems, procedures and controls, we may not be able to successfully procure, offer or ship our products, grow our business and account for transactions in an appropriate and timely manner. Our ability to successfully offer our products, grow our business and account for transactions in an appropriate and timely manner requires an effective planning and management process and certain other automated management and accounting systems. We have an integrated enterprise resource planning system and certain other automated management and accounting systems. We periodically update our operations and financial systems, procedures and controls; however, ~~we~~ **we** still rely on certain manual processes and procedures that may not scale proportionately with our business growth. Our systems will continue to require automation, modifications and improvements to respond to current and future changes in our business. Failure to implement promptly appropriate internal systems, procedures and controls could materially and adversely affect our business, financial condition and results of operations. If we do not maintain effective internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner or prevent fraud, which may adversely affect investor confidence in our financial reporting and adversely affect our business and operating results and the market price for our common stock. Effective internal control over financial reporting is necessary for us to provide reliable financial reports. ~~In May 2021 we identified a material weakness in our internal control over financial reporting.~~ In the future, we may discover areas of our internal control over financial reporting that need improvement. In addition, our internal financial and accounting team is leanly staffed, which can lead to inefficiencies regarding segregation of duties. If we fail to properly and efficiently maintain an effective internal control over financial reporting, we could fail to report our financial results accurately. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company’s annual or interim financial statements will not be prevented or detected on a timely basis. Effective internal controls are necessary for us to provide reliable financial reports and prevent fraud. Remediation measures may from time to time be time consuming and costly and there is no assurance that the remedial measures we have taken to date, or any remedial measures we may take in the future, will be sufficient to avoid potential future material weaknesses. A material weakness will not be considered remediated until a sustained period of time has passed to allow management to test the design and operational effectiveness of the corrective actions. We may identify material weaknesses in the future, which could limit our ability to prevent or detect a material misstatement of our annual or interim financial statements. The occurrence of, or failure to remediate, any material weakness we have identified or any other material weakness could result in our failure to maintain compliance with legal requirements, including Section 404 of the Sarbanes-Oxley Act and rules regarding timely filing of periodic reports, in addition to applicable stock exchange listing requirements, could cause investors to lose confidence in our financial reporting and could have an adverse effect on our the market price of our common stock. Our only significant asset is ownership of 100 % of Atkins Intermediate Holdings, LLC and such ownership may not be sufficient to pay dividends or make distributions or loans to enable us to pay any dividends on our common stock or satisfy our other financial obligations. We have no direct operations and no significant assets other than the direct ownership of 100 % of Atkins Intermediate Holdings, LLC. We currently depend on Atkins Intermediate Holdings, LLC for distributions, loans and other payments to generate the funds necessary to meet our financial obligations and to pay any dividends regarding our common stock. Legal and contractual restrictions in agreements governing our debt arrangements and future indebtedness of Atkins Intermediate Holdings, LLC, and the financial condition and operating requirements of Atkins Intermediate Holdings, LLC, may limit our ability to obtain funds in a timely manner from Atkins Intermediate Holdings, LLC. The earnings from, or other available assets of, Atkins Intermediate Holdings, LLC may not be sufficient to pay dividends, make distributions or loans to enable us to pay any dividends on our common stock, or satisfy our other financial obligations. Risks Related to our Common Stock Our stock price may be volatile. Our common stock is traded on the Nasdaq Capital Market (“Nasdaq”). The market price of our common stock has fluctuated in the past and could fluctuate substantially in the future, based on a variety of factors, including future announcements covering us or our key customers or competitors, government regulations, litigation, changes in earnings estimates by analysts, fluctuations in quarterly operating results or general conditions in our industry and may be exacerbated by

historical limited trading volume in our common stock. Furthermore, stock prices for many companies fluctuate widely for reasons that may be unrelated to their operating results. Those fluctuations and general economic, political and market conditions, such as recessions or international currency fluctuations and demand for our services, may adversely affect the market price of our common stock. We do not expect to declare any dividends in the foreseeable future. We do not anticipate declaring any cash dividends to holders of our common stock in the foreseeable future. Consequently, investors may need to rely on sales of their shares of common stock after the price has appreciated, which may never occur, as the only way to realize any future gains on their investment. Investors seeking cash dividends should not purchase our common stock. ~~There may be future sales or other dilution of the Company's equity, which may adversely affect the market price of our common stock. We are not generally restricted from issuing additional shares of common stock, or any securities convertible into or exchangeable for, or that represent the right to receive, shares of common stock. Issuing any additional shares of common stock or preferred shares or securities convertible into, exchangeable for or that represent the right to receive shares of common stock or the exercise of such securities could be substantially dilutive to holders of our common stock. The market price of our common stock could decline because of sales of our common stock made in the future or the perception that such sales could occur. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of future offerings, if any. Thus, our stockholders bear the risk of future offerings reducing the market price of our common stock and diluting their holdings in the Company.~~ Anti- takeover provisions in our amended and restated certificate of incorporation and second amended and restated bylaws, and provisions of Delaware law, could impair a takeover attempt. Our amended and restated certificate of incorporation and second amended and restated bylaws contain provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. We are also subject to anti- takeover provisions under Delaware law, which could delay or prevent a change of control. Together these provisions may make the removal of management more difficult and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities. These provisions include: • no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • the right of our board of directors to elect a director to fill a vacancy created by the expansion of the board of directors or the resignation, death, or removal of a director in certain circumstances, which prevents stockholders from filling vacancies on our board of directors; • the ability of our board of directors to determine whether to issue shares of our preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer; • a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders; • a prohibition on stockholders calling a special meeting, which forces stockholder action to be taken at an annual meeting of our stockholders or at a special meeting of our stockholders called by the chairman of the board or the chief executive officer pursuant to a resolution adopted by a majority of the board of directors; • the requirement that a meeting of stockholders may be called only by the board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; • providing that directors may be removed prior to the expiration of their terms by stockholders only for cause and upon the affirmative vote of a majority of the voting power of all outstanding shares of the combined company; and, • advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of the Company.

Other Risks Disruptions in the worldwide economy may materially and adversely affect our business, financial condition and results of operations. Adverse and uncertain economic conditions, such as those caused by the inflationary environment ~~first experienced in fiscal year 2022 and which continued in fiscal year 2023~~, geopolitical events and **public health emergencies COVID-19**, have, in the past affected, and, in the future, may affect distributor, retailer and consumer demand for our products. In addition, our ability to manage normal commercial relationships with our suppliers, contract manufacturers, distributors, retailers, consumers and creditors may suffer. Consumers may shift purchases to lower- priced or other perceived value offerings during economic downturns and periods of high inflation, making it more difficult to sell our premium products. Due to the relative costs of our products, during economic downturns and periods of high inflation, it may be more difficult to convince consumers to switch to or continue to use our brands or convince new users to choose our brands without expensive sampling programs and price promotions. In addition, consumers may choose to purchase private- label products rather than branded products because they are generally less expensive. Distributors and retailers may become more conservative in their ordering in response to these conditions and seek to reduce their inventories. Our results of operations depend on, among other things, our ability to maintain and increase sales volume with our existing distributors and retailers, to attract new consumers and to provide products that appeal to consumers at prices they are willing and able to pay. Prolonged unfavorable economic conditions may have an adverse effect on our sales and profitability. Our international operations expose us to regulatory, economic, political and social risks in the countries in which we operate. The international nature of our operations involves several risks, including changes in U. S. and foreign regulations, tariffs, taxes and exchange controls, economic downturns, inflation and political and social instability in the countries in which we operate and our dependence on foreign personnel. Moreover, although our products in our foreign operations typically mirror those in the United States, consumers outside the United States may have different tastes, preferences, nutritional approaches and perceptions of our brands and business operations than U. S. consumers. Our international business is small compared to our U. S. business, and as a result, our operations are more spread out which can add to our costs and limit our ability to react effectively and timely to adverse events. We cannot be certain that we can enter and successfully compete in additional foreign markets or that we can continue to compete in the foreign markets in which we currently operate. Doing business outside the United States requires us to comply with the laws and regulations of the U. S. government and various foreign jurisdictions, which place restrictions on our

operations, trade practices, partners and investment decisions. In particular, our operations are subject to U. S. and foreign anti-corruption and trade control laws and regulations, such as the FCPA, export controls and economic sanctions programs, including those administered by the OFAC. Because of doing business in foreign countries and with foreign partners, we are exposed to a heightened risk of violating anti- corruption and trade control laws and sanctions regulations. The FCPA prohibits us from providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. Our continued expansion outside the United States, including in developing countries, and our development of new partnerships and joint venture relationships worldwide, could increase the risk of FCPA, OFAC or other sanctions violations in the future. Violations of anti- corruption and trade control laws and sanctions regulations may cause reputational damage and are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts and revocations or restrictions of licenses, and criminal fines and imprisonment. Finally, our business could be negatively affected by changes in the U. S. and Canadian political environments, in particular. We operate primarily in the U. S. and Canada, and we ship a large number of products between the U. S. and Canada. Adverse changes to trade agreements, import or export regulations, customs duties or tariffs by either or both governments may have a negative effect on our business, financial conditions and results of operations. Our international operations expose us to fluctuations in exchange rates, which may materially and adversely affect our operating results. We source large quantities of our core ingredients from foreign suppliers, and as a result, any material upward movement in foreign exchange rates relative to the U. S. dollar will adversely affect our profitability. Furthermore, the substantial majority of our revenue is generated domestically, while a substantial portion of our third- party manufacturing is completed in Canada. Any U. S. dollar weakness may therefore materially and adversely affect revenue and cash flows while also increasing supply and manufacturing costs. Our amended and restated certificate of incorporation provides that, to the extent allowed by law, the doctrine of “ corporate opportunity ” does not apply with respect to the directors, officers, employees or representatives of Conyers Park Sponsor, LLC (“ Conyers Park Sponsor ”) Centerview Capital Holdings LLC (“ Centerview Capital ”) and Centerview Partners and their respective affiliates, excepted as provided below. The doctrine of corporate opportunity generally provides that a corporate fiduciary may not develop an opportunity using corporate resources, acquire an interest adverse to that of the corporation or acquire property that is reasonably incident to the present or prospective business of the corporation or in which the corporation has a present or expectancy interest, unless that opportunity is first presented to the corporation and the corporation chooses not to pursue that opportunity. The doctrine of corporate opportunity is intended to preclude officers, directors or other fiduciaries from personally benefiting from opportunities that belong to the corporation. Our amended and restated certificate of incorporation provides that, to the extent allowed by law, the doctrine of “ corporate opportunity ” does not apply with respect to the directors, officers, employees or representatives of Centerview Capital, Centerview Partners, our original sponsor, and their respective affiliates. The doctrine of corporate opportunity shall apply with respect to any of our directors or officers with respect to a corporate opportunity that was offered in writing to such person solely in his or her capacity as our director or officer and such opportunity is one which they are legally and contractually permitted to undertake and would otherwise be reasonable for us to pursue. Therefore, except as provided above, these parties have no duty to communicate or present corporate opportunities to us, and have the right to either hold any corporate opportunity for their (and their affiliates’) own account and benefit or to recommend, assign or otherwise transfer such corporate opportunity to persons other than us. As a result, certain of our stockholders, directors and their respective affiliates are not prohibited from operating or investing in competing businesses. We therefore may find ourselves in competition with certain of our stockholders, directors or their respective affiliates, and we may not know of, or be able to pursue, transactions that could potentially be beneficial to us. Accordingly, we may lose a corporate opportunity or suffer competitive harm, which could negatively affect our business or prospects.