WeightWatchers

Fourth Quarter and Full Year 2023 Results

Supplemental Investor Materials

February 28, 2024

Forward-looking Statements

This presentation includes “forward-looking statements,” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, in particular, any guidance and any statements about the Company’s plans, strategies, objectives, initiatives, roadmap and prospects. The Company generally uses the words “may,” “will,” “could,” “expect,” “anticipate,” “believe,” “estimate,” “plan,” “intend,” “aim” and similar expressions in this presentation to identify forward-looking statements. The Company bases these forward-looking statements on its current views with respect to future events and financial performance. Actual results could differ materially from those projected in these forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions, including, among other things: competition from other weight management and health and wellness industry participants or the development of more effective or more favorably perceived weight management methods; the Company's failure to continue to retain and grow its subscriber base; the Company’s ability to be a leader in the rapidly evolving and increasingly competitive clinical weight management and weight loss market; the Company's ability to continue to develop new, innovative services and products and enhance its existing services and products or the failure of its services, products or brands to continue to appeal to the market, or its ability to successfully expand into new channels of distribution or respond to consumer trends or sentiment; the ability to successfully implement strategic initiatives; the Company’s ability to evolve its community offerings to meet the evolving tastes and preferences of its members; the effectiveness and efficiency of the Company's advertising and marketing programs, including the strength of the Company's social media presence; the impact on the Company's reputation of actions taken by its franchisees, licensees, suppliers, affiliated provider entities, PCs’ healthcare professionals, and other partners, including as a result of its acquisition of Weekend Health, Inc., doing business as Sequence (“Sequence”) (the “Acquisition”); the recognition of asset impairment charges; the loss of key personnel, strategic partners or consultants or failure to effectively manage and motivate the Company's workforce; the Company’s ability to successfully make acquisitions or enter into collaborations or joint ventures, including its ability to successfully integrate, operate or realize the anticipated benefits of such businesses, including with respect to Sequence; uncertainties related to a downturn in general economic conditions or consumer confidence, including as a result of the existing inflationary environment, rising interest rates, the potential impact of political and social unrest and increased volatility in the credit and capital markets; the seasonal nature of the Company's business; the Company's failure to maintain effective internal control over financial reporting; the impact of events that impede accessing resources or discourage or impede people from gathering with others; the early termination by the Company of leases; the inability to renew certain of the Company's licenses, or the inability to do so on terms that are favorable to the Company; the impact of the Company's substantial amount of debt, debt service obligations and debt covenants, and its exposure to variable rate indebtedness; the ability to generate sufficient cash to service the Company's debt and satisfy its other liquidity requirements; uncertainties regarding the satisfactory operation of the Company's technology or systems; the impact of data security breaches and other malicious acts or privacy concerns, including the costs of compliance with evolving privacy laws and regulations; the Company’s ability to successfully integrate and use artificial intelligence in its business; the Company's ability to enforce its intellectual property rights both domestically and internationally, as well as the impact of its involvement in any claims related to intellectual property rights; risks and uncertainties associated with the Company's international operations, including regulatory, economic, political, social, intellectual property, and foreign currency risks, which risks may be exacerbated as a result of war and terrorism; the outcomes of litigation or regulatory actions; the impact of existing and future laws and regulations; risks related to the Acquisition, including risks that the Acquisition may not achieve its intended results; risks related to the Company's exposure to extensive and complex healthcare laws and regulations as a result of the Acquisition; and other risks and uncertainties, including those detailed from time to time in the Company's periodic reports filed with the United States Securities and Exchange Commission (the “SEC”) (which are available on the SEC’s EDGAR database at www.sec.gov and via the Company’s website at corporate.ww.com). You should not put undue reliance on any forward-looking statements. You should understand that many important factors, including those discussed herein, could cause the Company’s results to differ materially from those expressed or suggested in any forward-looking statement. Except as required by law, the Company does not undertake any obligation to update or revise these forward-looking statements to reflect new information or events or circumstances that occur after the date of this presentation or to reflect the occurrence of unanticipated events or otherwise. Readers are advised to review the Company’s filings with the SEC (which are available on the SEC’s EDGAR database at www.sec.gov and via the Company’s website at corporate.ww.com).

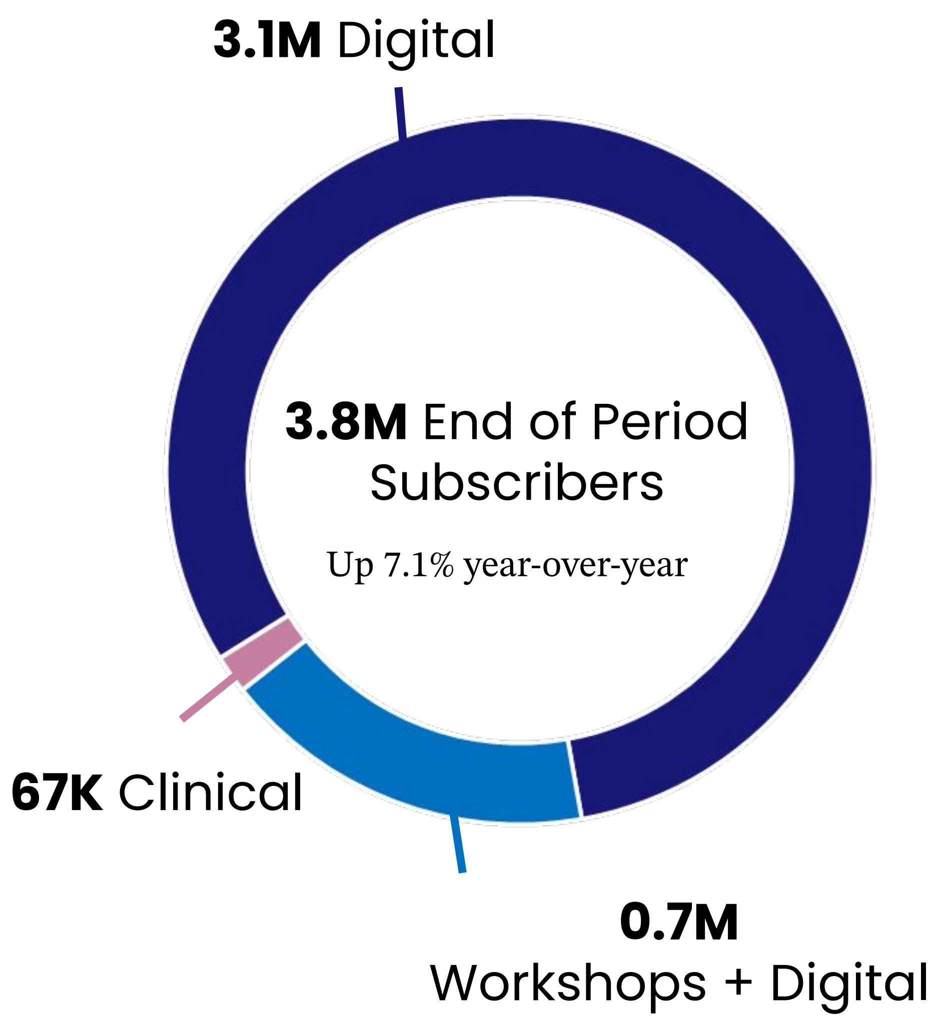
Non-GAAP Financial Measures

This presentation includes certain financial results not presented in accordance with accounting principles generally accepted in the United States (“GAAP”) including, but not limited to, gross profit, gross margin, operating income (loss), operating income (loss) margin and selling, general and administrative expenses, all as adjusted. In addition, it includes certain financial results on a constant currency basis in addition to GAAP results. Constant currency information compares results between periods as if exchange rates had remained constant period-over-period. In this presentation, the Company calculates constant currency by calculating current-year results using prior-year foreign currency exchange rates. See Appendix for reconciliations. Management believes these non-GAAP financial measures provide useful supplemental information for its and investors' evaluation of the Company's business performance and are useful for period-over-period comparisons of the performance of the Company's business. While management believes that these non-GAAP financial measures are useful in evaluating the Company's business, this information should be considered as supplemental in nature and should not be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, these non-GAAP financial measures may not be the same as similarly titled measures reported by other companies.

Trademarks

The following terms used in this presentation are our trademarks: Digital 360® , Weight Watchers®, and the WW logo.

Full Year 2023 Financial Summary



Revenue: **$889.6 million**
Down 14.5%, on both reported and constant currency basis, year-over-year[1]

Gross Margin: **59.5%**
Adjusted gross margin 61.9%[1]

Operating Income: **$22.3 million**
Adjusted operating income: $89.5 million[1]

Cash Balance: **$109.4 million**
As of December 30, 2023

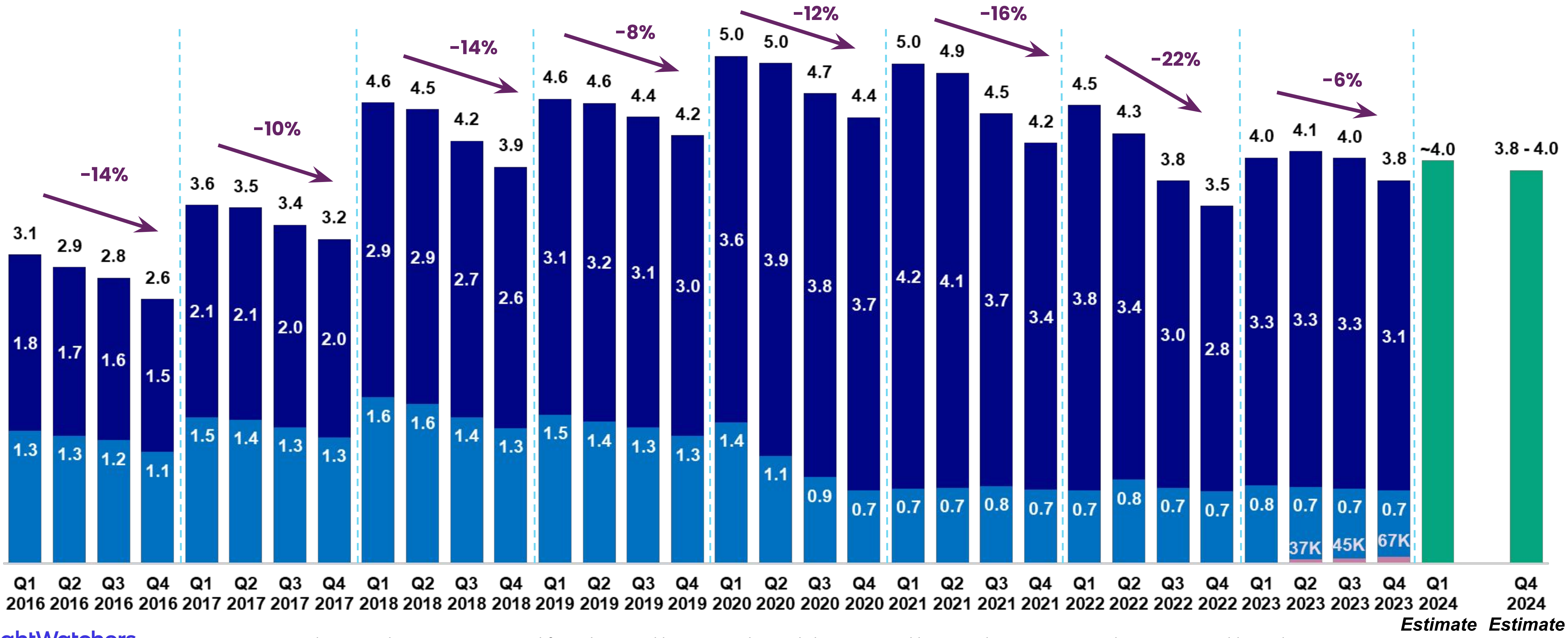
[1] See non-GAAP reconciliation in appendix

Historical Subscriber Seasonality

"2023 was a pivotal year as we began transforming our business for the future. We returned WeightWatchers to year end subscriber growth – for the first time in 3 years - up 7% year-over-year. We are on track to deliver growth in total subscribers in 2024, expecting to end the year with subscribers in the range of 3.8 million to 4.0 million, including between 140 thousand and 160 thousand subscribers to our new WeightWatchers Clinic."
-Sima Sistani, WeightWatchers' CEO (Q4 2023 Earnings Release, February 28, 2024)

End of Period **Digital** Subscribers
End of Period **Workshops + Digital** Subscribers
End of Period **Clinical** Subscribers
End of Period Subscribers

(in Millions, except as otherwise noted)



Note: Former Digital 360 members were transitioned from the Digital business to the Workshops + Digital business during Q2 2022 and Q3 2022. For additional information on the impact of this transition, see the Company's Quarterly Report on Form 10-Q for the second quarter of fiscal 2022.

Capital Structure

Flexible, covenant-lite debt structure

69% Fixed Rate Debt / 31% Variable Rate Debt Exposure[1]*

$945M Outstanding on Term Loan[1]* - Due April 2028

Variable Interest Rate[2]: 1 month Term SOFR + Credit Spread Adjustment of 11.448 bps (50 bps floor) +350 bps[1]

Covenant-lite structure; flexibility to prepay term loan

$500M notional amount of interest rate swaps to fix a portion of the variable interest rate[2].

The two $250M swaps were entered into in 2018 and 2019 and have fixed rates of 3.1513% and 1.9645%, respectively. Both have a termination date of March 31, 2024. As of December 30, 2023, the cumulative unrealized gain on these swaps is $2.7M after-tax.

$500M Notes[1]* - April 2029 Maturity

Fixed Interest Rate: 4.500%

First-lien, secured notes

Revolving Credit Facility - Undrawn

Variable Interest Rate[2]: 1 month Term SOFR + Credit Spread Adjustment of 11.448 bps +275 bps[1]

April 2026 maturity

Consolidated First Lien Leverage Ratio impacts full access to the $175M revolving credit facility (guaranteed minimum access of $61.25M). For full access, the Company must be in compliance with a Consolidated First Lien Leverage Ratio of 5.50x until the end of Q1 2024, 5.25x until the end of Q1 2025 and 5.00x thereafter.

The Company was not in compliance with the Consolidated First Lien Leverage Ratio as of December 30, 2023, and as a result, is limited to borrowing no more than 35%, or $61.25M, of the amount of the aggregate commitments under the Revolving Credit Facility as of each fiscal quarter end until the Company complies with the applicable ratio.

[1] As of December 30, 2023. Debt reflects par principal of loans and notes.
[2] During the second quarter of fiscal 2023, in connection with the previously announced planned phase-out of LIBOR, the Company amended its Credit Facilities to replace LIBOR with Term SOFR as the benchmark rate under its Credit Agreement and modified its interest rate swap agreements to transition from LIBOR-indexed to Term SOFR-indexed periodic swap payments to align with interest payments in connection with its Term SOFR-indexed debt.
* Exposure includes outstanding term loan and notes; on December 30, 2023, the Company had no outstanding borrowings under its revolving credit facility.

Appendix

Non-GAAP Reconciliation

Full Year 2023 Revenues - Constant Currency

(in thousands, except percentages)

	Full Year 2023			Full Year 2022	Full Year 2023 Variance	
	GAAP	Currency Adjustment	Constant Currency	GAAP	2023 vs 2022	2023 Constant Currency vs 2022
Consolidated Company Revenues	$ 889,551	$ (740)	$ 888,811	$ 1,039,835 [1]	(14.5%)	(14.5%)

[1] Certain amounts have been revised for full year 2022 to correct immaterial misstatements related to certain matters, which will be more fully described in the Company's Form 10-K filing for the fiscal year ended December 30, 2023.

Non-GAAP Reconciliation

Full Year 2023 Gross Profit, Selling, General and Administrative Expenses, and Operating Income (Loss)

(in thousands, except percentages)

	Full Year 2023						Full Year 2022			Full Year 2023 Variance			
												2023 Constant Currency	
	GAAP	Adjustment	Adjusted	Currency Adjustment	Constant Currency	Adjusted Constant Currency	GAAP	Adjustment	Adjusted	2023 vs 2022	2023 Adjusted vs 2022 Adjusted	2023 vs 2022	2023 Adjusted vs 2022 Adjusted
Selected Financial Data													
Gross Profit	$ 529,303	$ 21,187 [1]	$ 550,490	$ (1,367)	$ 527,936	$ 549,123	$ 621,379 [5]	$ 6,981 [6]	$ 628,360 [5]	(14.8%)	(12.4%)	(15.0%)	(12.6%)
Gross Margin	*59.5%*		*61.9%*		*59.4%*	*61.8%*	*59.8%*		*60.4%* [5]				
Selling, General and Administrative Expenses	$ 264,950	$ (42,332) [2]	$ 222,618	$ (26)	$ 264,924	$ 222,593	$ 263,840	$ (32,730) [7]	$ 231,110	0.4%	(3.7%)	0.4%	(3.7%)
Operating Income (Loss)	$ 22,333	$ 67,152 [3]	$ 89,485	$ (1,999)	$ 20,334	$ 87,365 [4]	$ (283,971) [5]	$ 436,438 [8]	$ 152,467 [5]	(107.9%)	(41.3%)	(107.2%)	(42.7%)
Operating Income (Loss) Margin	*2.5%*		*10.1%*		*2.3%*	*9.8%*	*(27.3%)* [5]		*14.7%*				

Note: Totals may not sum due to rounding.

[1] Excludes the net impact of $21,116 of charges associated with the Company's previously disclosed 2023 restructuring plan, the reversal of $4 of charges associated with the Company's previously disclosed 2022 restructuring plan, $96 of charges associated with the Company's previously disclosed 2021 organizational restructuring plan and the reversal of $21 of charges associated with the Company's previously disclosed 2020 organizational restructuring plan.

[2] Excludes (i) the net impact of $32,627 of charges associated with the Company's previously disclosed 2023 restructuring plan, $1,139 of charges associated with the Company's previously disclosed 2022 restructuring plan and the reversal of $39 of charges associated with the Company's previously disclosed 2021 organizational restructuring plan, and (ii) the impact of $8,605 of acquisition transaction costs.

[3] Excludes (i) the net impact of (w) $21,116 of charges and $32,627 of charges associated with the Company's previously disclosed 2023 restructuring plan recorded to cost of subscription revenues and selling, general and administrative expenses, respectively, (x) the reversal of $4 of charges and $1,139 of charges associated with the Company's previously disclosed 2022 restructuring plan recorded to cost of subscription revenues and selling, general and administrative expenses, respectively, (y) $96 of charges and the reversal of $39 of charges associated with the Company's previously disclosed 2021 organizational restructuring plan recorded to cost of subscription revenues and selling, general and administrative expenses, respectively, and (z) the reversal of $21 of charges associated with the Company's previously disclosed 2020 organizational restructuring plan recorded to cost of subscription revenues, (ii) the impact of $8,605 of acquisition transaction costs recorded to selling, general and administrative expenses, and (iii) the impact of impairment charges of the Company's goodwill related to its Republic of Ireland and Northern Ireland reporting units of $2,383 and $1,203, respectively, and the impairment charge of the Company's franchise rights acquired related to its Northern Ireland unit of account of $47.

[4] Includes $121 of currency adjustment associated with the impairment charges of the Company's goodwill related to its Republic of Ireland and Northern Ireland reporting units of $2,383 and $1,203, respectively, and the impairment charge of the Company's franchise rights acquired related to its Northern Ireland unit of account of $47.

[5] Certain amounts have been revised for full year 2022 to correct immaterial misstatements related to certain matters, which will be more fully described in the Company's Form 10-K filing for the fiscal year ended December 30, 2023.

[6] Excludes the net impact of $1,798 of charges associated with the Company's previously disclosed 2023 restructuring plan, $6,476 of charges associated with the Company's previously disclosed 2022 restructuring plan, the reversal of $564 of charges associated with the Company's previously disclosed 2021 organizational restructuring plan and the reversal of $729 of charges associated with the Company's previously disclosed 2020 organizational restructuring plan.

[7] Excludes the net impact of $11,810 of charges associated with the Company's previously disclosed 2023 restructuring plan, $20,705 of charges associated with the Company's previously disclosed 2022 restructuring plan, $223 of charges associated with the Company's previously disclosed 2021 organizational restructuring plan and the reversal of $8 of charges associated with the Company's previously disclosed 2020 organizational restructuring plan.

[8] Excludes (i) the impact of impairment charges of the Company's franchise rights acquired of $324,030, $57,454, $8,275, $1,972 and $1,872 related to its United States, Canada, United Kingdom, New Zealand and Australia units of account, respectively, and impairment charges of the Company's goodwill related to its Republic of Ireland reporting unit and its Kurbo operations of $2,023 and $1,101, respectively, and (ii) the net impact of (v) $1,798 of charges and $11,810 of charges associated with the Company's previously disclosed 2023 restructuring plan recorded to cost of subscription revenues and selling, general and administrative expenses, respectively, (w) $6,476 of charges and $20,705 of charges associated with the Company's previously disclosed 2022 restructuring plan recorded to cost of subscription revenues and selling, general and administrative expenses, respectively, (x) the reversal of $564 of charges associated with the Company's previously disclosed 2021 organizational restructuring plan recorded to cost of subscription revenues, (y) $223 of charges associated with the Company's previously disclosed 2021 organizational restructuring plan recorded to selling, general and administrative expenses and (z) the reversal of $729 of charges and the reversal of $8 of charges associated with the Company's previously disclosed 2020 organizational restructuring plan recorded to cost of subscription revenues and selling, general and administrative expenses, respectively.