

BellRing Brands (BRBR – \$37.71)
September 09, 2025*

BellRing Brands, Inc. (BRBR) sells ready-to-drink (RTD) protein shakes, powders, and nutrition bars. It offers products under the Premier Protein, Dymatize, and PowerBar brands which are distributed across a network of channels including club, food, drug, mass, e-Commerce, specialty, and convenience. BellRing completed its IPO in 2019 and completed its spin-off from Post Holdings, Inc. (POST) in 2022. The Company is headquartered in St. Louis, MO. Its fiscal year ends on 09/30.

Thesis Summary

We are concerned read-to-drink (RTD) protein shake competition at key BellRing customers may have increased and may pressure growth. Specifically, we believe recent commentary attributing channel inventory reductions to optimization after a period of oversupply may be misleading amid evidence of peer shelf space gains. In our view, the Company may be compelled to increase advertising spend to offset new competition, a recent rebrand may provide limited value, and a flavor change may be unpopular with certain customers. While a focus on single-serve may provide a growth opportunity, we believe it may underscore bulk competition and increase execution risk. We believe historically elevated receivable levels suggest channel inventory levels may have remained elevated. In our view, a material inventory level surge despite prior commentary about inventory normalization suggests margins may be pressured. Elevated finished goods levels and an inventory relative to next quarter expected revenue surge heighten our concerns. Our earnings sustainability concerns are heightened given elevated prepaid and other current asset levels, depressed cash flow levels driven by working capital cash consumption, significantly back-end weighted FY 25 cash flow guidance, and recent insider selling. **We are initiating coverage of BRBR on *The Short List*.**

Company Data

Country/Exchange	US/NYSE
Shares Outstanding (mil)	128.3
Float (mil)	126.6
Short Interest (mil)	6.1
% of Float Short	4.8%
Average Volume (mil)	\$126.7
52 Week Range	\$34.02 - \$80.67
Dividend Yield	0.0%
Market Cap (bil)	\$4.7
Net Debt (bil)	\$0.9
Enterprise Value (bil)	\$5.8
FY 24 Rev (mil)/Rev Growth	\$1,996.2 / 19.8%
FY 24 Adj. EBITDA (mil)	\$440.2
FY 24 GM %/Change	35.1% / 60 bps
FY 24 Adj. EBITDA margin %/Chg	22.1% / 180 bps

Valuation (as of report date)

NTM P/S	1.9x
NTM EV/ EBITDA	11.8x
NTM P/E	16.7x

Consensus Estimate Drift

	EST	1M Ago	6M Ago	1YR Ago
Q4 25 Rev	\$638.0	\$641.8	\$622.0	\$601.7
FY 25 Rev	\$2,302.7	\$2,303.6	\$2,312.7	\$2,209.5
FY 26 Rev	\$2,526.5	\$2,526.5	\$2,567.3	\$2,422.7
Q4 25 EPS	\$0.55	\$0.55	\$0.57	\$0.57
FY 25 EPS	\$2.21	\$2.20	\$2.25	\$2.10
FY 26 EPS	\$2.34	\$2.34	\$2.55	\$2.36

Peers Mentioned In This Report

Vital Proteins (Nestlé Health Science (NESN.S))
Danone (Danone (DANO.PA))
Quest Nutrition (Simply Good Foods (SMPL))
Nurri (Trilliant Food and Nutrition (private)), Kroger Co. (KR)

Catalysts and Timing

Weaker-than-expected Q4 25 results and/or FY 26 guidance.
Channel partners continue to reduce inventory.
Inventory normalization drives margin pressure.
Q4 25 cash flow disappoints.

* All research is completed as of 4:00PM – 4:15PM Eastern Time unless otherwise noted. Please refer to the end of this report for an updated version of *The Short List*.

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Company Background

Company description: BellRing Brands, Inc. (BRBR) sells ready-to-drink (RTD) protein shakes, powders, and nutrition bars. It offers products under the Premier Protein, Dymatize, and PowerBar brands which are distributed across a network of channels including club, food, drug, mass, e-Commerce, specialty, and convenience. BellRing completed its IPO in 2019 and completed its spin-off from Post Holdings, Inc. (POST) in 2022. The Company is headquartered in St. Louis, MO. Its fiscal year ends on 09/30.

Revenue by brand: In FY 24, Premier Protein accounted for 85.4% of revenue, Dymatize accounted for 12.4% and Other accounted for 2.2%. In its FY 24 10K, the Company disclosed Premier Protein's products consisted of RTD protein shakes and protein powders. Dymatize products include three types of protein powders: ISO.100, Elite 100% Whey, and Super Mass Gainer: ISO.100.

Revenue By Brand Analysis (as % of total)	FY 24
Premier Protein	85.4%
Dymatize	12.4%
Other	2.2%
Total	100.0%

Revenue by product: In FY 24, RTD protein shakes accounted for 81.1% of revenue, powders accounted for 16.4% and other products accounted for 2.5%.

Revenue By Product Analysis (as % of total)	FY 24
RTD protein shakes	81.1%
Powders	16.4%
Other	2.5%
Total	100.0%

Background on major customers: In its FY 24 10K, BellRing disclosed 74.8% of revenue came from three major customers accounting for 35.8%, 27.3% and 11.7%, respectively. While the Company did not disclose its three major customers, we believe Amazon.com, Inc. (AMZ) was the smallest customer, while Costco Wholesale Corporation (COST) and Walmart Inc. (WMT), including Sam's Club, were the two largest.¹

Revenue By Customer Type Analysis (as % of total)	FY 24
Costco or Walmart/Sam's Club	35.8%
Costco or Walmart/Sam's Club	27.3%
Amazon	11.7%
Total	74.8%

¹Previously, in its FY 22 10K, BellRing reported its two largest customers, Costco and Walmart, accounted for 63.5% of revenue. In its FY 23 10K, BellRing reported its three largest customers were Costco, Walmart, and Amazon. Specifically, BellRing disclosed its third largest customer accounted for 11.4% of revenue and did not account for more than 10.0% of revenue in the prior year. Therefore, we believe Amazon is the smallest major customer.

Background on manufacturing and packing agreements: In its FY 24 10K, the Company disclosed it did not engage in the manufacturing or packaging of its products but contracted third parties to do so. BellRing disclosed one manufacturing partner provided approximately 47.7% of Premier Protein RTD supply with one of the manufacturing partner’s facilities providing 28.9% of the supply. While BellRing does not disclose its manufacturing and supply partners, we believe manufacturing and co-packing partners include Stremick Heritage Foods LLC, Jasper Products LLC, SunOpta, Michael Foods, Inc., and Lyons Magus. We also believe Fonterra USA and TetraPak supplied the milk and whey and cartons, respectively.

Revenue by geography: In FY 24, the US accounted for 89.2% of revenue and international accounted for 10.8%, with Canada consisting of 37.7% of international revenue.

Geography Analysis (as % of revenue)	FY 24
US	89.2%
International	10.8%
Total	100.0%

Seasonality: Over the past three years, on average, Q1 accounted for 21.9% of revenue, Q2 accounted for 23.6%, Q3 accounted for 26.5%, and Q4 accounted for 27.9%. In its FY 24 10K, the Company represented Q1 (quarter ended 12/31) was the lowest seasonal quarter due to a slowdown of consumption during the holiday season and revenue was higher the rest of the year due to stronger consumer demand in Q2, promotional activity at key retailers, and growth of the business. On its Q3 25 Conference Call on 08/05/25, the Company indicated its biggest promotional periods were in Q2, when new brands enter the category, and Q4, for back-to-school and sports promotions.

Seasonality Analysis (as % of total)	Q1	Q2	Q3	Q4
FY 24 quarterly revenue contribution	21.6%	24.8%	25.8%	27.8%
FY 23 quarterly revenue contribution	21.8%	23.1%	26.8%	28.4%
FY 22 quarterly revenue contribution	22.3%	23.0%	27.0%	27.6%
Three-year average	21.9%	23.6%	26.5%	27.9%

Competition: BellRing Brands RTD protein shakes compete with Fairlife (Coca-Cola (KO)), Muscle Milk (PepsiCo (PEP)), Pure Protein (1440 Foods (private)), Quest Nutrition and OWYN (Simply Good Foods (SMPL)), Orgain and Vital Proteins (Nestlé Health Science (NESN.S)), Simple Truth (Kroger (KR)), Nurri (Trilliant Food and Nutrition (private)), and Oikos Protein (Danone (DANO.PA)), each of which offers ready-to-drink shakes in everyday protein, sports performance, and adult weight-management segments. BellRing Brands protein powder competes with Optimum Nutrition, BSN and Isopure (all from Glanbia (GL9.IR)), Muscle Milk (PepsiCo (PEP)), and Six Star (Xiwang Foodstuffs Co., Ltd. (000639.SZ)).

Voyant's Earnings Risk Assessment

We are concerned read-to-drink (RTD) protein shake competition at key BellRing customers may have increased and may pressure growth. Specifically, we believe recent commentary attributing channel inventory reductions to optimization after a period of oversupply may be misleading amid evidence of peer shelf space gains. In our view, the Company may be compelled to increase advertising spend to offset new competition, a recent rebrand may provide limited value, and a flavor change may be unpopular with certain customers. While a focus on single-serve may provide a growth opportunity, we believe it may underscore bulk competition and increase execution risk. We believe historically elevated receivable levels suggest channel inventory levels may have remained elevated. In our view, a material inventory level surge despite prior commentary about inventory normalization suggests margins may be pressured. Elevated finished goods levels and an inventory relative to next quarter expected revenue surge heighten our concerns. Our earnings sustainability concerns are heightened given elevated prepaid and other current asset levels, depressed cash flow levels driven by working capital cash consumption, significantly back-end weighted FY 25 cash flow guidance, and recent insider selling. **We are initiating coverage of BRBR on *The Short List*.**

RTD Shake Competition At Key Customers May Have Increased, In Our View

Ready-to-drink protein shakes are primary product category: As mentioned, RTD protein shakes, primarily sold under the Premier Protein brand, accounted for 81.1% of BellRing's revenue. On its Q3 25 Conference Call, the Company highlighted its core focus was on RTD shakes.

Costco, Walmart, and Amazon account for majority of revenue: In FY 24, BellRing disclosed 74.8% of revenue came from three major customers, Costco, Walmart (including Sam's Club), and Amazon. Specifically, BellRing disclosed each individual major customers accounted for 35.8%, 27.3% and 11.7% of revenue. While BellRing did not specifically attribute the individual revenue contributions to each customer, we believe Amazon was the smallest of the three major customers.

Revenue By Customer Type Analysis (as % of total)	FY 24
Costco or Walmart/Sam's Club	35.8%
Costco or Walmart/Sam's Club	27.3%
Amazon	11.7%
Total	74.8%

Recent channel inventory reduction attributed to channel inventory optimization after prior year oversupply:

Previously, on its Q2 25 Conference Call on 05/06/25, the Company represented in late Q2 25 and continuing into Q3 25 "several key retailers" lowered channel inventory levels. The Company attributed the channel inventory reduction to certain customers carrying "fairly healthy weeks of supply" in H2 24 as BellRing exited supply constraints and retailers wanted to "protect" themselves going into Q1 25 and Q2 25 promotions. BellRing highlighted it improved supply to retailers, and therefore, the retailers chose to "optimize" inventory levels after a period of oversupply.

What we have seen is back in last summer, last kind of the second half of last year, some of our retailers leaned into inventory weeks of supply as we were exiting our supply constraints. And in particular, **one of our club customers really carried a fairly healthy weeks of supply starting last second half and really carried that through the second quarter.** We believe that's likely a response of just protecting themselves, especially as they got through the first and the second quarter promotions... for us, we believe it's primarily our **club customers that were protecting themselves after coming out of supply constraints last year and after we've done a really great job of supplying them over the last several months that they have chosen now to optimize.** (CFO Mr. Paul Rode, Q2 25 Conference Call, 05/06/25) [emphasis added]

Prior year commentary suggests H2 24 channel inventory may not have been overbuilt: Previously, on its Q3 24 Conference Call on 08/06/24, the Company indicated channel inventory was “nearly to target levels” with the remaining “gaps” to be filled in Q4 24. We believe this commentary indicates inventory levels were below normal in Q3 24, given “gaps” remained to reach normal levels. In our view, the commentary suggests the recent channel inventory reductions may not have been driven by channel partners normalizing overbuilt inventory but rather potential competitive wins (discussed herein).

RTD shake growth of 19% was driven by organic growth, distribution gains and to a lesser extent, higher trade inventory levels. Shipment growth outpaced consumption dollar growth as a result of late Q3 trade inventory builds and lower net retail pricing. Entering the fourth quarter, trade inventory levels are improved and **nearly to target levels with the remaining gaps to be filled in Q4**. (CFO Mr. Paul Rode, Q3 24 Conference Call, 08/06/24) [emphasis added]

Peers shelf space gains at major customers suggest channel reduction may be driven by competition:

Throughout the course of our research, we identified recent competitor product launches at BellRing’s largest customers (Amazon, Costco, and Walmart). Recent launches include the Vital Proteins Collagen and Protein Shake, Danone Oikos Protein Shake, Quest Nutrition Protein Milk Shake (45g), and Nurri Protein Shake (see chart below).

We believe recent competitor launches at BellRing key customers may have driven channel inventory reductions and highlight an elevated competitive environment.

New Entrants Analysis	Date Launched	Amazon	Costco	Walmart/Sam’s Club
Vital Proteins – Collagen and Protein Shake	<u>08/05/25</u>	--	<u>Summer 2025</u>	<u>August 2025</u>
Danone - Oikos Protein Shake	<u>05/13/25</u>	<u>05/13/25</u>	<u>Summer 2025</u>	<u>Summer 2025</u>
Quest Nutrition – Protein Milk Shakes (45g)	<u>03/10/25</u>	<u>03/10/25</u>	<u>April 2025</u>	<u>March/April 2025</u>
Nurri – Protein Shake	<u>09/12/24</u>	<u>06/03/25</u>	<u>09/12/24</u>	<u>04/09/25</u>

FY 25 revenue guidance reduction attributed to increased competition heightens our competition concerns:

On its Q3 25 Conference Call, the Company reduced the high end of its FY 25 revenue guidance range 0.1% to \$2,320.0 million. BellRing attributed the reduction to an increase in “competitive pressure” which offset (1) a “short term” club pallet gain and (2) increased consumption driven by pricing. Our competition concerns are heightened given the Company attributed a recent FY 25 guidance reduction to competitive pressure.

Q3 consumption was slightly higher than we expected. Mainly, it was actually pricing because of mix, less volume. But let's call that a couple of million dollars benefit. And so, that's one piece. The second piece was we gained, and I said this in my prepared remarks, we gained a short-term club pallet. And so, that added a couple – about two months benefit. One was promoted, so that – call that about \$10.0 million benefit. **So, what offset that was when we gained that short-term club pallet, several other competitors gained short-term space as well. So, we're assuming this increases some competitive pressure in club and that reverses the first two gains.** So again, this is – these are small numbers. It's only about 2.0% of our quarter, but that is the reason. So, we've got some ups and some downs, but that is the reason why we ended up lowering our upper end. (CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25) [emphasis added]

FY 25 Revenue Guidance Analysis (\$ in millions)	High-End Of Guidance Range
Guidance per Q4 24 Earnings Release	\$2,320.0
Guidance per Q1 25 Earnings Release	\$2,340.0
Guidance per Q2 25 Earnings Release	\$2,340.0
Guidance per Q3 25 Earnings Release	\$2,320.0
<i>Change</i>	<i>(0.1%)</i>

Guided private label launch highlights increased competitive threats, in our view: In its FY 24 10K, BellRing disclosed it competed with private label brands. On its Q1 25 Conference Call on 06/20/25, Kroger Co. (KR) indicated protein was a “major customer trend” and announced an 80-product protein expansion of its Simple Truth private label, including protein shakes.² While we acknowledge Kroger is not a material customer and direct end-customer overlap may be limited, we believe the launch of a private label protein shake may highlight increased competition (i.e. more protein shake offerings) and/or portend private label protein shake launches at key BellRing customers.

For example, earlier this year, we identified protein as a major customer trend and soon Simple Truth will introduce 80 new protein products to our assortment. Targeted directly at this important trend, these products include everything from bars and powders to shakes, all from a natural and organic brand that customers trust. (KR CEO Mr. Ronald Sargent, KR Q1 25 Conference Call, 06/20/25)

Rebrand May Provide Limited Value & Heightens Our Competition Concerns

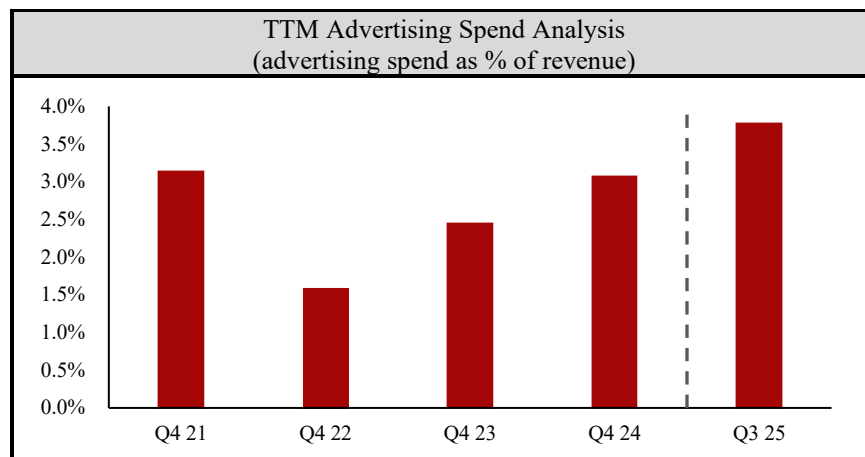
Increased advertising spend and recent media campaign launch heighten our competition concerns:

Previously, on its Q1 25 Conference Call on 02/04/25, the Company represented it launched its first Premier Protein national marketing campaign since FY 21. In Q3 25, trailing twelve-month advertising expenses as a percent of revenue increased 70 basis points relative to FY 24 to 3.8%, the highest level disclosed in at least four years.³ On its Q3 25 Conference Call, the Company guided to increase marketing spend levels. Specifically, it established “a dedicated team” and new broker partners to expand merchandising and customer touch points across stores with brand support, pallet displays, end caps, single-serve bottles and coolers. We believe the Company may have been compelled to ramp advertising spend and launch a media campaign to offset certain competitive pressures (discussed above). In addition, we are concerned elevated advertising spend levels may pressure margins to the extent it does not drive revenue growth.

From a marketing spend perspective, we have called out previously that we would expect over time to increase our marketing spend from where it's been at. Darcy said, this year we layered on promotional activity, but we do think that going forward, again, I [don't] think we're talking about big changes, but we would expect that we could lean a little bit further into marketing spend as a percent of sales. (CFO Mr. Paul Rode, Q3 25 Conference Call, 08/05/25)

² Kroger’s fiscal year ends on the Saturday closest to 01/31.

³ The Company discloses advertising expenses annually in its 10K filings and since Q1 24, the Company disclosed advertising expenses as a percent of revenue on its quarterly Conference Calls.



Recent rebrand may have been driven by increased competition and provide limited benefit, in our view: On its Q3 25 Conference Call, the Company indicated it rebranded the Premier Protein shake packaging to improve “discoverability” and appeal to “younger” customers. The Company highlighted it introduced a “second wave” of media in July 2025 featuring its updated packaging. On its website, the Company highlighted it updated its logo and packaging to “more accurately reflect” its commitment to “joy along the health journey.”⁴ In addition, the Company highlighted the rebrand included certain ingredient changes (discussed herein) and the new packaging rolled out at Costco in May 2025 and nationwide beginning in June 2025. **In our view, the Company may have been compelled to rebrand to offset competitive pressure. Further, we believe the packaging and rebrand changes are negligible (see old and new packaging below) and may not provide a material benefit to the Company.**

In July, we introduced our second wave of media, which features our updated packaging. The new packaging, which started to roll out in July, brings a modern look that improves discoverability at the shelf and raises our appeal to the younger consumers. (CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25)



Flavor and taste highlighted as key Premier Protein value propositions: On its Q3 25 Conference Call, the Company indicated the value propositions for its Premier Protein products were its (1) “approachable” positioning, (2) “fantastic” taste and flavors, and (3) nutritional value. Specifically, the Company indicated customers would “not sacrifice taste for anything.”

⁴ Premier Protein Rebrand FAQ

Value proposition, why do consumers love Premier? Approachable positioning, fantastic taste and flavors and great nutritionals. It's like the trifecta. A key part of fantastic taste is this kind of thicker milkshake, decadent consistency and a wide variety of flavors. So consumers are drinking this product, our product every day. They get tired of chocolate and vanilla. They want to try root beer float and pumpkin spice and lemon bar and all of these other things that are super exciting. They will not sacrifice taste for anything. (CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25)

Premier Protein's new flavor may be unpopular with certain customers and cause customer churn: On its website, the Company represented, in accordance with its rebrand, it removed a "small amount of inulin – a soluble fiber" from its 30g protein shake with "slight" adjustments to the blend to "optimize" the taste. Specifically, the Company indicated it "improved" the flavor of its "most popular" shakes: chocolate, vanilla, caramel, and café latte. Throughout the course of our research, we identified certain recent Reddit threads suggesting the adjusted flavor may be unpopular with certain customers. For example, a Reddit post from 07/27/25 by a Premier Protein customer of "several years", indicated the newly flavored Premier Protein vanilla shakes were "awful" and "would be returned" the next day.⁵ Additionally, a Reddit post from 08/01/25, from an additional consumer who represented they purchased Premier Protein for "years" suggested the new flavors were "completely different", the new chocolate shake "tastes like plain milk", and they would be "switching to a different brand."⁶ While we acknowledge certain internet commentary may not be indicative of the overall market reaction to the flavor adjustments, to the extent the updated shake flavors are unpopular, we would be concerned about increased customer churn.

Single-Serve Focus May Underscore Bulk Competitive Pressure & Increase Execution Risk

Single-serve focus may highlight limited bulk expansion opportunities: On its Q3 25 Conference Call, the Company guided for single-serve to be a "big" focus in FY 26. BellRing represented FY 26 would be the first year it focused on single-serve. While we acknowledge a single-serve focus may open certain growth avenues (e.g. outside of the core club retailers), we believe the Company may have been compelled to focus on single-serve due to limited bulk shelf space expansion opportunities as a result of higher competitive pressure (discussed heretofore).

We are getting – I think the singles – our **singles efforts is going to be a big focus next year**, which will be around displays throughout the store of singles. Some of those will be ambient, because we know that that works very well. Some of them will be in coolers. We've had some success in food accounts where we're getting in coolers, which is nice. So, I think that next year will be focused on that. We believe that I mean, **this will be our first year that we're focused on it**. So – and then, I think the next step would be getting after that DSD opportunity. There is – and then – and really you need the DSD opportunity for convenience. (CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25) [emphasis added]

Single-serve may increase costs and market distribution risk: Previously, on its Q4 23 Conference Call on 11/21/23, the Company indicated the single-serve market was "more complicated" because it required a "different route to market" compared to its historical retail offering. Further, on its Q4 24 Conference Call on 11/19/24, the Company represented the single-serve market required expanded "bottle production" capabilities. While we acknowledge the Company highlighted the single-serve opportunity as a "very big one", we are concerned the shift may increase costs and distribution risks as the Company expands its bottle production capabilities and seeks to unlock a different route to market for its products.

On the single-serve question, the same thing, again, we see that as an opportunity. It's a little more complicated because of – it requires a different route to market. It's a little more complicated because of – it requires a different route to market. So, once again, we have this capacity. We are actually expanding our bottle co-man, which is exciting, which is also the format that we sell within eCommerce. (CEO Ms. Darcy Davenport, Q4 23 Conference Call, 11/21/23)

⁵ Reddit [post](#) from 07/27/25

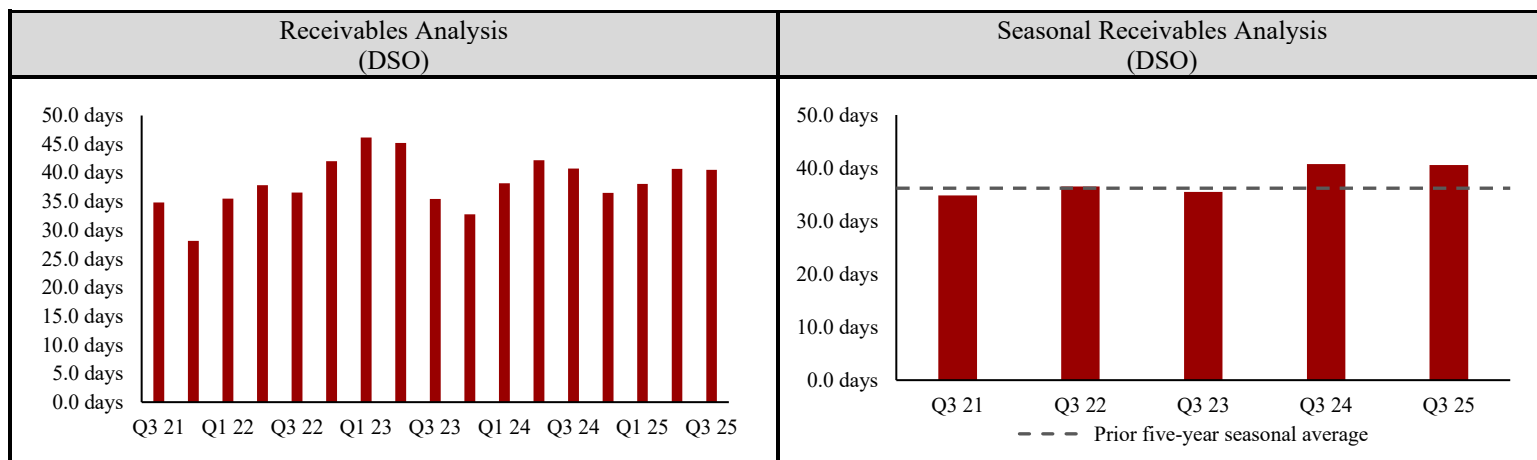
⁶ Reddit [post](#) from 08/01/25

We actually think the single-serve opportunity is a very big one...that is something that we are – absolutely we're expanding our bottle production and will be – and we are focused internally as an organization to expand our single bottles, and that would be in the channels that we already are being distributed. (CEO Ms. Darcy Davenport, Q4 24 Conference Call, 11/19/24)

Elevated DSOs May Highlight Elevated Channel Inventory Levels, In Our View

In Q3 25, receivables increased 5.7% year-over-year to \$243.9 million while revenue increased 6.2% year-over-year to \$547.5 million. Accordingly, days sales outstanding (DSO) declined 0.5% year-over-year to 40.5 days, the second highest seasonal level in at least five years (Q3 24 was 40.7 days). While we acknowledge DSOs declined, Q3 25 DSOs were 12.0% above the prior five-year seasonal average. On its Q3 25 Conference Call, the Company represented the club customer destocking (discussed heretofore) went as “expected” but was partially offset by a “heavier than expected” e-commerce sell in. Further, the Company highlighted the e-commerce sell-in partially masked the club destocking and guided for e-commerce to “de-load” in Q4 25. We believe the historically elevated receivable levels and commentary highlighting certain customer sell-in benefits suggest channel inventory levels remained elevated and revenue may be pressured.

We expected consumption of slightly outpaced shipments more than it did. They came in more in line and the primary driver is the **e-commerce heavier than expected load in that we saw in the third quarter**. So that is masking the de-load to some degree that we saw in club and other retailers. On the last call, we called out obviously an expected de-load in the quarter. That played out exactly as we expected. We feel good about where our trade inventory levels are for those key customers. But that's the main reason is. Yes, we expected it to be slightly lower as well, meaning consumption over shipments. And it was a massive hit by this e-commerce load and that **we expect to fully load – de-load in Q4**. (CFO Mr. Paul Rode, Q3 25 Conference Call, 08/05/25) [emphasis added]



Inventory Level Surge May Portend Margin Pressure Amid Reset Channel & Competition

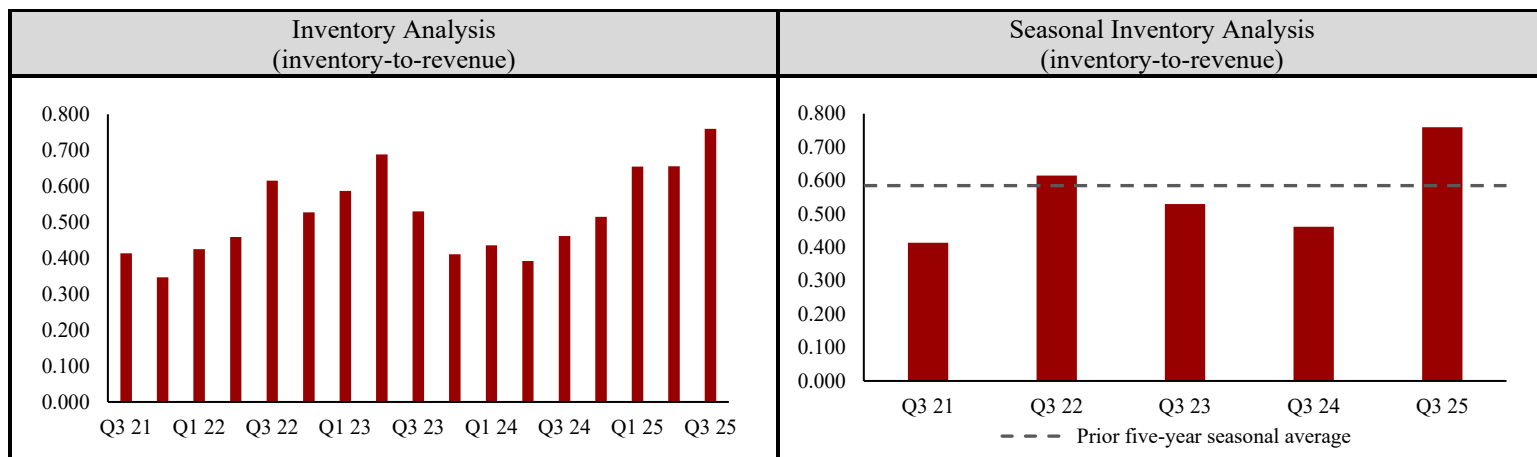
Background on prior supply constraints: Previously, in its Q3 22 10Q, the Company disclosed the COVID-19 pandemic caused production and capacity expansion delays which resulted in low shake inventory volumes and missed sales and the Company guided for the delays to persist throughout FY 22 and FY 23. Further, in its FY 22 10K, the Company disclosed it “temporarily” paused some manufacturing, and a third-party manufacturer initiated a recall of all Premier Protein products manufactured in its facilities.⁷ On its Q1 23 Conference Call on 02/07/23, the Company highlighted while customers would be at normal inventory levels “over the next few months,” BellRing inventory would not fully recover until early FY 24.

⁷ We believe Lyons Magnus initiated the recall and less than 2.0% of BellRing products were manufactured at this facility in FY 22.

Q1 25 commentary suggests inventory levels normalized: Previously, in Q1 25, inventory increased 86.0% year-over-year to \$348.9 million, while revenue increased 23.8% to \$532.9 million. Accordingly, inventory-to-revenue increased 50.2% to 0.655. On its Q1 25 Conference Call on 02/04/25, the Company indicated its inventory levels were “largely normalized.” As such, we believe the commentary suggests inventory levels normalized after multiple periods of under-supply due to production and capacity expansion delays.

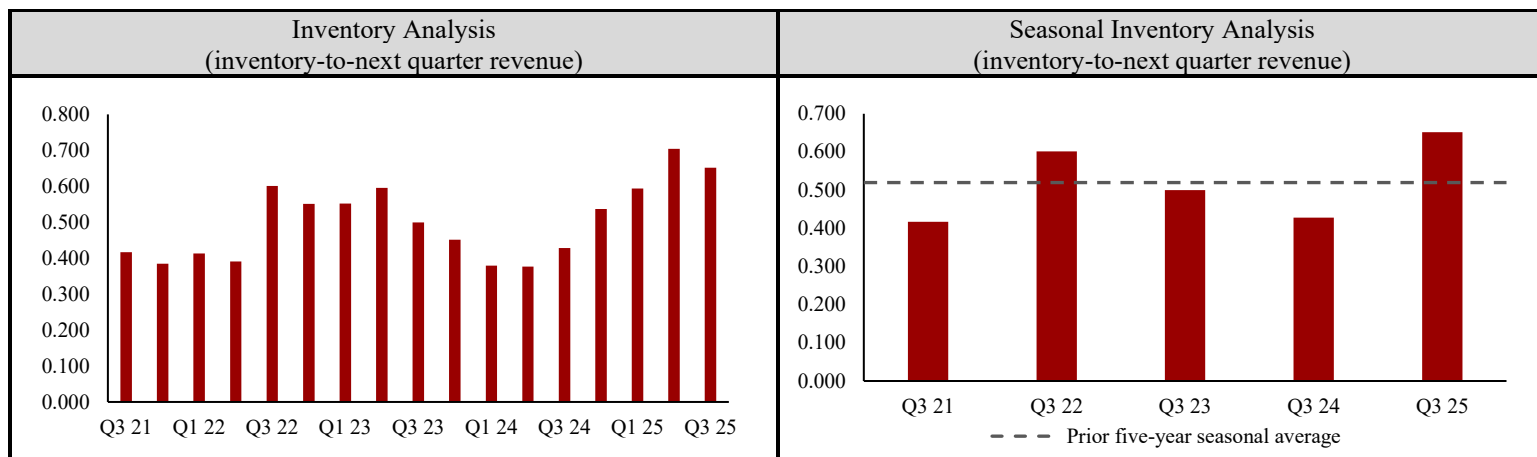
As anticipated, our working capital increased as we added shake supply to our inventory. Moving forward, we believe our inventory levels are largely normalized and accordingly our adjusted EBITDA to cash flow conversion will improve for the remainder of the year. (CFO Mr. Paul Rode, Q1 25 Conference Call, 02/04/25)

Inventory level surge despite commentary highlighting normalization suggests inventory may be overbuilt: In Q3 25, inventory surged 74.8% year-over-year to \$415.6 million, while revenue increased 6.2% year-over-year to \$547.5 million. Accordingly, inventory-to-revenue surged 64.5% to 0.759, the highest level in at least five years. In its Q3 25 10Q, the Company indicated the increased inventory levels were driven by increased production. Further, on its Q3 25 Conference Call, the Company indicated it “spent the last four years developing a scalable” manufacturing network which gives it the capacity to “aggressively pursue” distribution and launch new product lines. We believe the historically elevated inventory levels despite prior commentary highlighting inventory levels “largely normalized” in Q1 25 (Q3 25 inventory-to-revenue was 15.9% above Q1 25) suggest inventory may be overbuilt and margins may be pressured as the Company attempts to right-size inventory.



Inventory build may not be rationalized by near-term expected demand: In Q3 25, inventory surged 74.8% year-over-year to \$415.6 million, while the consensus expects Q4 25 revenue to increase 14.8% year-over-year to \$638.0 million. Accordingly, inventory-to-next quarter revenue surged 52.2% year-over-year to 0.651, the highest seasonal level in at least five years. As mentioned, on its Q3 25 Conference Call, the Company guided for certain e-commerce channel inventory de-load in Q4 25. We believe elevated inventory relative to next quarter revenue expectations amid certain channel inventory reduction guidance suggests the inventory build may not be rationalized by expected demand.

We feel good about where our trade inventory levels are for those key customers. But that's the main reason is. Yes, we expected it to be slightly lower as well, meaning consumption over shipments. And it was a massive hit by this e-commerce load and that we expect to fully load – de-load in Q4. We think it's purely timing. (CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25)

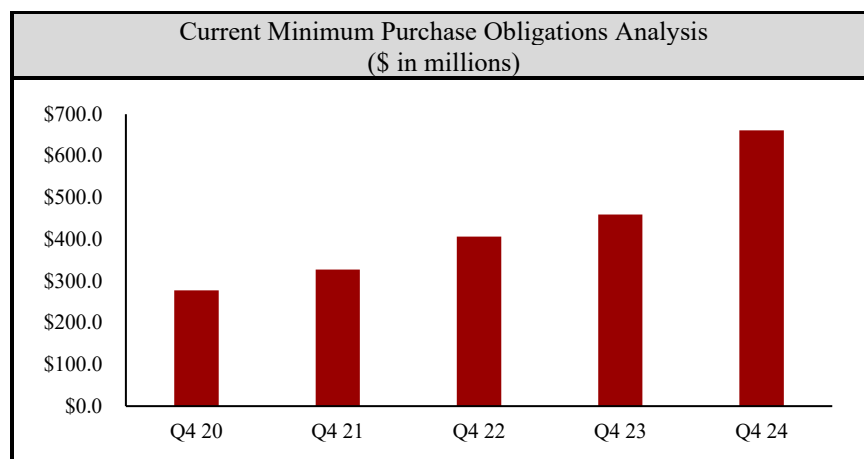


Inventory level surge driven by finished goods heightens our inventory and margin pressure concerns: In Q3 25, finished goods surged 81.2% year-over-year to \$324.9 million, while inventory surged 74.8% year-over-year to \$415.6 million. Accordingly, finished goods as a percent of inventory increased 280 basis points to 78.2%, the highest seasonal level since Q3 21. Historically elevated finished goods levels heighten our overbuilt inventory and margin pressure concerns.

Seasonal Finished Goods Analysis (\$ in millions)	Q3 22	Q3 23	Q3 24	Q3 25
Finished goods	\$159.4	\$174.5	\$179.3	\$324.9
Inventory	\$227.9	\$236.2	\$237.8	\$415.6
Finished goods as a % of inventory	69.9%	73.9%	75.4%	78.2%
<i>Year-over-year change</i>	<i>(1,120 bps)</i>	<i>400 bps</i>	<i>150 bps</i>	<i>280 bps</i>

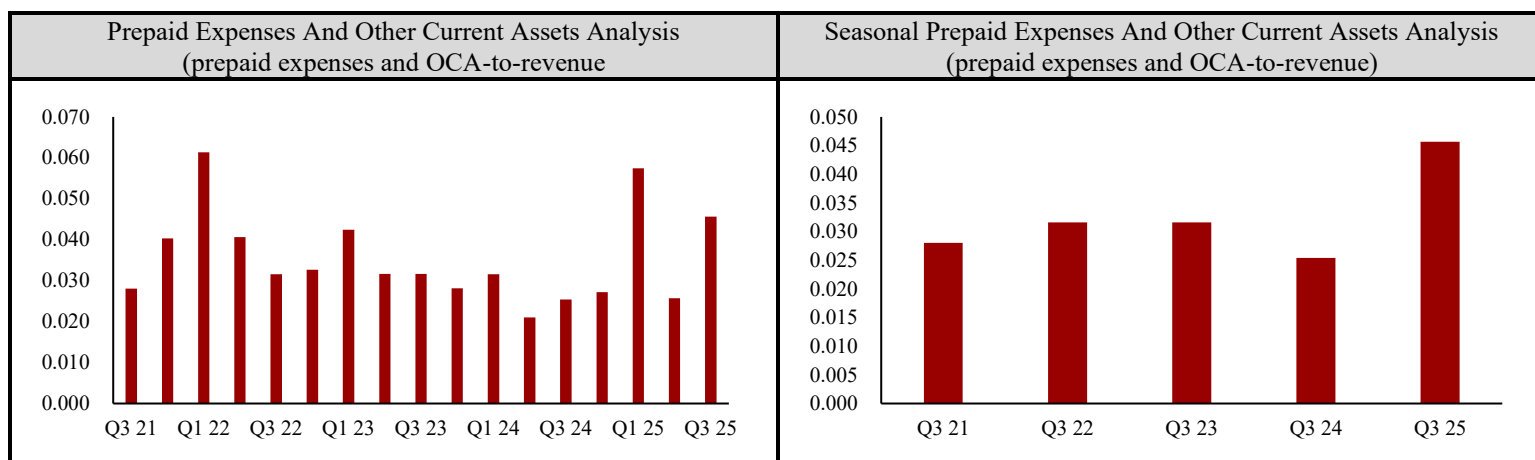
Background on minimum purchase obligations: Previously, in its FY 24 10K, the Company disclosed a master purchase commitment with Fonterra requiring it to buy a set amount of milk protein concentrate every six months, with the agreement renewing every five years unless cancelled. Further, the Company disclosed most of its manufacturing relationships included purchase obligations and disclosed a new agreement with an additional manufacturer to buy a set quantity of protein powder, with the option to order more, which expires in Q3 28. The Company disclosed purchase obligations were legally binding agreements to purchase goods, services, or equipment. In its annual 10K filings, the Company discloses total purchase obligations (i.e. commitments) and current (i.e. due within the next fiscal year) purchase obligations.

Q4 24 current purchase obligations surge may have driven inventory overbuild: In Q4 24, current purchase obligations surged 43.9% year-over-year to \$661.2 million, the highest level in at least five years. The Company did not comment on its purchase obligations on its Q4 24 Conference Call or in its FY 24 10K. In our view, the Company may have increased purchase obligations amid certain supply constraints. Further, we believe the historically elevated Q4 24 obligations may have compelled BellRing to continue to purchase inventory and drove a portion of the elevated inventory levels.



Elevated Prepaids And OCA Heighten Our Margin Concerns

In Q3 25, prepaid expenses and other current assets (OCA) surged 90.8% year-over-year to \$25.0 million, while revenue increased 6.2% year-over-year to \$547.5 million. Accordingly, prepaid expenses and other current assets-to-revenue surged 79.7% to 0.046, the highest seasonal level in at least five years. The Company does not separately disclose the components of prepaid expenses and OCA. To the extent prepaid expenses drove the prepaid expenses and OCA level surge, we would be concerned margins may be pressured as expenses are recognized through the income statement.

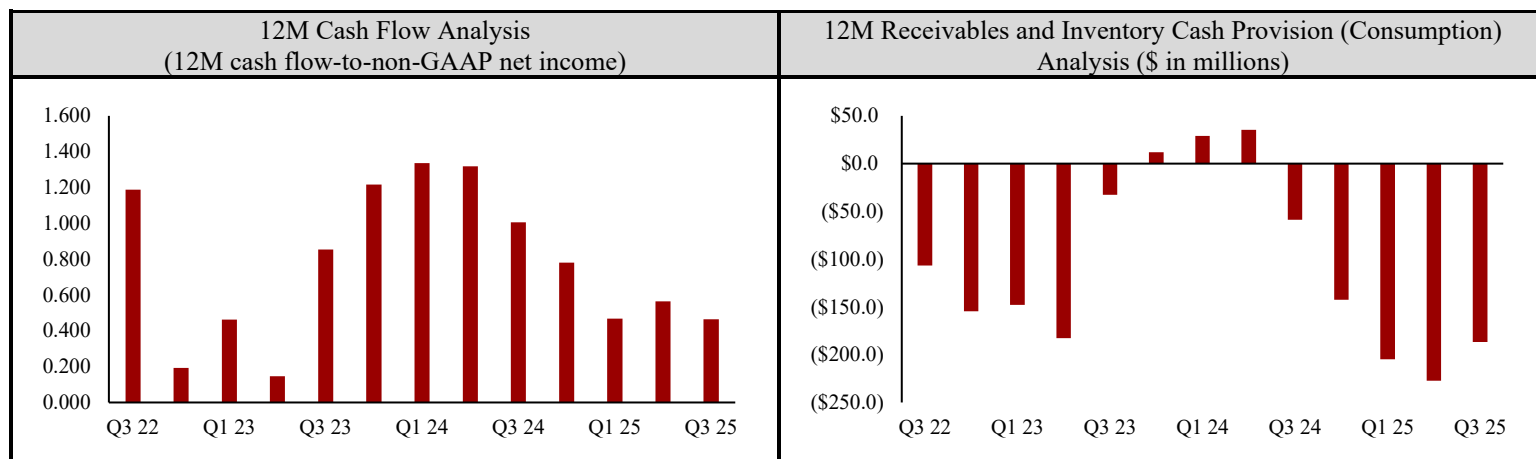


Depressed Cash Flow And Disclosure Change Highlights Earnings Sustainability Risk

Background on Joint Juice litigation expense and cash flow analysis: In its Q3 25 10Q, the Company disclosed in FY 13, Premier Nutrition faced litigation over alleged false Joint Juice (a former BellRing brand) advertising claims. The Company expensed \$68.1 million and \$69.0 million in the three and nine months ended Q3 25 as a provision of legal matters, respectively, and recorded estimated liabilities of \$90.0 million as of Q3 25. In its Q3 25 Earnings Release, the Company excluded the legal expense from non-GAAP results. Given the litigation was a non-operational expense and it remained unpaid as of the end of Q3 25, we analyzed cash flow from operations relative to non-GAAP net income.

Depressed cash flow levels may highlight earnings sustainability risk, in our view: In the twelve months ended Q3 25, cash flow from operations declined 46.2% year-over-year to \$131.6 million, while non-GAAP net income increased 16.3% to \$282.8 million. Accordingly, cash flow-to-non-GAAP net income declined 53.7% to 0.465. Inventory (receivables) consumed \$175.8 million (\$11.0 million) of cash in the period. On its Q3 25 Conference

Call, the Company guided for FY 25 cash flow to be in line with FY 24 (discussed herein). We believe depressed cash flow levels driven by working capital consumption highlights elevated earnings sustainability risk.



Q4 25 implied cash flow guidance may be optimistic, in our view: As mentioned, the Company guided for FY 25 cash flow from operations to be “in line” with FY 24 (i.e. \$199.6 million). Based on the guidance and Q3 25 year-to-date cash flow from operations, we estimate the Company implicitly guided for Q4 25 cash flow of \$108.1 million (54.2% of FY 25 guided cash flow). We estimate implied Q4 25 guided FY 25 cash flow contribution of 54.2% was 1,910 basis points above the prior three-year average. As such, we believe the significantly Q4 weighted FY 25 cash flow guidance may be optimistic.

We generated \$40 million in cash flow from operations in the third quarter and \$92 million year-to-date. We continue to expect **our cash flow in fiscal 2025 to be in line with fiscal 2024, with strong operating cash flow generation in the fourth quarter.** (CFO Mr. Paul Rode, Q3 25 Conference Call, 08/05/25) [emphasis added]

Cash Flow Contribution Analysis (cash flow from operations as % of FY total)	Q4
Implied FY 25 quarterly cash flow contribution (Voyant estimate)	54.2%
FY 24 quarterly cash flow contribution	20.1%
FY 23 quarterly cash flow contribution	39.4%
FY 22 quarterly cash flow contribution	45.7%
Three-year average	35.1%
<i>FY 25 implied guidance above three-year average</i>	<i>1,910 bps</i>

Recent 10b5-1 Adoptions And Insider Selling

Insider selling heightens our earnings sustainability concerns: From 12/06/24 through 06/07/25, four executives, Chief Legal Officer Mr. Craig Rosenthal, Chief Growth Officer Mr. Douglas Cornille, Chief Executive Officer Ms. Darcy Davenport, and Chief Supply Chain Officer Ms. Robin Singh, adopted 10b5-1 trading plans. Based on the beneficial ownership as of 11/14/24 per the 12/17/24 Proxy Statement, Mr. Rosenthal has the ability to sell 16.9% of his beneficial ownership, Mr. Cornille has the ability to sell up to 39.5% of his beneficial ownership, Ms. Davenport has the ability to sell 16.6% up to her beneficial ownership, and Ms. Singh sold 12.1% of her

beneficial ownership.⁸ Recent adoption of 10b5-1 plans and insider selling (see table below for amount of sales since 10b5-1 plan adoptions) from certain executives heightens our earnings risk concerns.

10b5-1 Plan Analysis	Date(s) Originated	Maximum Share Sales	Shares Sold Since Origination	Maximum Share Sales as % of B.O. (as of 11/14/24)
CLO Mr. Craig Rosenthal	06/07/25	13,273	--	16.9%
CGO Mr. Douglas Cornille ⁹	12/06/24; 06/04/25	19,072	7,162	39.5%
CEO Ms. Darcy Davenport	02/26/25	59,200	16,000	16.6%
CSO Ms. Robin Singh	12/06/24	4,157	4,157	12.1%

Conclusion

We are concerned read-to-drink (RTD) protein shake competition at key BellRing customers may have increased and may pressure growth. Specifically, we believe recent commentary attributing channel inventory reductions to optimization after a period of oversupply may be misleading amid evidence of peer shelf space gains. In our view, the Company may be compelled to increase advertising spend to offset new competition, a recent rebrand may provide limited value, and a flavor change may be unpopular with certain customers. While a focus on single-serve may provide a growth opportunity, we believe it may underscore bulk competition and increase execution risk. We believe historically elevated receivable levels suggest channel inventory levels may have remained elevated. In our view, a material inventory level surge despite prior commentary about inventory normalization suggests margins may be pressured. Elevated finished goods levels and an inventory relative to next quarter expected revenue surge heighten our concerns. Our earnings sustainability concerns are heightened given elevated prepaid and other current asset levels, depressed cash flow levels driven by working capital cash consumption, significantly back-end weighted FY 25 cash flow guidance, and recent insider selling. **We are initiating coverage of BRBR on *The Short List*.**

⁸ While we acknowledge executives may have increased beneficial ownership since the Proxy Statement date, we believe the beneficial ownership per the Proxy Statement is most relevant because we believe the beneficial ownership disclosed in Form 4s excludes exercisable options.

⁹ On 06/03/25, Mr. Cornille terminated a 10b5-1 plan that was originally adopted on 12/06/24. From the date of origination until termination, Mr. Cornille sold 3,192 shares. Subsequently, on 06/04/25, Mr. Cornille adopted a new 10b5-1 plan to sell up to 15,880 shares.

Risks to Our Thesis & Valuation

Brand Leadership, New Launches, Favorable Trends, And New Growth Channels

RTD shake category leadership: In its FY 24 Annual Report, the Company highlighted Premier Protein had a 23.0% share of the RTD shake market (based on Circana Total US Multi Outlet+ Convenience through 09/29/24), 21.0% household penetration (based on Numerator Household Panel 52 weeks ended 09/30/24), and was the number one “brand I love” (based on a PNC Equity Study in September 2024). On its Q3 25 Conference Call, the Company indicated customer “loyalty and buy rate” position it in the “top third of the category.” Further, BellRing represented it was the “number one velocity brand” and was able to provide “thought leadership” to retailers due to its “proven” position.

Most encouragingly, is that our loyalty and buy rate have remained strong, among the highest in the category. Retailers look to us for thought leadership and as a proven brand. We are the number one velocity brand with the overwhelming majority of our products in the top third of the category. (CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25)

New Premier Protein Indulgence and Almondmilk launches: In its 01/25/25 Press Release, the Company highlighted its Premier Protein Indulgence line was its newest line of “mega-rich, ridiculously creamy” shakes. In its 07/01/25 Press Release, the Company announced it launched Premier Protein Almondmilk Non-Dairy shakes. On its Q3 25 Conference Call, the Company represented Indulgence targeted incremental consumption occasions and had “a really strong performance.” Further, the Company highlighted “good pickup” on the initial Almondmilk launch but it was too early to tell the overall success.

So, I'll start Indulgence. So, first of all, I would say that that's the one we have the most history on right now because it launched earlier in the year and it's a really strong performance. I think that we launched it first in mass and it did very well. Three out of the four flavors are in the top third. We actually got the fourth item in there because of that success. And the success in mass also translated into expanding distribution into other places. (CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25)

Protein shake demand trends amid health and wellness focus: As mentioned, on its Q1 25 Conference Call, Kroger highlighted protein, including protein shakes, as a “major” customer trend. On its Q3 25 Conference Call, BellRing represented ready-to-drinks shakes was one of the fastest growing categories. BellRing indicated health and wellness, functional beverages, and increased GLP-1 usage positioned its “core focus”, ready to drink protein shakes, with “incredible momentum” and “meaningful long-term potential.”

As you know, our company's core focus is ready-to-drink shakes. It is no secret that this category remains one of the fastest growing categories in the entire store. It has incredible momentum with meaningful, long-term potential. Protein is at the center of many macro trends, including health and wellness, popularity of functional beverages, increases in GLP-1 usage and the constant consumer desire for convenience. (CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25)

Expansion opportunities via single-serve and other markets: On its Q3 25 Conference Call, the Company indicated it would focus on expanding its products via single-serve RTD protein shakes and increase its presence in “coolers.” Further, BellRing indicated unlocking Direct Store Delivery (DSD) capabilities was “the next step” after single-serve, a prerequisite to convenience market entry. The Company represented its initial testing in ambient RTD single serve shakes has “worked very well.”

We are getting – I think the singles – our singles efforts is going to be a big focus next year, which will be around displays throughout the store of singles. Some of those will be ambient, because we know that that works very well. Some of them will be in coolers. We've had some success in food accounts where we're getting in coolers, which is nice. So, I think that next year will be focused on that. We believe that I mean, this will be our first year that we're focused on it. So – and then, I think the next step would be getting after

that DSD opportunity. There is – and then – and really you need the DSD opportunity for convenience.
(CEO Ms. Darcy Davenport, Q3 25 Conference Call, 08/05/25)

Valuation Analysis

As of the date of this publication, BellRing's shares trade at 16.7 times next twelve-month earnings, 14.4% above peer Simply Good Foods.

Valuation Analysis	NTM P/E
BellRing Brands, Inc. (BRBR)	16.7x
Simply Good Foods Co (SMPL)	14.6x
<i>BRBR above SMPL</i>	<i>14.4%</i>

Disclaimer and Disclosure

This report was produced by Voyant Advisors, LLC (“Voyant”). The following Research Analysts employed by Voyant contributed to this report: Graeme Lazarus, Andrew Brown, Adam Yribarren, Nell Boyd, and Evan Babcock. Voyant’s home office is at 15373 Innovation Dr, Suite 365 San Diego, CA 92128. The firm’s home office is where information about the valuations herein are located, unless otherwise indicated in the report.

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