



Investor Day
February 25, 2020



Forward Looking Statements & Non-GAAP Measures

Forward-Looking Statements

Certain statements in this presentation constitute “forward-looking” statements. These statements are based on management's current opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results. These forward-looking statements are only predictions, not historical fact, and involve certain risks and uncertainties, as well as assumptions. Actual results, levels of activity, performance, achievements and events could differ materially from those stated, anticipated or implied by such forward-looking statements. While Freshpet believes that its assumptions are reasonable, it is very difficult to predict the impact of known factors, and, of course, it is impossible to anticipate all factors that could affect actual results. There are many risks and uncertainties that could cause actual results to differ materially from forward-looking statements made herein including, most prominently, the risks discussed under the heading “Risk Factors” in the Company's latest annual report on Form 10-K filed with the Securities and Exchange Commission. Such forward-looking statements are made only as of the date of this presentation. Freshpet undertakes no obligation to publicly update or revise any forward-looking statement because of new information, future events or otherwise, except as otherwise required by law. If we do update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements.

Non-GAAP Measures

Freshpet uses certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, Adjusted EBITDA as a % of net sales, Adjusted Gross Profit, Adjusted Gross Profit as a % of net sales (Adjusted Gross Margin), Adjusted SG&A and Adjusted SG&A as a % of net sales. These non-GAAP financial measures should be considered as supplements to GAAP reported measures, should not be considered replacements for, or superior to, GAAP measures and may not be comparable to similarly named measures used by other companies.

Freshpet defines EBITDA as net loss plus interest expense, income tax expense and depreciation and amortization expense, and Adjusted EBITDA as EBITDA plus loss on disposal of equipment, plant start-up expenses, non-cash share-based compensation, warrant fair valuation, launch expenses, fees related to secondary offerings, leadership transition costs and litigation expense.

Forward Looking Statements & Non-GAAP Measures (cont.)

Freshpet defines Adjusted Gross Profit as gross profit before non-cash depreciation expenses, plant start-up costs and non-cash share-based compensation, loss on disposal of equipment, and Adjusted SG&A as SG&A expenses before depreciation and amortization expense, non-cash share-based compensation, launch expense, fees related to secondary offerings, leadership transition expenses, and litigation expense.

Management believes that the non-GAAP financial measures are meaningful to investors because they provide a view of the Company with respect to ongoing operating results. Non-GAAP financial measures are shown as supplemental disclosures in this presentation because they are widely used by the investment community for analysis and comparative evaluation. They also provide additional metrics to evaluate the Company's operations and, when considered with both the Company's GAAP results and the reconciliation to the most comparable GAAP measures, provide a more complete understanding of the Company's business than could be obtained absent this disclosure. The non-GAAP measures are not and should not be considered an alternative to the most comparable GAAP measures or any other figure calculated in accordance with GAAP, or as an indicator of operating performance. The Company's calculation of the non-GAAP financial measures may differ from methods used by other companies. Management believes that the non-GAAP measures are important to an understanding of the Company's overall operating results in the periods presented. The non-GAAP financial measures are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance.

Certain of these measures present the company's guidance for fiscal year 2019, for which the company has not yet completed its internal or external audit procedures. The Company does not provide guidance for the most directly comparable GAAP measure and similarly cannot provide a reconciliation to such measure without unreasonable effort due to the unavailability of reliable estimates for certain items. These items are not within the Company's control and may vary greatly between periods and could significantly impact future financial results.





Billy Cyr
Pet Parent to Appa

Brands that changed the world

Can't imagine
how we lived
without them or
why we ever did
things another
way

- Changed things we do everyday
- Reflected significant changes in society's values and priorities
- Leveraged technology to make the previously impossible possible or more broadly available

Brands that changed the world

Changed how
we think, create
and connect



Brands that changed the world

Changed how we
are entertained

The Netflix logo is centered within a solid red rectangular box. The word "NETFLIX" is written in a white, bold, sans-serif font with a slight 3D effect, set against the red background.

NETFLIX

Brands that changed the world

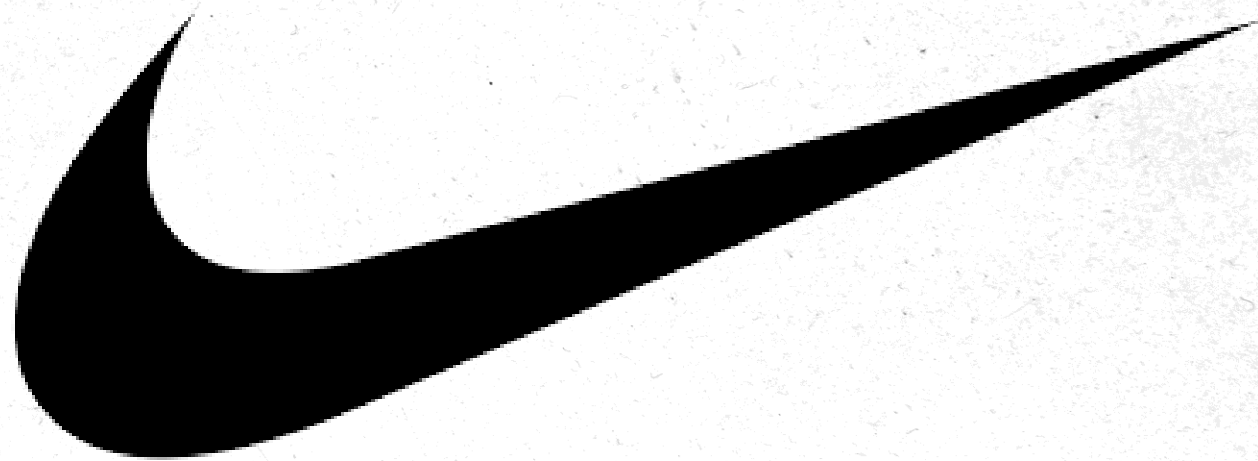
Changed how
we shop

amazon

The Amazon logo consists of the word "amazon" in a bold, lowercase, sans-serif font. Below the word is a curved orange arrow that starts under the letter 'a' and points to the right, ending under the letter 'n'.

Brands that changed the world

Changed how we
exercise and
compete



Brands that changed the world

Changed how we energize our day



Brands that changed the world

Changed how we rehydrate



Brands that changed the world

Changed how we
wake up and
renew our energy



Brands that changed the world

Changing how we
nourish our pets



\$30 billion industry stuck in the 1950's



Dogs had a different place in families in 1950's



Dogs are now part of our family

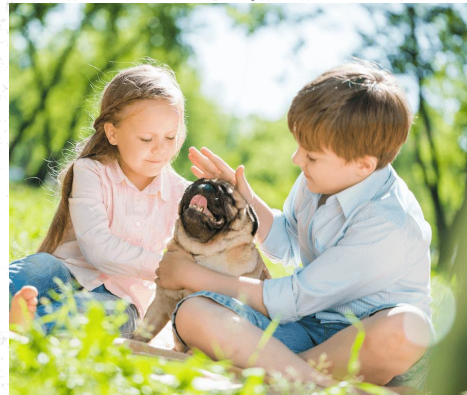


Zoeyia (Zoo-ey-ah)

The positive benefits to human health from interacting with animals



Immune
System
Development



Psycho-Social
Development



Support
Coping &
Recovery

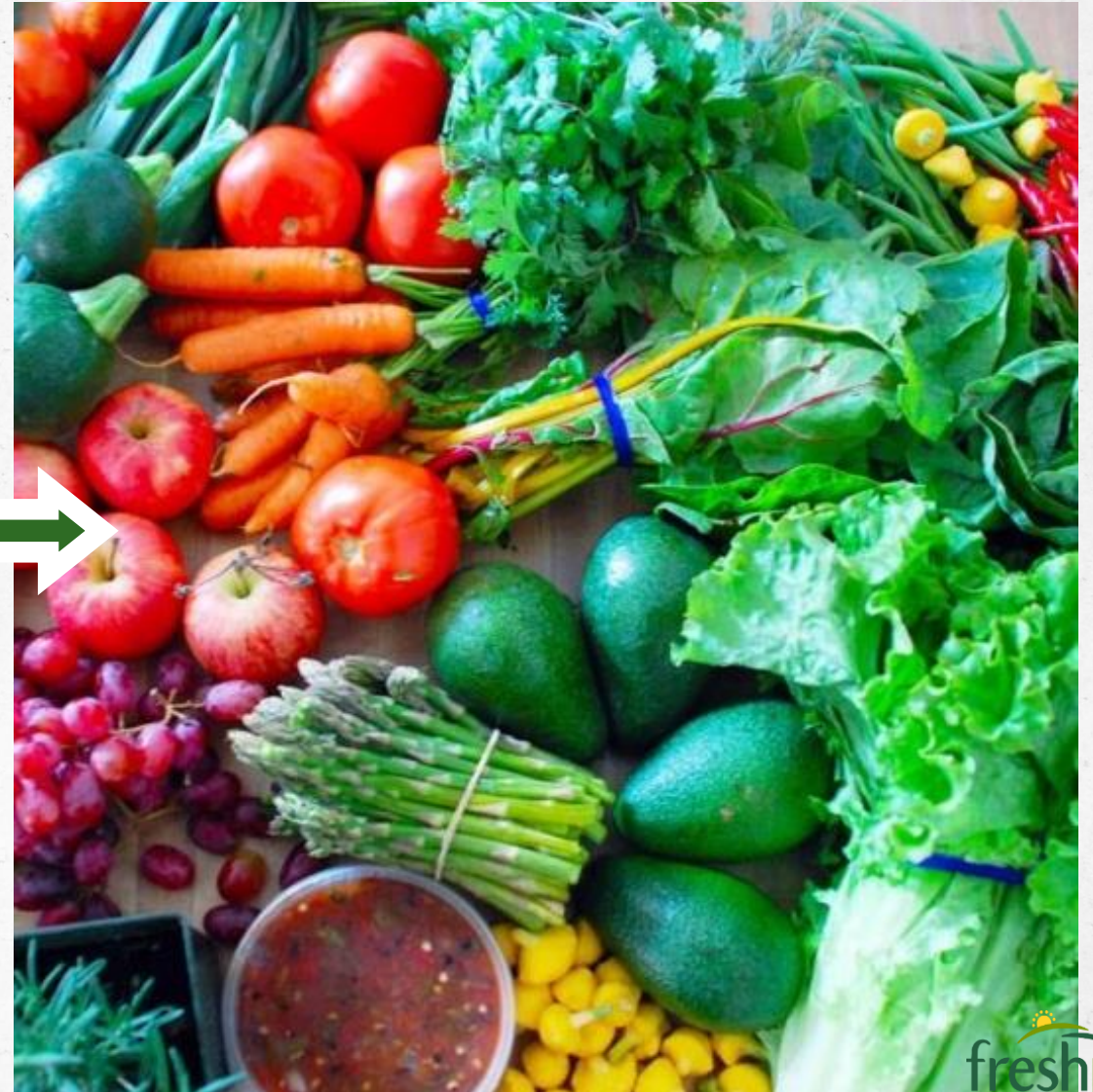


Catalyze
Social
Interactions



Motivate
Regular
Exercise

We've switched from canned to fresh food



From dry to less processed food



Mission: Awaken the world to a better way of feeding pets





A totally different approach to nourishing pets



First major innovation since dry kibble in 1956



1956



2006

Freshpet Fresh from the Kitchen is a giant leap forward versus canned dog food



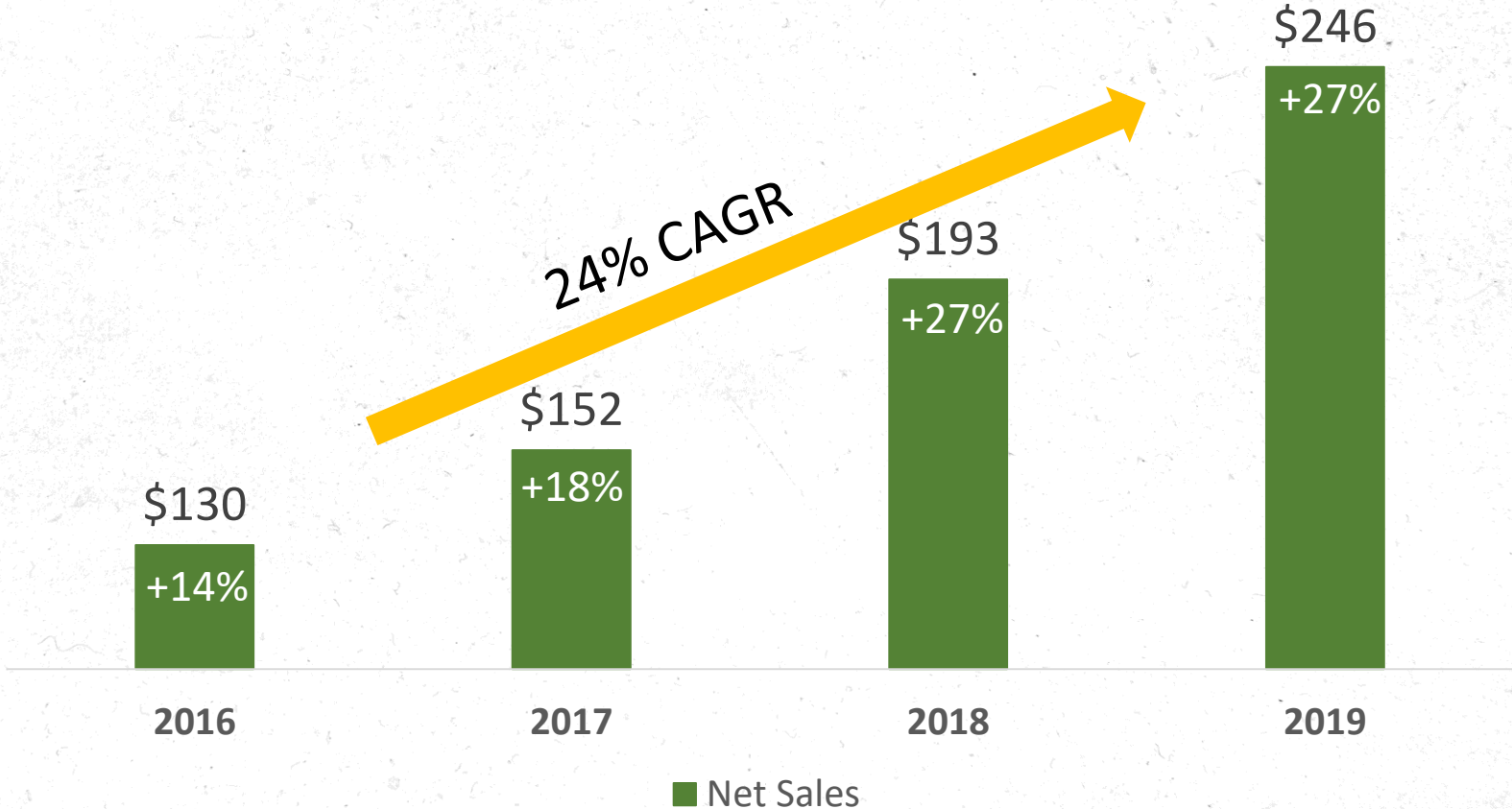
1922



2015

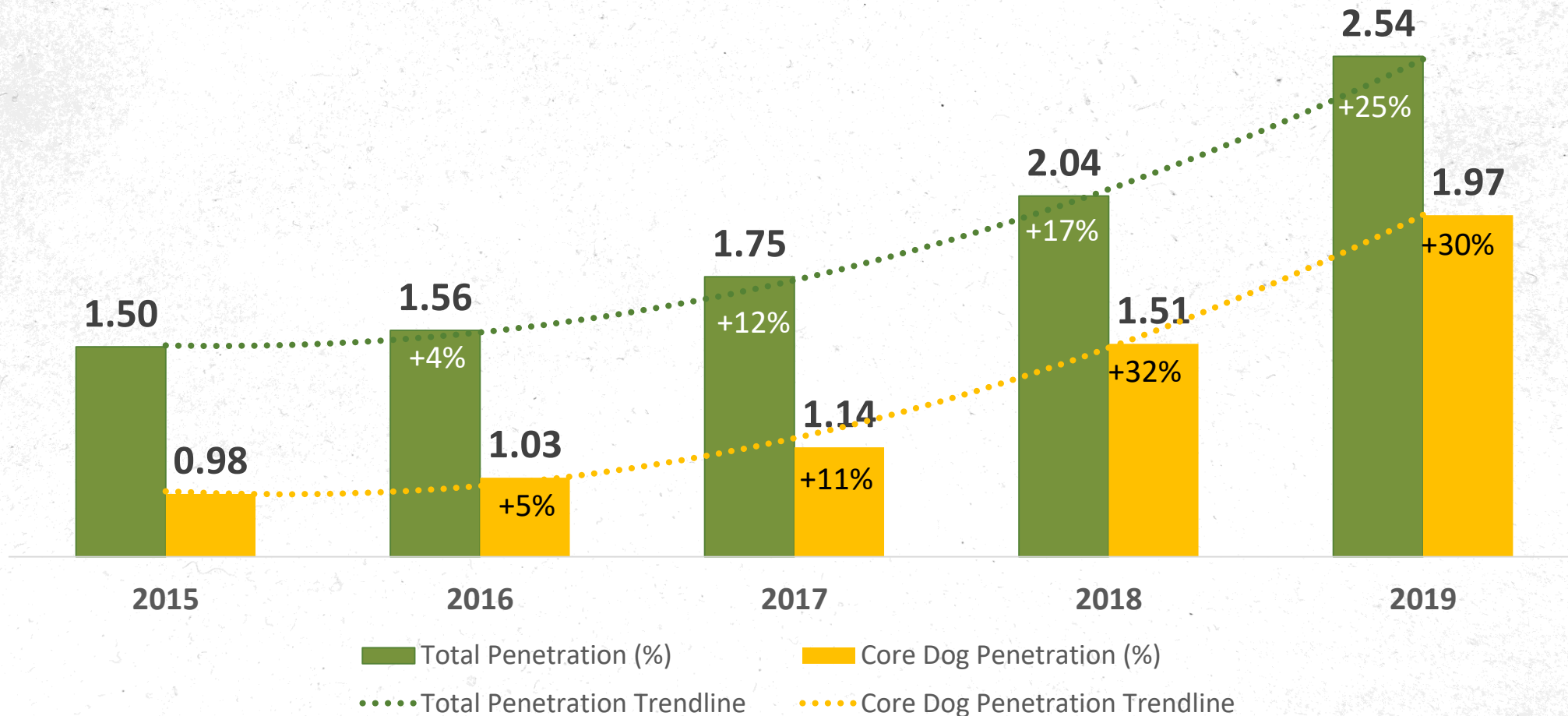
Freshpet is growing quickly

Freshpet Net Sales



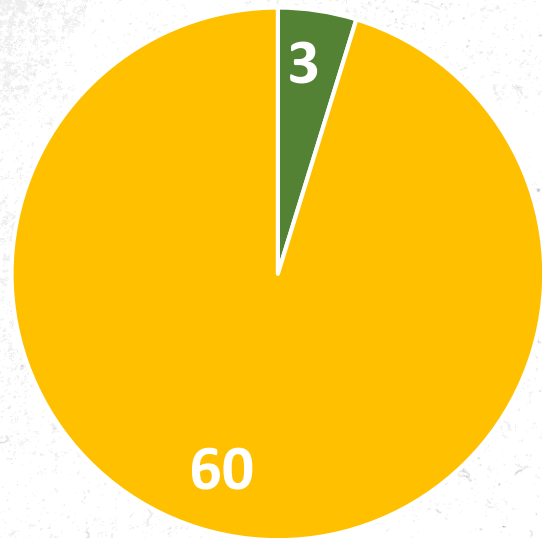
And adding HH's quickly

Freshpet Penetration Growth



The Freshpet opportunity is much bigger than \$300 million

2019 Dog HH's

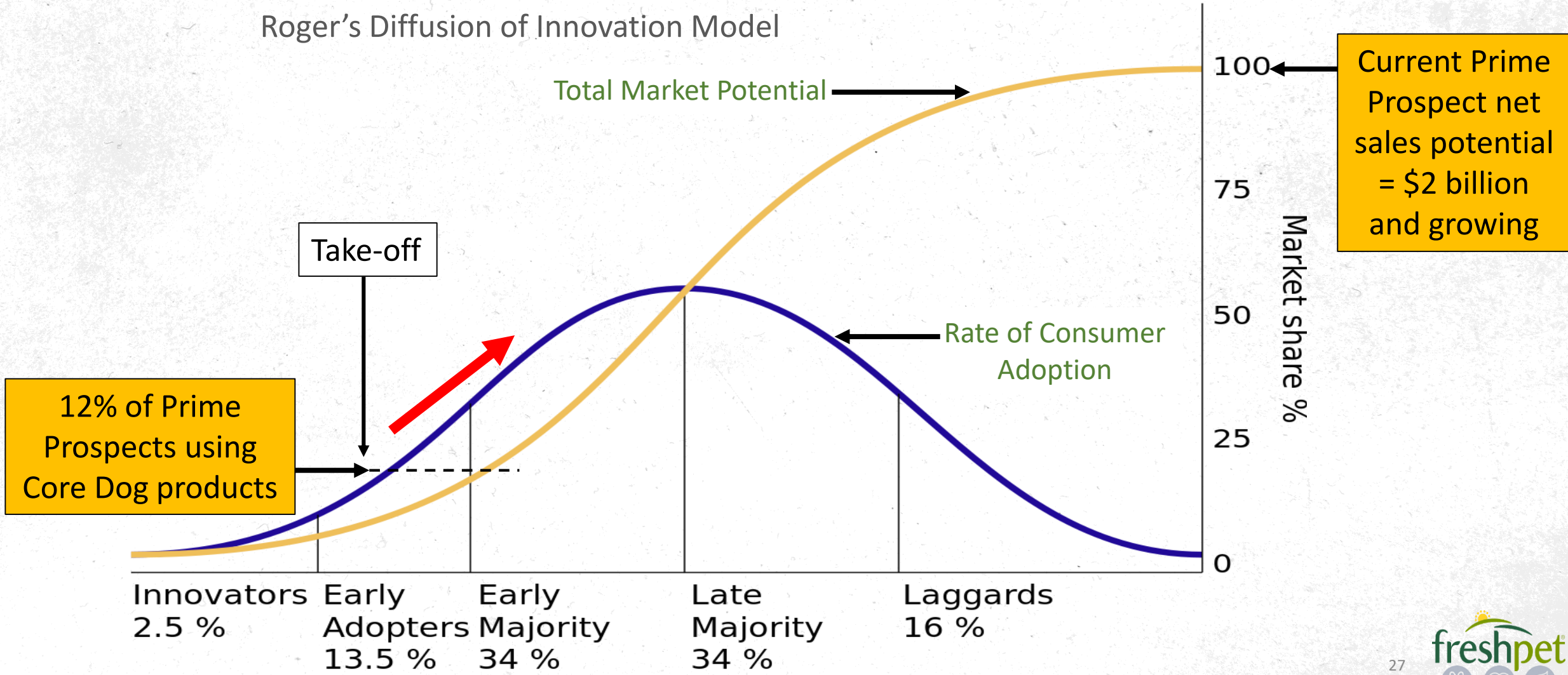


■ Freshpet ■ No Freshpet



In the early stages of accelerating consumer adoption

Roger's Diffusion of Innovation Model





2025
BY

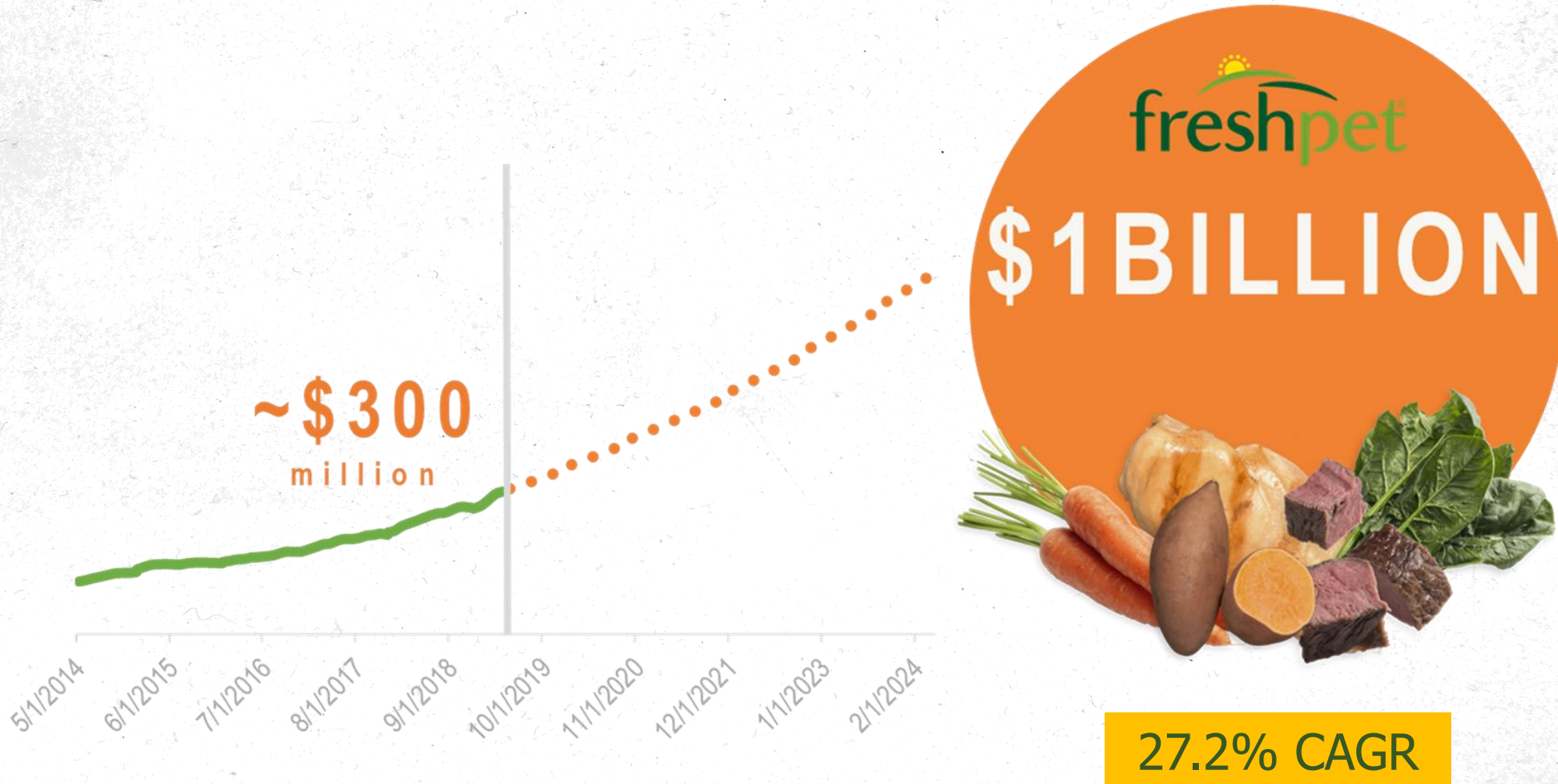
FEED THE GROWTH



2025 Goal: 5 million more HH's feed Freshpet



5 million new HH's leads to \$1 billion net sales by 2025



27.2% CAGR

Updated Strategic Plan



Key Takeaways

- The **Total Addressable Market (TAM)** has nearly tripled since 2016 and is still growing
- Freshpet will **invest in organizational capability, production capacity, innovation and marketing support** to aggressively pursue the opportunity-- and extend our competitive advantage
- Freshpet has a **winning business model** with a **wide competitive moat** and **significant first mover advantage** that will deliver **meaningful shareholder returns**

2025 Goals

- 5 million more Freshpet HH's
- \$1 billion in net sales – and still growing 20+%
- ~25% Adj. EBITDA margins



Path to 2025

- Continued **strong (20+%) net sales growth** each year with specific growth rate varying based on capacity and opportunities
- **Adj. EBITDA growth in excess of net sales growth** each year with variation based on investment opportunities
- **~12% of net sales investment in US advertising** with incremental investments outside the US as opportunities develop
- **Continued leverage in SG&A** as the primary driver of EBITDA margins
- Efficiency gains offset mix shift to **hold gross margins steady**
- **Significant, phased capital investment** in capacity to meet demand

How big can Freshpet get and how will we do it?

Agenda
item

#1



How will we meet demand?

Agenda
item

#2



Strategic & financial benefits of increasing scale

Agenda
item

#3



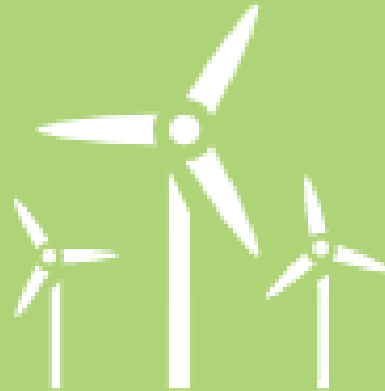
How we will take care of pets, people and the planet while we grow

Agenda
item

#4



landfill free



powered
by wind



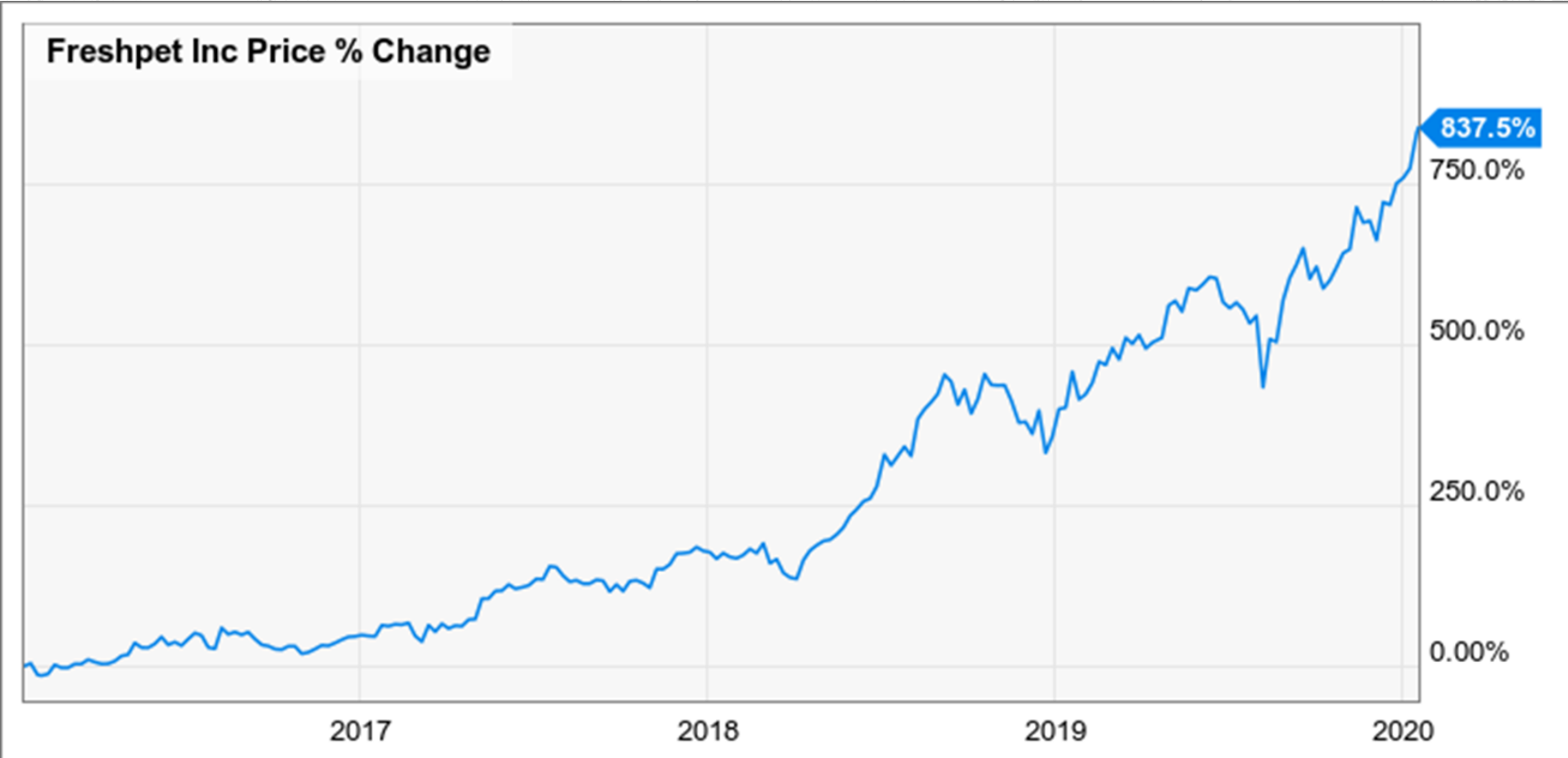
carbon
emissions offset

25,000+ trees planted

How our investors will be rewarded for our growth

Agenda
item

#5

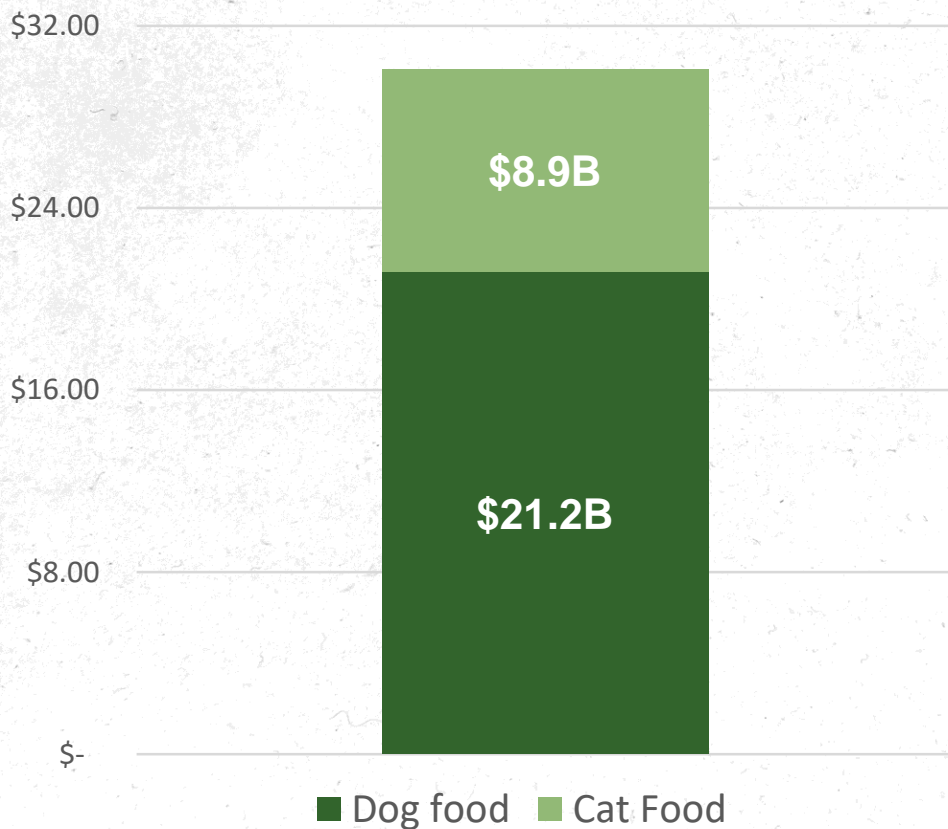


Scott Morris
Pet Parent to
Piper, Harley &
Suzu (shy)

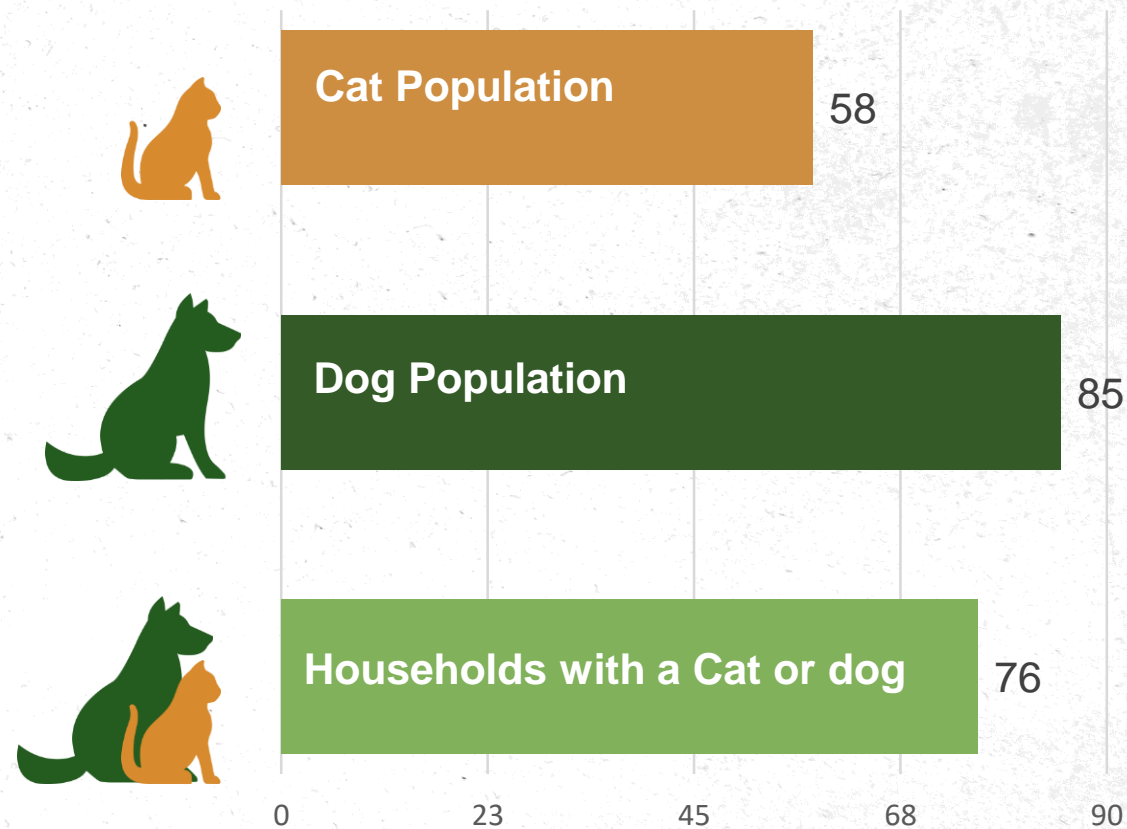


US Pet Food Market Quick Facts

\$30B+ of Pet Food Sales in the US
2019 Growth ~+7%



Pet Population & Households # in MM's



• Source: Nielsen AOD Core Rewrite 444 – L52W w/e 12/28/19, Rakuten Intelligence eCommerce Pet Food – L12M 11/2019

• *Estimate only – Other bucket contains dollar estimate for pet food sales moving through Vet clinics, Farm & Feed, Direct-to-Consumer, Costco and other channels (e.g. DIY)

85 Years of Pet Food

PET FOOD = WHAT WE EAT

DAWN OF COMMERCIAL PET FOOD

BIRTH OF SUPER PREMIUM

ULTRA PREMIUM

SIMPLE REAL FOODS

1940

1950

1990

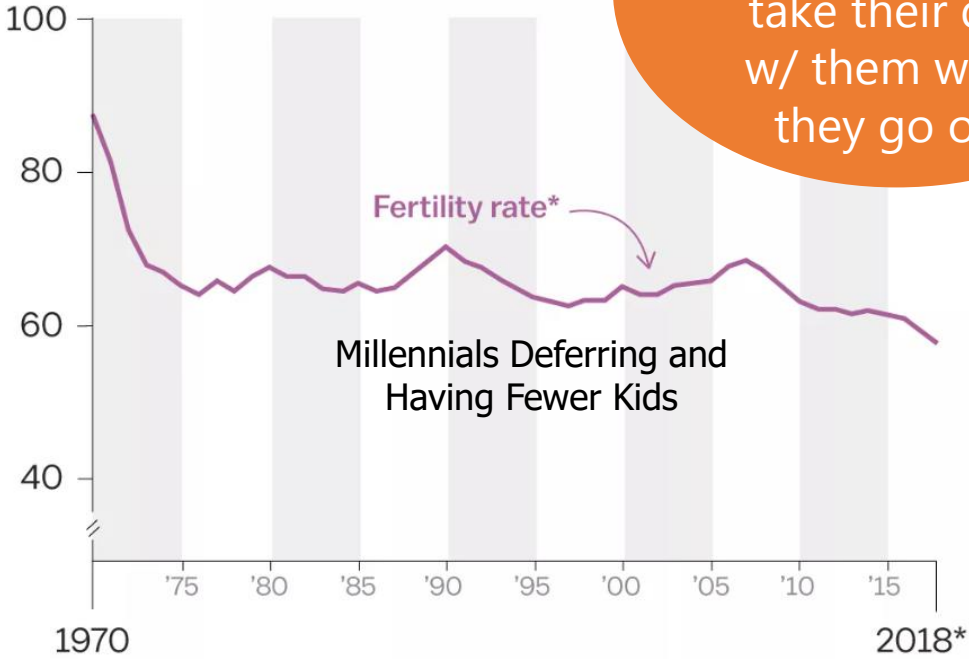
2010

2025



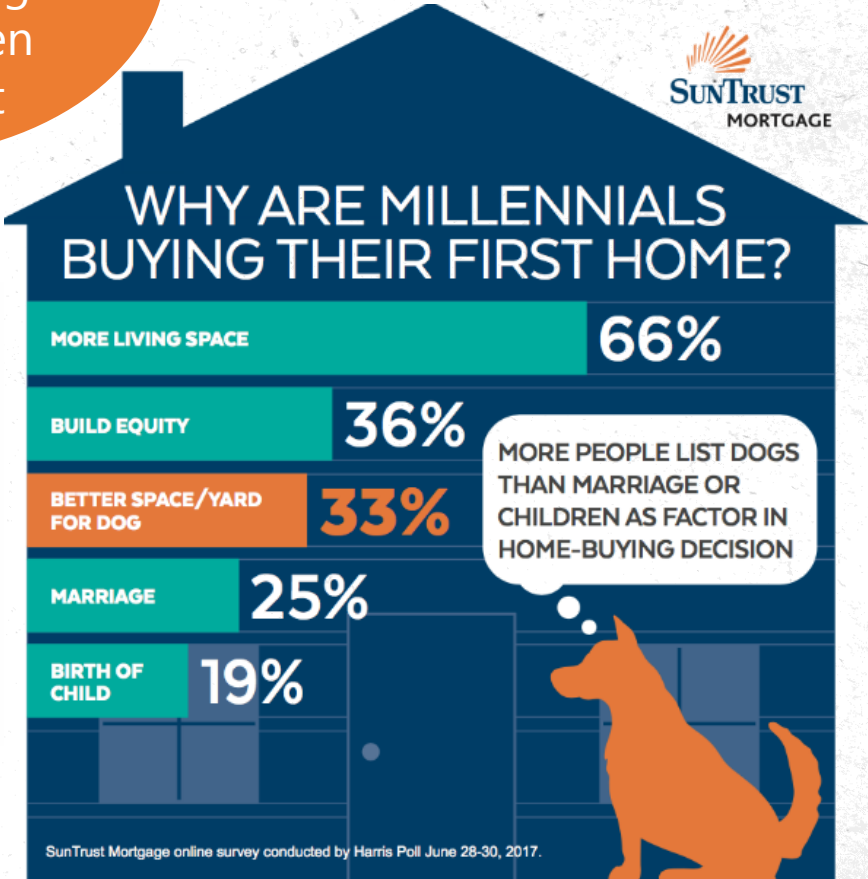
Pets Replace Kids

70%
take their dog
w/ them when
they go out



*Rate per 1,000 women between the ages of 15 and 44.
Source: NCHS; National Vital Statistics System; Natality

Vox



The human-animal bond is powerful



HEALTH

Owning a dog can help you live longer, study suggests

Adrianna Rodriguez USA TODAY

Published 3:35 p.m. ET Oct. 8, 2019 | Updated 3:52 p.m. ET Oct. 8, 2019



[\[News \]](#) [Sports](#) [Entertainment](#) [Life](#) [Money](#) [Tech](#) [Travel](#) [Opinion](#)

Attention, dog owners: your furry friend could extend your life.

A study published Tuesday by [Circulation: Cardiovascular Quality and Outcomes](#), a peer-reviewed journal of the [American Heart Association](#), says owning a dog is linked with living longer.

The meta-analysis looked at studies published from 1950 to May 2019 that evaluated dog ownership and its association to mortality. The research included 10 studies that yielded data from more than 3 million participants.

Scientists found dog owners were likely to live longer than those who didn't have dogs: Dog owners had a 24% risk reduction for death from any cause, according to the study. For people with heart problems, living with a dog had an even greater benefit, authors said.

The potentially life-extending benefits of dog ownership could be traced in part to increased physical activity from walking the dog, authors speculated. The study found dog owners were less likely to die from heart disease compared with nonowners.

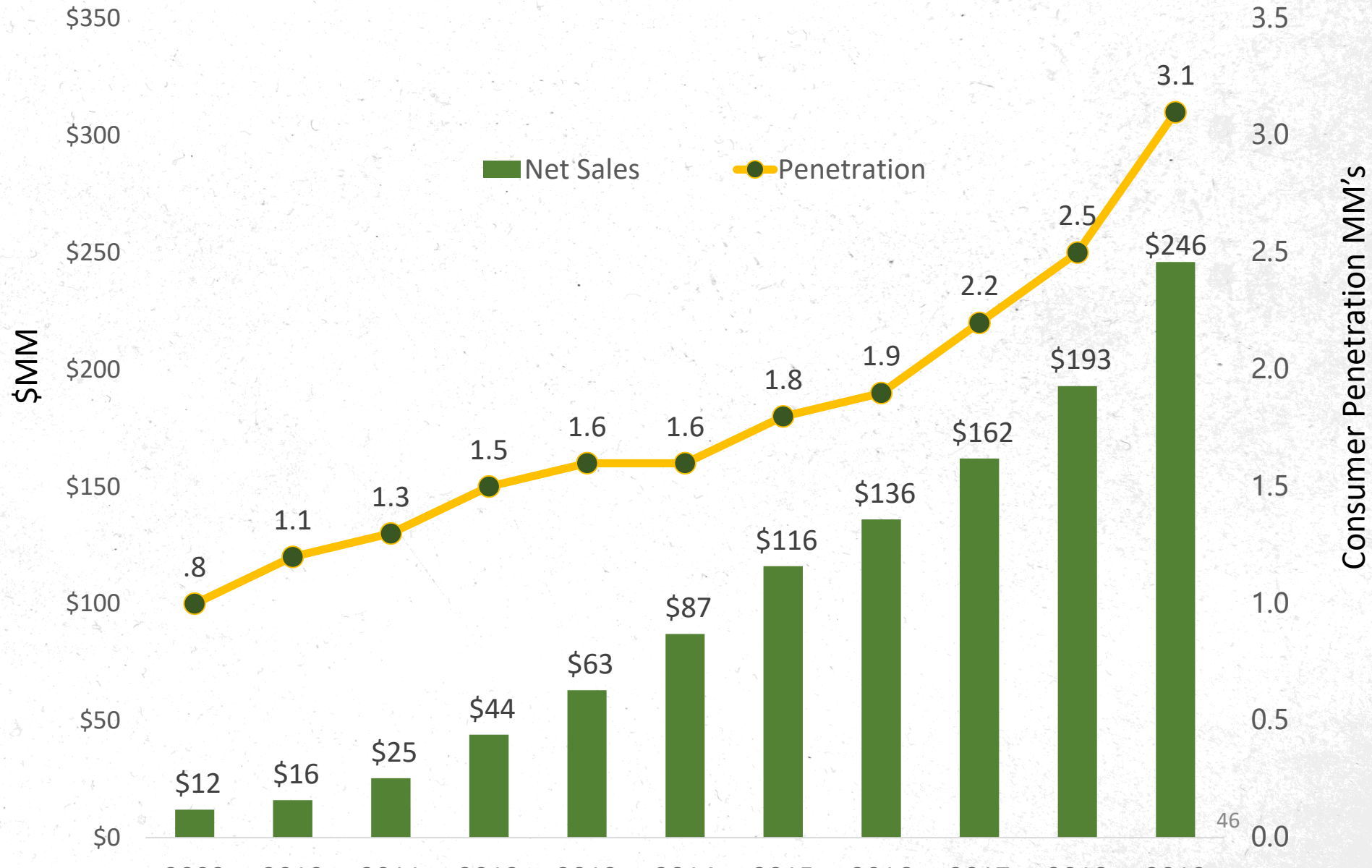
Freshpet Lives at the Intersection of Two Very Powerful Macro-Trends in CPG



Humanization
of Pets

Fresh, Wholesome,
All-Natural Foods

Strong historical revenue growth primarily driven by consumer penetration



>25% growth in penetration and net sales

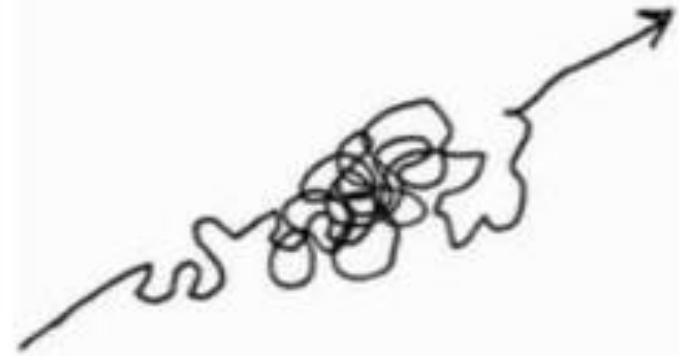
How we got here

Success



what people think
it looks like

Success



what it really
looks like



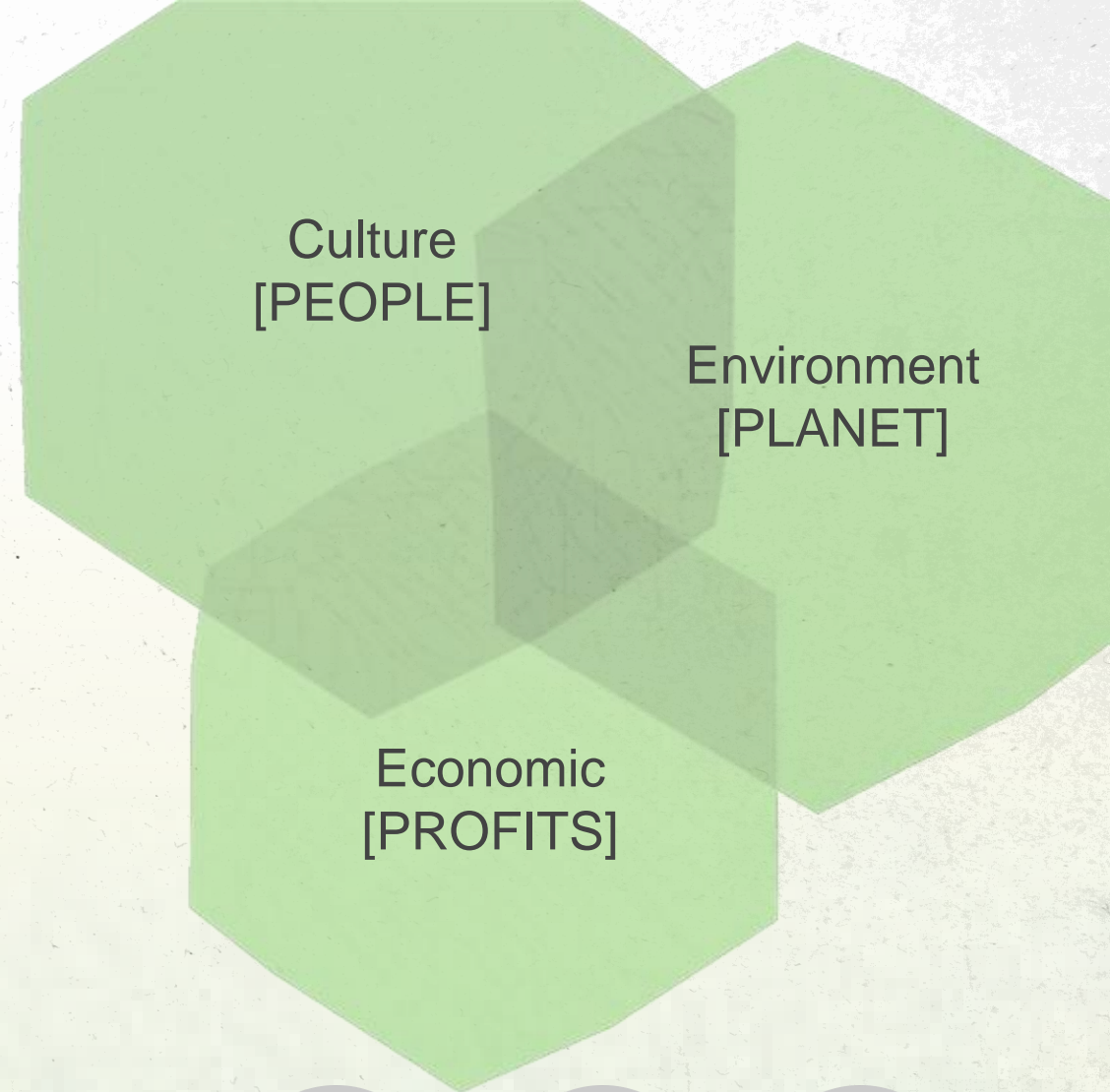
pets. people. planet.

Sustainability & The Triple Bottom Line

We believe we can build a company that changes an industry, delivers key business metrics while improving people's lives and the planet.

We are expanding our commitment to sustainability.

We are committed to social and environmental concerns in addition to profits.



We believe in a
healthier, happier world
where
Pets, People and Planet thrive





freshpet[®]

VALUES



OPERATE FROM TRUTH

Think, act, and speak
from truth



INNOVATIVE & ENTREPRENEURIAL

Think big & stay small,
take smart risks



PASSION & TENACITY

Pursue our mission
with vigor



MAKE SURE EVERYONE WINS

In our daily work and with
a focus on sustainability
/ triple bottom line



DO THE RIGHT THINGS

Make decisions &
interact with a solid
moral compass

Everything we've learned is what we are

Tribal Knowledge + Expanded Team = Platform for success

Establishing our path to continued progress and success





As we grow, we add important skills and talent to achieve our potential



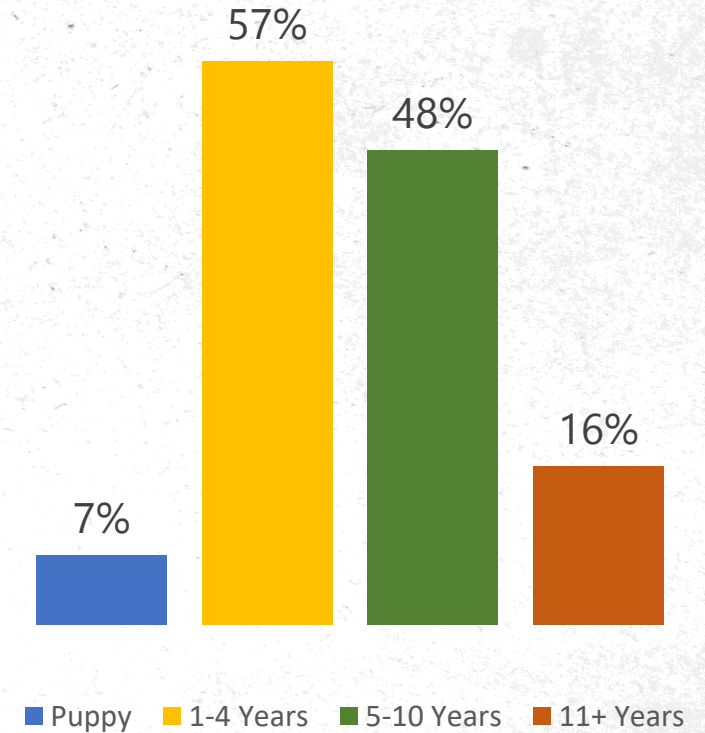
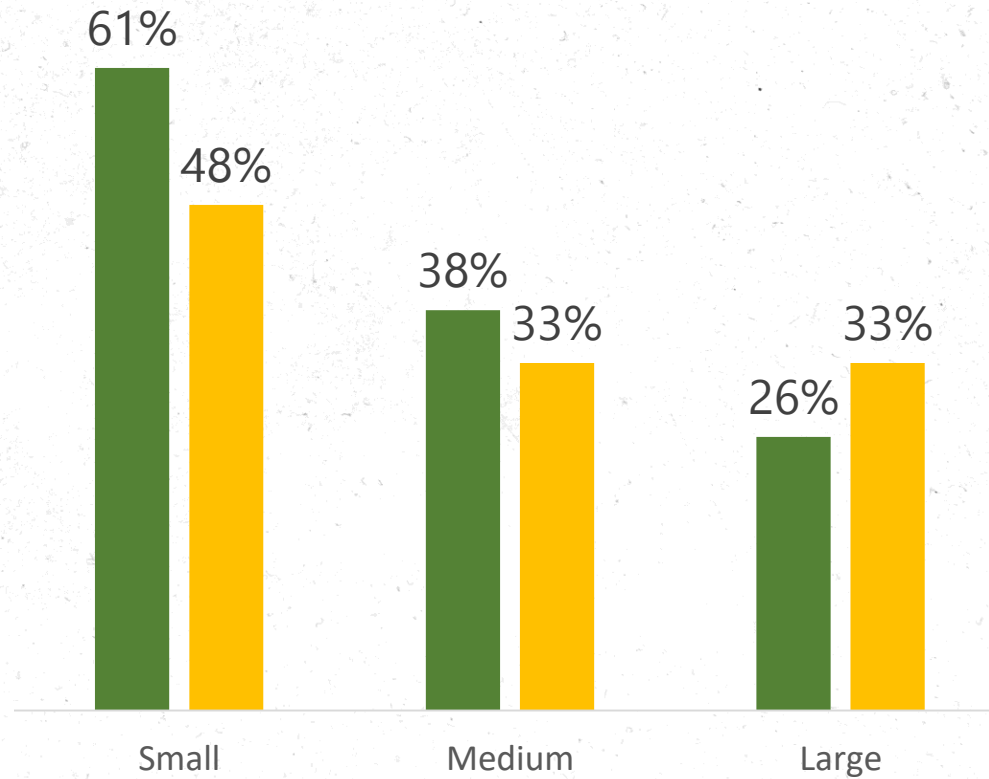
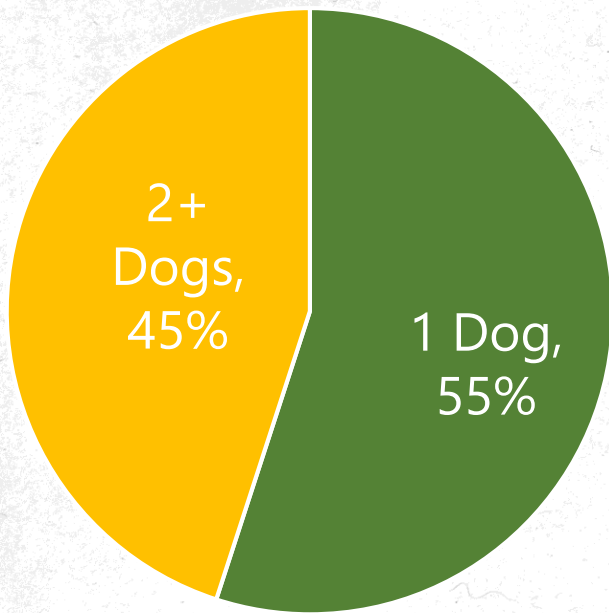
	'06 - '10	'10 - '15	'15 - '19
INNOVATION	Scott Morris Michael Hieger	Lisa Barrette	Gerardo Perez-Camargo & Team
FINANCE	Dick Kassar Steve Macchiaverna	Ivan Garcia	Therese Joyce Heather Pomerantz & Team
MANUFACTURING	Michael Hieger	Steve Weise Rafael Velez	Lynn Bingham Willie Everett & Team
MARKETING	Scott Morris	Lisa Barrette	John Speranza Jake Tranor
FRIDGE TEAM	Cathal Walsh	Vladimir Vuka	
SYSTEMS	Excel	Steve Macchiaverna	Frank Calandra Heather Pomerantz
SALES	Tom Farina		Eddie Young
INTERNATIONAL		Cathal Walsh	Koen Christiaans
LEADERSHIP	Dick Kassar Cathal Walsh Scott Morris Charlie Norris Steve Macchiaverna	Craig Steeneck Daryl Brewster Walt George Rob King Larry Choban David Basto	Billy Cyr Olu Beck Dede Priest Jacki Kelley



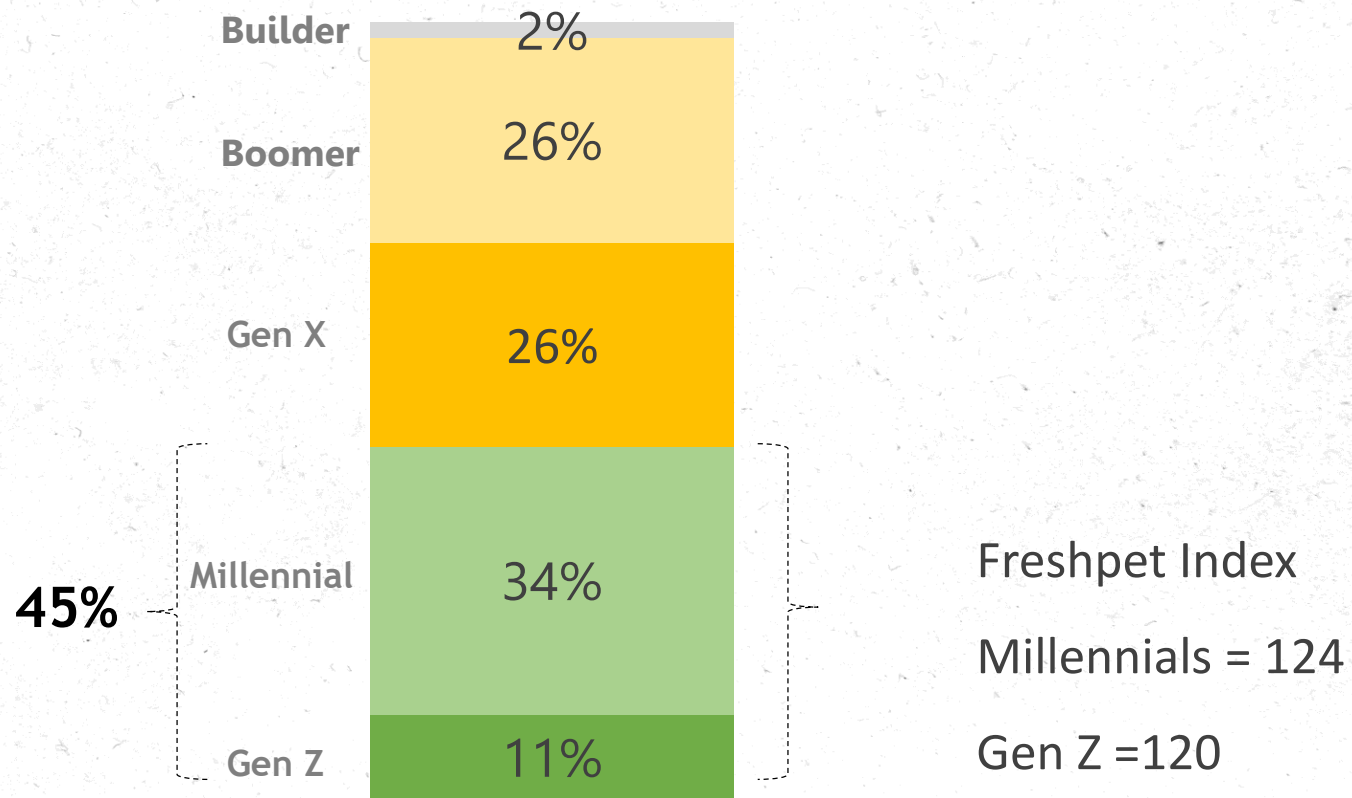
Freshpet Consumers



Encouraging franchise longevity



Dog HHs Today

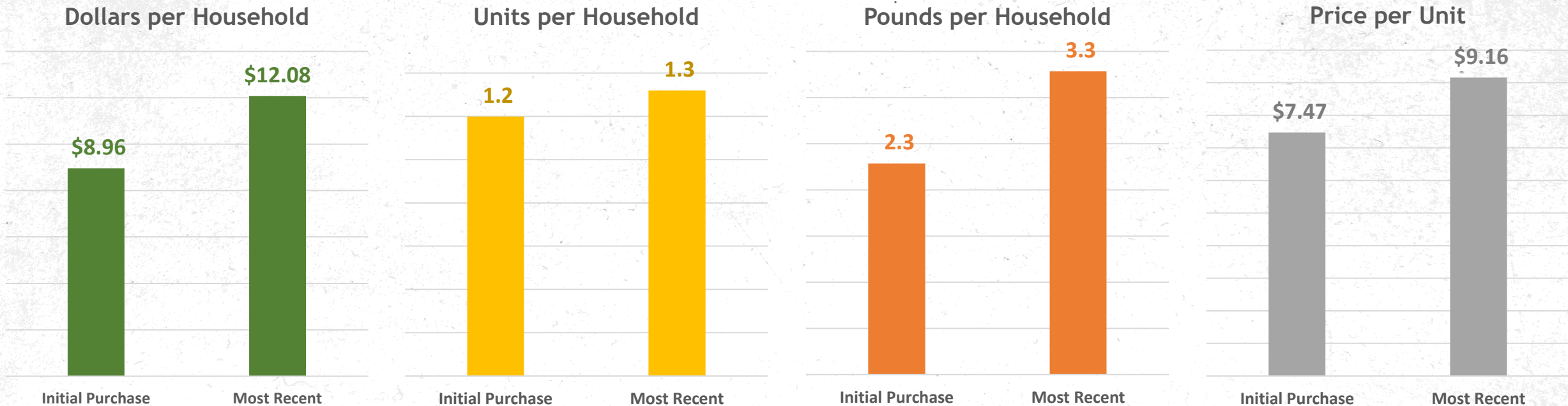


Source: IDEXX, 2019 A&U, APPA

Demographic trends working in our favor

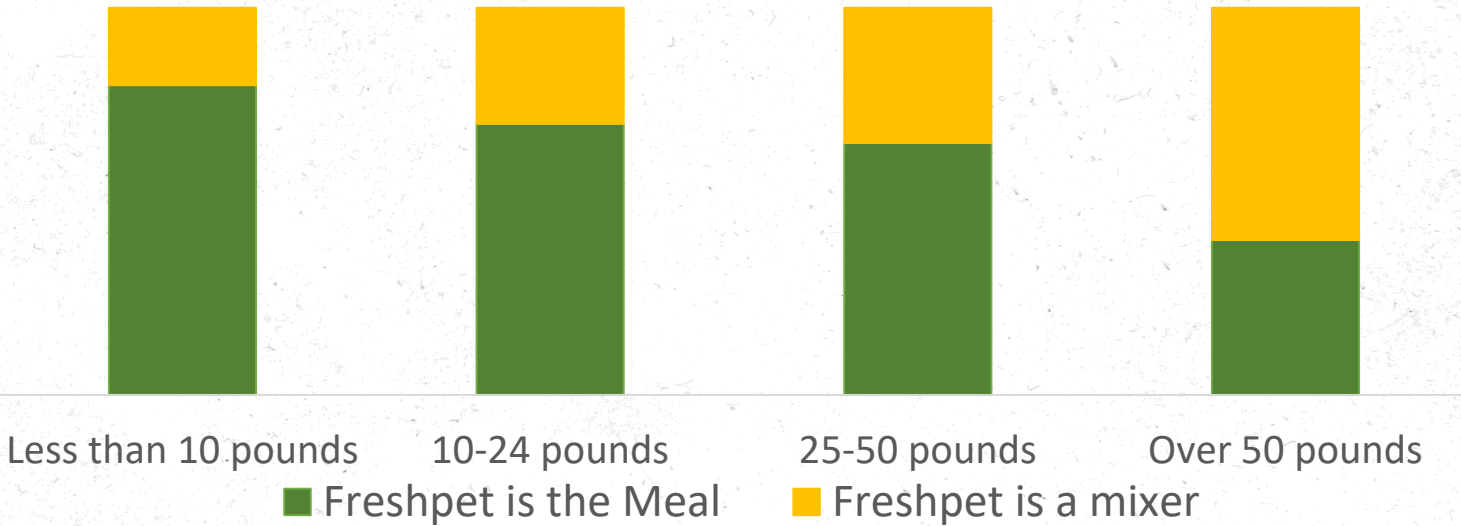
New consumers spend more dollars, buy more units, more pounds and pay higher prices per unit over time

Purchasing changes from Initial Purchase to Most recent

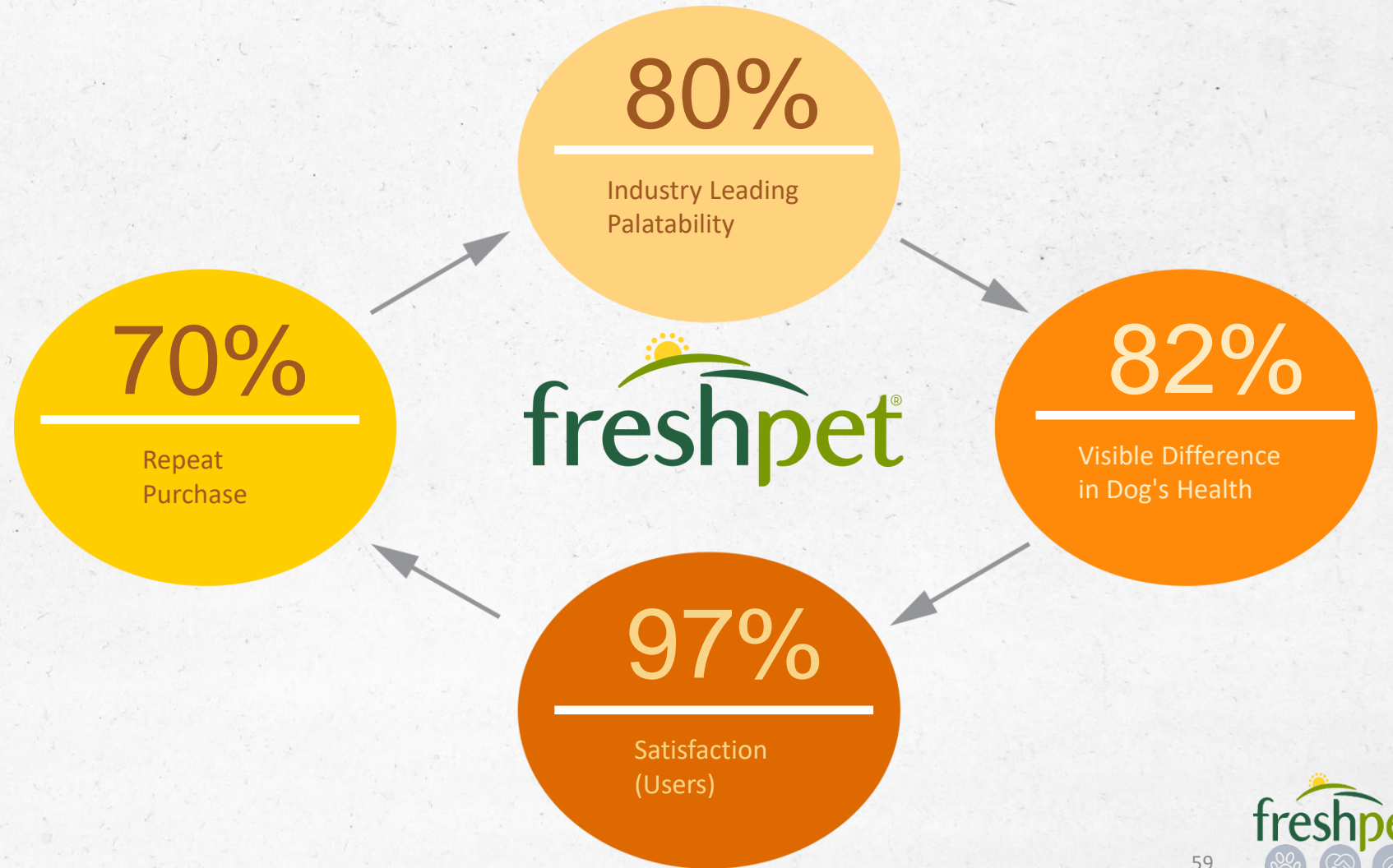


Freshpet's small dog consumers are **VERY LOYAL**, driving brand & category growth

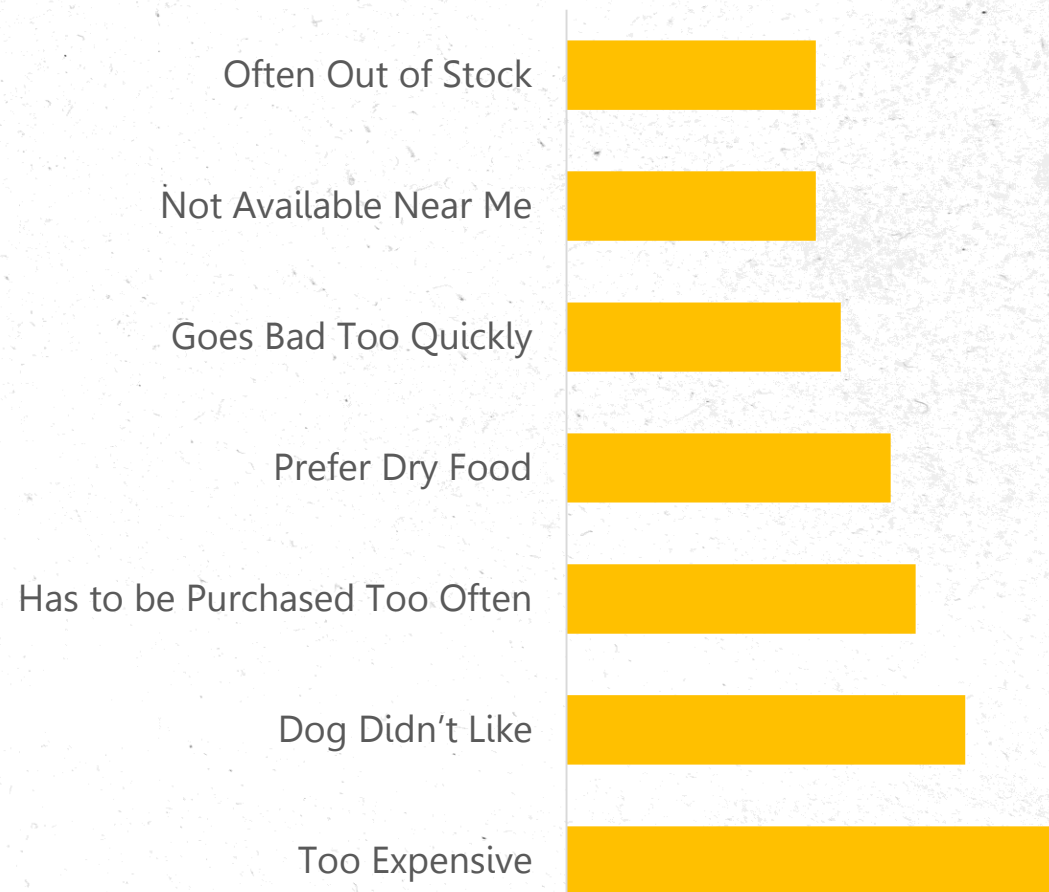
FRESHPET: MEAL VS. MIXER BY DOG SIZE



Freshpet penetration & loyalty cycle

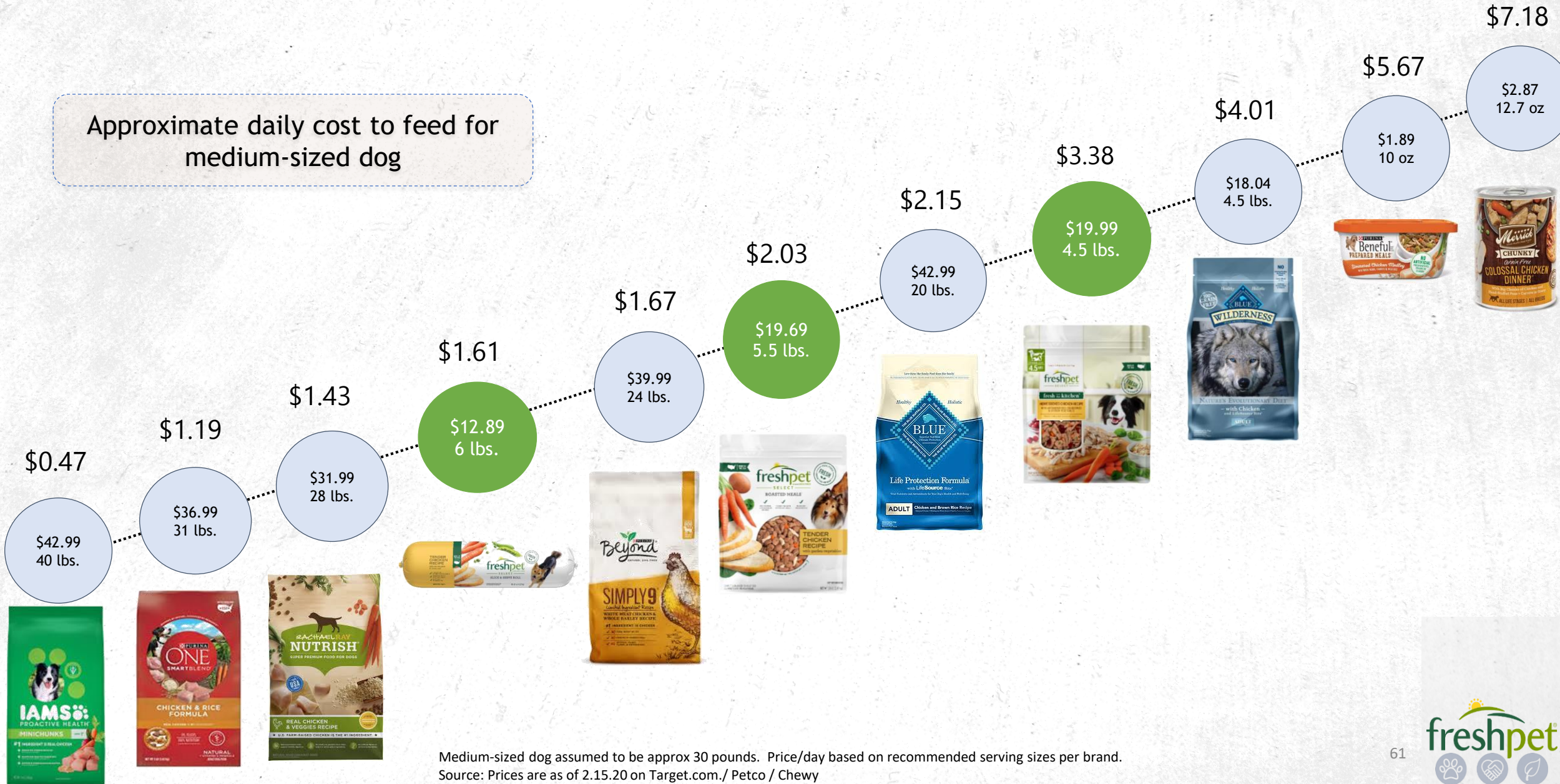


Why the 30% leave



High quality products at accessible price points

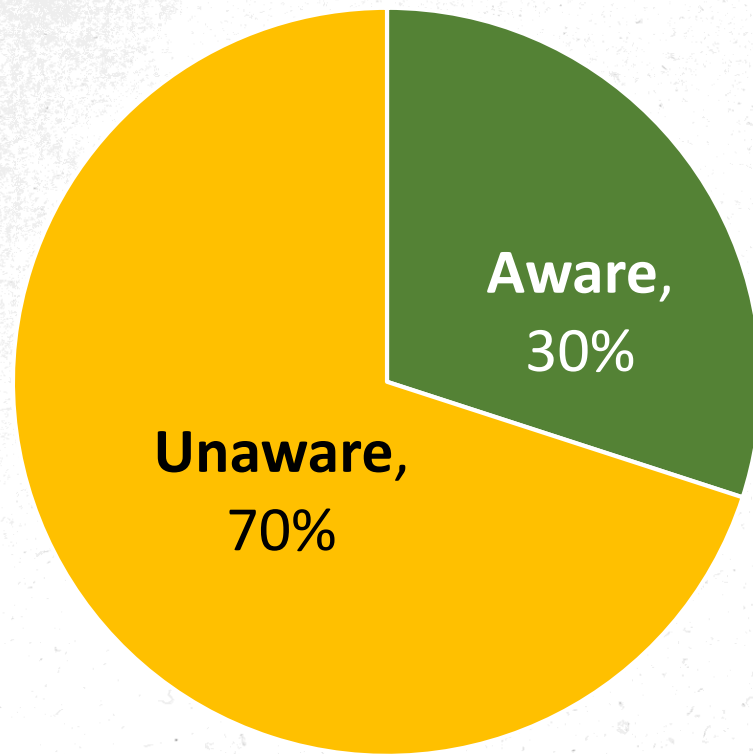
Approximate daily cost to feed for medium-sized dog



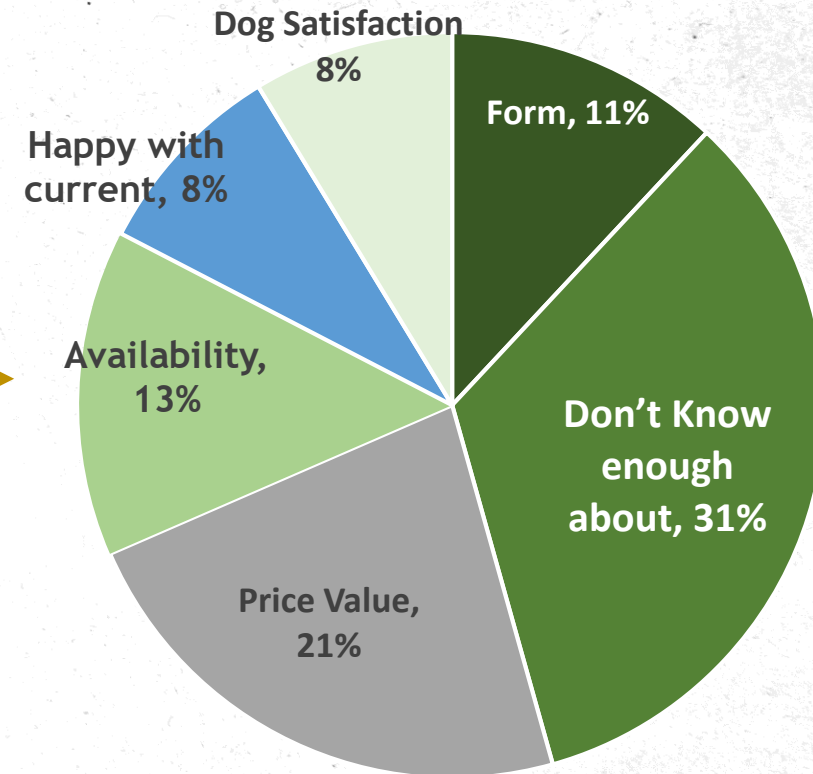
Medium-sized dog assumed to be approx 30 pounds. Price/day based on recommended serving sizes per brand.
 Source: Prices are as of 2.15.20 on Target.com./ Petco / Chewy

Why haven't people tried Freshpet?

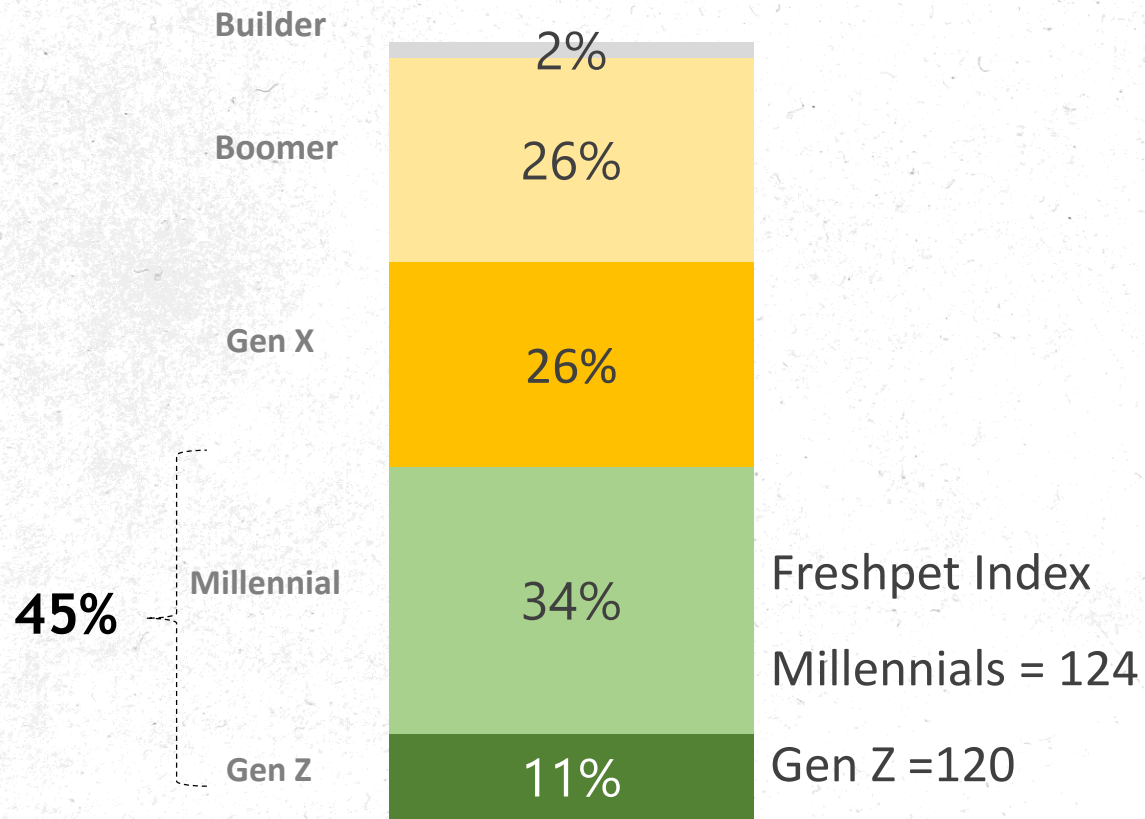
Prime prospects aware of freshpet that have not tried freshpet



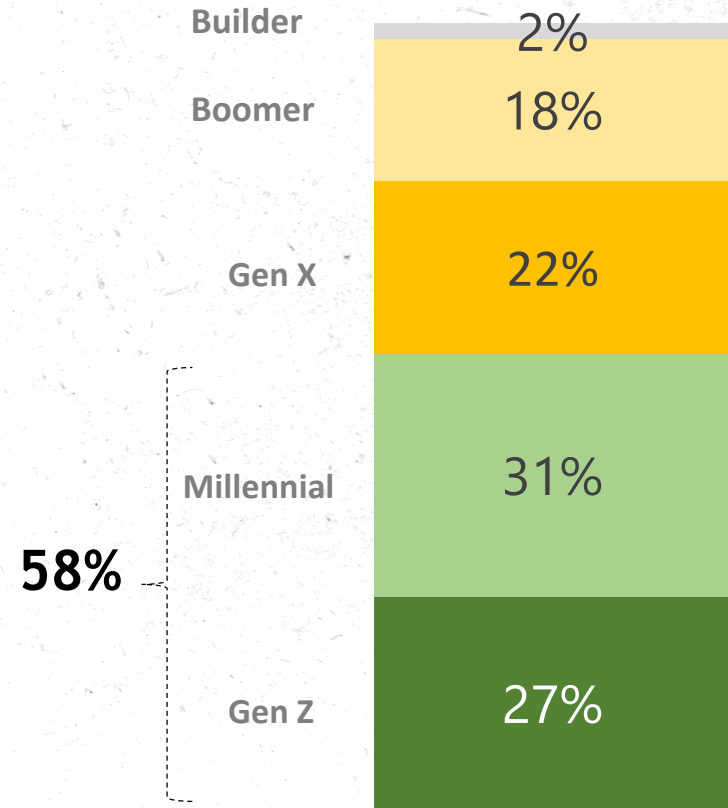
What's holding people that are aware back?



Dog HHs Today



Dog HHs 2025



Source: Idexx, 2019 A&U, APPA

Demographic trends working in our favor



What we anticipate our future consumer base to look like

Defining Characteristics of Top Box Prime Prospects, Index vs SP/P Market

I cherish my dog (139) and will go above and beyond for him. I'm willing to make personal sacrifices to make dog happy (202), and I go overboard in what I do for him (170).

I feel how I eat is how my dog should eat: I buy the best quality food for me (245) – and for my dog too (221). I'm concerned about the safety food (149), and what my dog is eating too (144). I make a point to use fresh food as much as possible (170). And, I read labels (185) - it should have a short list of ingredients can pronounce/ recognize (170). I want to feed my dog less processed (181), fresh (199), real (179), human quality food (161).

I'm mindful of the world around me and the impact my choices have. I am concerned how animals are treated on farms/in the meat industry (160). I actively buy brands that are socially and environmentally responsible (232).



Demographics

- 47% Millennial (123)
- 62% Employed FT (125)
- 62% Young dog age 1-4 (123)
- 52% HHI \$60K+ (114)



How Freshpet grows, our growth model is simple

Advertising



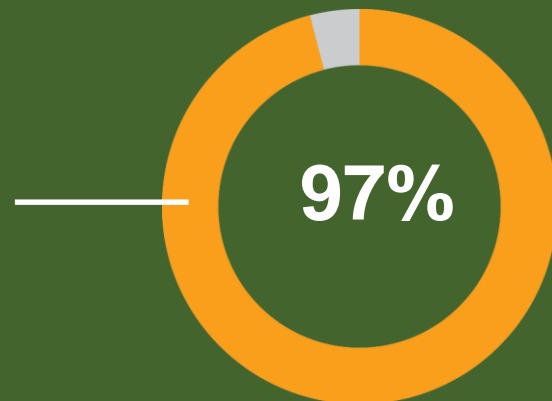
Availability & Visibility



Innovation



Product Satisfaction
Extremely & Very Satisfied



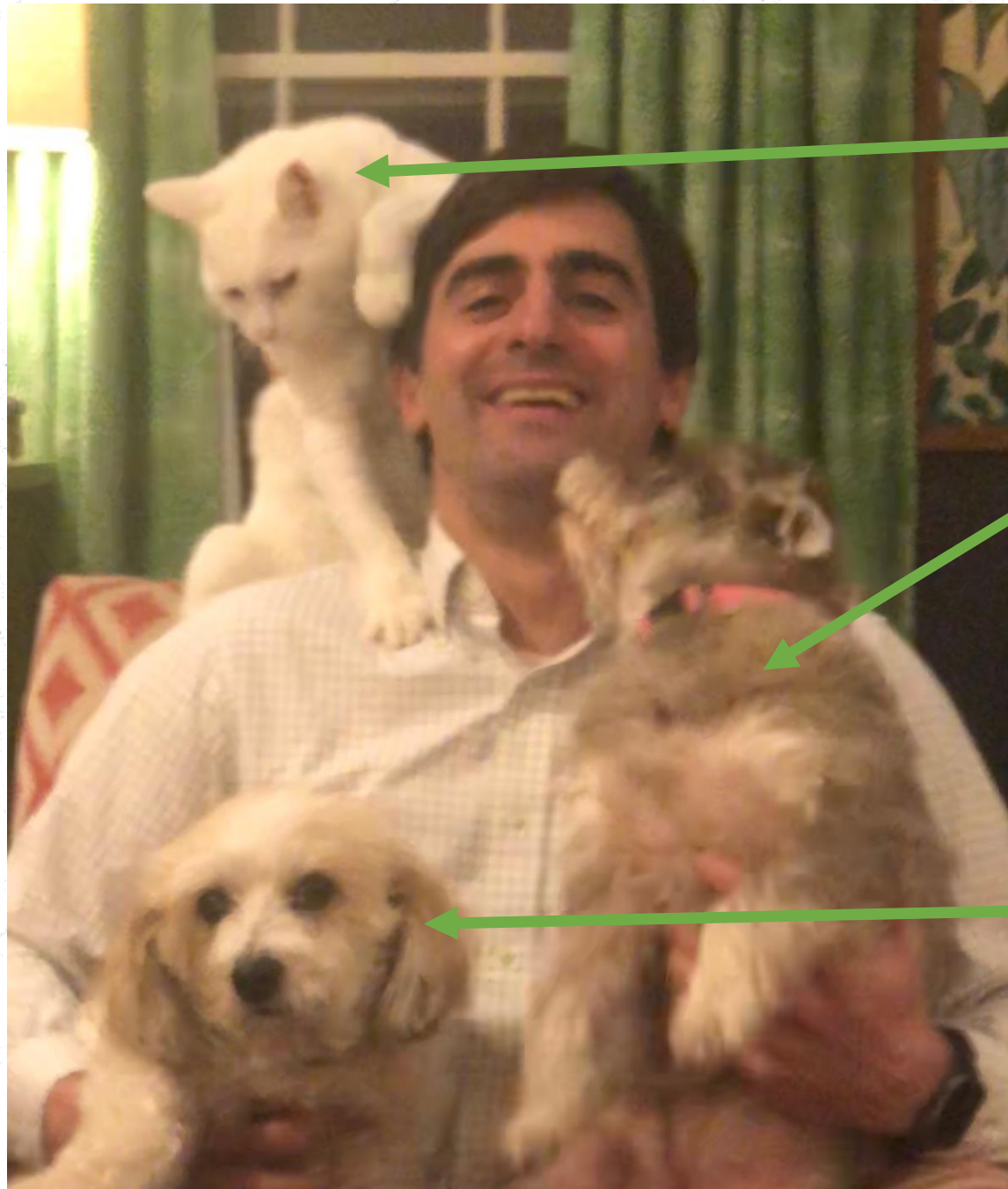
Freshpet Repeat Rate





Marketing &
Advertising

John Speranza



Whitey

Rescue from New
Jersey

Rosie

Rescue from Georgia

Angus

Rescue from New York

OBJECTIVE:

**Fuel Awareness,
Penetration
and Loyalty**

STRATEGY:

Awaken consumers to
take a **fresh** look at **pet
food**





Be Distinct



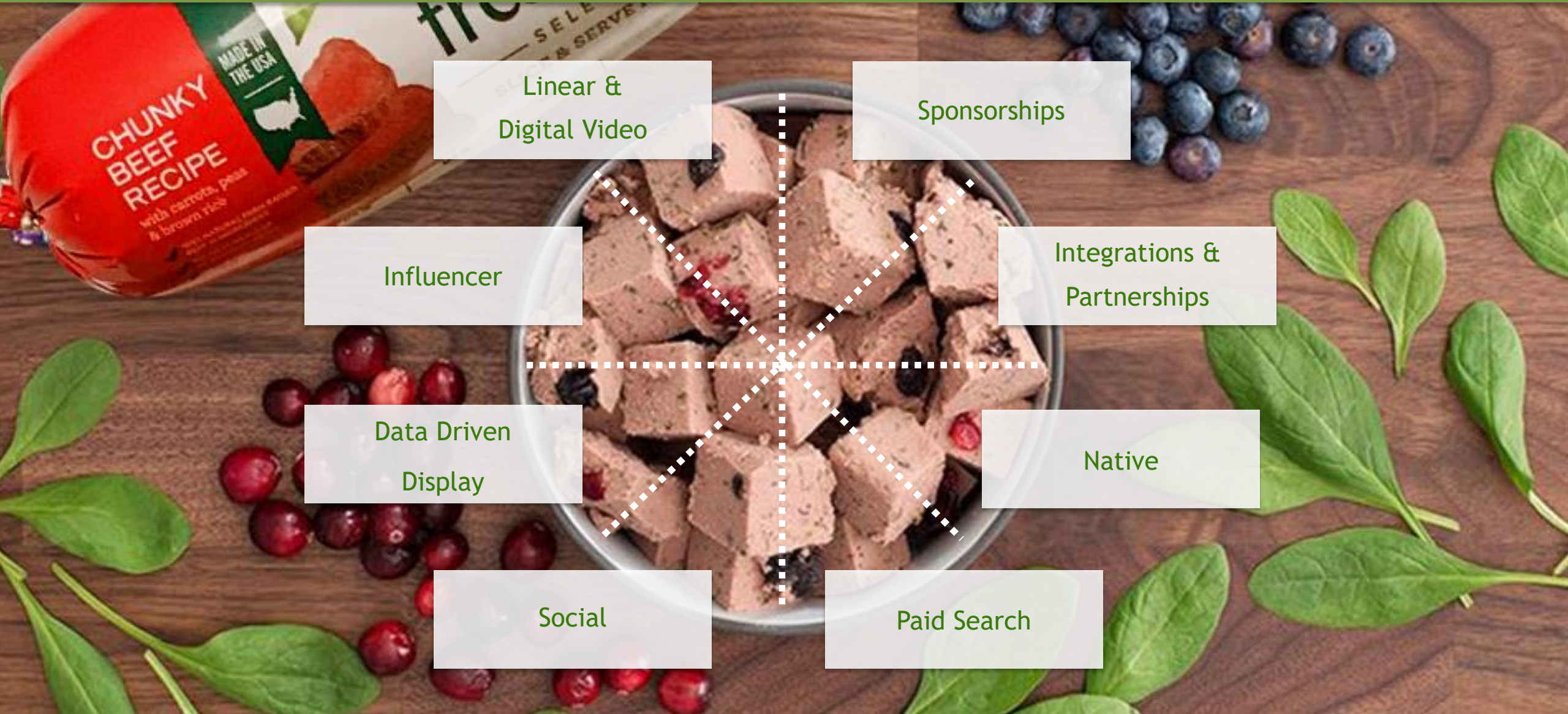
Be Simple



Win Hearts & Minds

Serving up awareness and conversion tools

to drive acquisition, education, conversion and retention



Linear &
Digital Video

Sponsorships

Influencer

Integrations &
Partnerships

Data Driven
Display

Native

Social

Paid Search

Bringing the Freshpet value proposition to life



Letters

Consumer testimonial
Heart-first storytelling

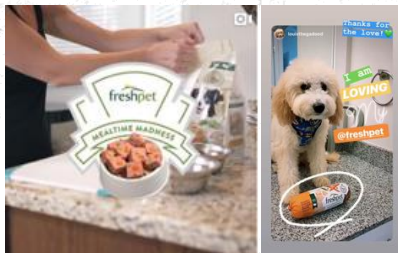
ANCHOR CAMPAIGNS



Awakening

Humor to deliver a challenging message
Head-first storytelling

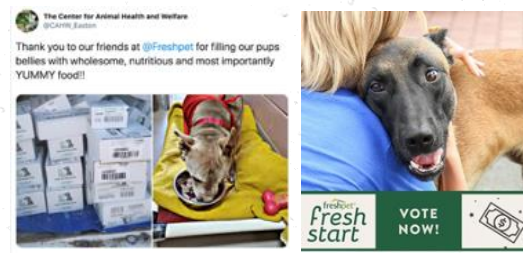
PET LOVE



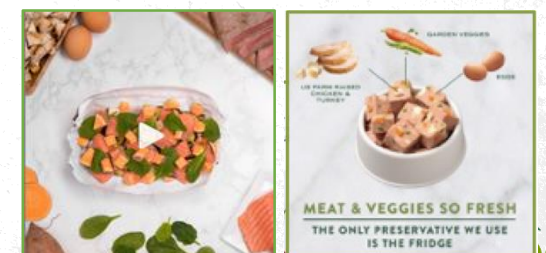
BENEFITS OF FRESH



TAILS OF GOOD

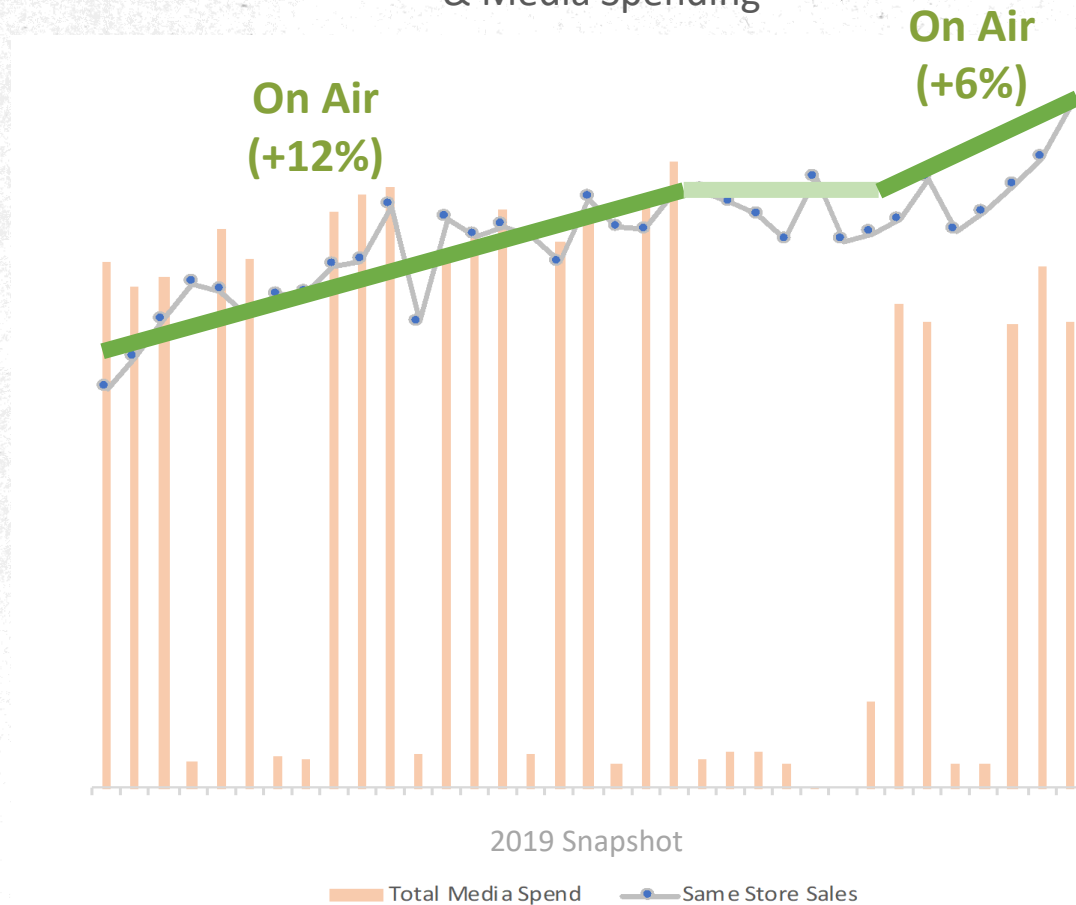


PROOF POINTS



Media model fuels sales and penetration growth

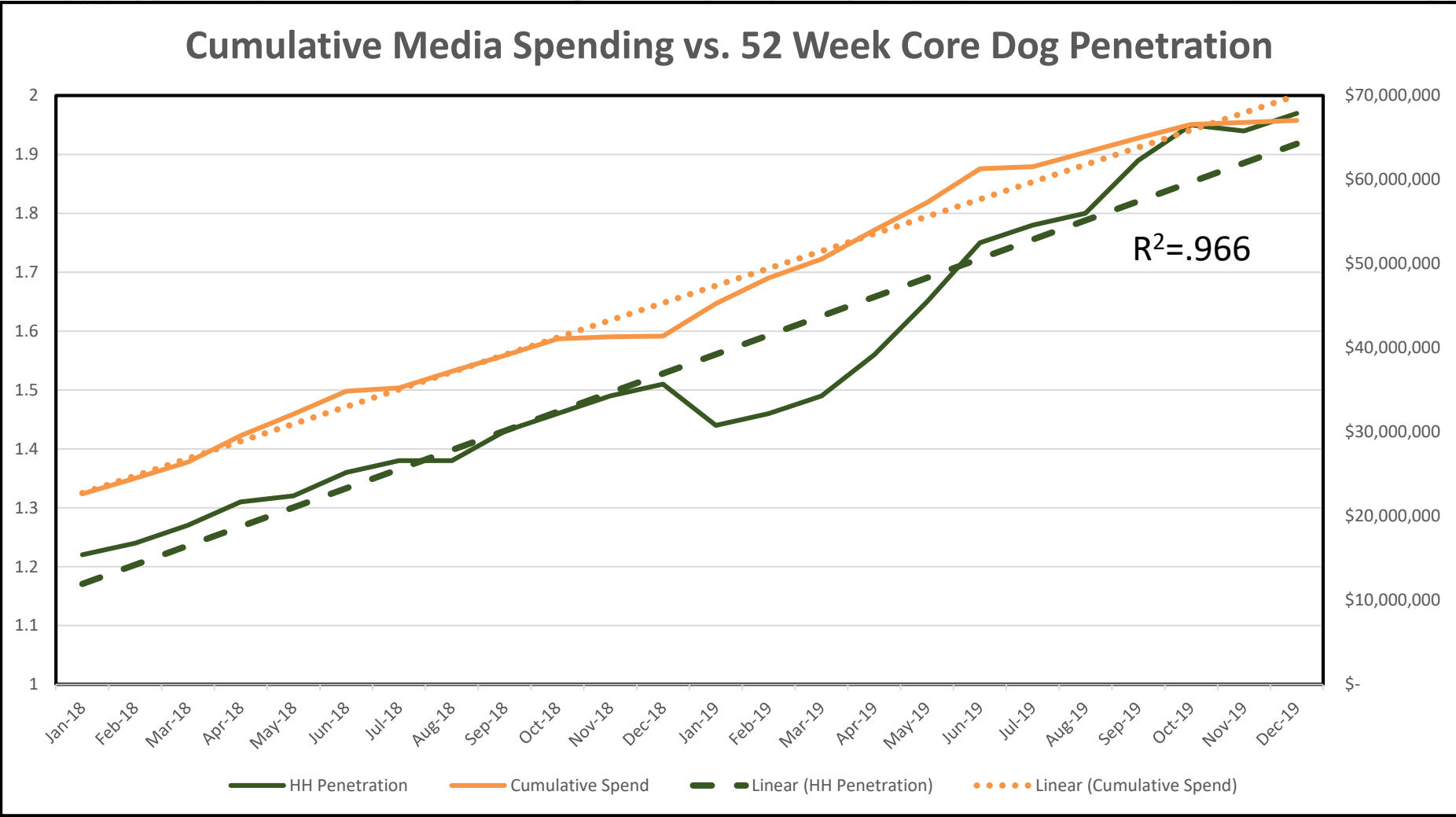
Same Store Sales Growth
& Media Spending



2019 vs. 2017

Media Spend	+ 72%
Consumer Acquisition Cost	- 31%
Revenue Return (months)	11 vs. 20

Media investment drives HH penetration gains



2020: A combination of proven winners and promising tests

Strategy:

- Leverage integrated media mix of high-reaching awareness tactics and efficient lower funnel conversion tactics to increase brand recognition and drive consumers into the purchasing funnel

Unprecedented media pressure giving us full year media support



Added proven Over-the-Top (OTT) to extend reach & frequency



Exploring new Freshpet creative for 2020 across video as well as brand integrations into high profile shows

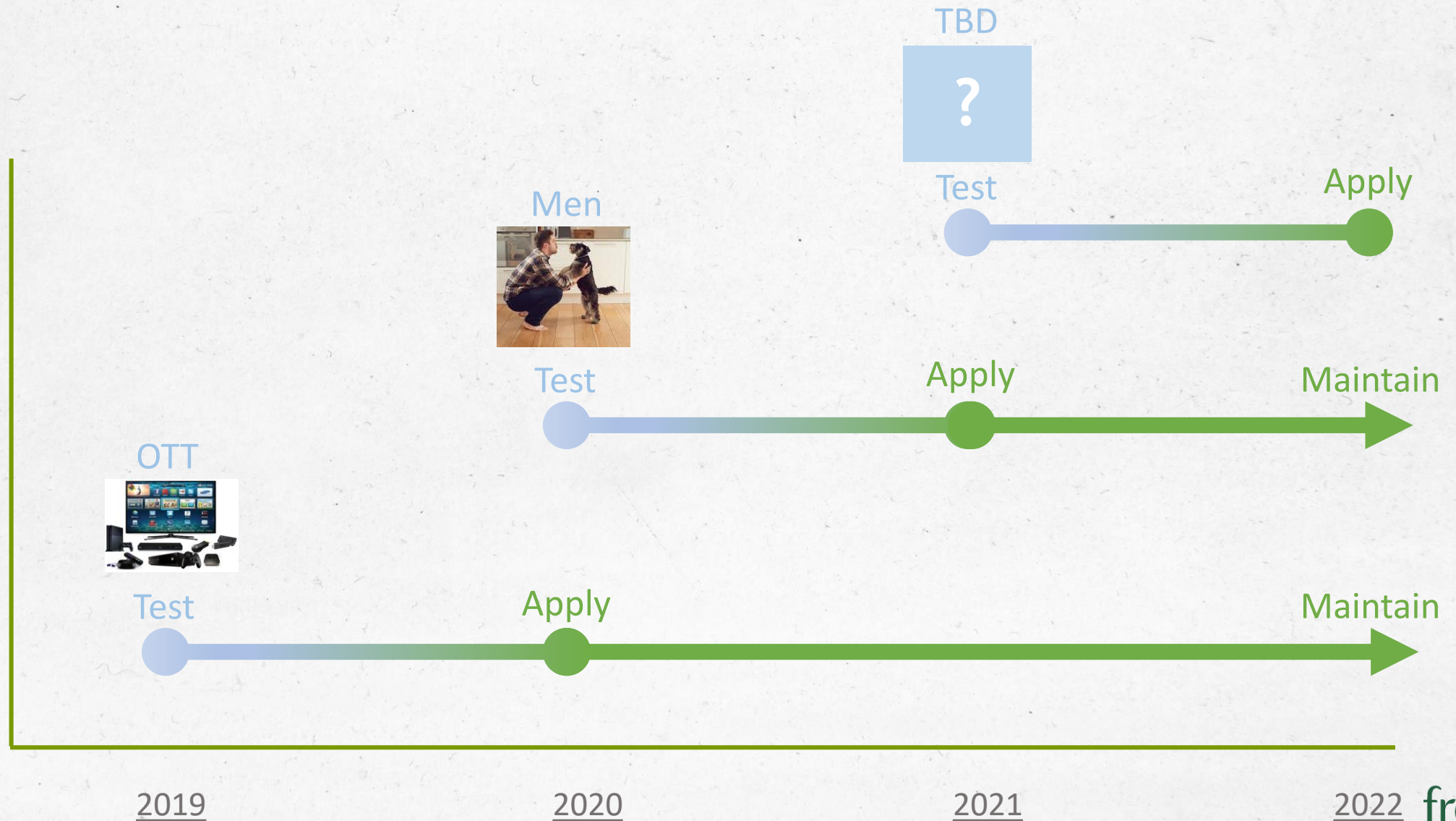
New breakthrough creative!



New partners to fuel brand visibility and relevancy



Looking towards 2020+ with a test, learn, apply mindset





Awaken the world to a better way
of feeding our pets



Innovating for the
Future Pet Parents

Lisa Barrette





Innovating
for the Pet

Gerardo Perez-Camargo



How do we delight pets?

Dogs: 300 million olfactory receptors

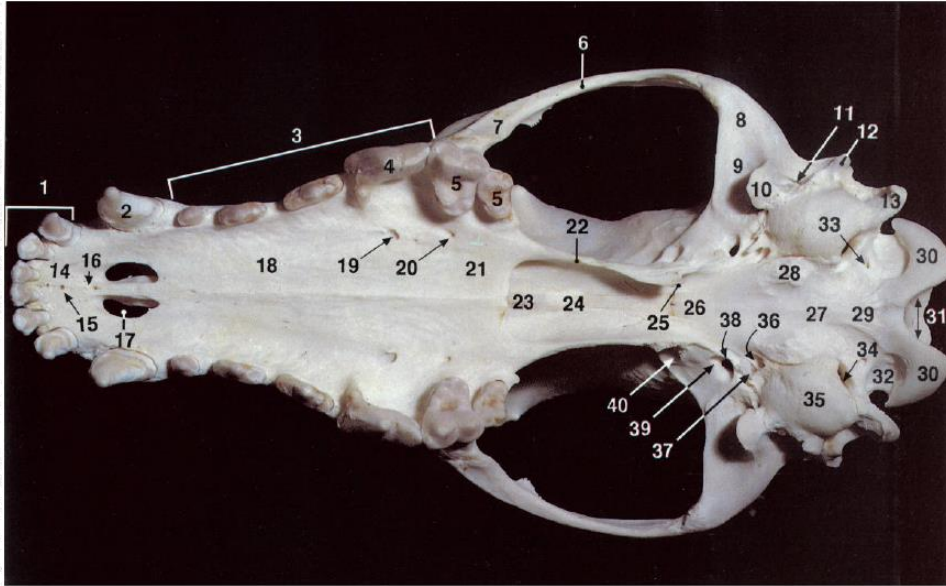
Humans: ~6 million olfactory receptors

Dogs' brain has (proportionally) 40X greater space devoted to analyzing smells than ours

Dogs' noses function quite differently humans



How do we delight pets? Listen to their mouths...



Dogs have more teeth and they are much stronger than in humans

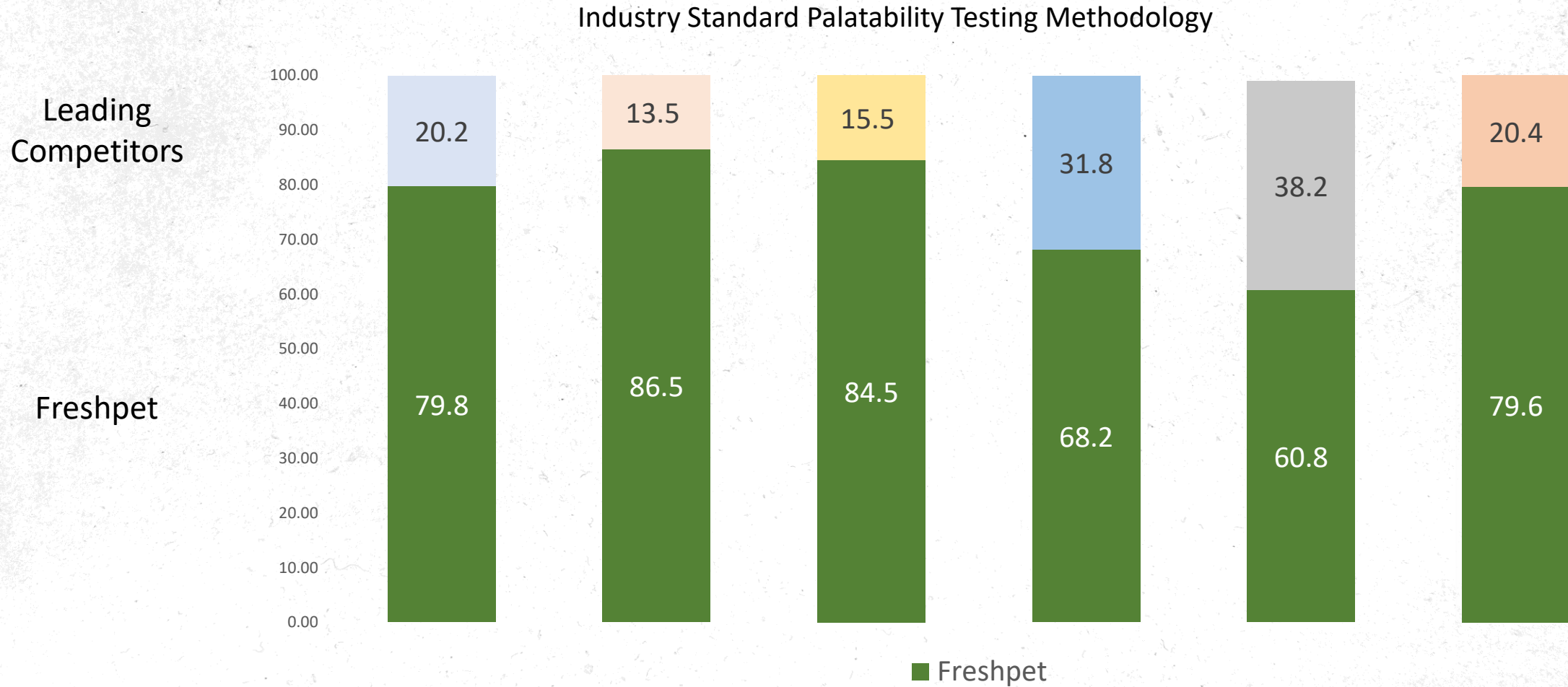
Puppies use their mouth to explore their world like a child uses their hands

Dogs have stronger chewing muscles, but they can be very delicate with their mouths

Dogs have a smooth tongue, cats have little spikes in theirs

Dogs love sweet, cats cannot taste sugars

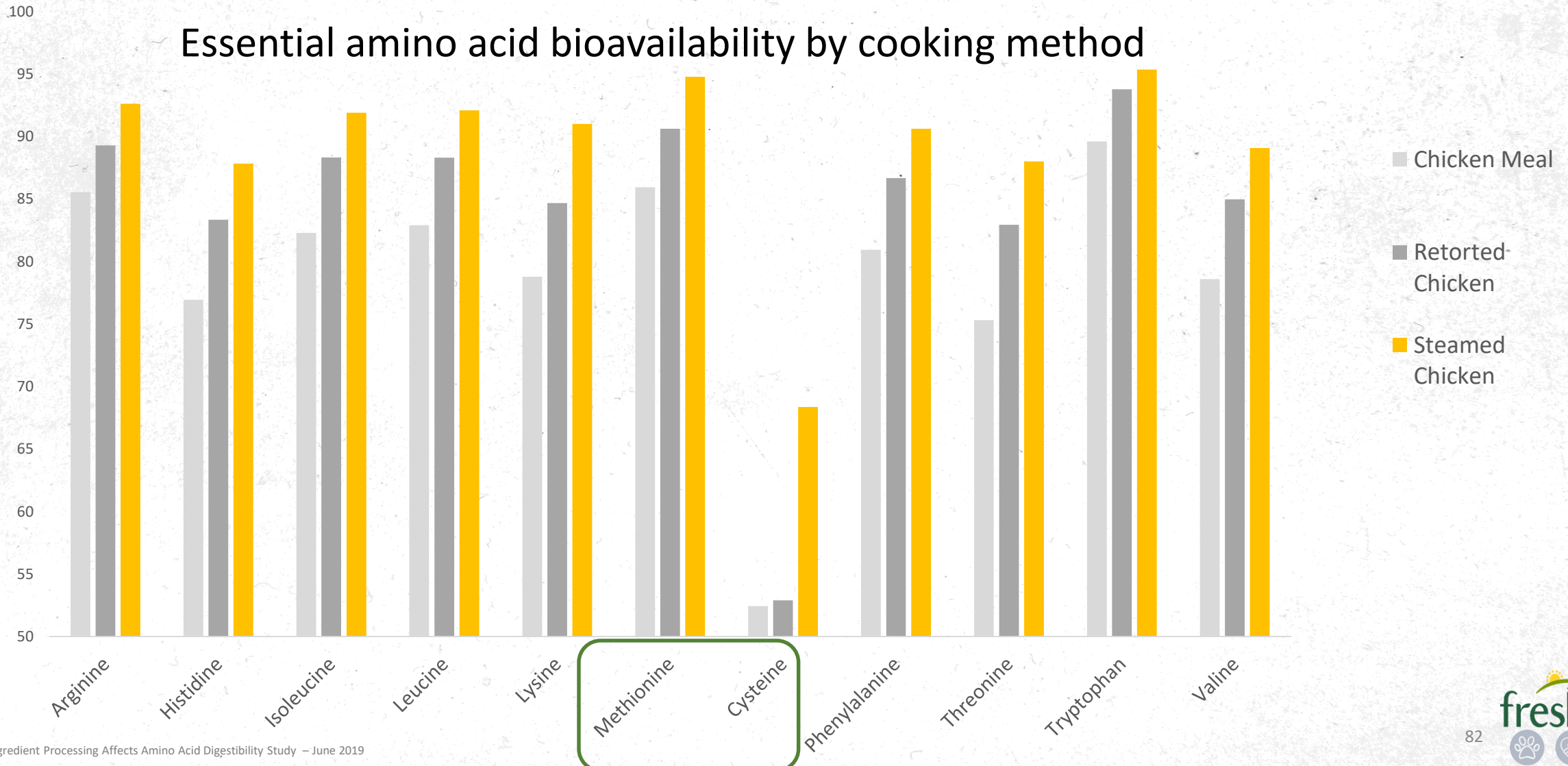
Category-leading palatability reinforces quality and fulfills emotional motivations



What do pets want?

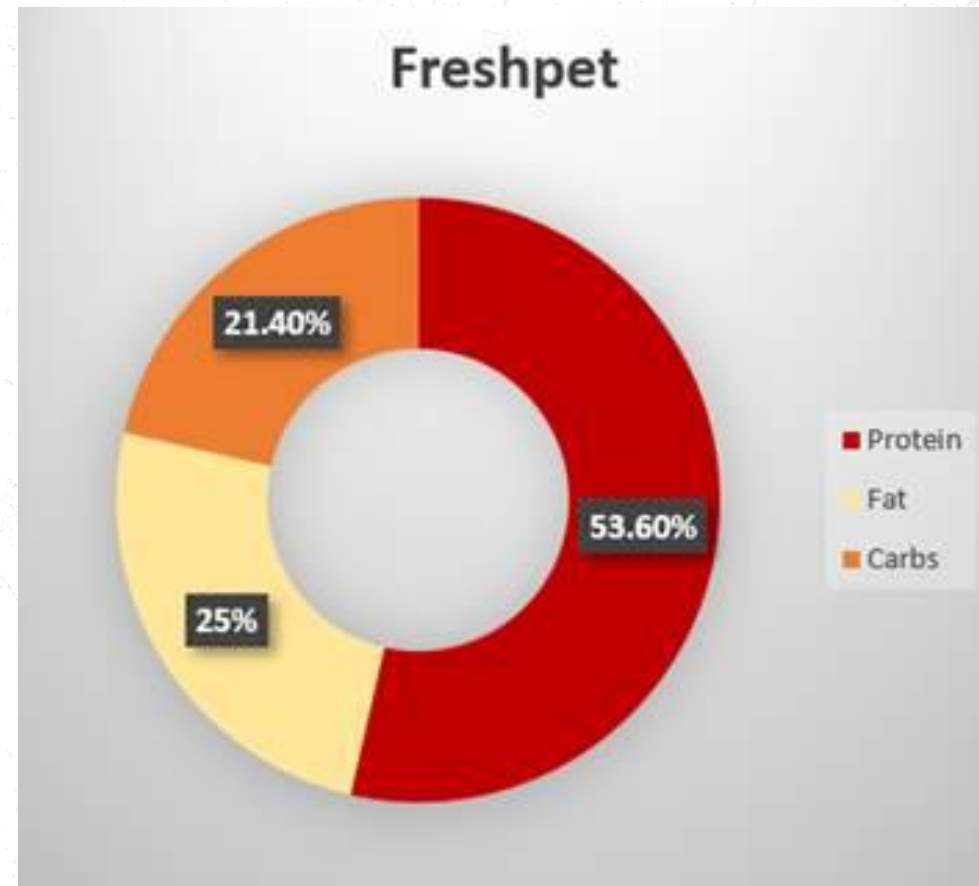
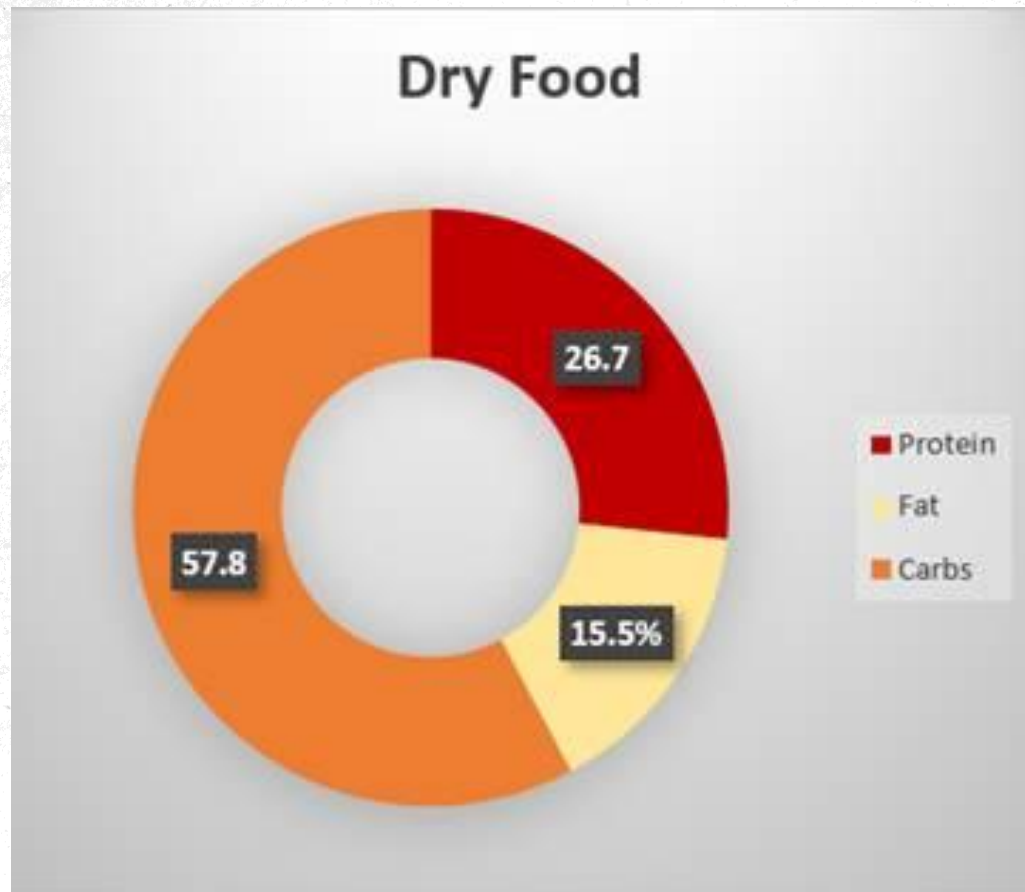


Why is Freshpet good for pet's health?



Comparing types of pet food for nutrients:

Source of calories



From wolf to dog . . .



- Dogs tend to have rounder heads and shorter faces, with bigger eyes
- Dogs have wider, shorter legs, more “puppy like”
- The early socialization and play periods are longer in the puppy than in the wolf cub
- Dogs solve problems differently than wolves

Pet's journey to conquest



Excitement is contagious

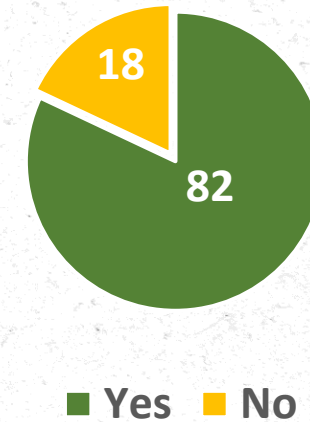


82% of consumers report visible health difference

% Noticed Visible Health Difference



Noticed a Visible Health Difference



Source: Freshpet Visible Difference Study 2018

Delivering a noticeable impact on pets' well being

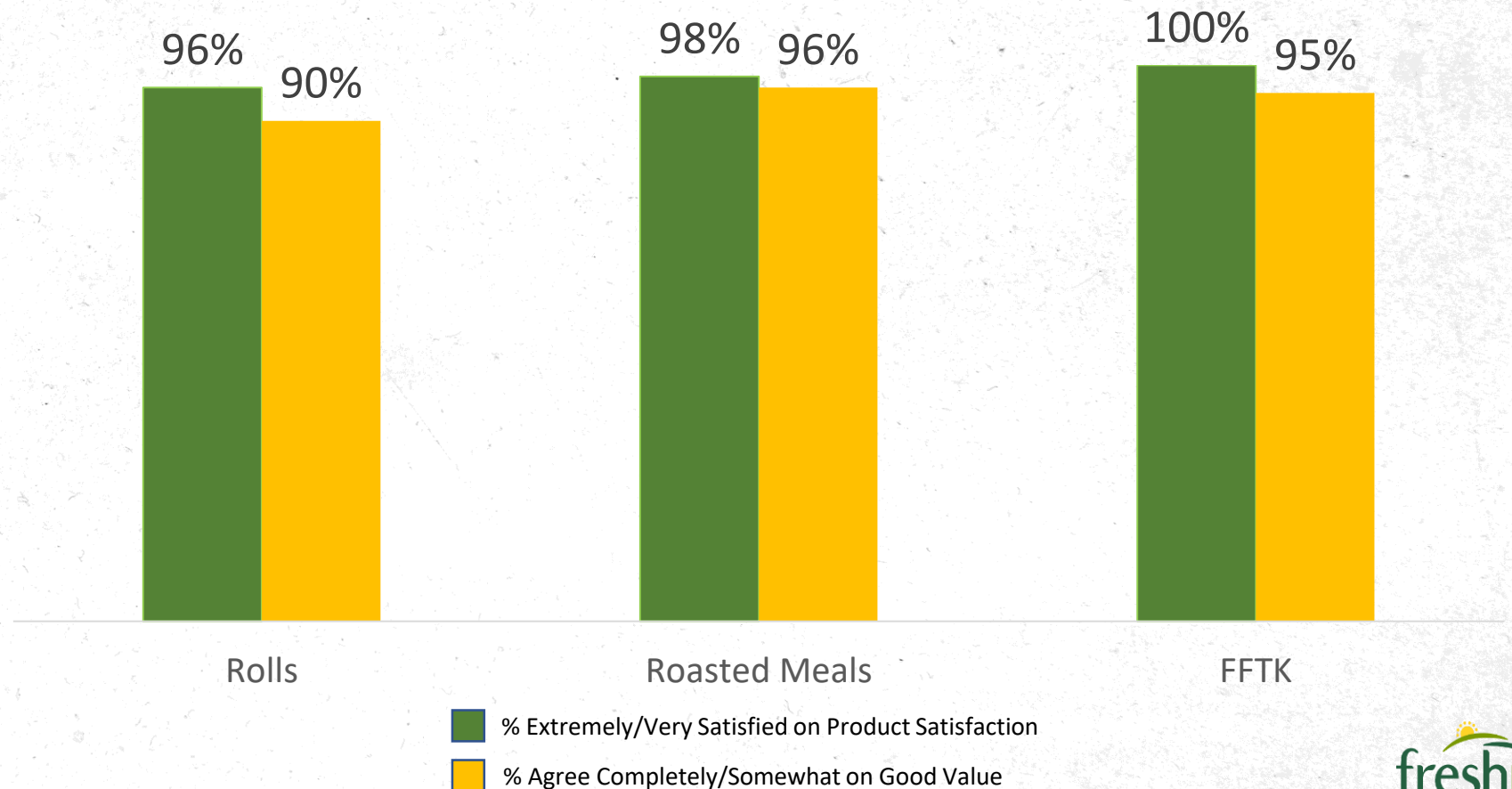
Creating category leading satisfaction



**Crazy Healthy,
Crazy Delicious**

Freshpet Product Satisfaction

Top Two Box Percentages
Among Regular FP Users



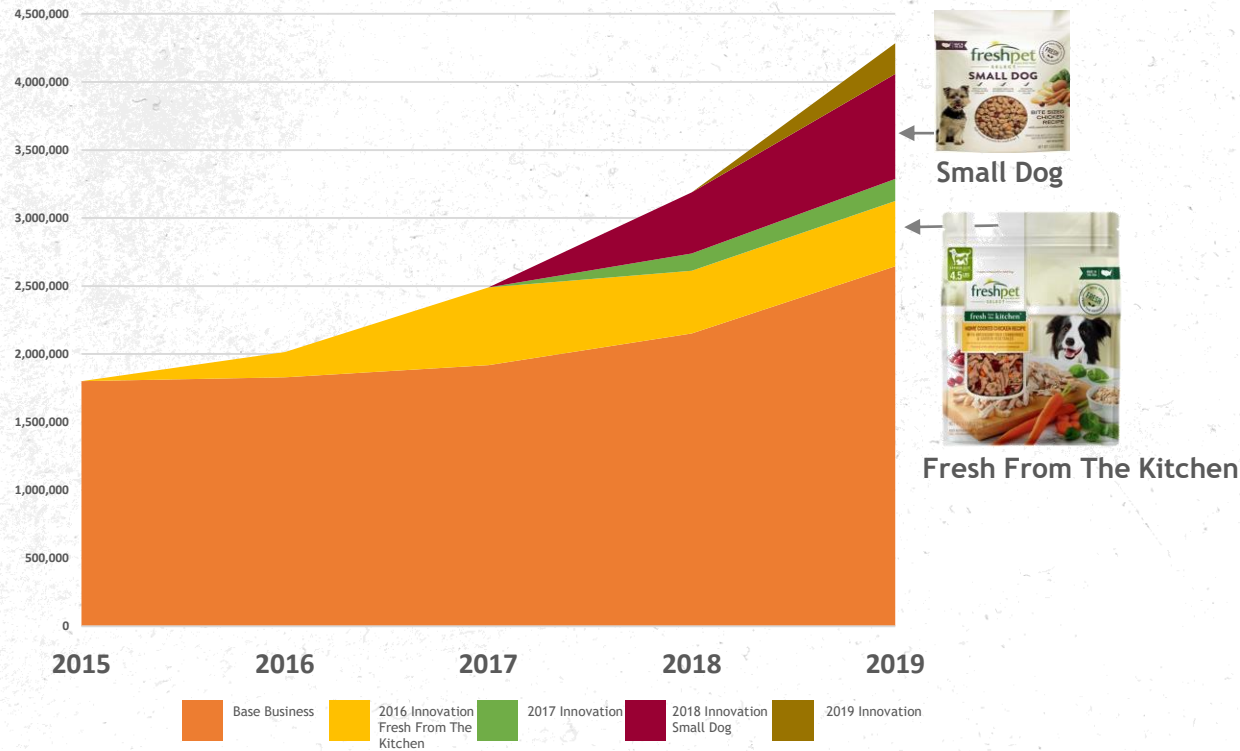
OUR VISION

RE-REIMAGINE
FRESH, REAL
FOOD
TO REACH
5MM NEW
HOUSEHOLDS



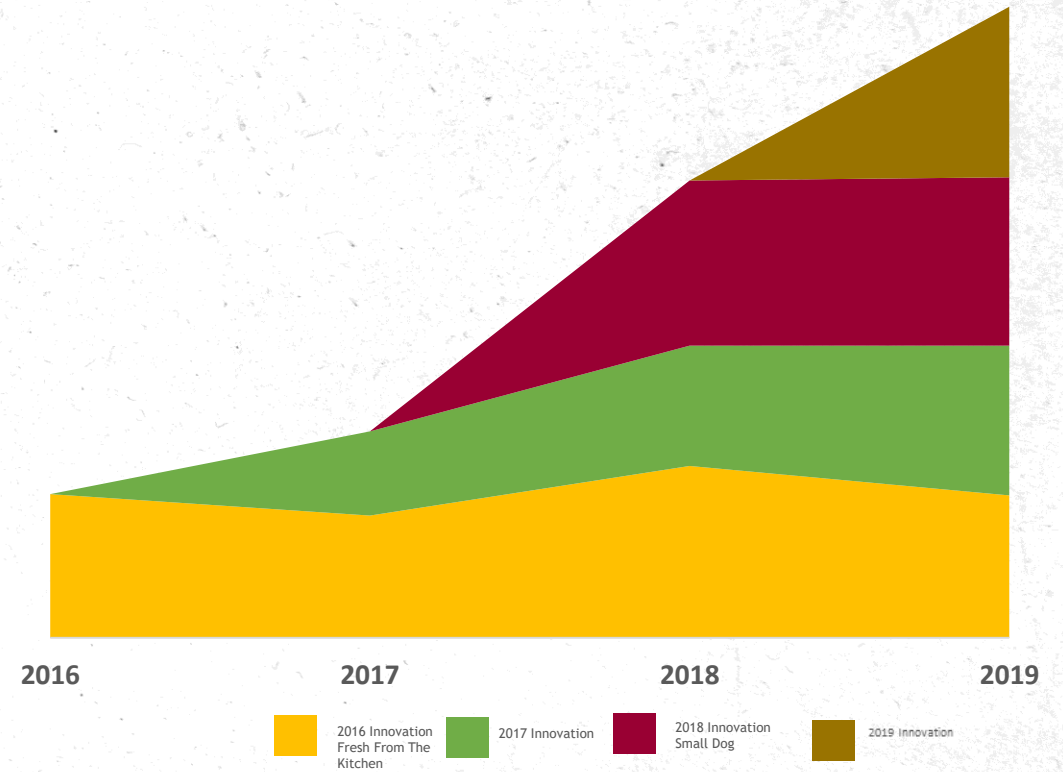
Historically, innovation has brought new households that stay with us

Household Growth



Retention Rate

% of HH Repeating on Innovation



*HH's may purchase both new and old items. Total exceeds net HH penetration.



Changed Expectations:

- Feel guilty only feeding dry food
- Buy best quality food no matter what
- More like real food
- Want to feed my dog as good as human quality



Building better solutions to change the landscape

How our model has helped us grow...

New Households



Reach small dog households

Better Solutions

New 2020 innovations: driving incremental household growth



Rolls



Roasted Meals



Homestyle

2020 - Innovation



**Sensitive Stomach & Skin
Healthy**



**Toy/Small Dog
Experiential**



**Homestyle Patties
Fresh, Real Food & Convenient**

Our model to stretch us for future growth

New Households



Transformational
Reach consumers who want fresh, real food for their pets

Better Solutions

Tested concept that re-imagines fresh real food



Fresh Food

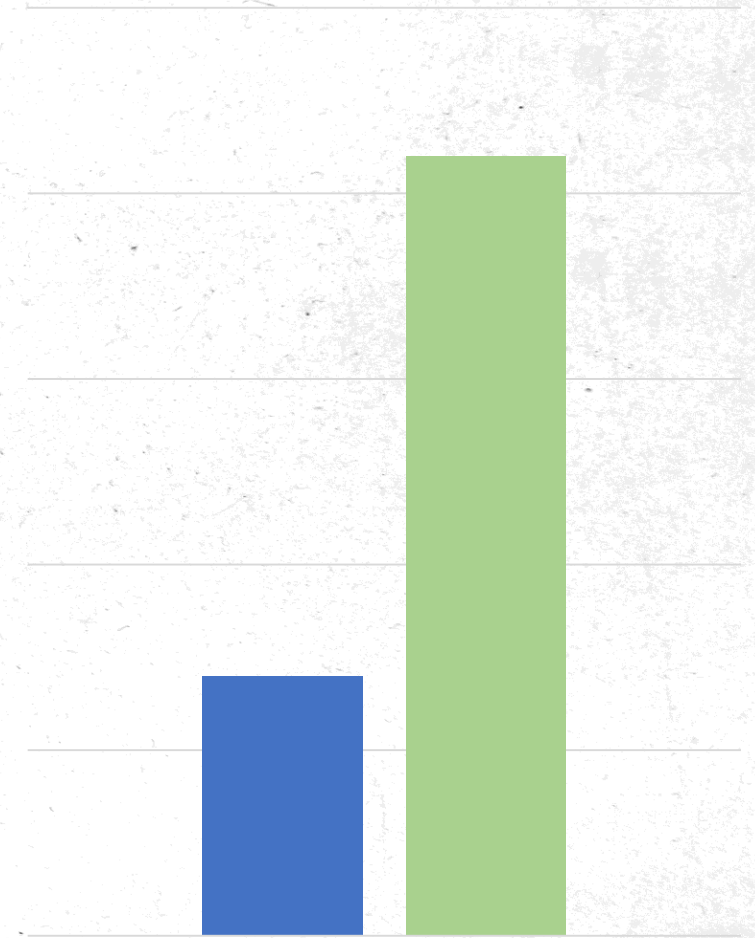
Real, Fresh Food



We use our own panel to help validate ideas



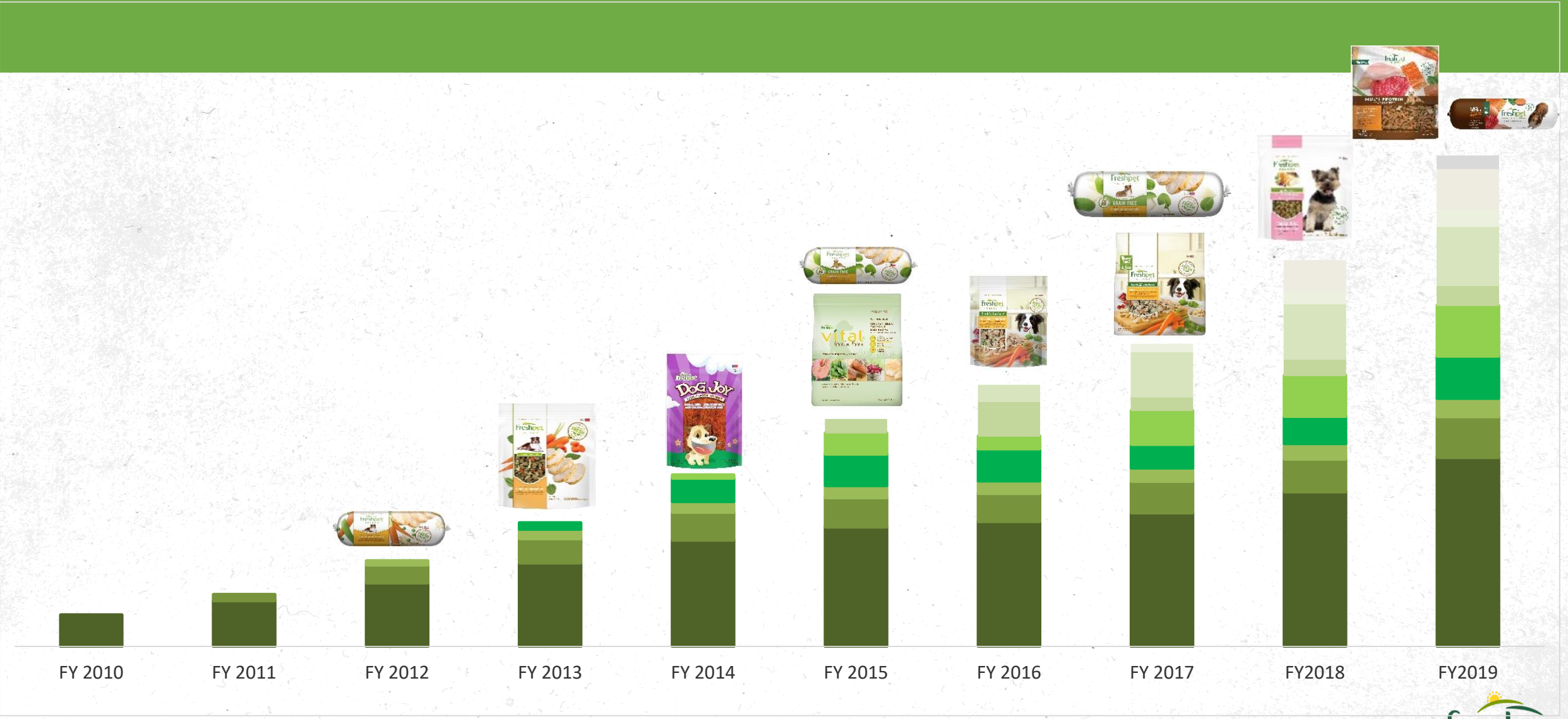
Homestyle Creations - Line Expansion



■ Homestyle Creations ■ Chopped Concept



Product innovation increases brand relevance and net sales



Accessibility and Visibility

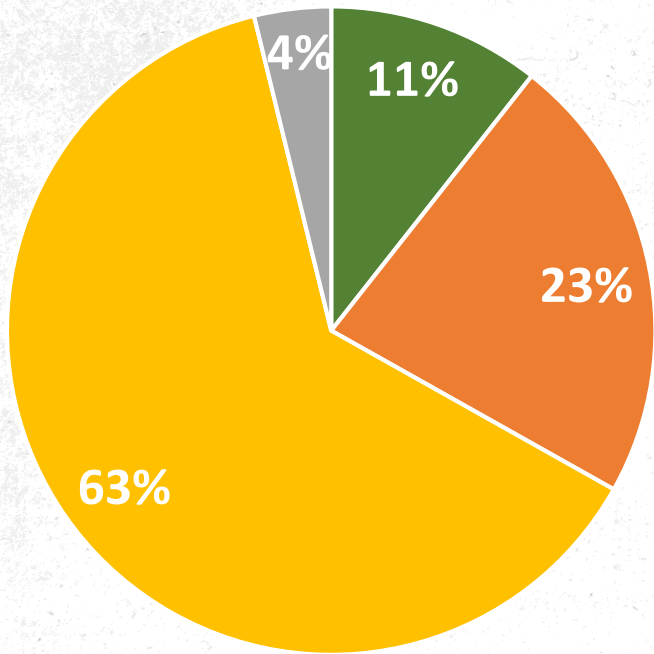


Improving
consumer
convenience
and access

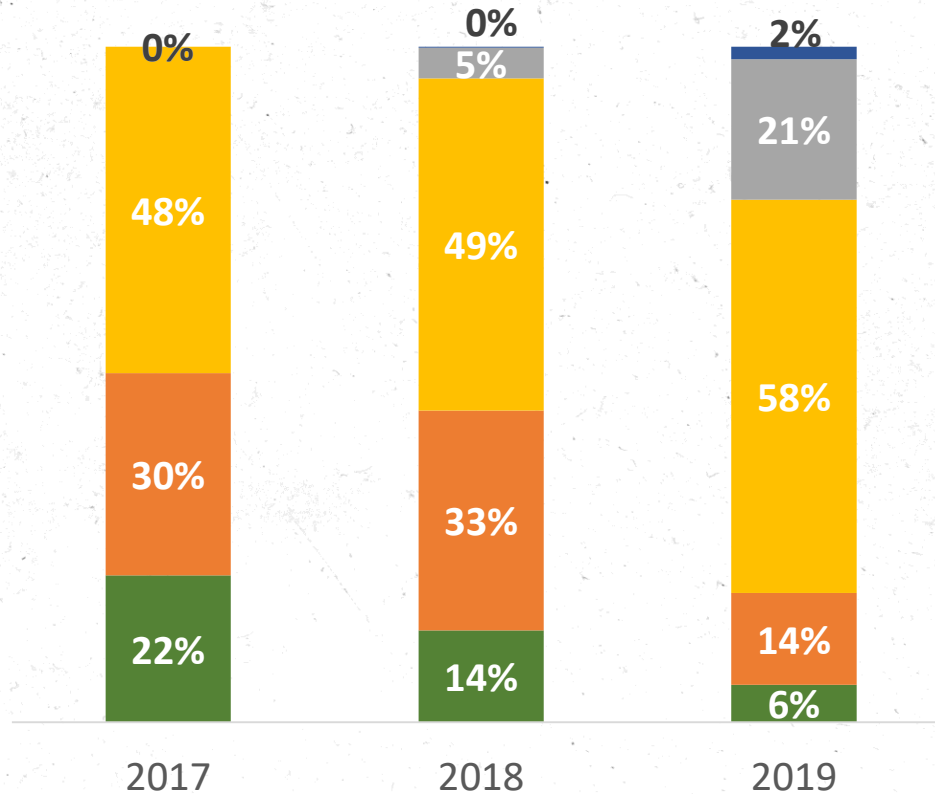


Increasing mix of large & multi-fridge stores

Freshpet Fridge Fleet Composition
(US stores only)



New Fridge Installations by Size
(US Fridges Only)



67% of stores have at least one large chiller

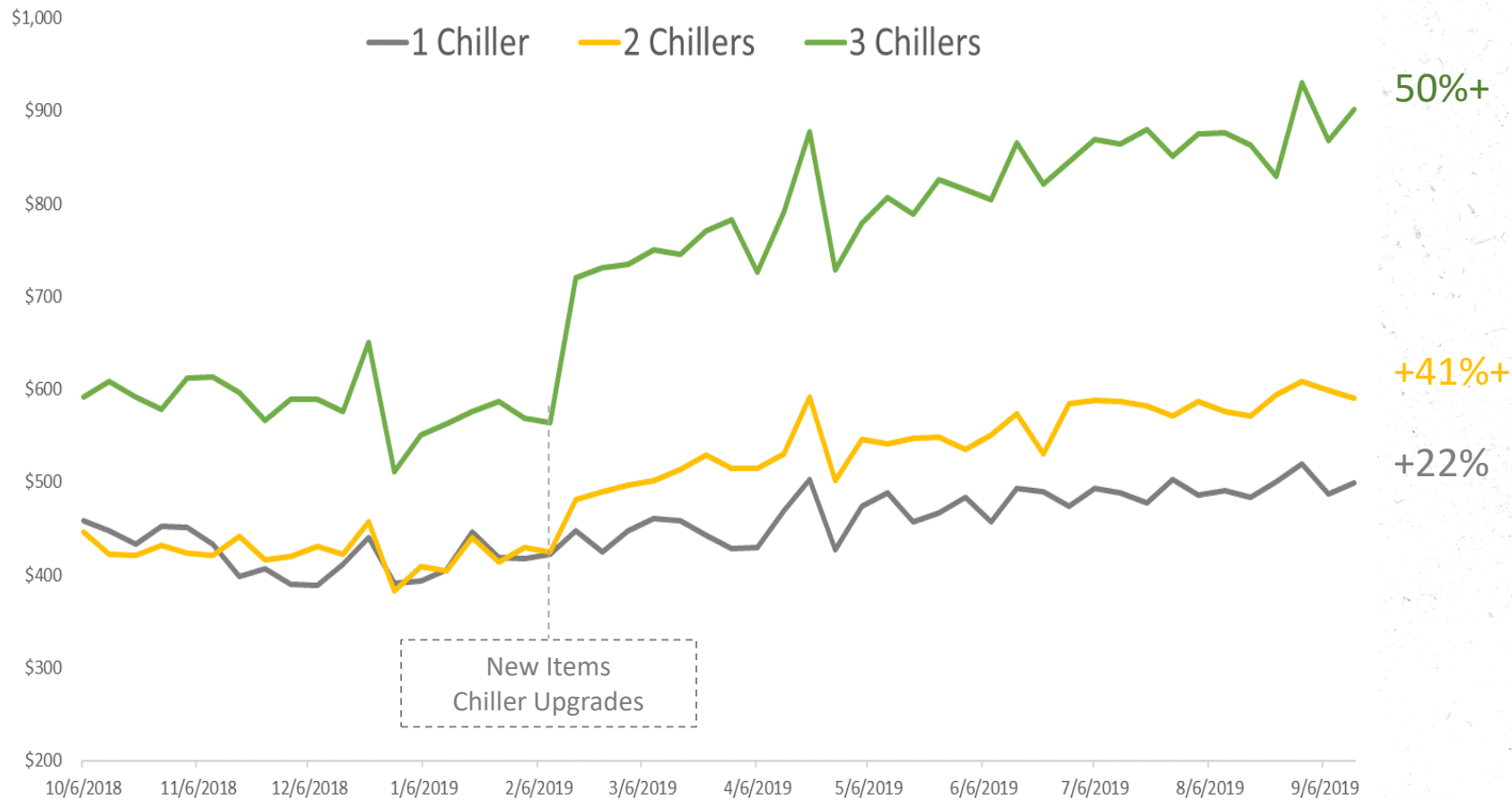
■ Small ■ Medium ■ Large ■ 2+ Chillers

■ Small ■ Medium ■ Large ■ 2 Chillers ■ 3 Chillers



Adding incremental fridges drives growth rate

Total Freshpet \$PSPW by Chiller Installation



Source: POS data period ending 9/14/19.

With aspirations to change the category forever

Today



Now



2020



New technology will improve retail productivity





{ **NOURISHING PETS, PEOPLE, PLANET...** *every day.* }





Investor Day
E-Commerce



No dogs, but hands are full with my two dog lovers

Jake Trainor

Tessa



Addison



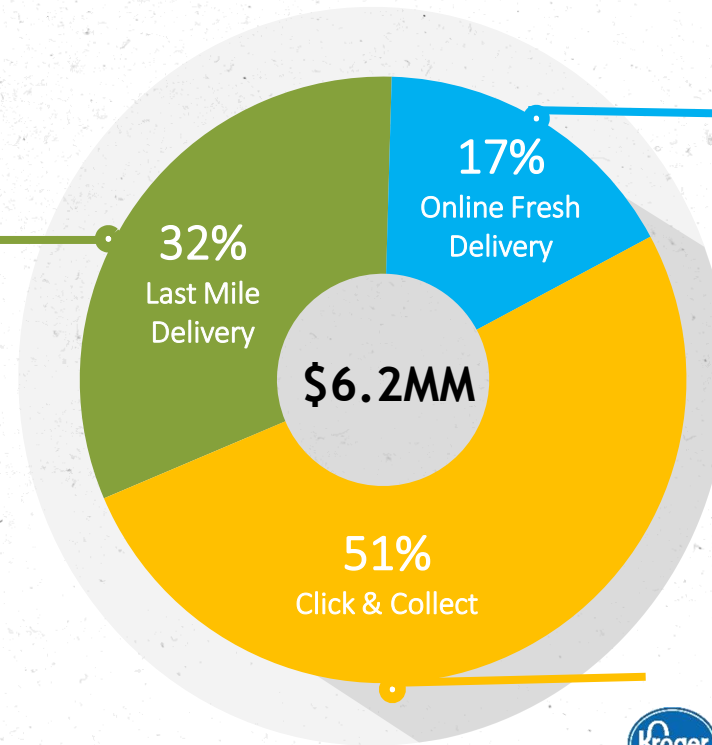


ClickList
Order your groceries online.



Be available anywhere & any way pet parents want to buy pet food

In 2019 Freshpet delivered \$6.2MM (+101% vs PY) through e-com largely supported by our fridge network

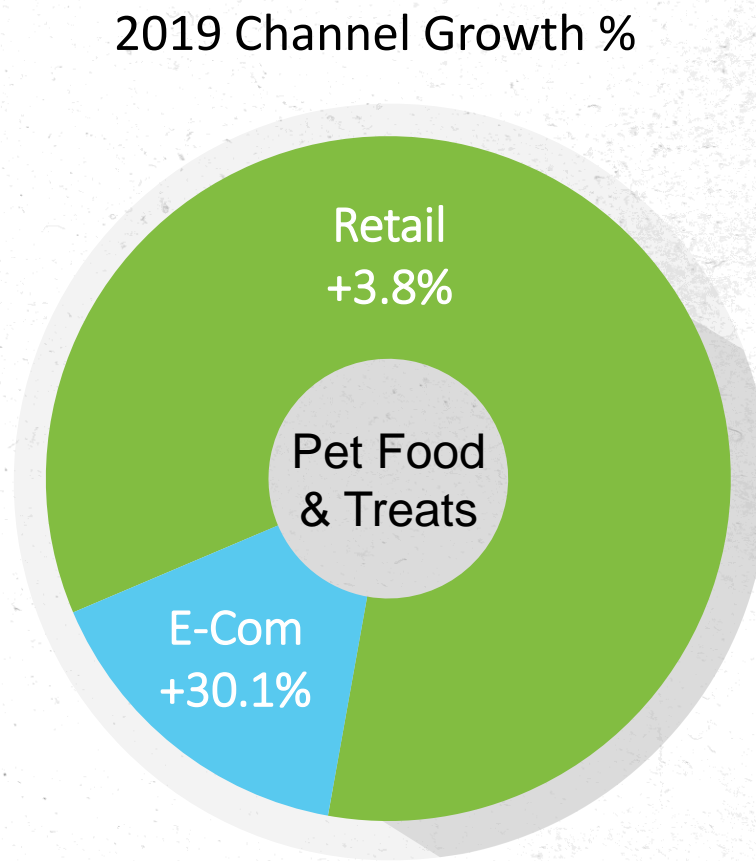
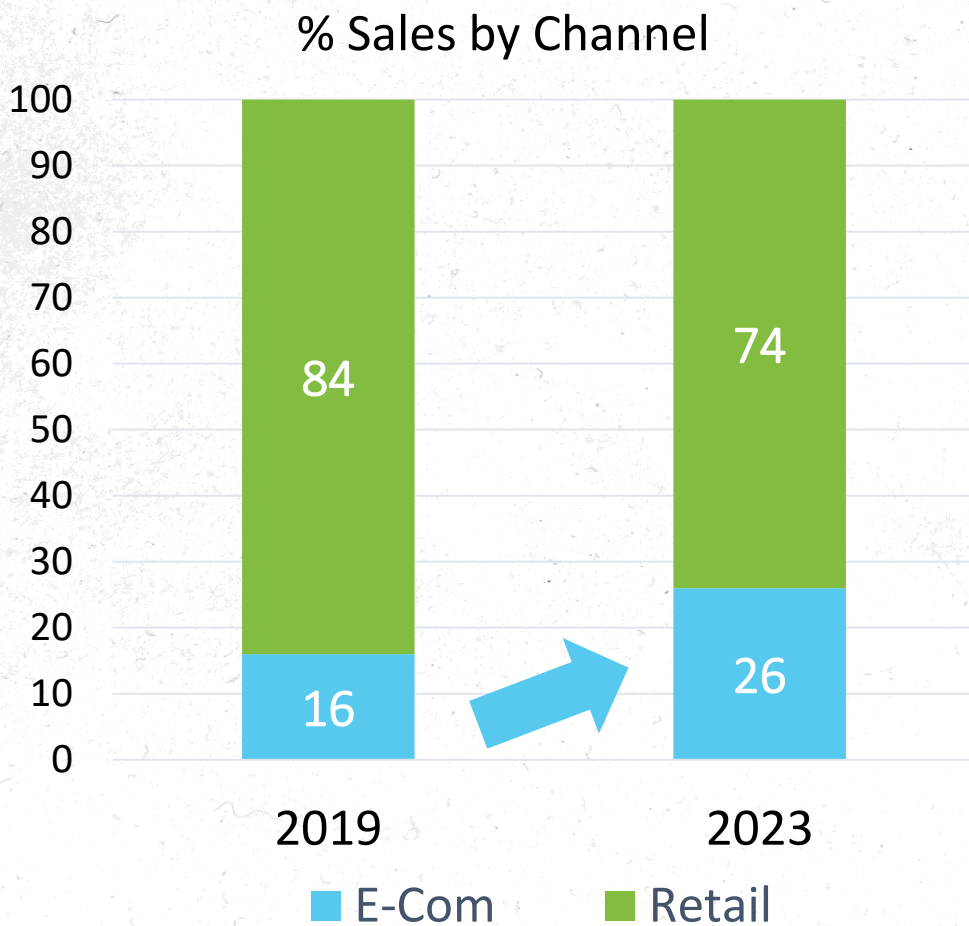


2.3%
% of Total FP Sales
Through E-Com

84% of Sales
Contribute to Brick
& Mortar



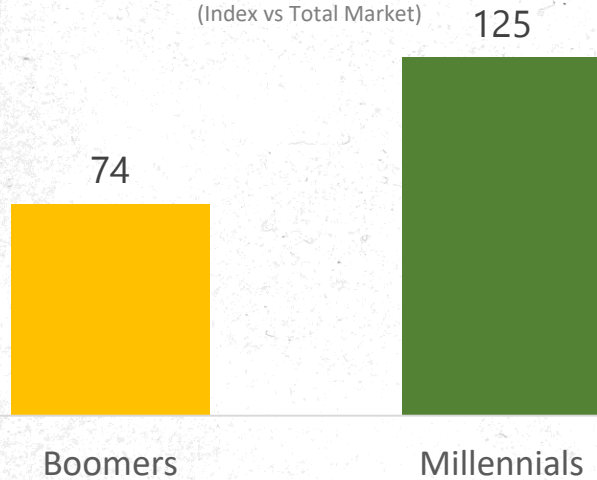
E-commerce is driving over half of total pet food growth and expanding



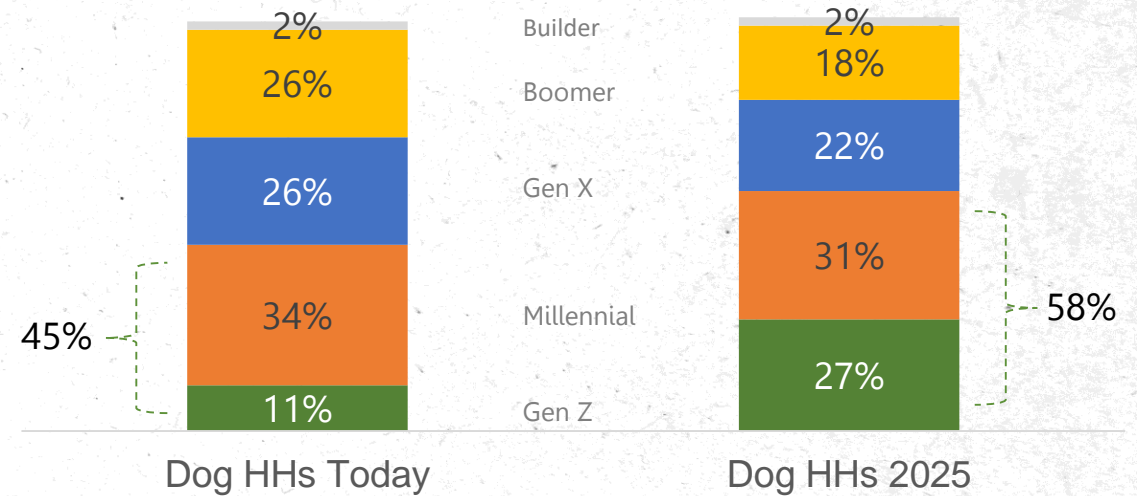
Unlocking online fulfills current and future needs

Typically Buy Dog Food Online By Generation

(Index vs Total Market)

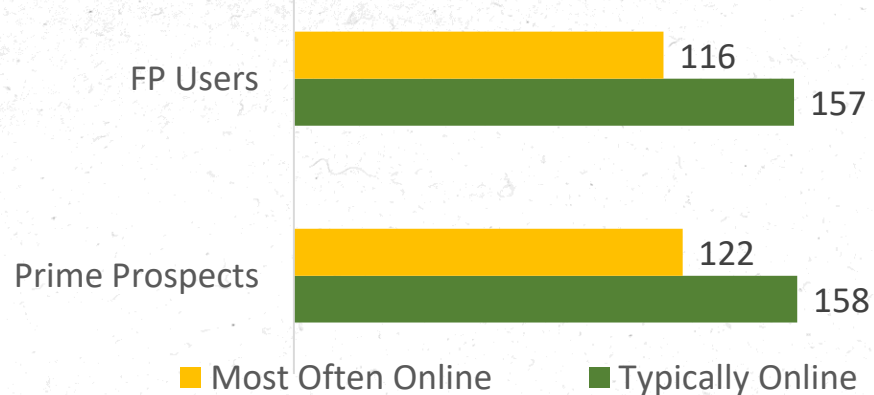


Dog HHs by Generation



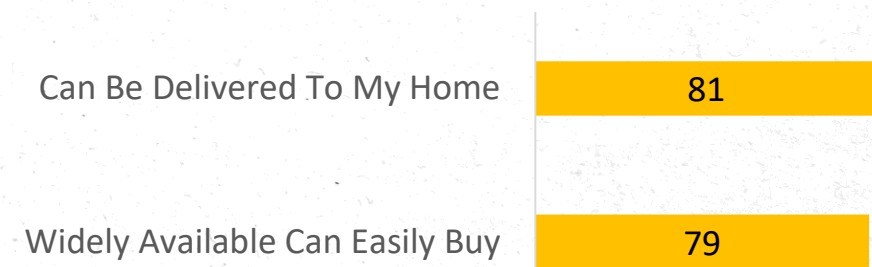
Online Shopping Behavior

(Index vs Total Market)



FP Availability Ratings Among Millennials

(Index vs Total Market)



Being available anywhere pet parents want to buy pet food requires we focus on three distinct areas of e-commerce

Advance
Partnerships with
Online Fresh Leaders



Leverage Power
of Our Fridge
Network



Make It Easier for
Everyone to Buy
Freshpet Online



What is our potential?

How we assess our consumer and market opportunity

We have utilized five approaches to assess business potential and size

In Market Performance

Highly Developed Retailers

Utilize highly developed retail partners share as a predictor of future national potential

Highly Developed Markets

Utilize highly developed market shares as a predictor of national potential

Consumer Testing

Consumer Concept

Share the current Freshpet concept to measure consumer interest

Consumer Modeling

Utilize current consumer base to establish “Prime prospect” analysis, Assess how many more consumers look like existing users

Today's Potential

Future Projection

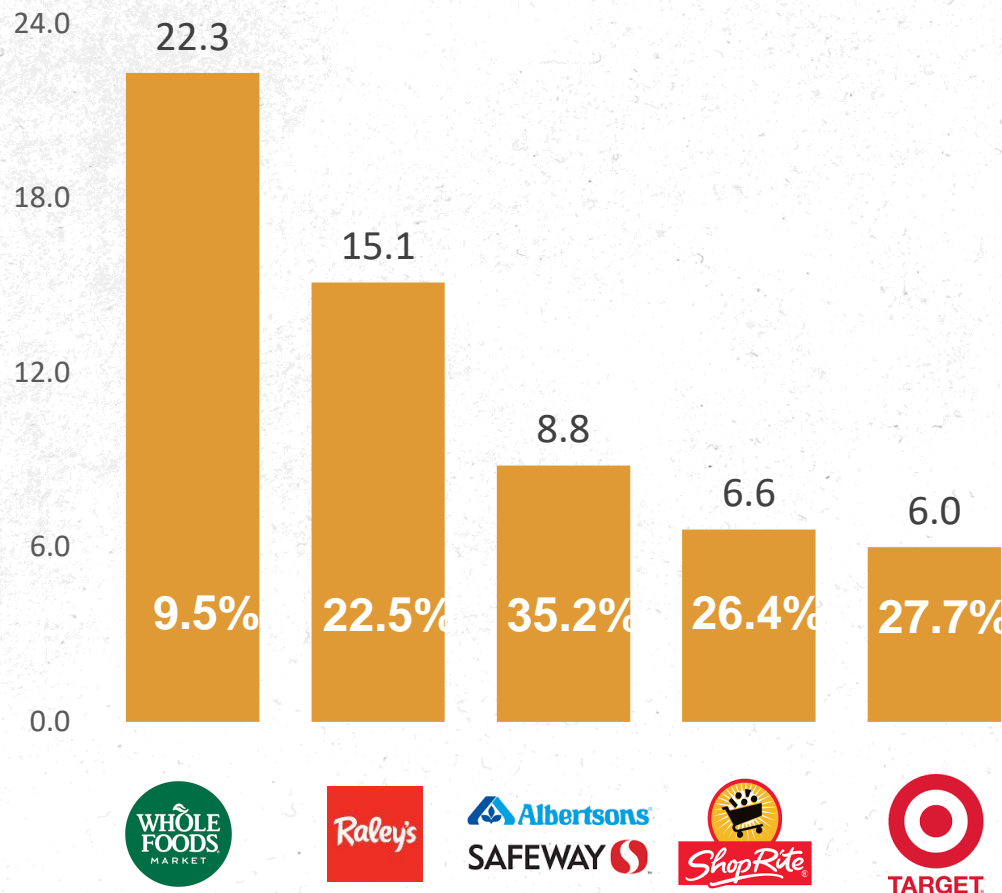
External Predictive modeling

Modeling of Brand Potential

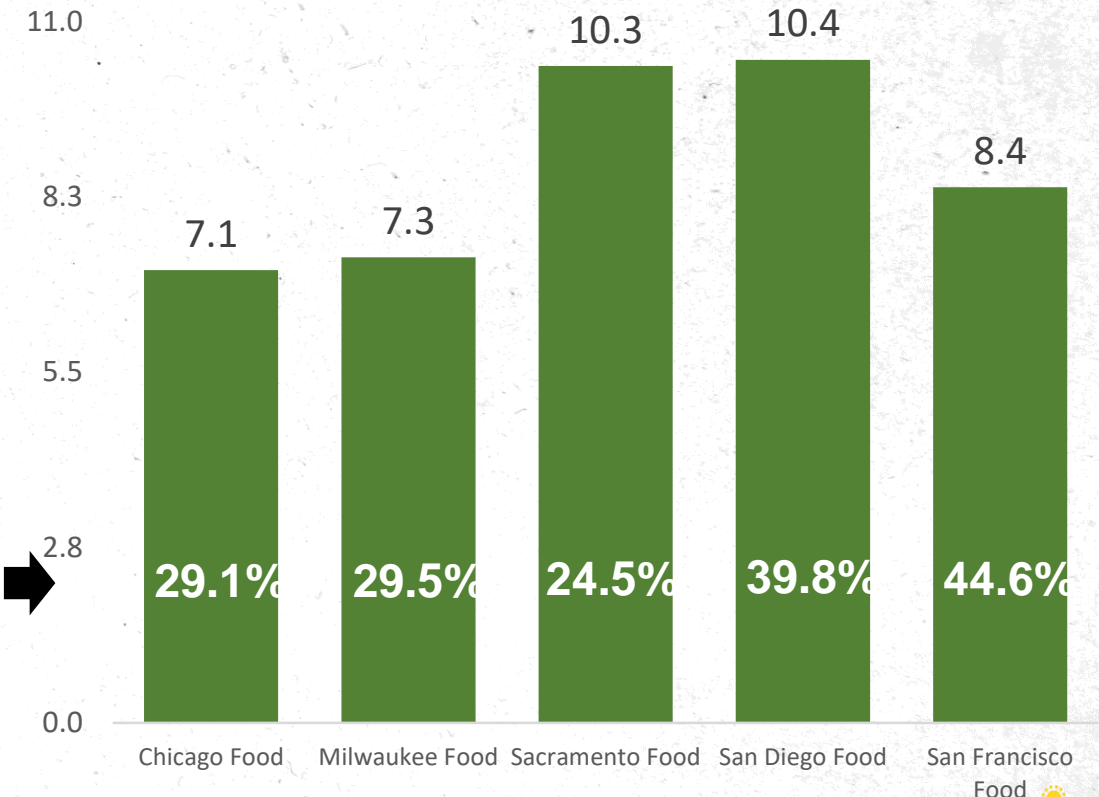
Developed an extensive model that includes 19 variables to establish Freshpet future market sales projections and investments to realize the opportunity

Leading markets and retailers provide an indicator of total market share potential

Freshpet Share in Leading Retailers
52 Week Share Dog Food



Freshpet Share in Leading Markets
52 Week Share Dog Food

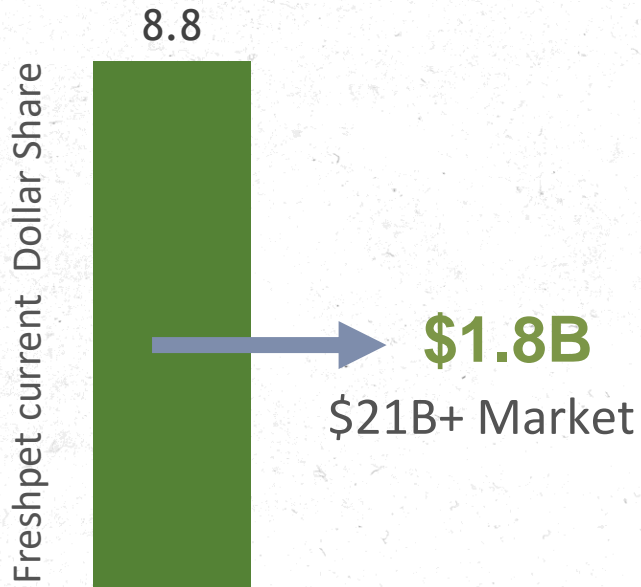


Growth rates

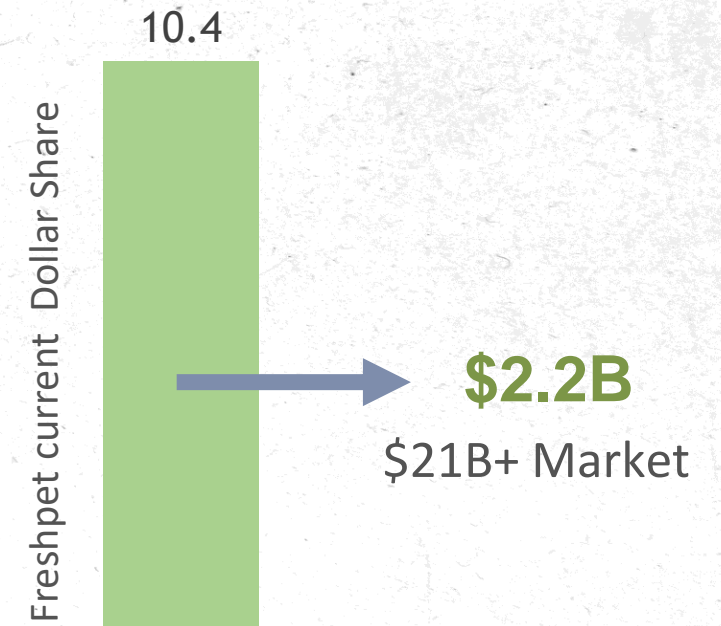
Freshpet market potential in the \$21B US dog food market

Current shares projected nationally

Freshpet Dollar Share of Dog food Extrapolation



Freshpet Dollar Share of Dog food Extrapolation



San Diego Market



Prime prospect methodology



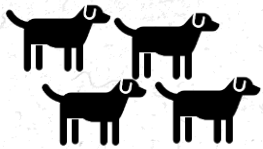
Identified our current consumers



Determined what their attitudes are



Matched that mindset to those interested in FP



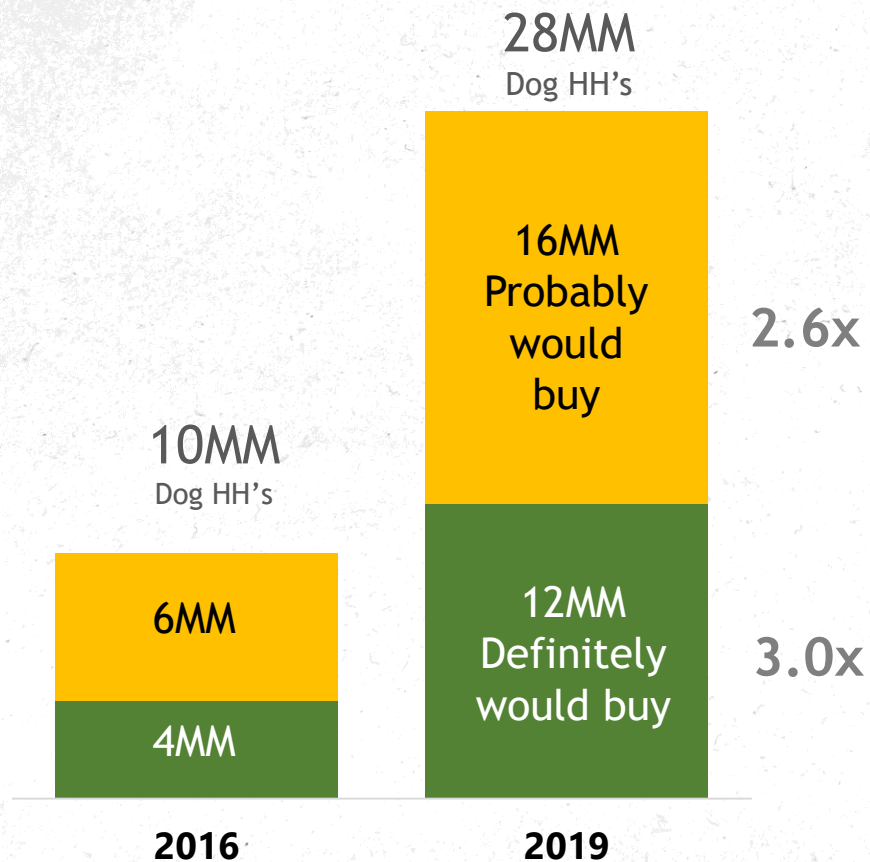
Pinpointed future consumers

Two consumer testing methodologies to establish future consumer franchise size

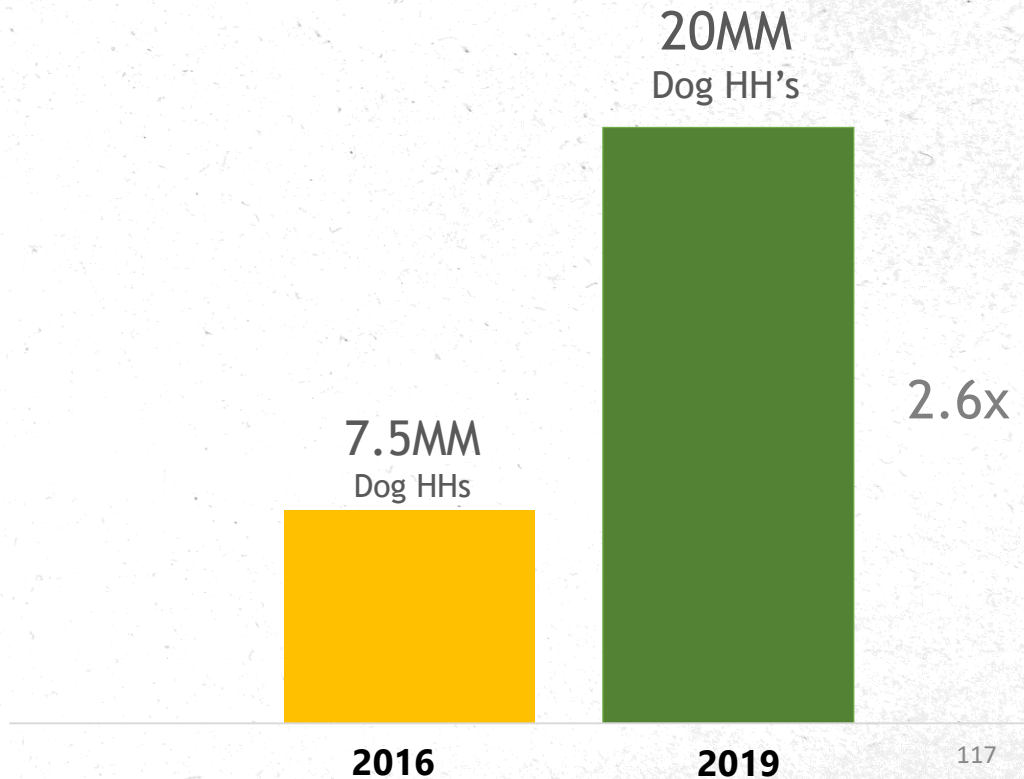
Consumer Concept

Purchase Interest Among Never Users

Top 2 Box purchase interest



Prime Prospect Methodology

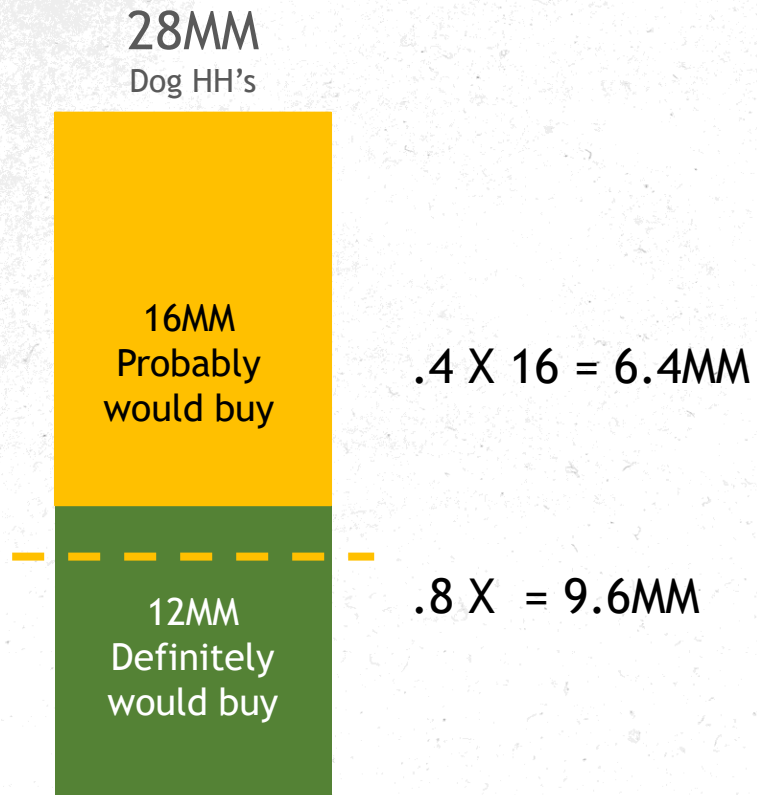


Two consumer testing methodologies to establish future consumer franchise size

Consumer Concept

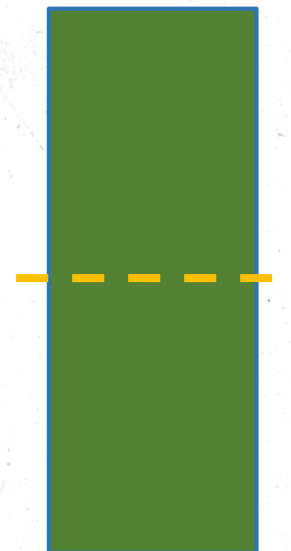
Purchase Interest Among Never Users

Top 2 Box purchase interest



Prime Prospect Methodology

20MM
Dog HH's



Consumer Interest and Prime
Prospect Methodologies

10MMHH+ @ \$170 =
\$1,700,000,000

2025 market potential grid based on consumer studies

US dog household and buying rate projection

	\$HH Buying Rate												
	\$	100	\$	120	\$	140	\$	160	\$	180	\$	200	
Households	7,000,000	\$	700	\$	840	\$	980	\$	1,120	\$	1,260	\$	1,400
	8,000,000	\$	800	\$	960	\$	1,120	\$	1,280	\$	1,440	\$	1,600
	9,000,000	\$	900	\$	1,080	\$	1,260	\$	1,440	\$	1,620	\$	1,800
	10,000,000	\$	1,000	\$	1,200	\$	1,400	\$	1,600	\$	1,800	\$	2,000
	11,000,000	\$	1,100	\$	1,320	\$	1,540	\$	1,760	\$	1,980	\$	2,200
	12,000,000	\$	1,200	\$	1,440	\$	1,680	\$	1,920	\$	2,160	\$	2,400
	13,000,000	\$	1,300	\$	1,560	\$	1,820	\$	2,080	\$	2,340	\$	2,600
	14,000,000	\$	1,400	\$	1,680	\$	1,960	\$	2,240	\$	2,520	\$	2,800
	15,000,000	\$	1,500	\$	1,800	\$	2,100	\$	2,400	\$	2,700	\$	3,000

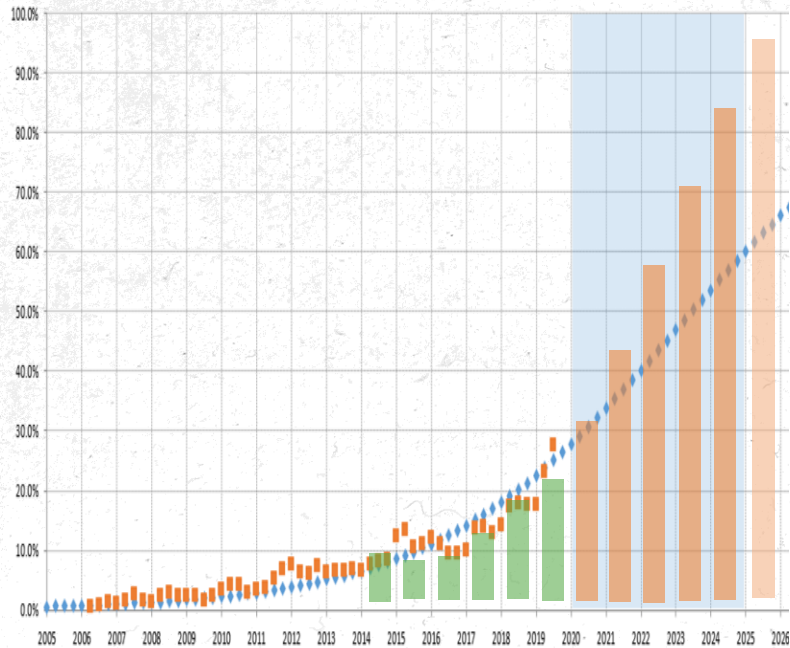
Yellow = high probability band

Modeling partner with extensive experience

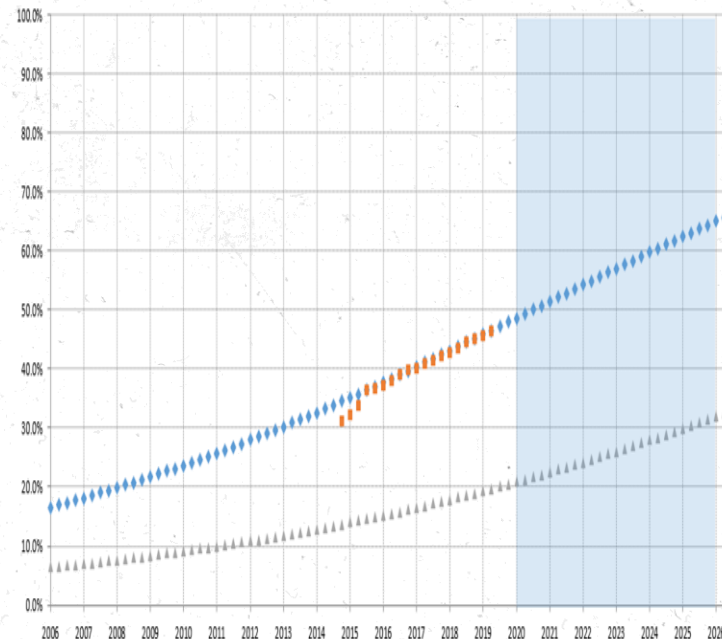
Evaluated model across 19 variables using historical data to project future outcomes

Three Critical Variables

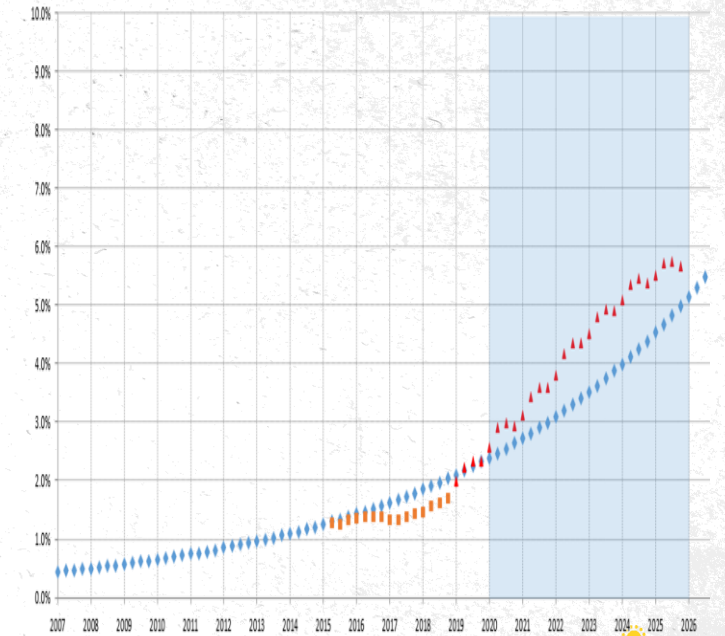
Ad spend + Innovation
Correlation to Awareness



ACV/% of Stores selling



US Dog HH Penetration



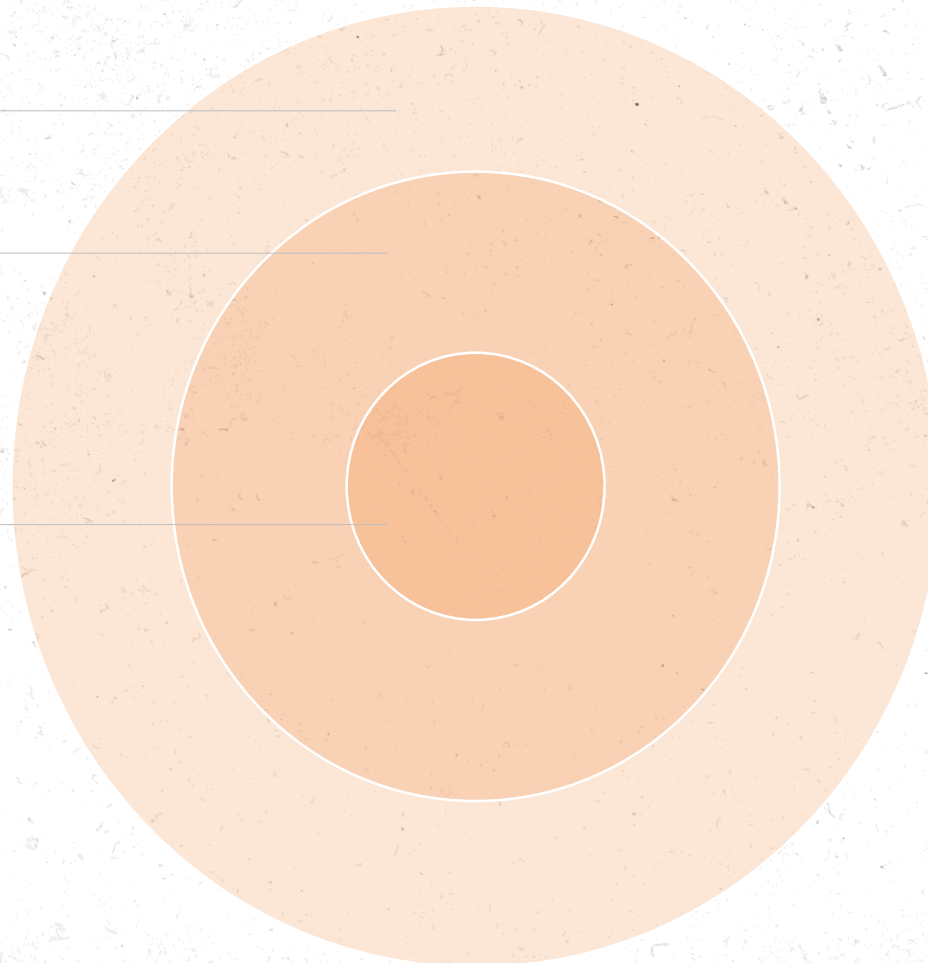
Freshpet consumer 2025 forecast



of TOTAL US HHs 137 M

of Dog HHs 69 M

of FP Dog Buying HHs 8.18



US Dog Household 2025 Projection

- Media spend
- Visibility & Accessibility
- Innovation
- Ex Cat
- Ex International



Pick of the litter

Regardless of approach, market opportunity is significantly over \$1.7B

In Market Performance

Highly Developed Retailers



\$1.8B+

Highly Developed Markets

San Diego Market

\$2.2B+

Consumer Testing

Consumer Concept

Consumer Interest Methodologies

\$1.7B+

Prime Prospect

Today's Potential

Future Projection

External Predictive Modeling

Consumer and Sales Modeling

\$1.5B+
in 2025

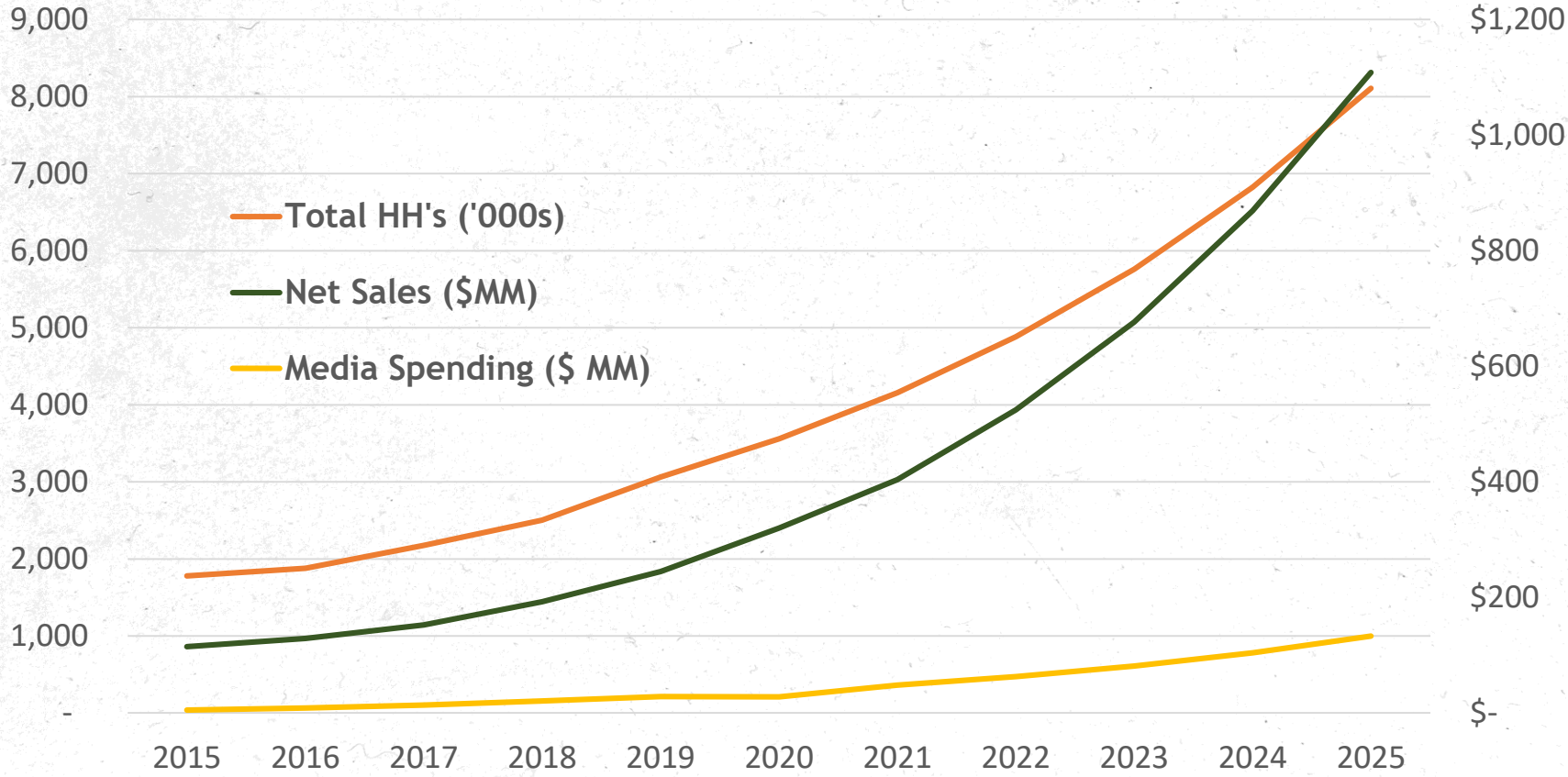
(includes Cat and International)

*Dollars expressed in retail sales

\$1.0+ billion factory sales in 2025

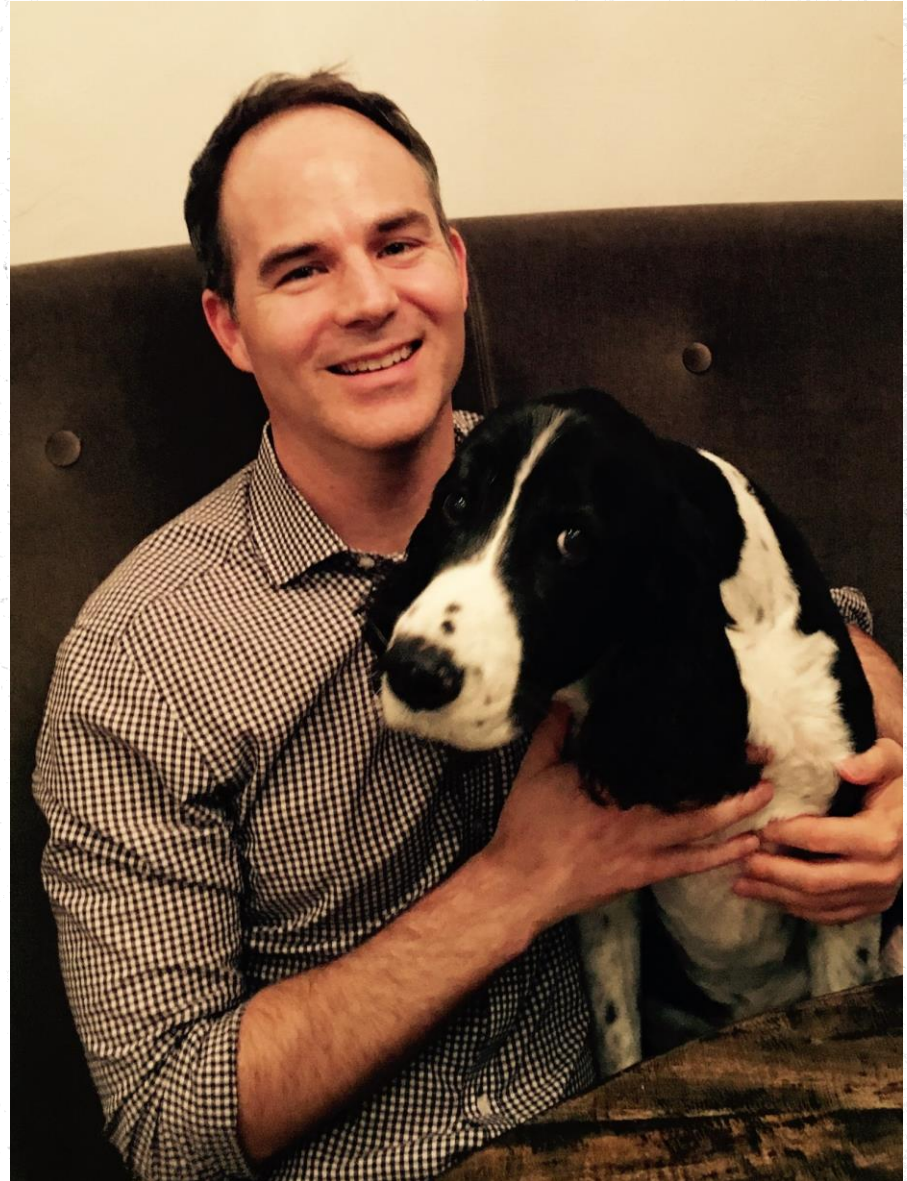
8.18 MM+ US dog HH's, + cat, + international

Freshpet Growth Potential




freshpet®
pets. people.
planet.

Justin Joyner



Pets and People LIVING BETTER. TOGETHER.

- Lower blood pressure
- Lower cholesterol levels
- Lower triglyceride levels
- Decreased loneliness
- Increased physical activity
- Increased socialization



FRESHPET PROVIDES THE NUTRITIONAL FOUNDATION FOR HEALTHY HAPPY PETS

IT STARTS WITH OUR FOOD

Fresh Ingredients

Less Processed- Steam Cooked

All Natural

No Preservatives

Non- GMO

Nothing from China



FRESHPET'S IMPACT ON PET HEALTH IS REAL:

Pet Parents Provide Powerful Testimonials



"I tried several different canned and dry dog foods that our girl never got very excited about. I was throwing away a lot of uneaten food. I finally did a bit of research and found that Freshpet was well rated and decided to give it a try. Without hesitation she ate everything on her plate. She has been eating both the beef and chicken recipes for over a year now, longer than any other brand we've tried. Thank you Freshpet."

- Owner Name , Dog Name



"My dog is a large pit bull mix. Being a pit, he is very sensitive to a lot of the dry foods. He would break out in a rash every time he ate. Since switching him to this food [Freshpet], he has not had one breakout and his coat is so shiny! He's been on this food for about two years now. The price for the quality is great too. It's just overall a great product. I recommend it to everyone I know."

- Owner Name , Dog Name

A photograph of two black and white dogs, likely Weimaraners, running through shallow ocean water on a beach at sunset. The sky is a mix of orange, pink, and blue. In the background, there are buildings along the coastline. Two white speech bubbles with green text are overlaid on the image. The dog on the left is older, and the dog on the right is younger.

15.83 YEARS OLD!

10 MONTHS OLD

LIVING BETTER. TOGETHER.

Tails of good.

Bringing joy through our **nourishing food** to orphaned or abandoned dogs and cats until they are adopted.



8M
FRESH MEALS
DELIVERED

Living the best

life. Championing shelters and rescues



freshpet®
fresh
start

Celebrating the

bond. Enhancing lives by helping those focused on the power of the **human-animal connection**





Our team,
Our partners,
Our family



INDUSTRY LEADING BENEFITS ATTRACT AND RETAIN TOP TALENT

WEALTH CREATION

- Highly Competitive compensation
- Equity & 401k matching for all

BENEFITS

- Same best-in-class health plan for everyone
- Free Freshpet food for pets
- Subsidized pet health insurance
- Free healthy snack break room
- Free catered employee lunches

FRESHPET FAMILY

- 36 Employees with 10+ Years of tenure!
- Happy, Empowered, Productive



Best in Class Employee Satisfaction

95% Annual Retention Rate

OUR TEAM
MAKES
GROWTH
POSSIBLE

EMPLOYEE NET PROMOTER SCORE



Net Promoter = ~90th percentile & Improving each year
Retention rate = Best in class / world class for company makeu



To Do List:
Reduce
Our
Impact

POLLUTION

OVER FISHING

HABITAT LOSS

GLOBAL WARMING

HOW CAN FRESHPET REDUCE ITS CARBON FOOTPRINT?



AVOID **CO² EMISSIONS**

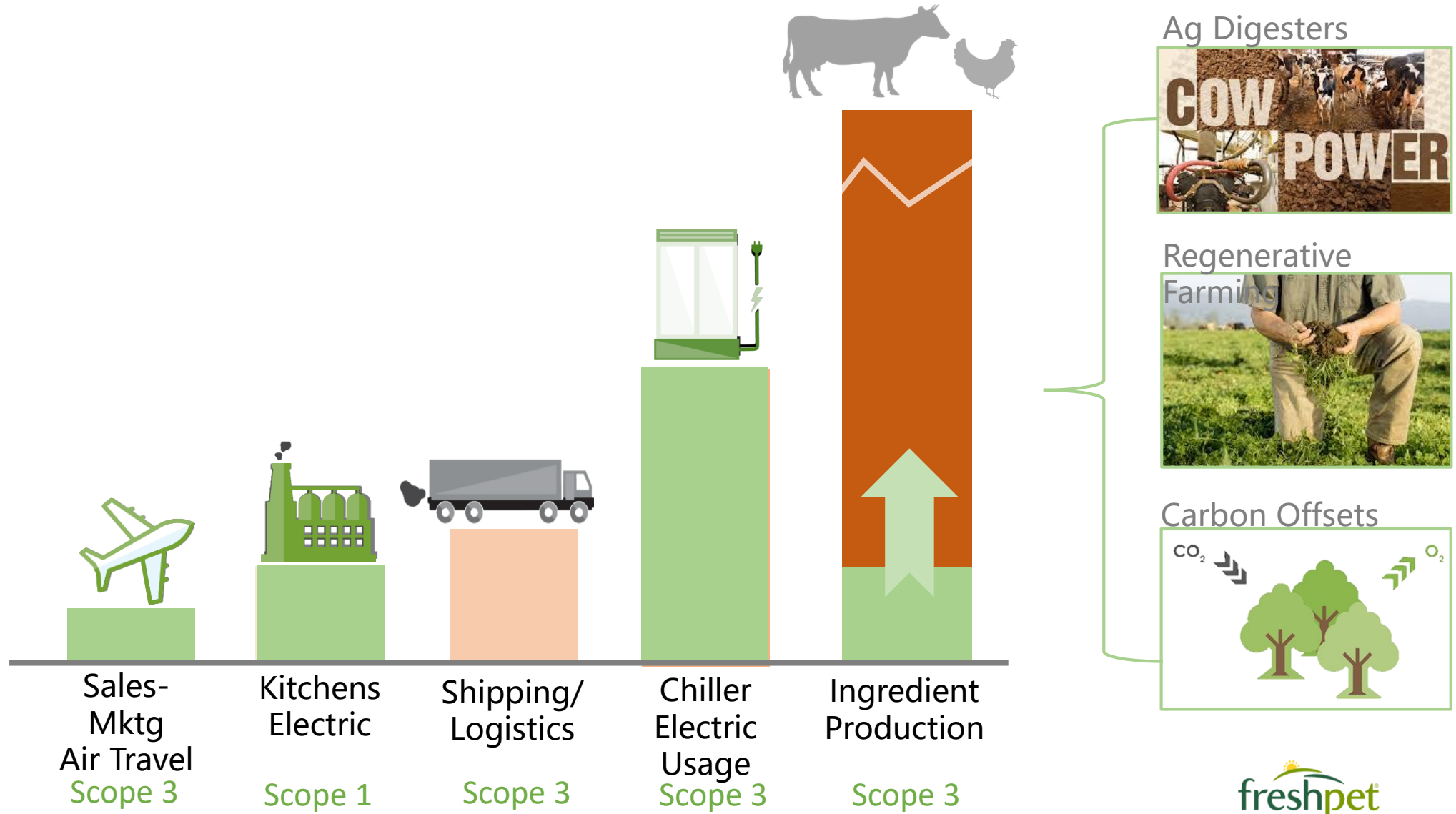
- IMPROVE SUPPLY CHAIN EFFICIENCY
- BE MINDFUL ABOUT TRAVEL

OFFSET **WHAT CAN'T BE AVOIDED**

- CARBON OFFSET PROJECTS
- RENEWABLE ENERGY CERTIFICATES

Freshpet's Estimated Carbon Footprint

Estimated 2019 Freshpet CO2e Emissions / Year
(Metric Tons)



Estimates using 2019 Freshpet volume projection and various industry sources.

Freshpet Kitchens Sustainability Programs

Landfill Free Since 2016

Wind Powered Electricity Since 2015



Wind Powered
Since 2015

**LANDFILL FREE
FACILITY**
Since 2016

FRESHPET IS HELPING DRIVE CHILLER EFFICIENCY GAINS

9.5X
MORE
EFFICIENT
THAN 2014

41.3 LBS / DAY

KWH/ DAY: 26.5

DAILY ELECTRIC COST: \$2.89

REFRIGERANT TYPE: R134a

GWP: 1,430



2014 AHT Open Air



2019 TRUE TVM 48sl

4.4 LBS / DAY

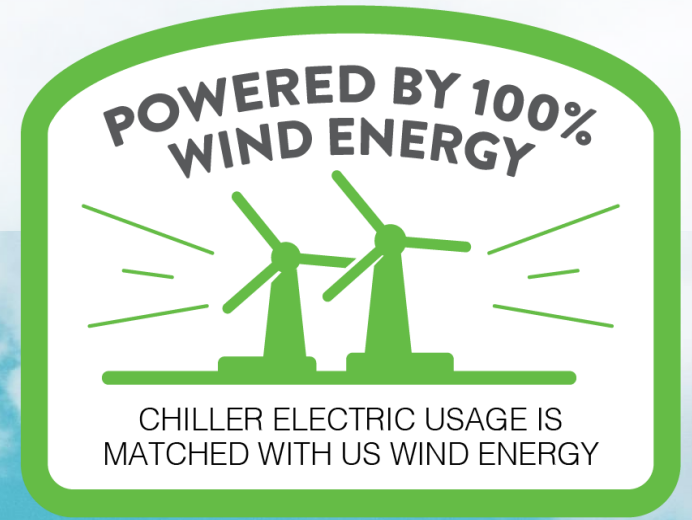
KWH/ DAY: 2.8

DAILY ELECTRIC COST: \$0.31

REFRIGERANT TYPE: R290

GWP: 3

2020 AND BEYOND: CHILLERS POWERED BY WIND ENERGY



2020 AIR TRAVEL OFFSET PLAN

Carbon Offsets will absorb
5.1 million lbs of CO₂e from
Freshpet's 2020 air travel.



CHYULU HILLS CARBON OFFSET PROJECT





2020 ACTION PLAN

- Develop audible carbon footprint and roadmap to carbon neutrality
 - Work with internal team and external partners to achieve goals



How will we meet the demand?



Strategies to satisfy demand

PLAN AHEAD

INNOVATE

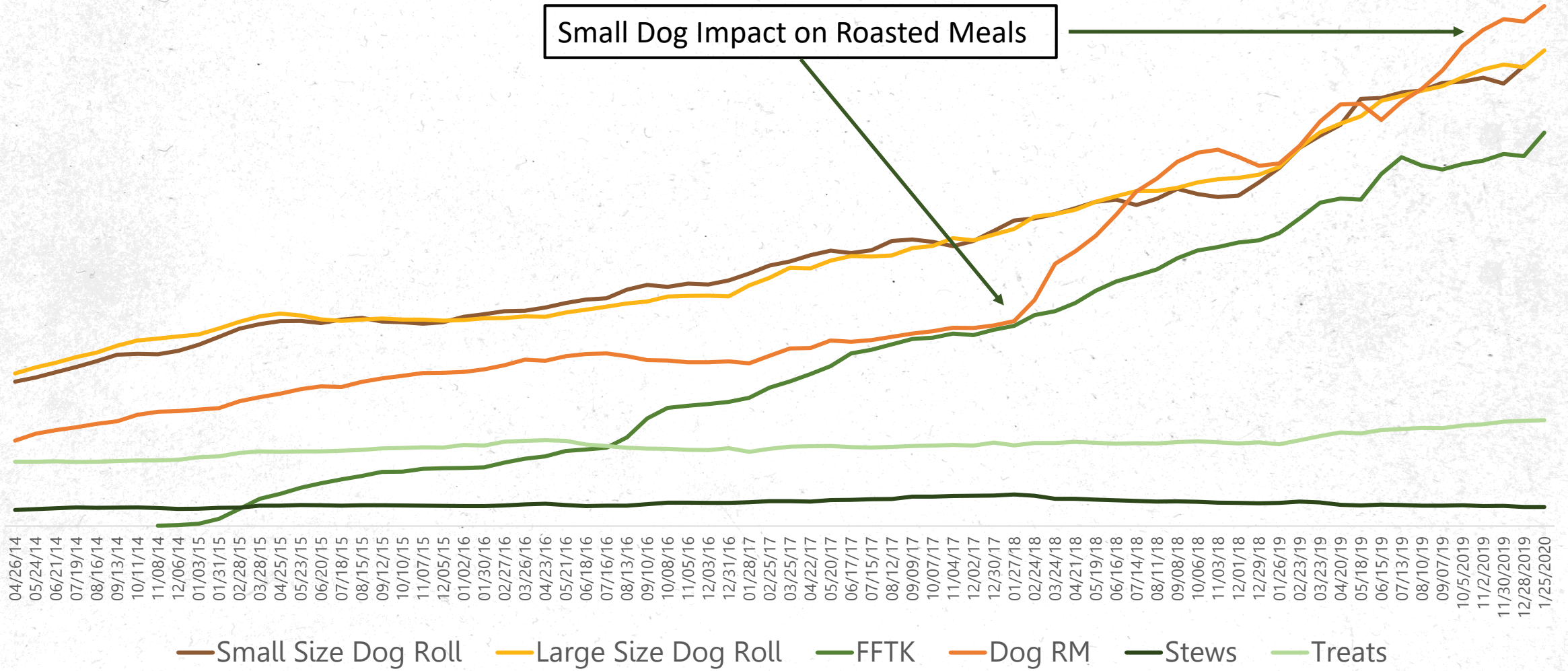
SPECIALIZE



PARTNER

DIVERSIFY
SUPPLY

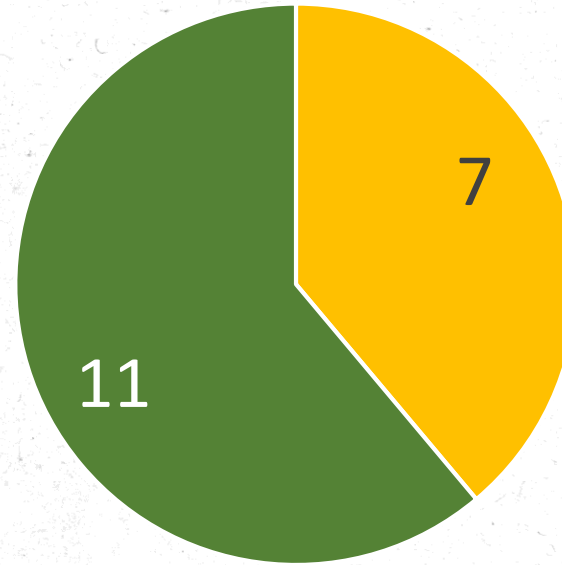
PHASED



Plan for continued mix shift

Bag Lines vs. Roll Lines

(estimated number by 2025)

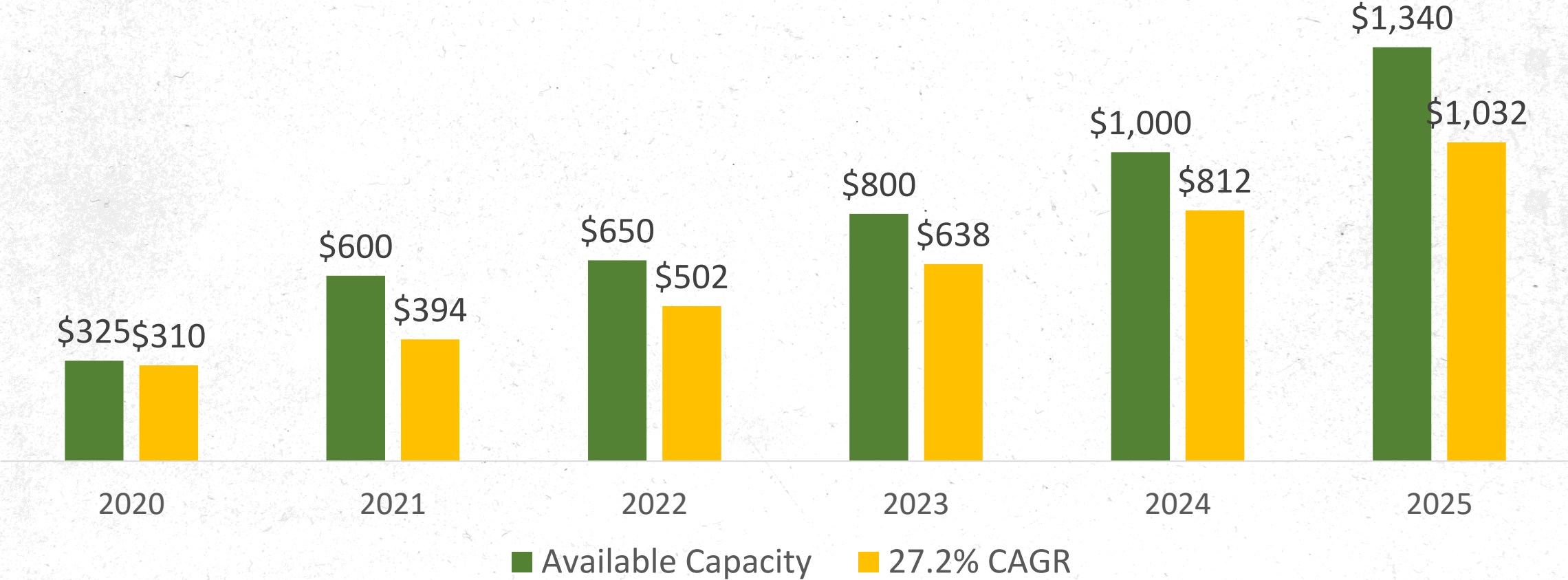


■ Rolls ■ Bags



Continuing shift towards bags as we scale

Freshpet Capacity Build Plan vs. 27% CAGR



Designing capacity to be one year ahead of demand

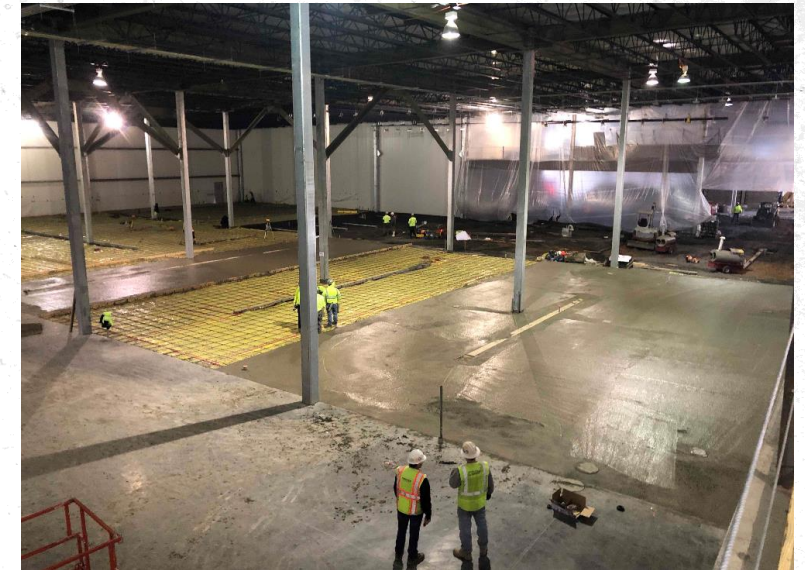
Our journey to additional capacity to continue delighting pets and pet parents is far more than an artist's rendered drawing...



Kitchens 2.0: adding \$200M+ of capacity

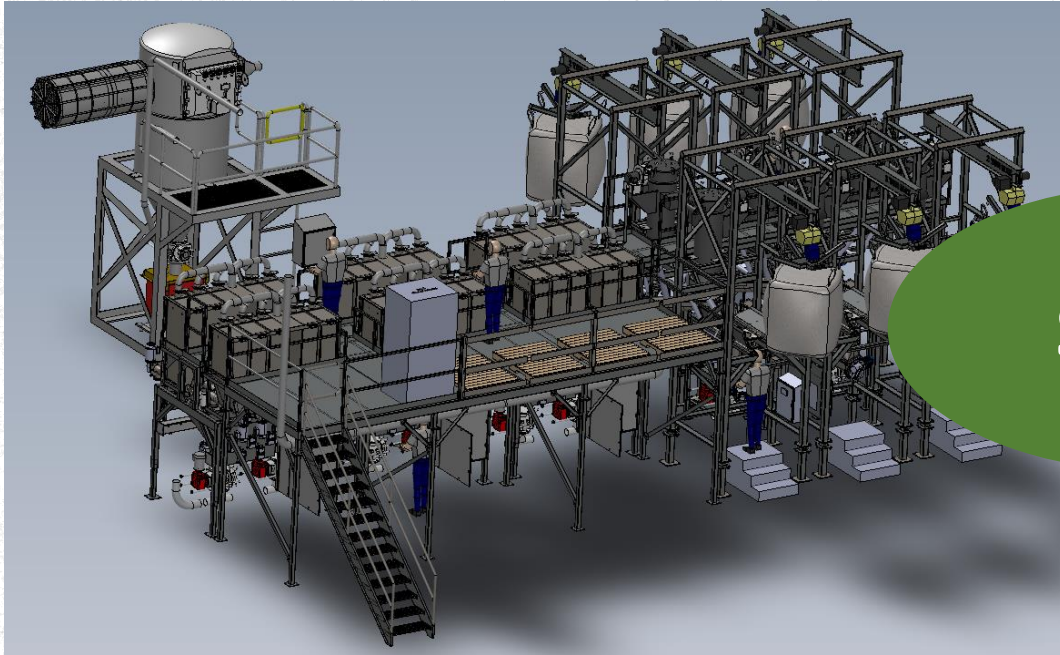


- Exterior walls and roof are almost complete
- Production equipment installation starts March 9th
- Hiring and training plans in place

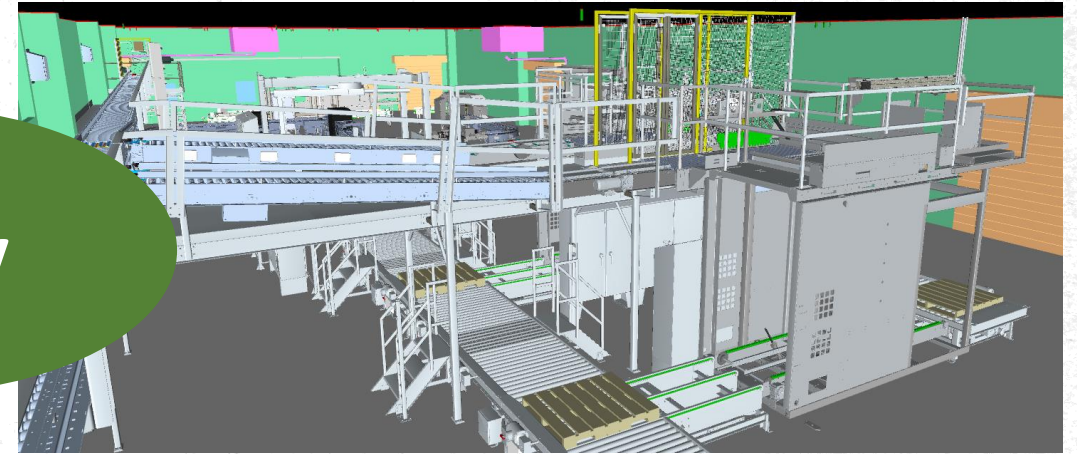


Kitchens 2.0 is on track for Q3 start-up

Automated Batching System



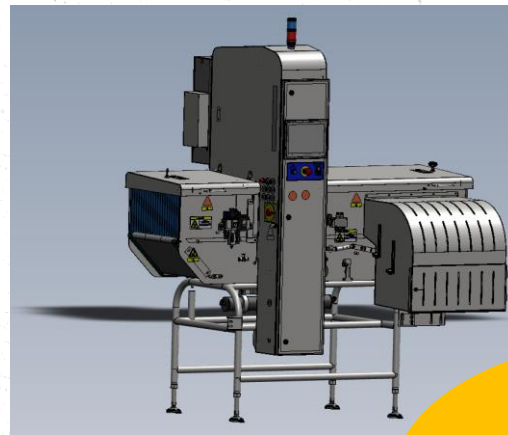
Palletizing System



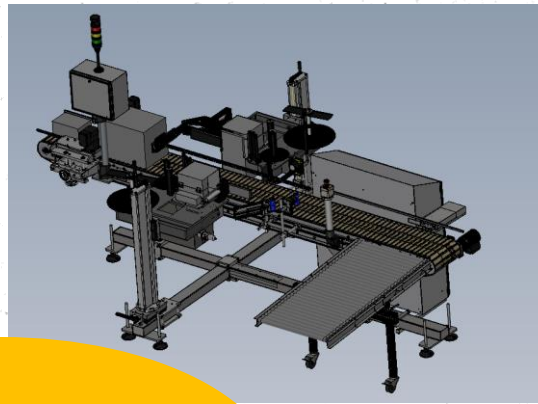
Safety

Significant safety improvements

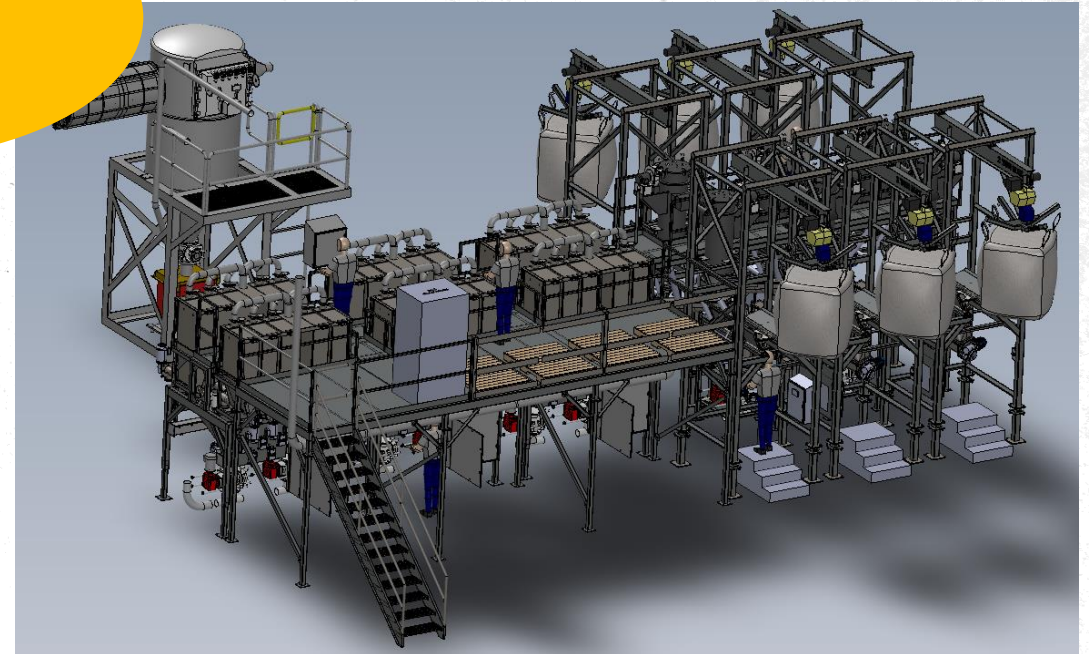
X-ray Inspection



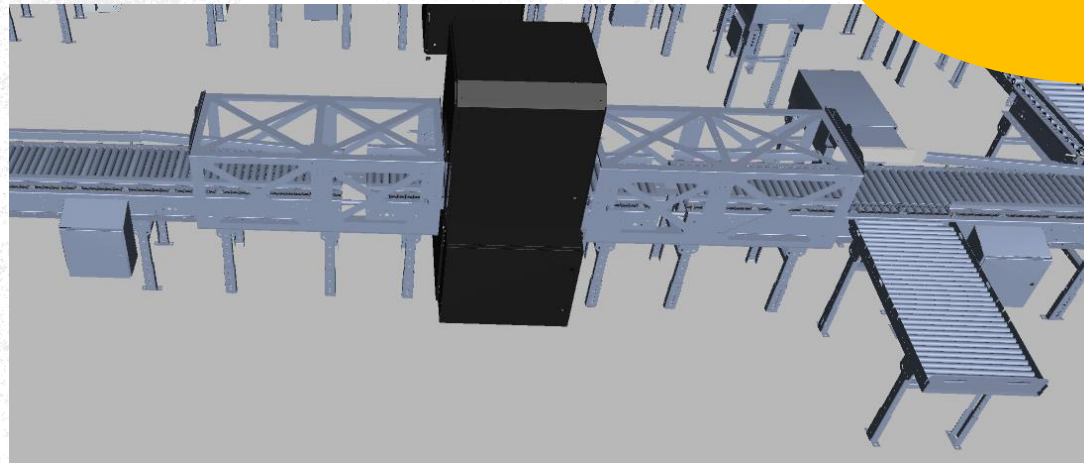
4 Corner Case Labeler



Automated Batching System



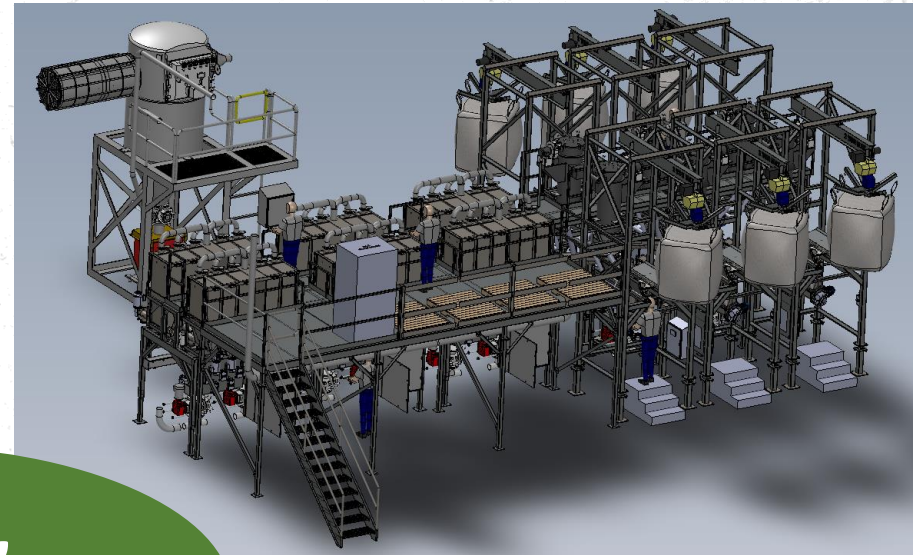
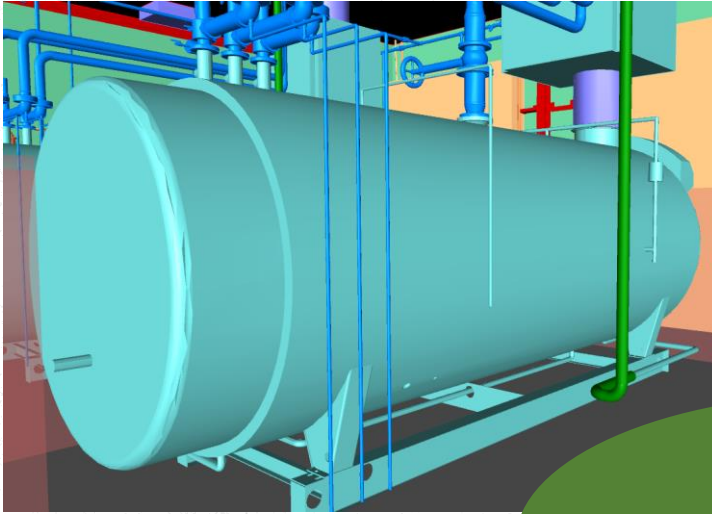
Inline Leak Detection



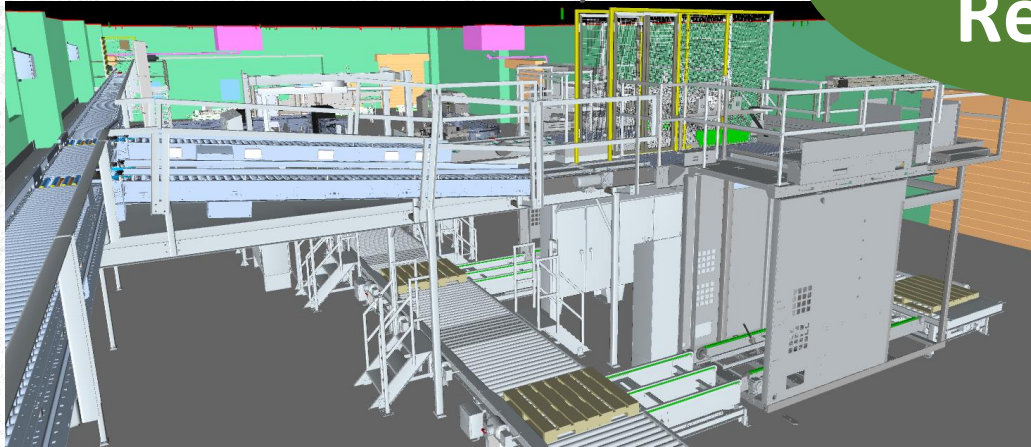
Quality

Enhancing quality through automation

Redundant Boiler System



Palletizer System



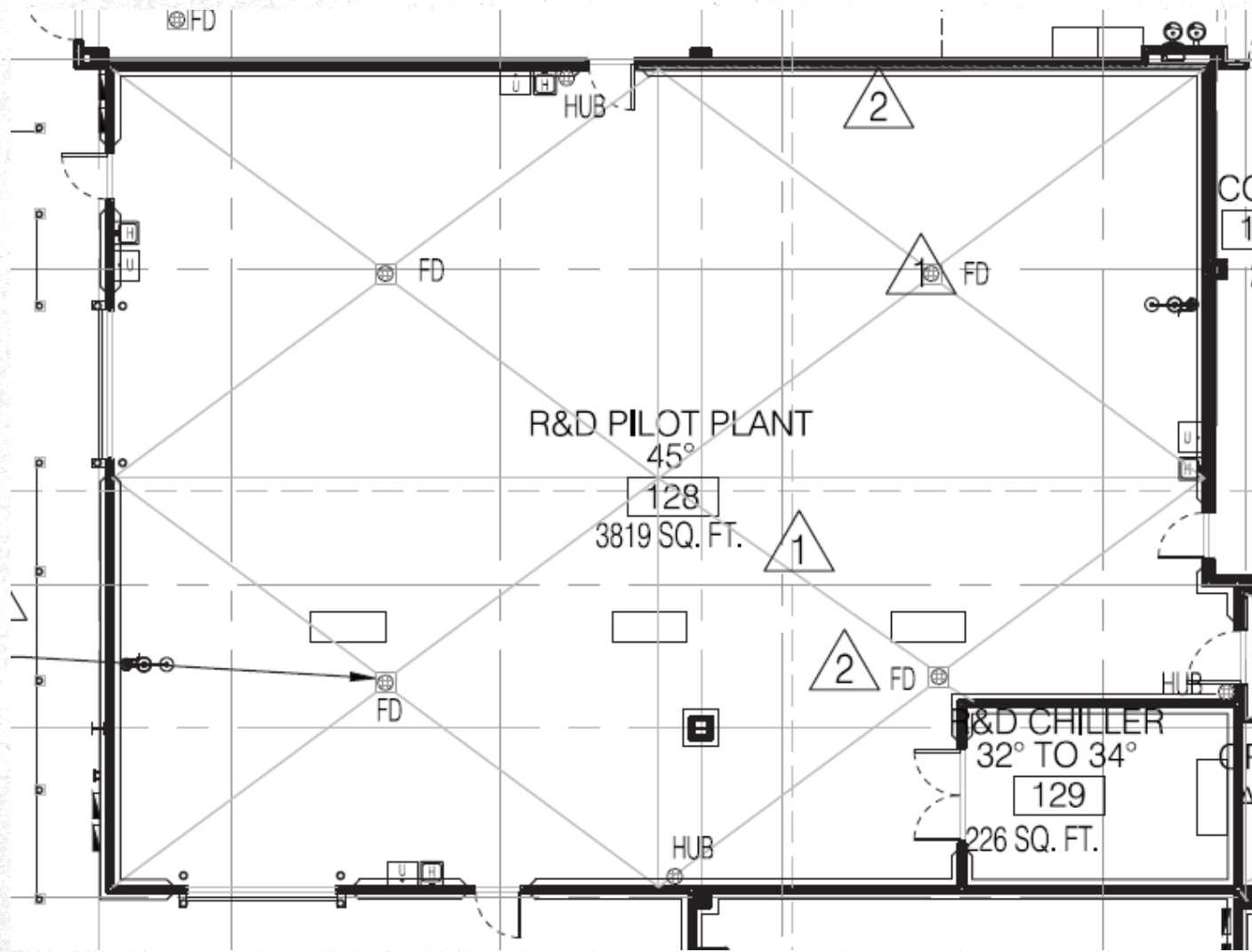
Cost &
Reliability

Automated Batching System



Scale Parts Washer

Reducing cost & improving consistency
through technology



Pilot plant to enable innovation

GOOD STEWARDS OF THE ENVIRONMENT

At Freshpet, we're always looking for ways to minimize our impact on the environment wherever we can. We're devoted to running our operations in a sustainable and efficient manner by utilizing 100% wind energy and minimizing waste and materials to become 100% landfill free at the Freshpet Kitchens. We're also reducing energy consumption with Smart Way Transport and energy-efficient fridges



- 100% landfill free
- 100% wind energy
- Re-use rain water



Continued commitment to the environment



Kitchens South

- Dedicated small size line started-up in February 2020
- Plan for an additional production line at the same site
- Freshpet-owned equipment and dedicated staff

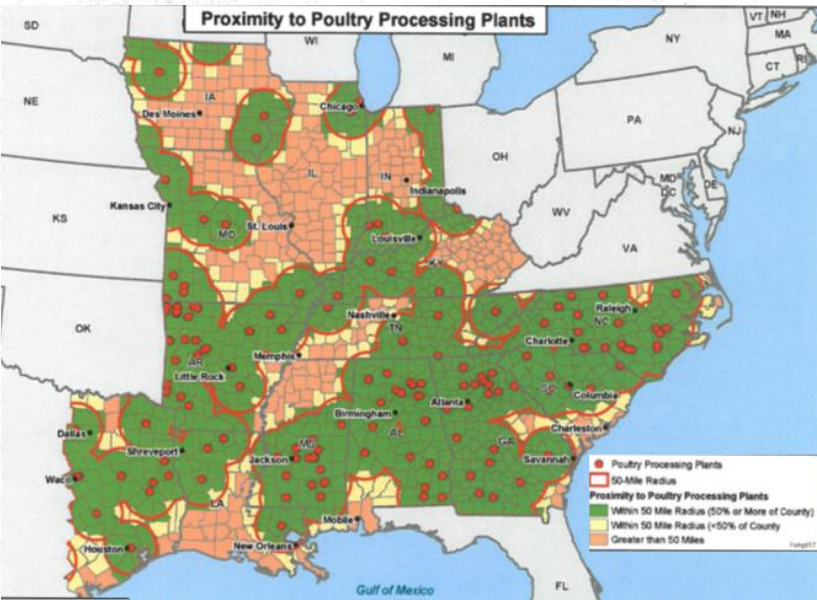


Specialized small size production

Steve Weise &
Maggie



Location Selection Criteria



Availability of fresh chicken



Availability of great talent



Opportunity to shorten customer supply chains

Kitchens 3.0: increase total capacity >\$1 billion

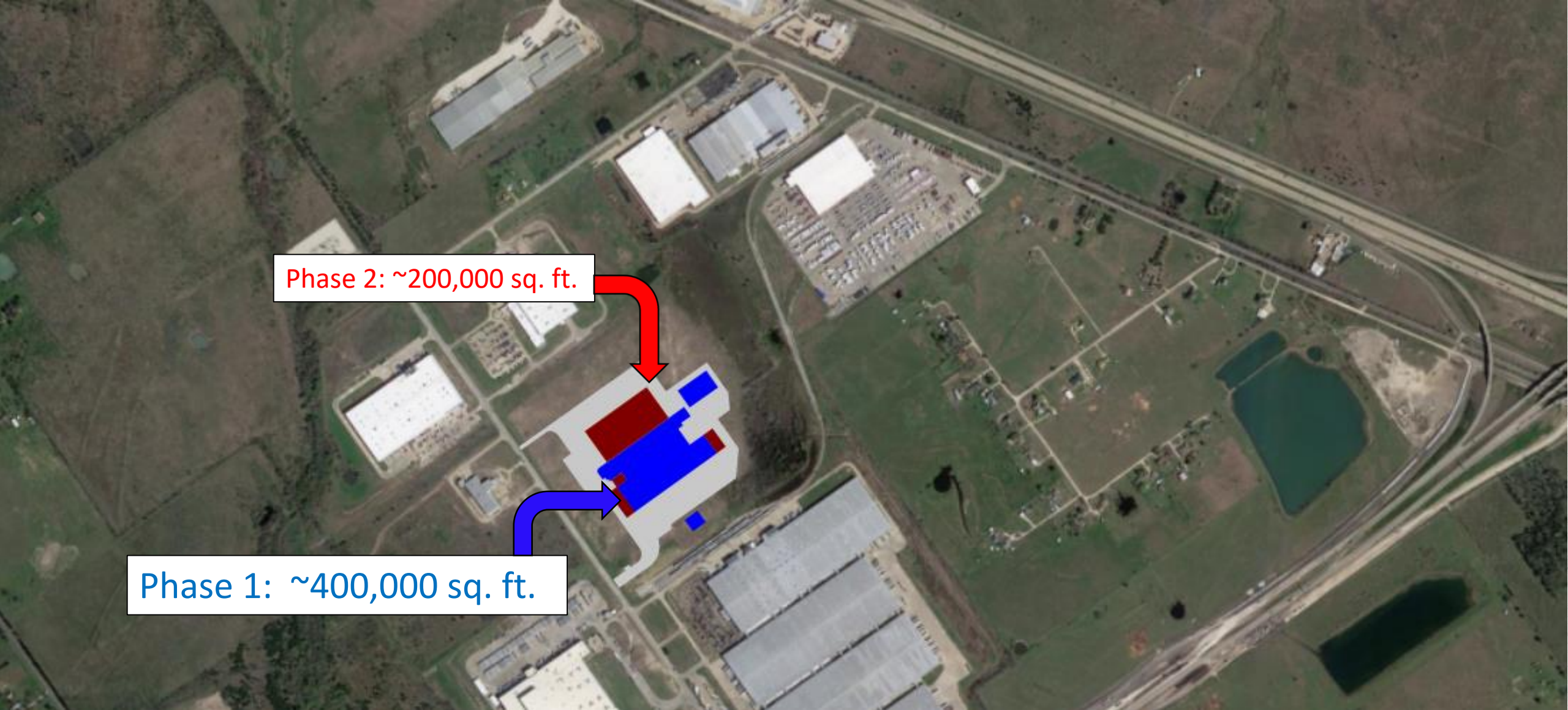
- Large site with capacity for future growth
- Close access to major transportation arteries
- Good local infrastructure
- Access to large quantities of fresh chicken
- High quality local talent



Ennis, TX site:
74.15 acres

Size of Bethlehem, PA site:
15.32 acres

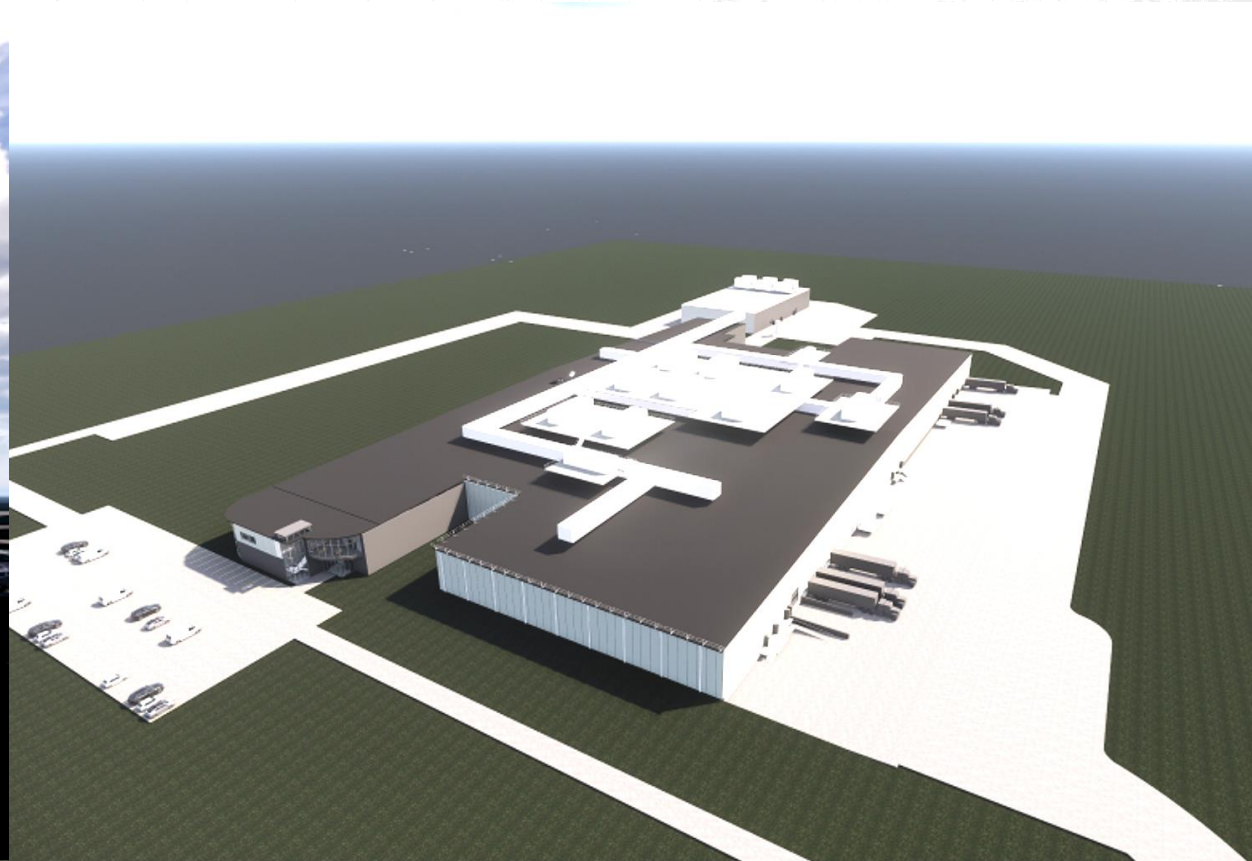
Freshpet site in Ennis, TX



Phase 2: ~200,000 sq. ft.

Phase 1: ~400,000 sq. ft.

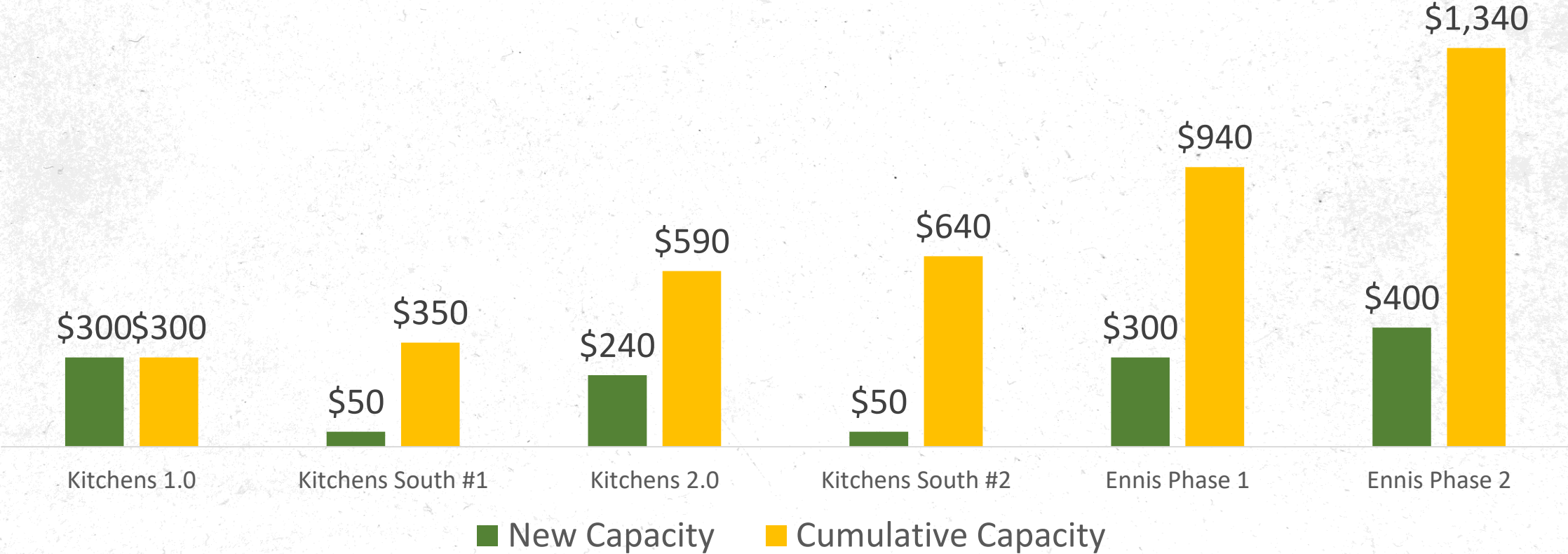
Phased construction to allow time for new technology development



Phase 1 of Ennis, TX Freshpet Kitchens

Freshpet Capacity

Net Sales Potential



>\$1 billion net sales capacity by 2025

Combining personal passion and career ambition



Aspen



Boulder



Happy that our
mom works for
Freshpet!

Benefits of scale for Freshpet



Cost Leverage

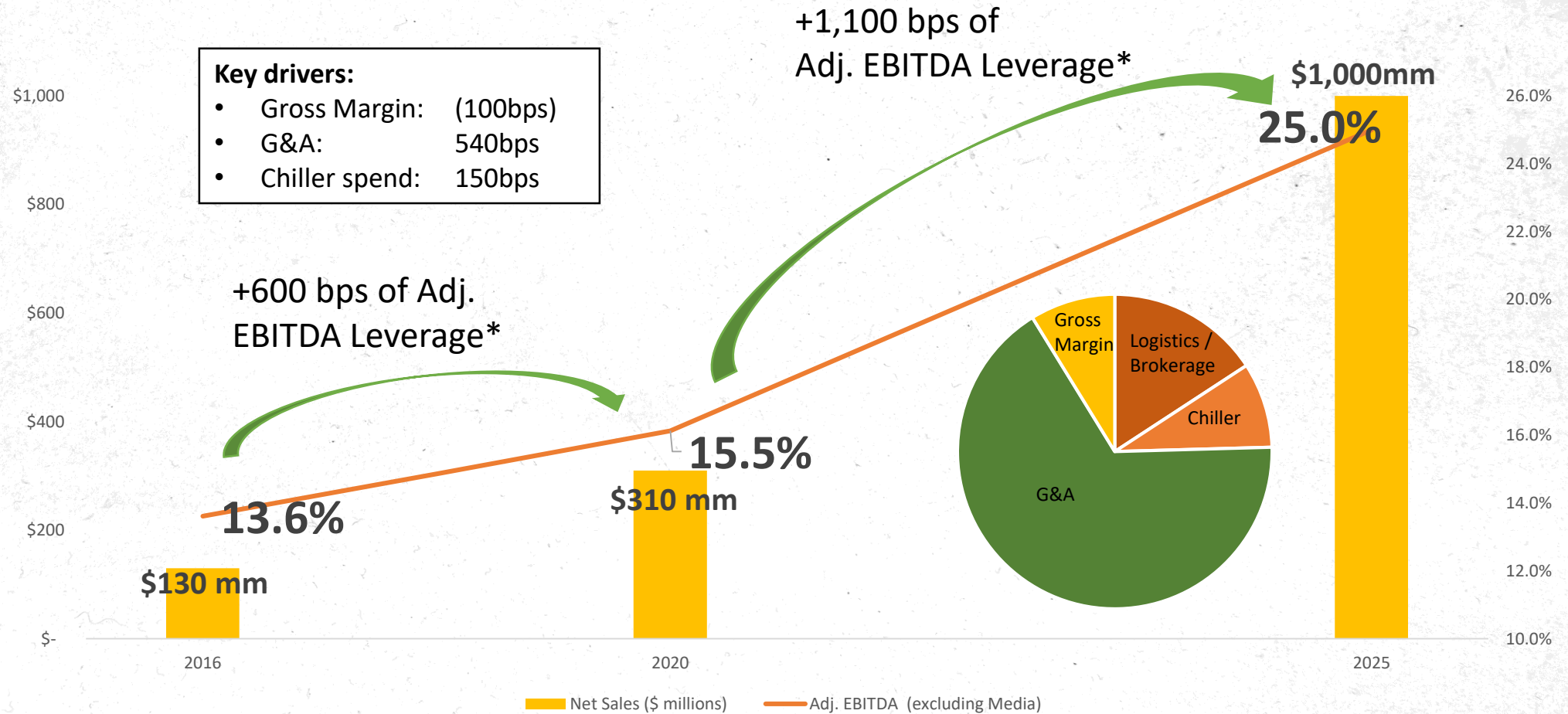


**Strengthened
Competitive Position**



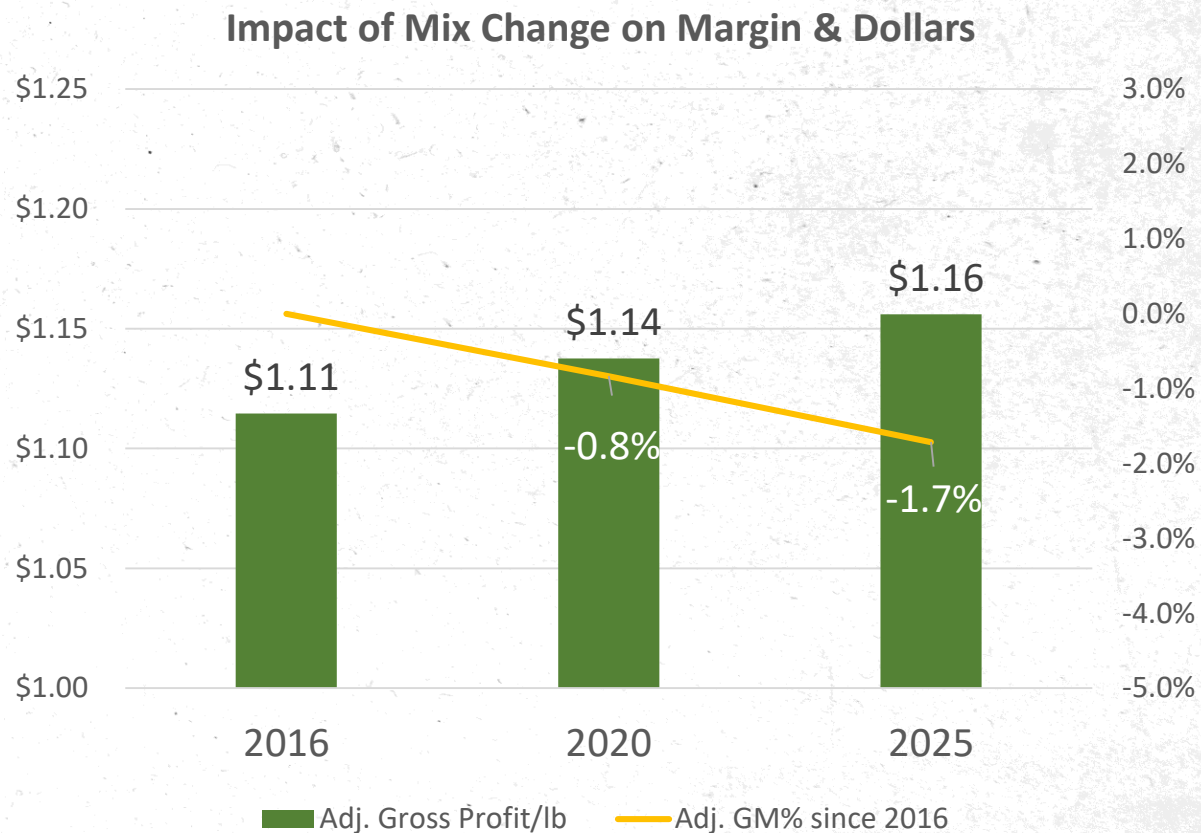
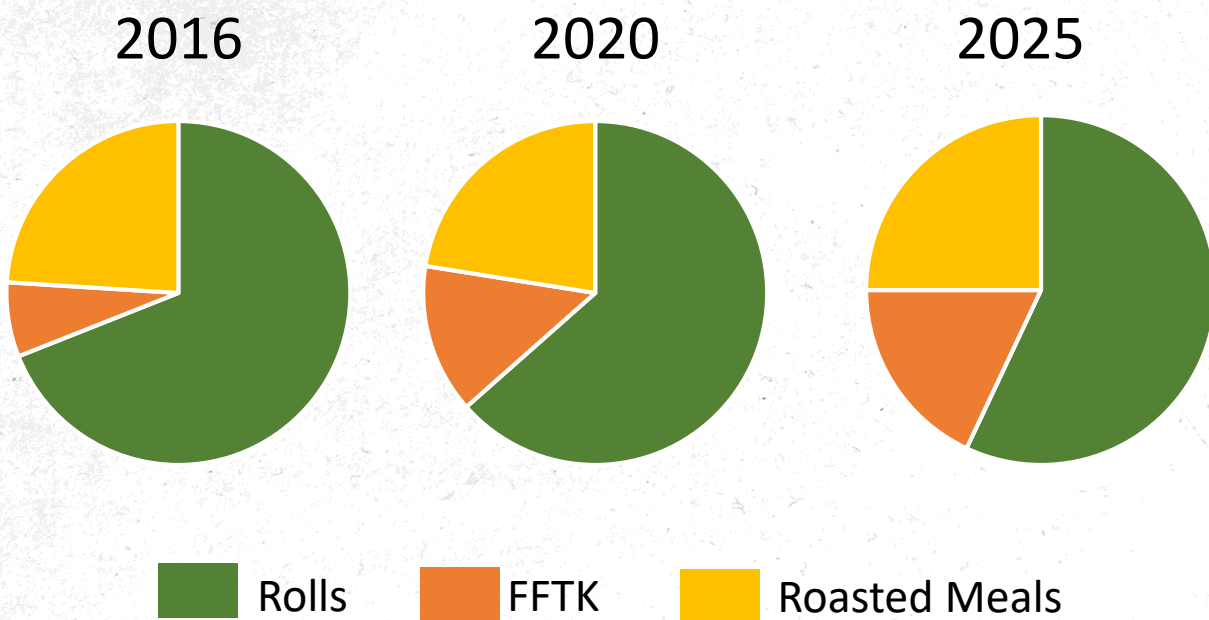
**Increased Organizational
Effectiveness**

At scale, we expect an EBITDA margin of ~25%

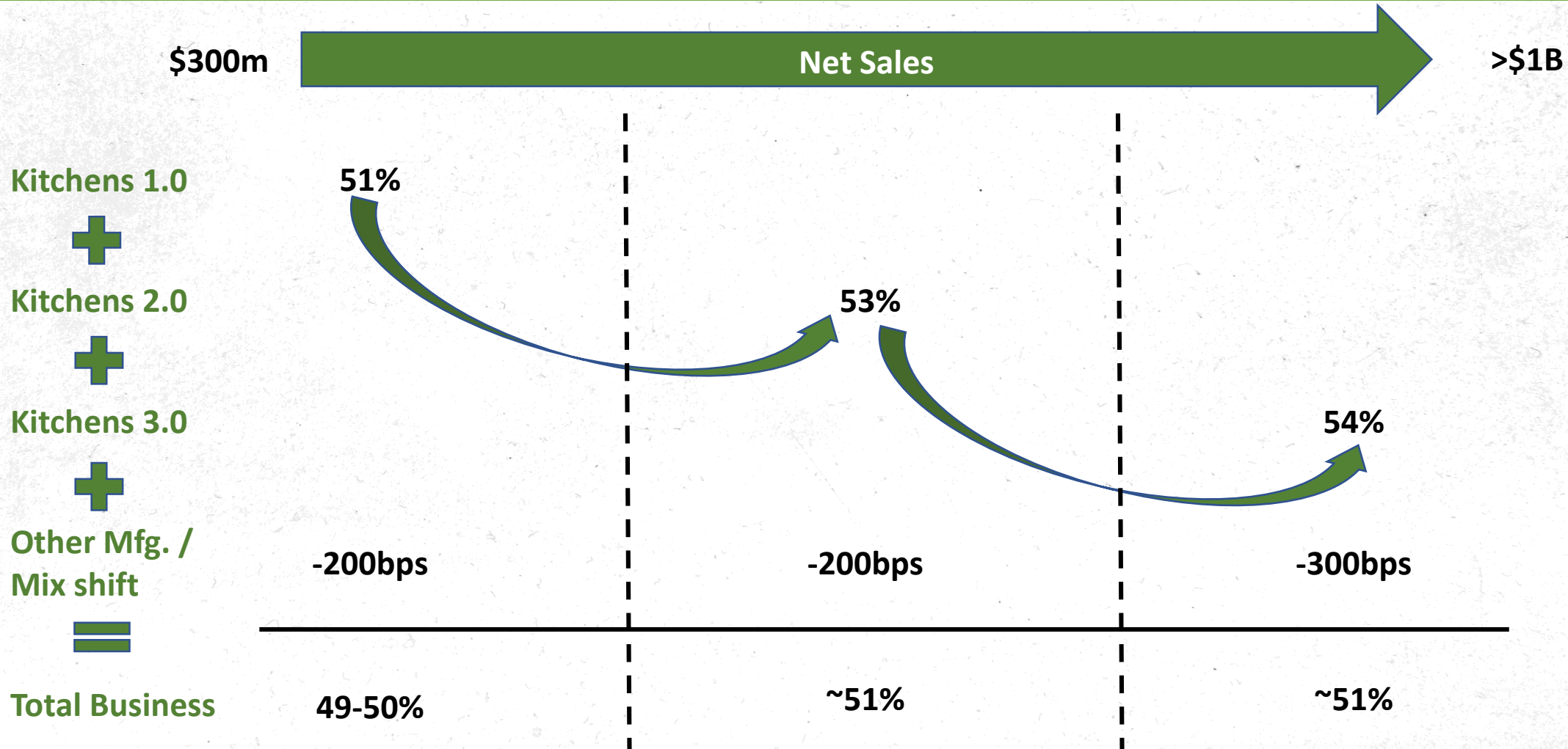


* - Adj. EBITDA Leverage represents change in Adj. Gross Margin plus change in adj. SG&A excluding media spend

Impact of mix change on contribution and margins



Efficiency gains offset mix shift to hold adjusted gross margins steady



Scale benefits expected across the supply chain

Procurement Savings



\$

Scale & Automation in COGS



\$\$

Freight Load Size & Distance



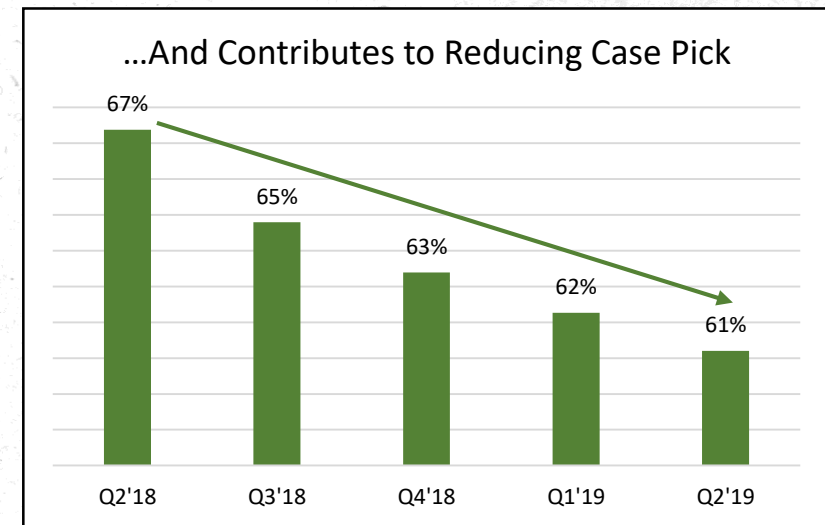
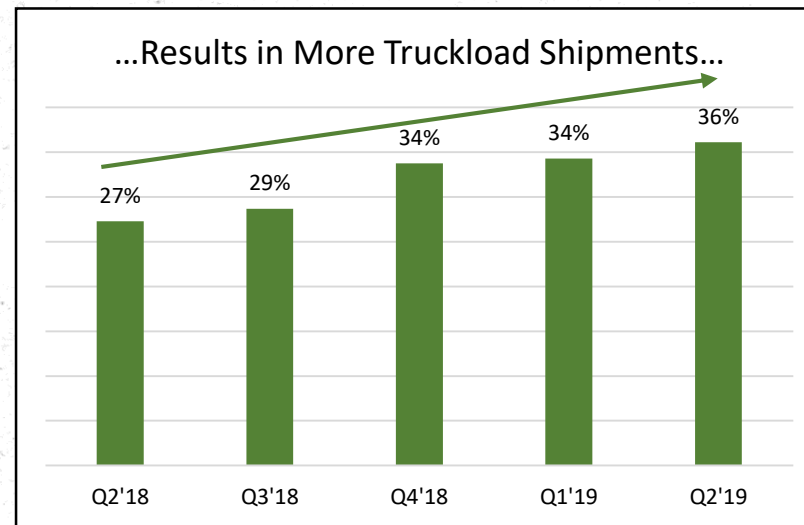
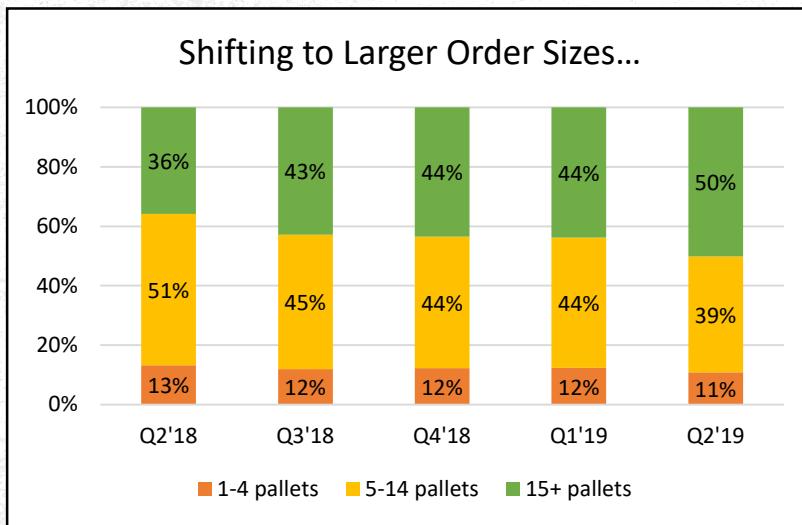
\$\$\$

Chiller Scale and Advanced Technology



\$

Larger order size drives lower logistics costs



Opportunity of ~1% of net sales by moving from 1-4 pallet orders to 5-14 pallet orders (LTL shipments)

Data applies to 90% of overall business (excludes International & Customer Pickup)

Increasing scale enables fuller trucks and fewer miles

Current Shipment Mix

	Short	Long
FTL	20%	16%
LTL	33%	31%

Potential Shipment Mix

	Short	Long
FTL	65%	5%
LTL	25%	5%

Theoretical Max

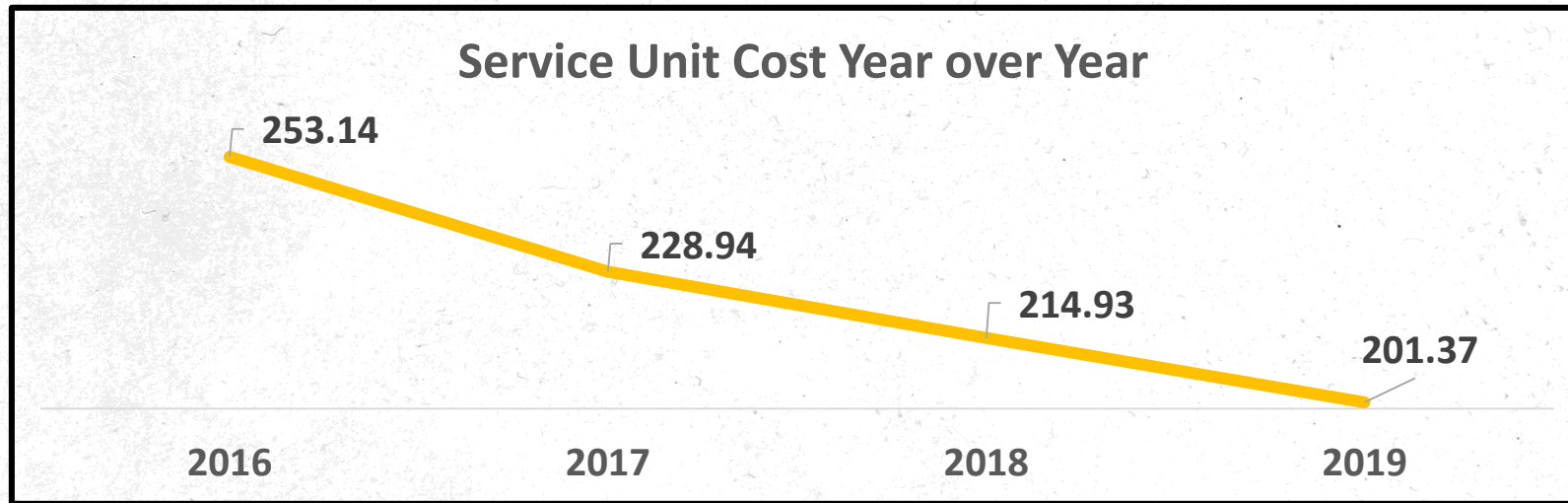
	Short	Long
FTL	100%	
LTL		

Cost
(% of sales) **5.6%**

3.6%

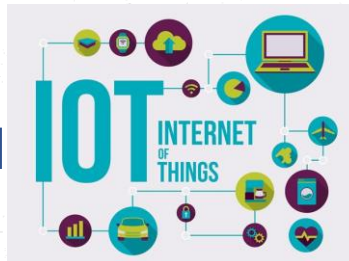
2.6%

Higher velocity per fridge enables lower costs and opportunities for improved effectiveness



Financial Benefits:

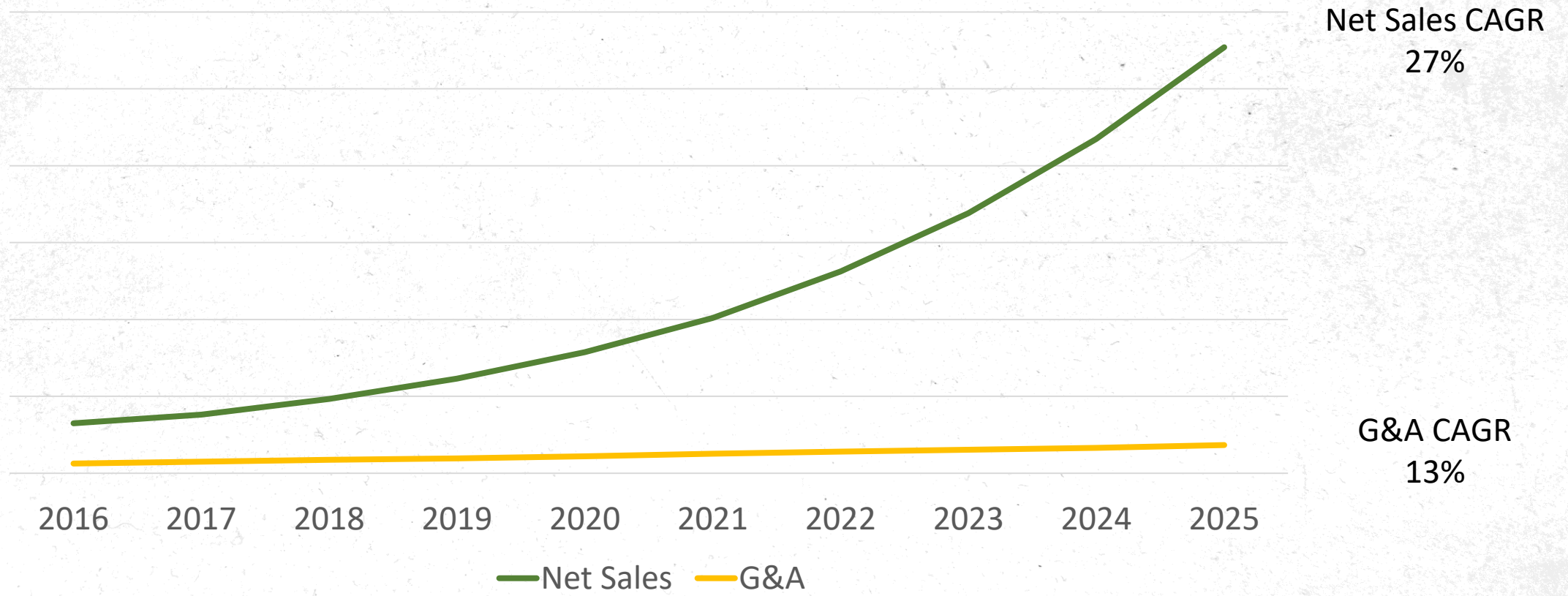
- Lower % sales to service fridges
- Lower fridge capex per incremental \$ of sales



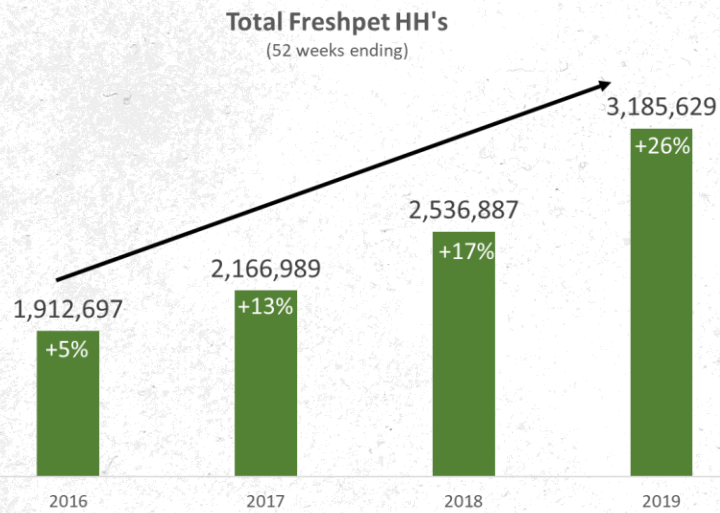
Enhanced Performance:

- Higher frequency retail coverage
- Higher visibility/more sophisticated fridges drives awareness
- Improved product availability
- Fresher product

G&A grows < rate of sales growth



Scale allows Freshpet to maximize our first mover advantage



Source: Nielsen HH Panel data ending December 2019

Entrenched Consumer Base
Resistant to change dog food



Enhanced Retail Presence
with broad product
assortment difficult to match



Larger Manufacturing Footprint
driving increased competitive moat

Scale enables us to fulfill our mission more broadly

freshpet

8 MILLION
fresh meals donated

over **100**
shelter rescue partners helped


countless tails wagging



Significant pet philanthropy

Improved health and well-being of more pets



Improved lives of our employees



Better relationships with pets



2025 Plan



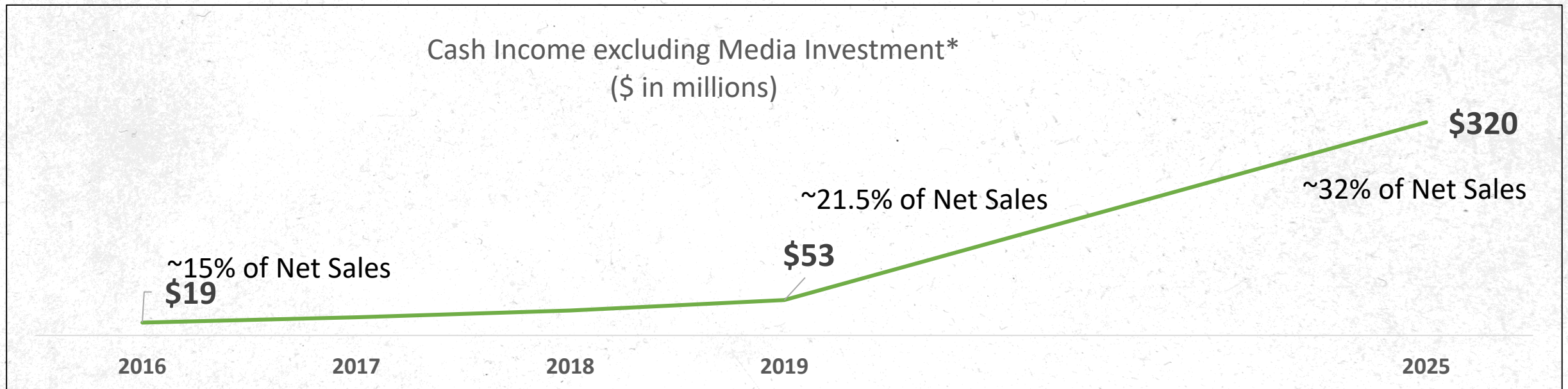
Getting to \$1B will require investments that not only drive growth but also support growth

	Financial Statement Investments	
	Balance Sheet	P&L
Media Spend at 12% of Net Sales		✓
Capacity build	✓	✓
System upgrades	✓	✓
Organizational capabilities		✓

Strong payback on capacity investments to create scale

Project	Payback at Full Capacity	IRR (10 years)
Kitchens 2.0	1.6 years	50%
Kitchens South	1.0 years	119%
Kitchens 3.0	2.7 years	20%

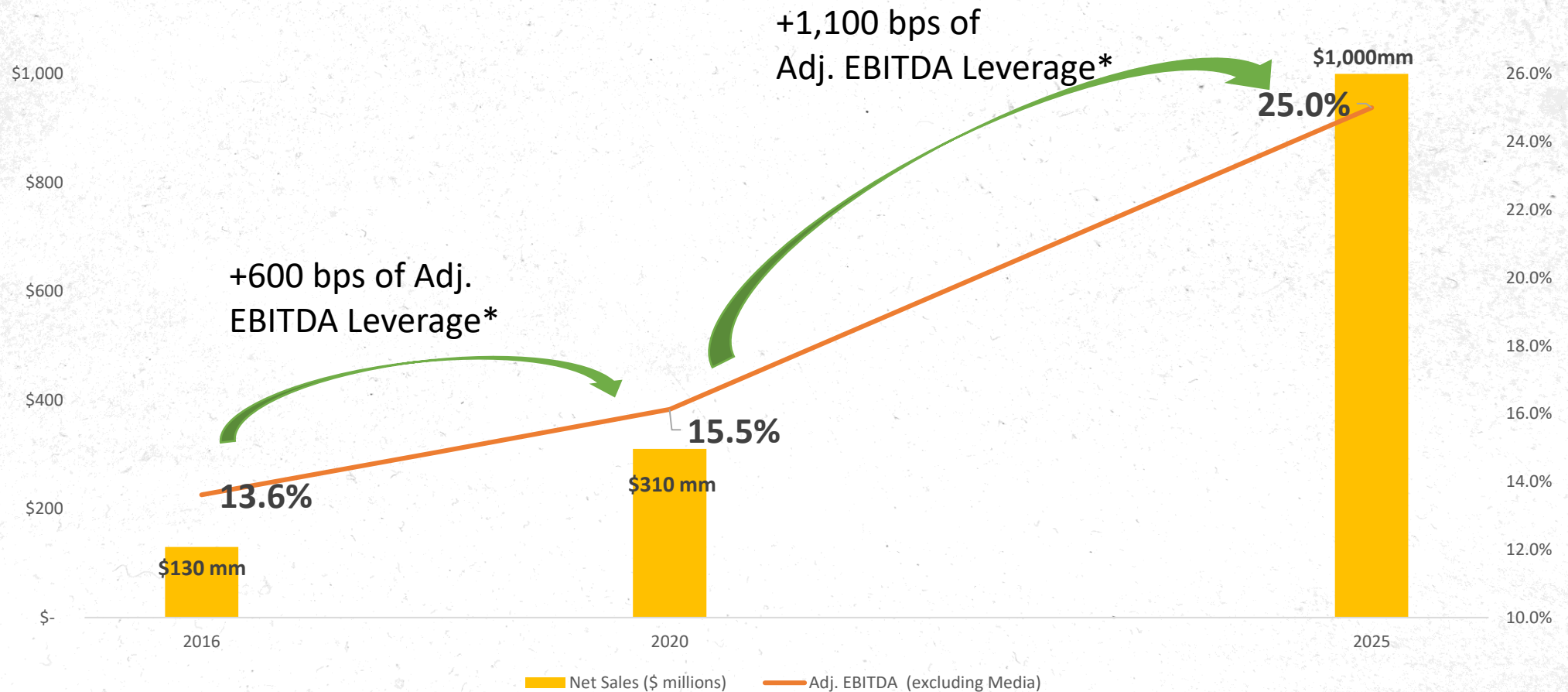
Our increasing cash income will help support our ability to make investments that drive and support growth



In the near term we will finance significant capacity expansion through a combination of debt and/or equity, while ensuring we do not lever above 3.0x.

* - Represents cash from operations excluding media spend and change in working capital



The 2025 Plan will continue to build on our historical ability of gaining leverage through increased scale



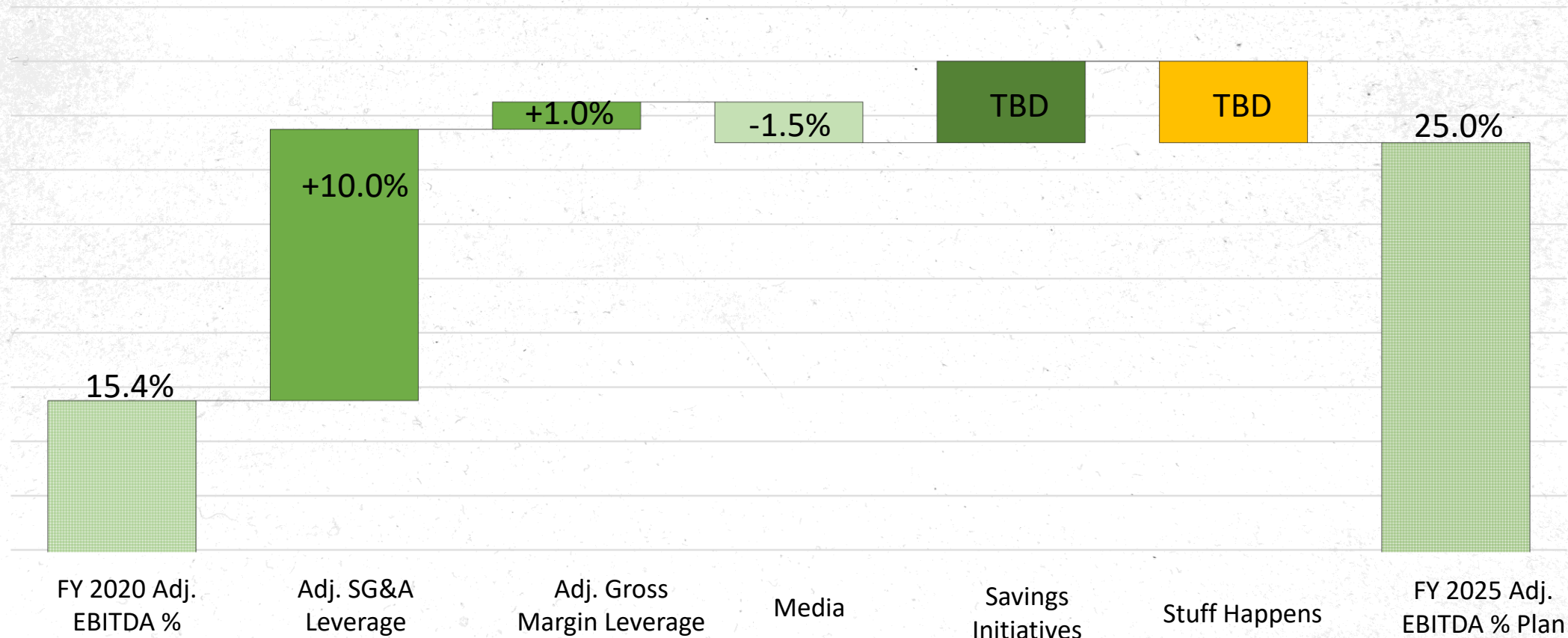
* - Adj. EBITDA Leverage represents change in Adj. Gross Margin plus change in adj. SG&A excluding media spend

2025 plan will increase structural adjusted gross margin ensuring offsets to potential headwinds

Temporary Drags	Structural Improvements
Higher production cost associated with increasing quality	Investments in production lines that significantly decrease cost
Sales mix movement towards lower margin bag products	Strategic innovation initiatives
Temporary drag on gross margin as we grow into capacity	Grow into capacity to leverage cost as quickly as possible



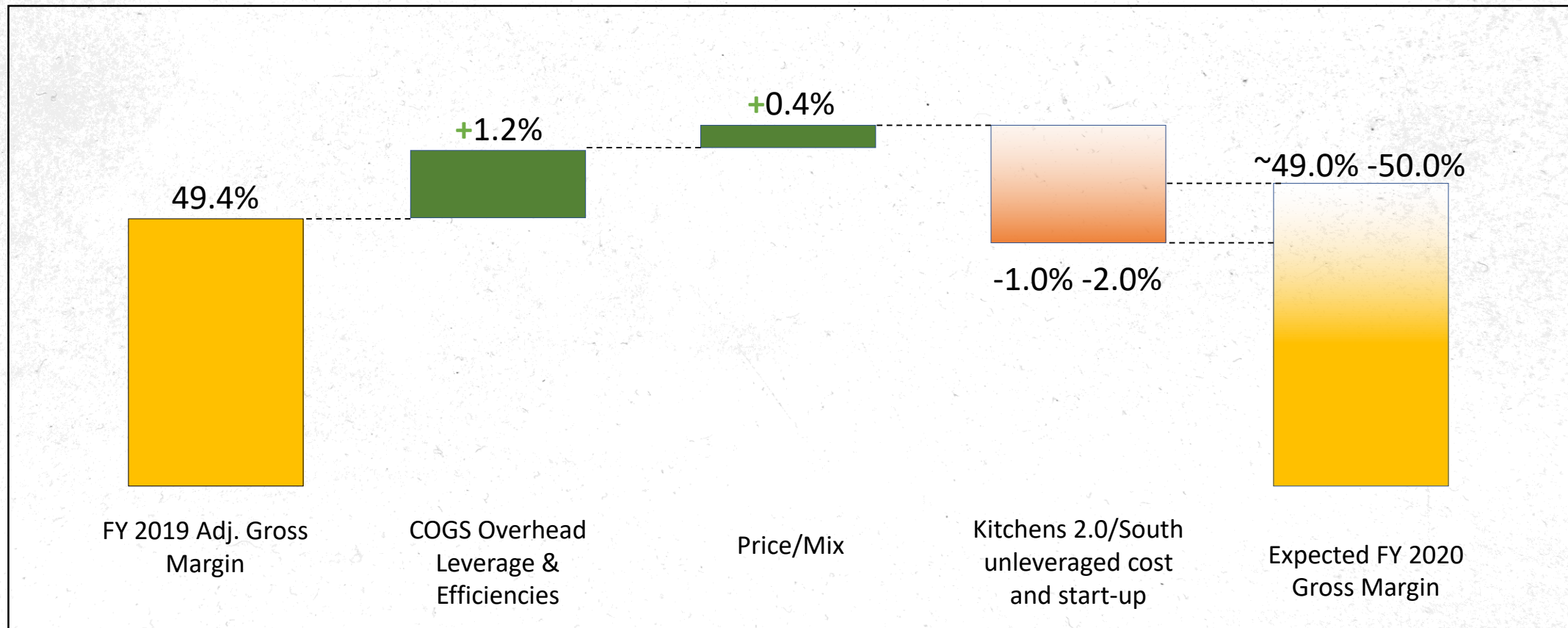
We expect our path to \$1B to continue to deliver leverage



2020 Plan

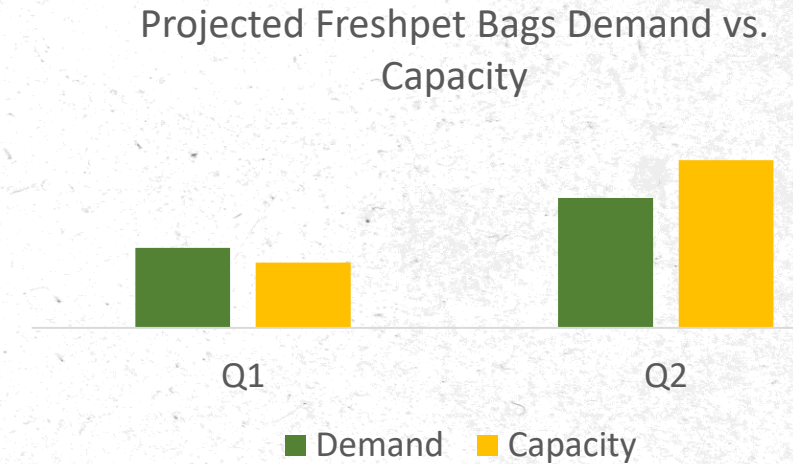
- **We will invest to capture the long-term growth opportunity, including:**
 - Significant US Advertising Investment
 - International Advertising Investment
 - Capacity Expansion/System Capability/Innovation
 - Near term gross margin investments to add capacity
- **Near term, adjusted gross margin will be lower than previously projected due to:**
 - Mix shift towards bags
 - Sub-scale production on specialized bag line
 - Operating investments to drive improved production consistency and reliability
- **Continue to drive adjusted SG&A (excluding media) efficiency improvements to deliver the committed 700 bps of improvement since 2016**
 - Continue to believe there is more opportunity for improvement beyond 2020

2020 gross margin will continue to improve our structural profitability, offset by growth investments



Guidance 2020

\$ in Millions	2019	2020	% Change
Net Sales	\$245.9	>\$310	+26%
Adjusted EBITDA	\$29.2	>\$48	+65%



- **Volume cadence:** Similar to previous years with potential for tight bag capacity in Q1 and Q3 causing shipments to move to Q2 and Q4
- **Advertising investment:** Skewed to the first half as in 2019 with the potential for a slight dip in Q2 to manage capacity. International advertising all in first half.
- **Gross margin:** Q1 will have significant ramp up costs at Kitchens South, fourth line 24/7, and less impact from pricing. Gross margin should gradually improve as the year goes on. Continuing mix shift towards bags.

Estimated store growth

Freshpet Distribution Gains		
	2019	Est. 2020
Store Count	21,570	23,000
vs YA	+11%	+7%
Upgraded Fridges (Cum.)	1,591	2,150
<i>YTD Increase</i>	786	559
2nd Fridges (Cum.)	807	1,300
% ACV	52.3%	56.0%
vs YA	+15%	+7%
Total Distribution Points (Change vs YA)	+16%	+9%

2025 Goals

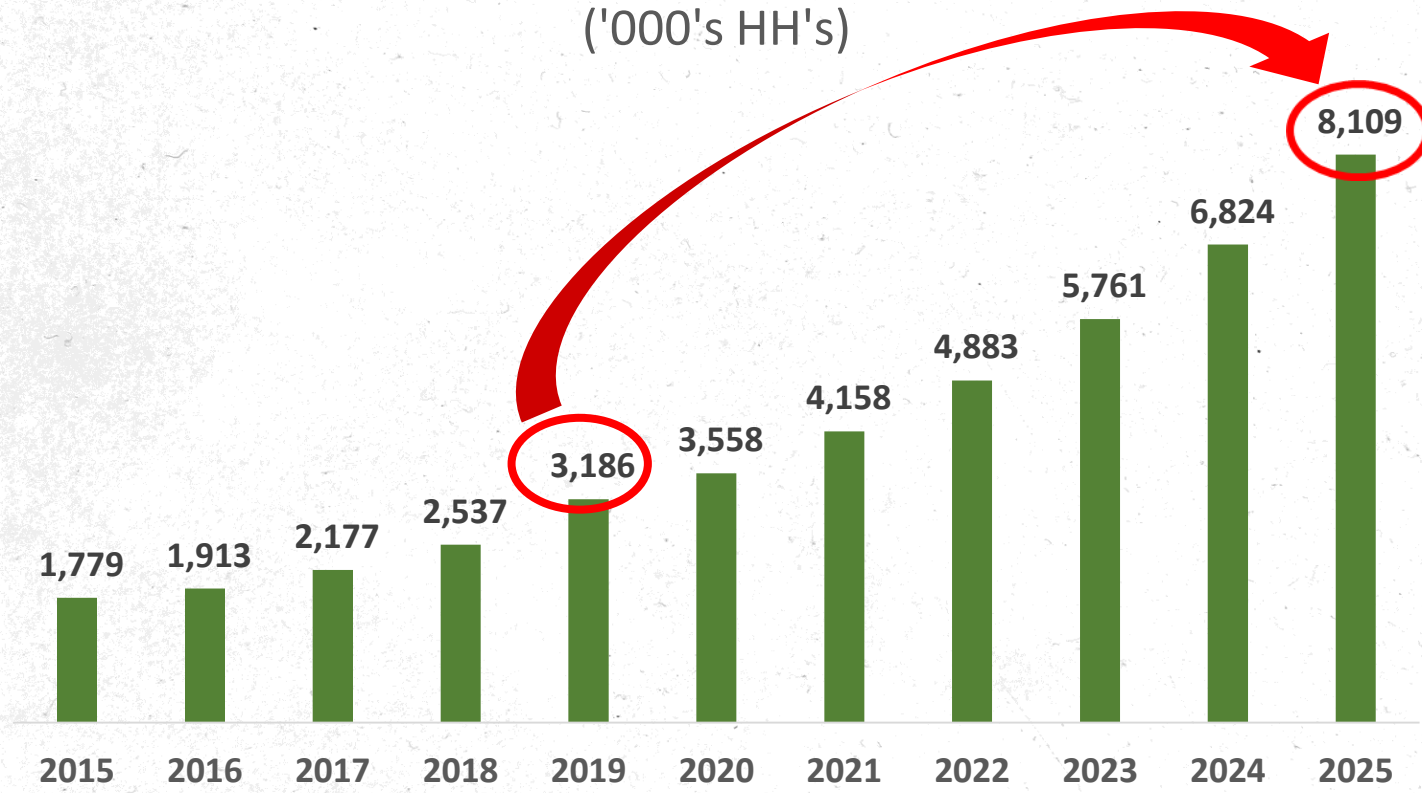
\$ in Millions	2019	2025
Net Sales	\$245.9	\$1B
Adjusted EBITDA Margin	11.9%	~25%
Media Investment	12.0%	12.0%
Free Cash Flow (excluding capacity build)	\$(10.0)	~15%
Leverage Ratio	1.9x	<3.0x

Mission: Awaken the world to a better way of feeding pets



Freshpet HH Penetration

('000's HH's)



5 million more households by 2025

Freshpet Buying Rate

\$/HH/Year

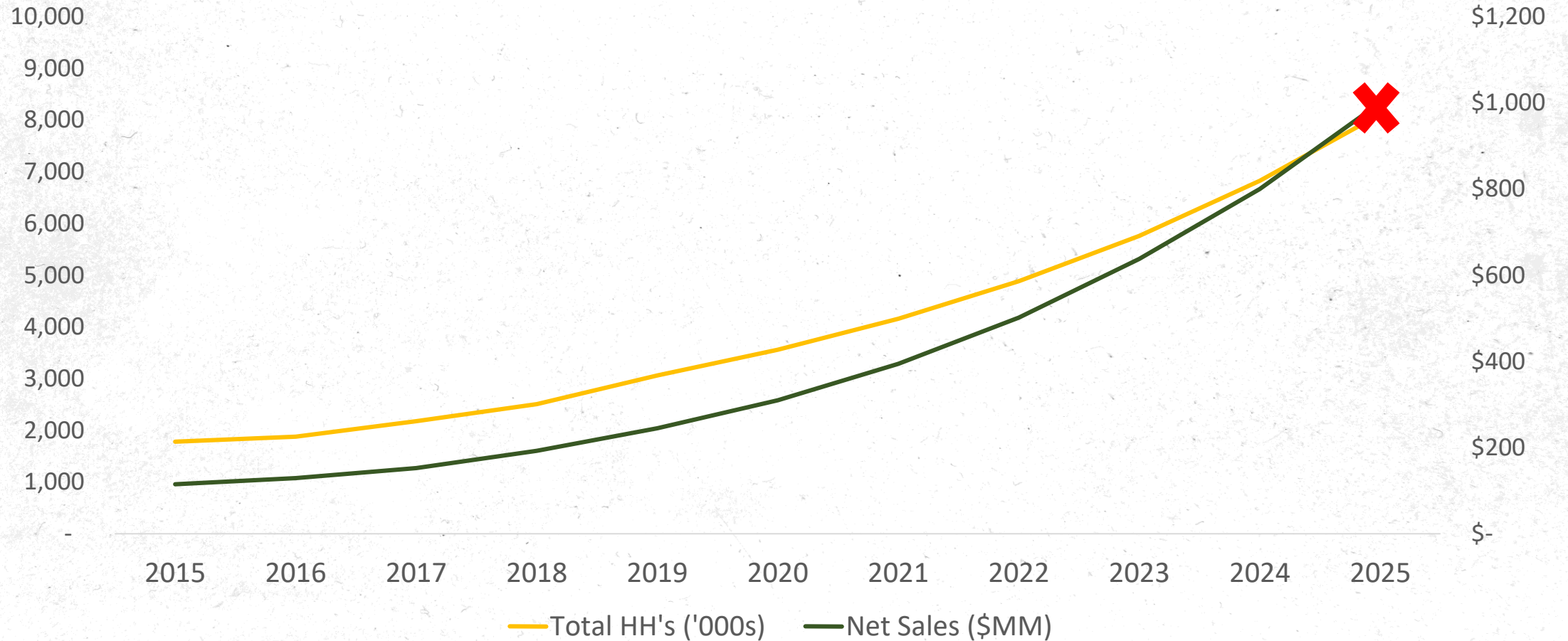


\$630 = cost to feed 30 lb. dog/year



Quality & satisfaction drives buying rate

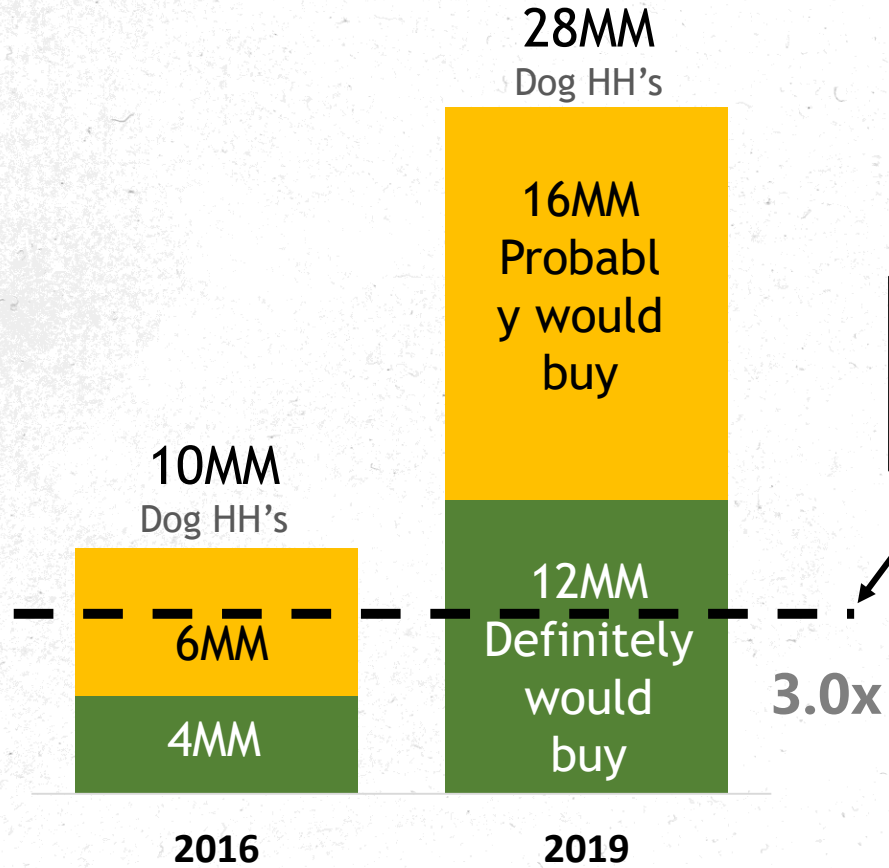
Freshpet Growth Potential



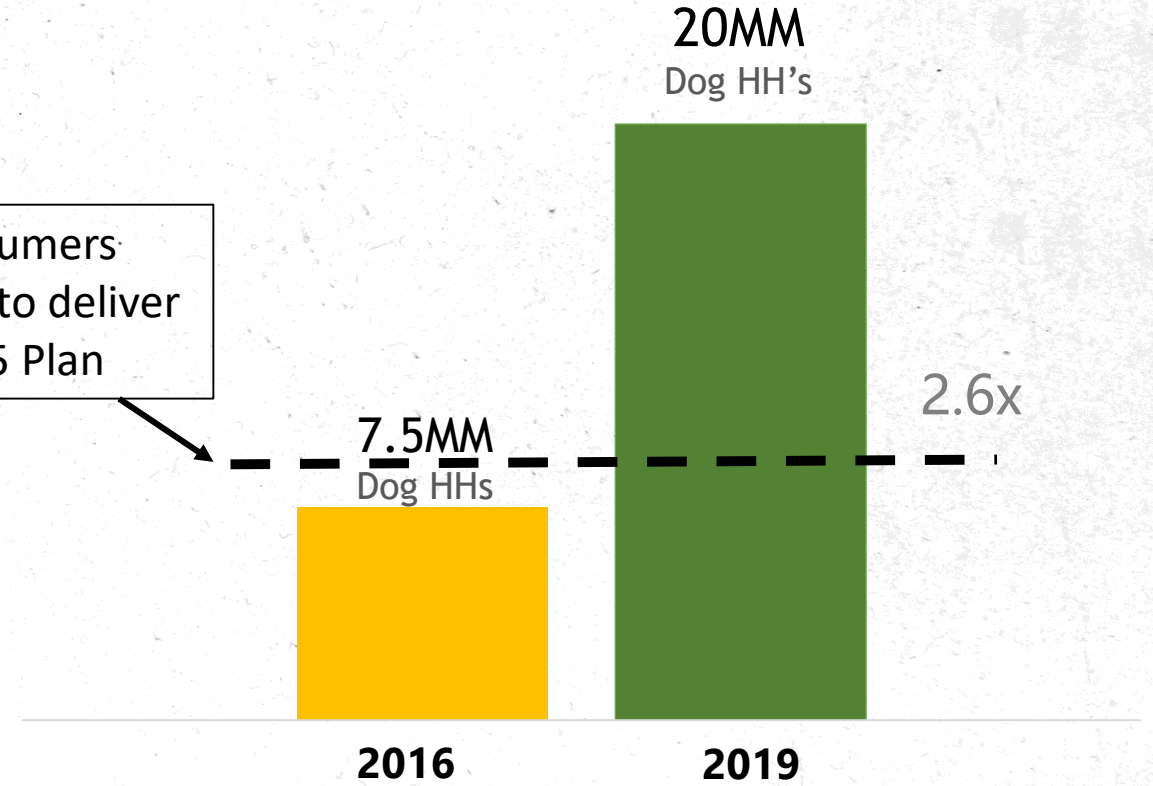
The math works: 5 MM HH's = \$1 billion



Definitely & Probably Would Buy Purchase Interest Among Never Users

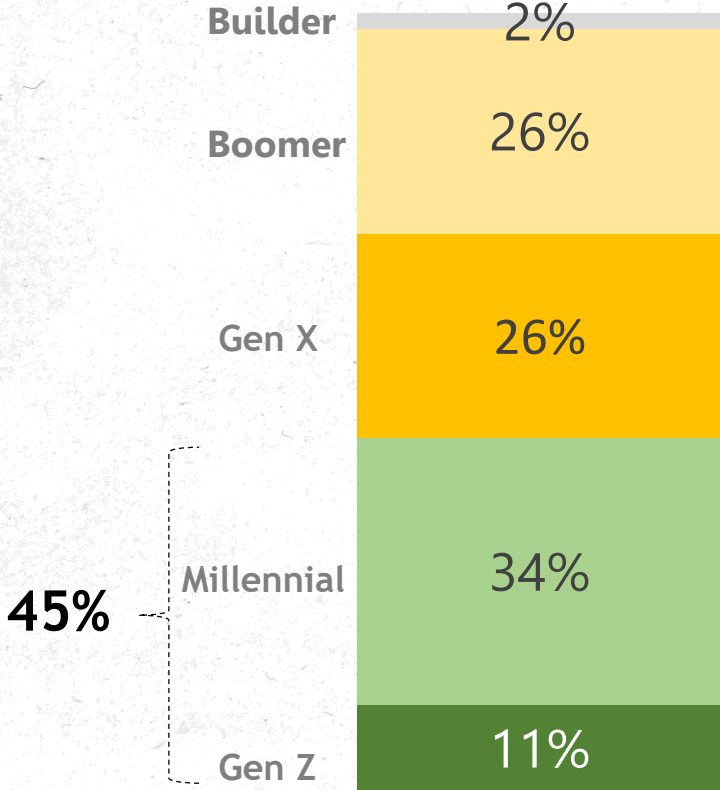


Prime Prospect Potential

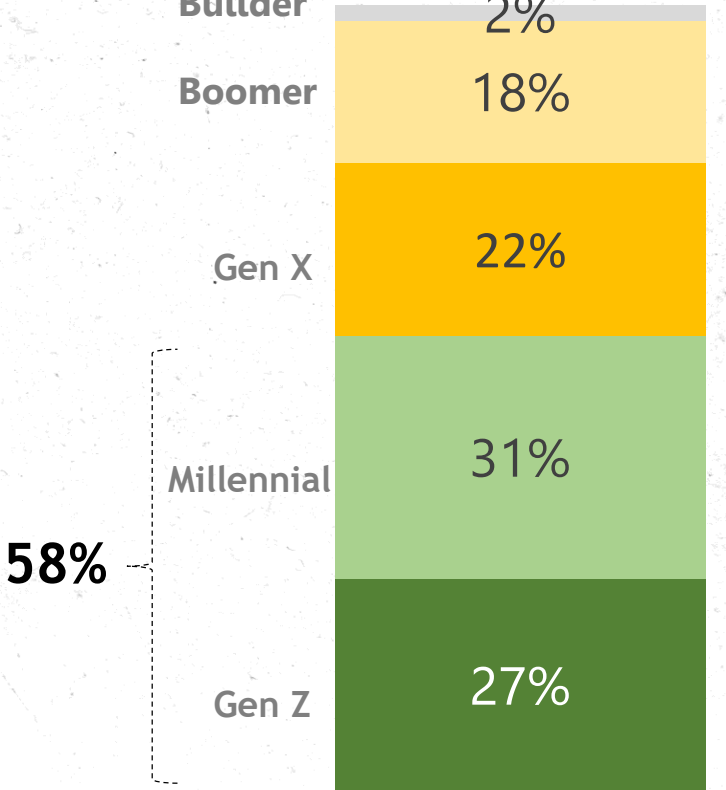


TAM has nearly tripled and is still growing providing more than enough potential demand

Dog HHs Today



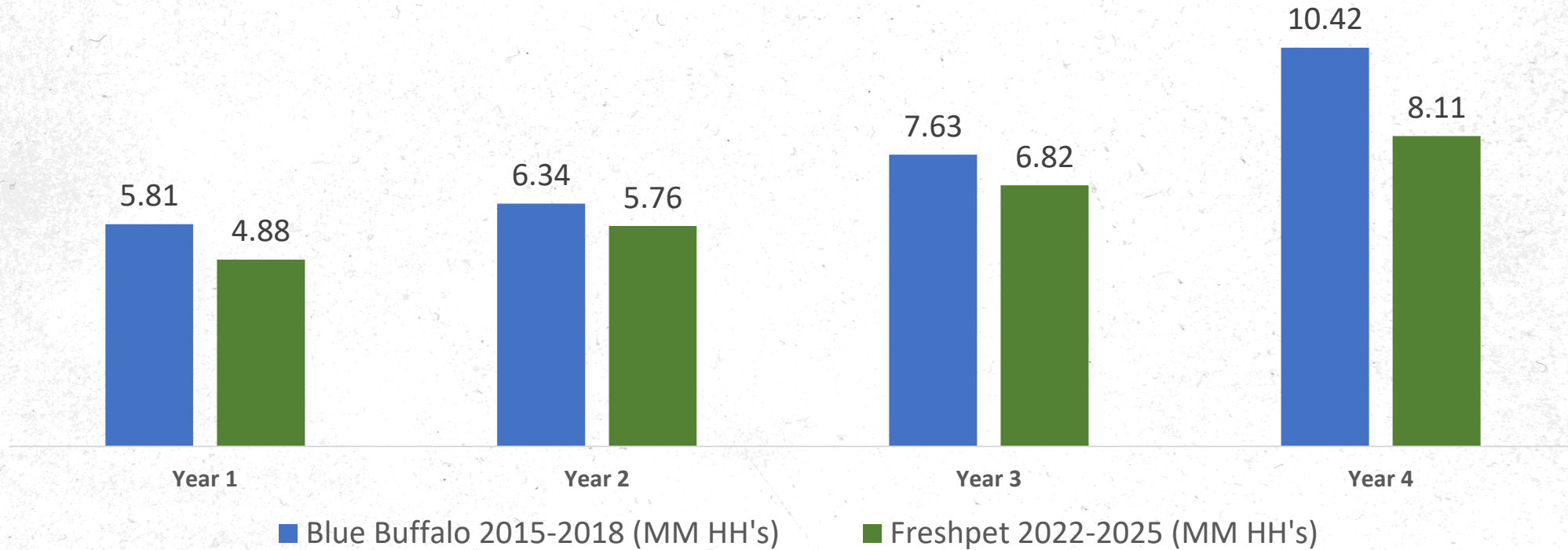
Dog HHs 2025



Demographic trends are working in our favor

Freshpet vs. Blue Buffalo

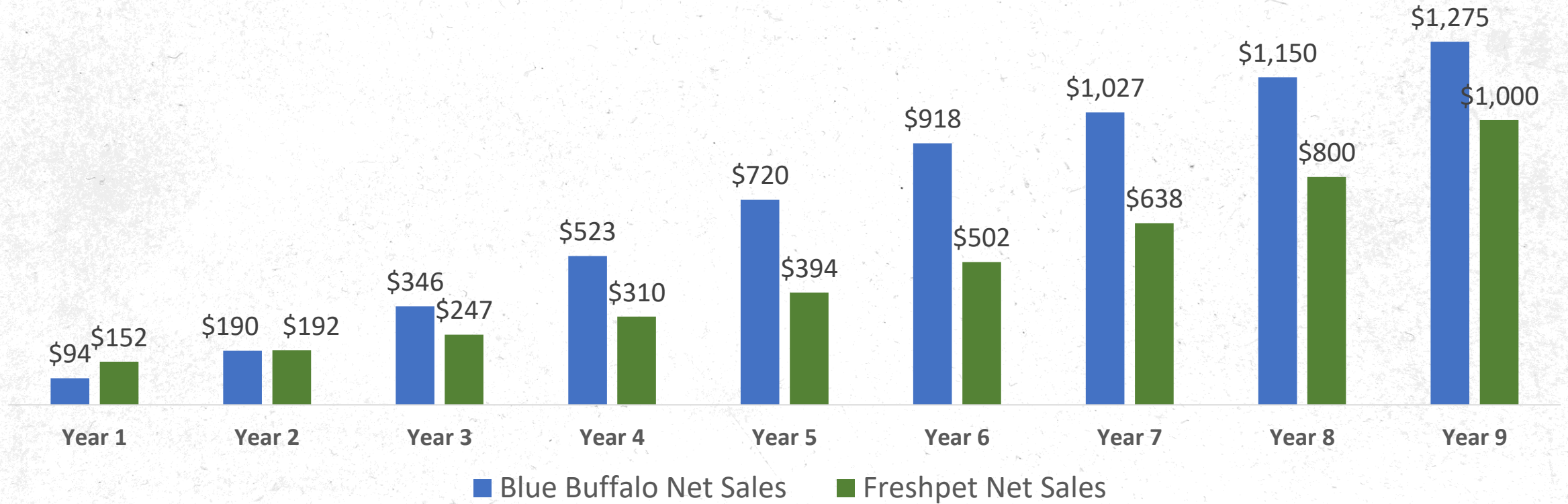
HH Penetration (MM HH's)



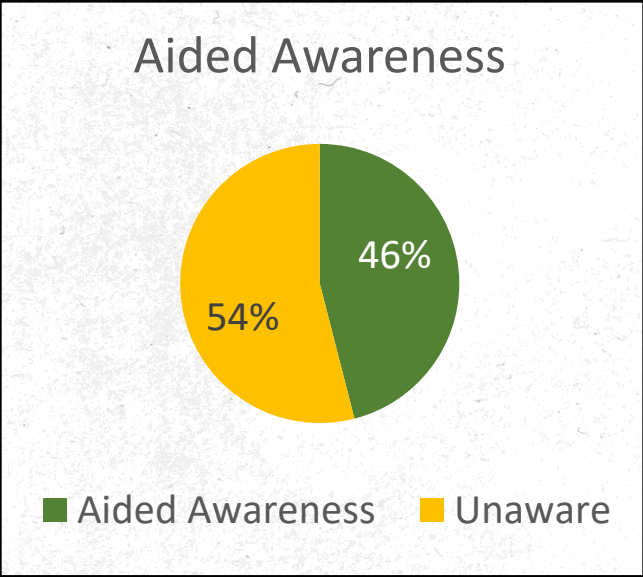
This has been done before

Freshpet vs. Blue Buffalo

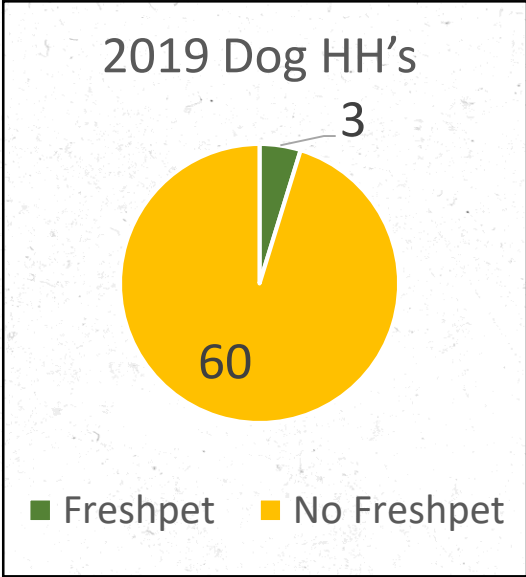
(Net Sales)



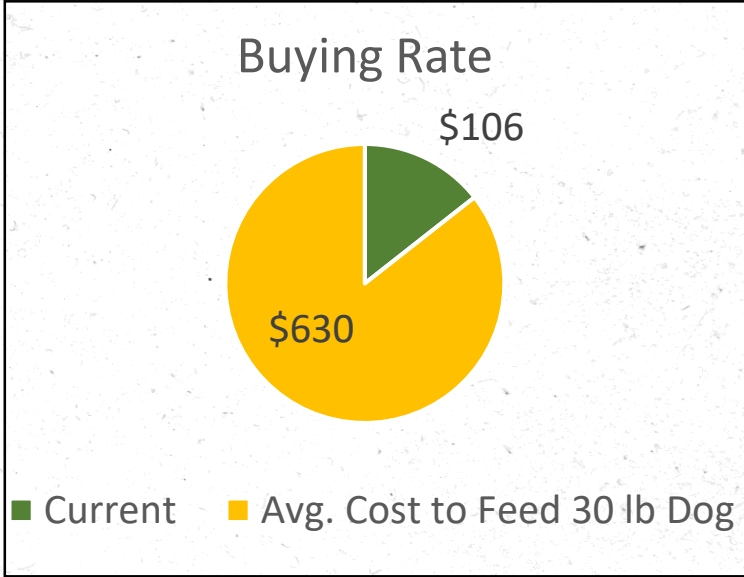
This has been done before



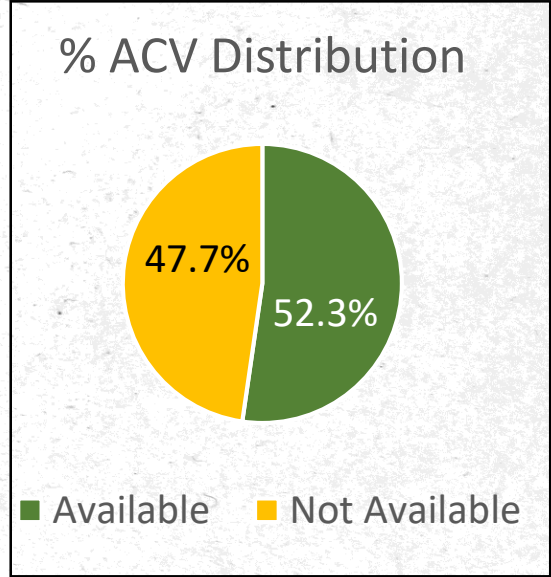
Drive Awareness



Increase Penetration

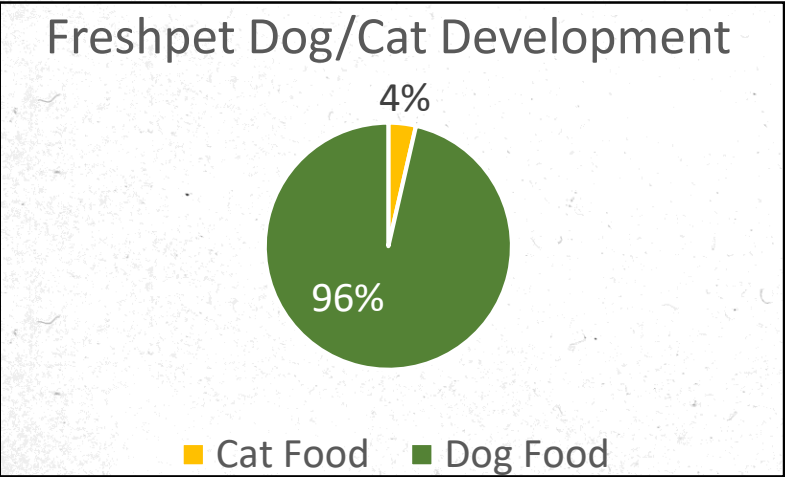


Increase Frequency of Use & Size of Dog

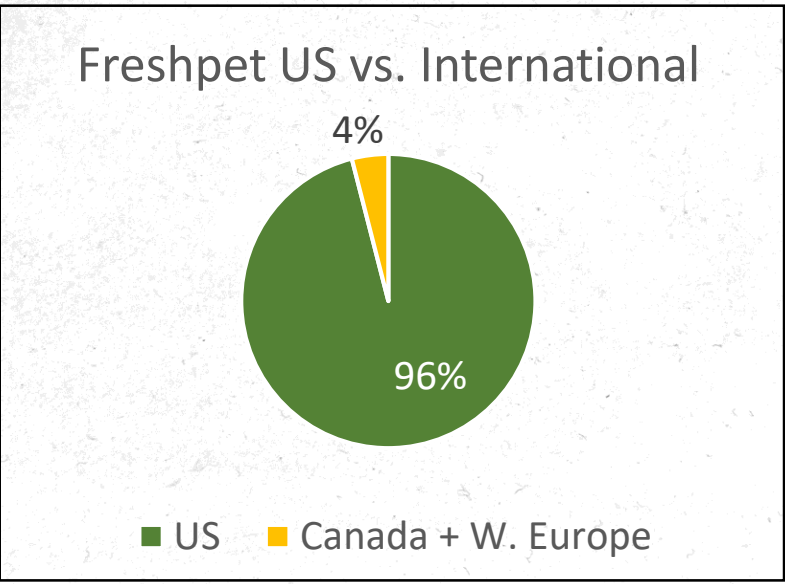
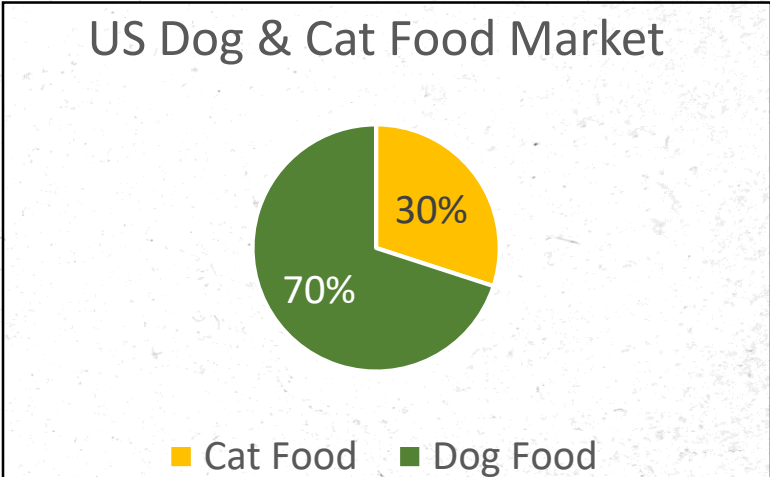


Expand Distribution

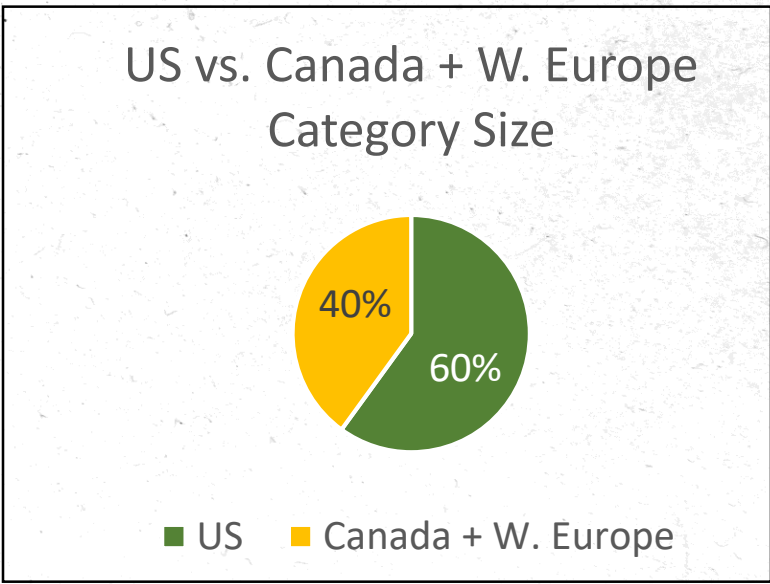
Significant opportunities to grow



Grow Cat Food



Grow Int'l.

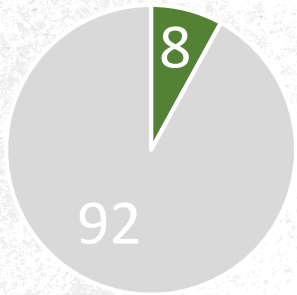


Plus opportunities in cat food and international

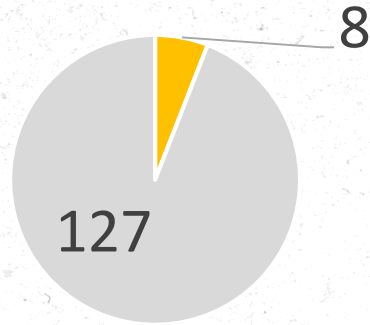
What is the scope of Freshpet in 2025?



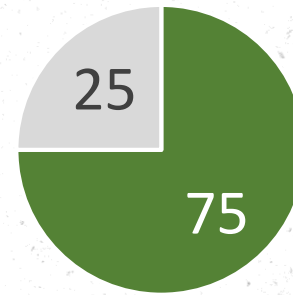
Market Share



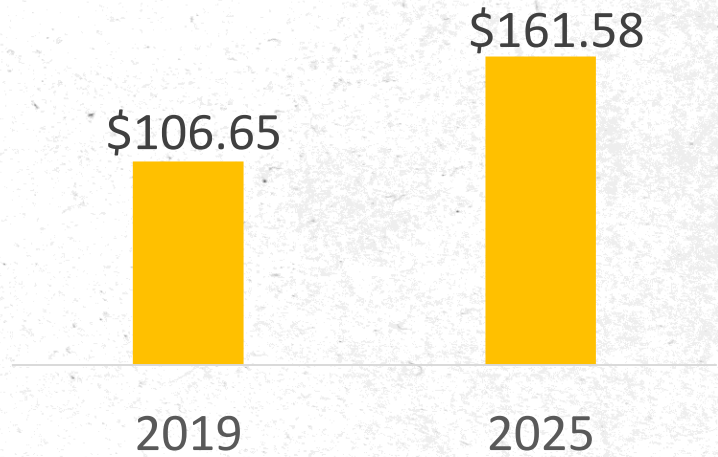
HH Penetration



Awareness



Buying Rate



■ Freshpet ■ All Others

■ Freshpet ■ Non-Freshpet

■ Aware ■ Unaware



Consumer Dimensions

Stores



>65% ACV

Technology



Technology-enabled fridges
in >50% of stores

Visibility



>1 Fridge in 4000
stores



Retail Presence

Geography



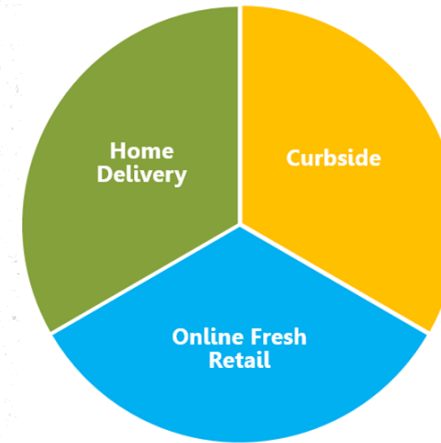
Meaningful business in UK & Canada

Species



Robust dog business & emerging cat franchise

Channels



e-commerce >10% of sales

Package Forms



Dominant form: bags



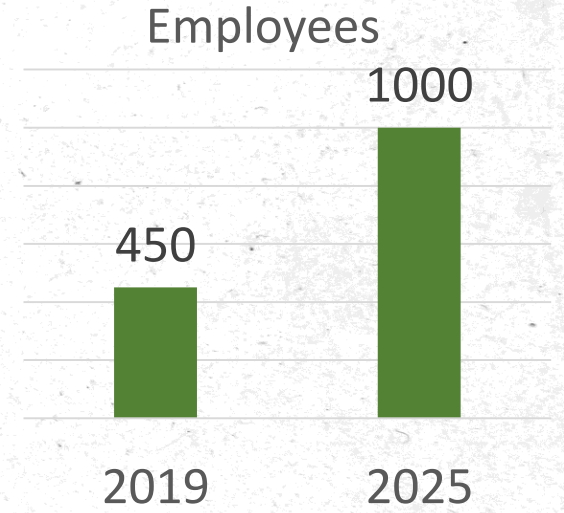
Expansion



3 Kitchens Fully Operational



Expanding Sustainability Program



Operational Dimensions

Nutrition



Expanding clinical data supporting fresh food

Satisfaction



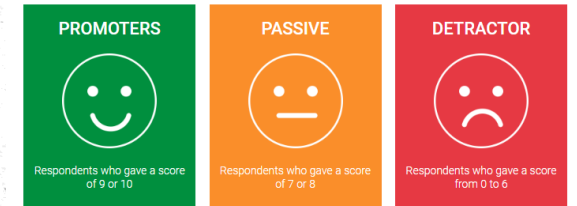
Industry-leading satisfaction

Charity



Significant pet philanthropy

Employee



Leading NPS score amongst employees



Reputation

Media Spending



>\$100 million media spending

Growth



20+% growth rate

Revenue



>\$1 billion in net sales

Profits



25% Adj. EBITDA margin
& strong free cash flow



Financial Metrics

It Is Our Time . . .



freshpet
2025
BY
FEED THE GROWTH



freshpet
It's time for fresh