



CAGNY Conference
February 19, 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, 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.



\$30 billion industry stuck in 1950



Until Freshpet, a dog's choices were really limited

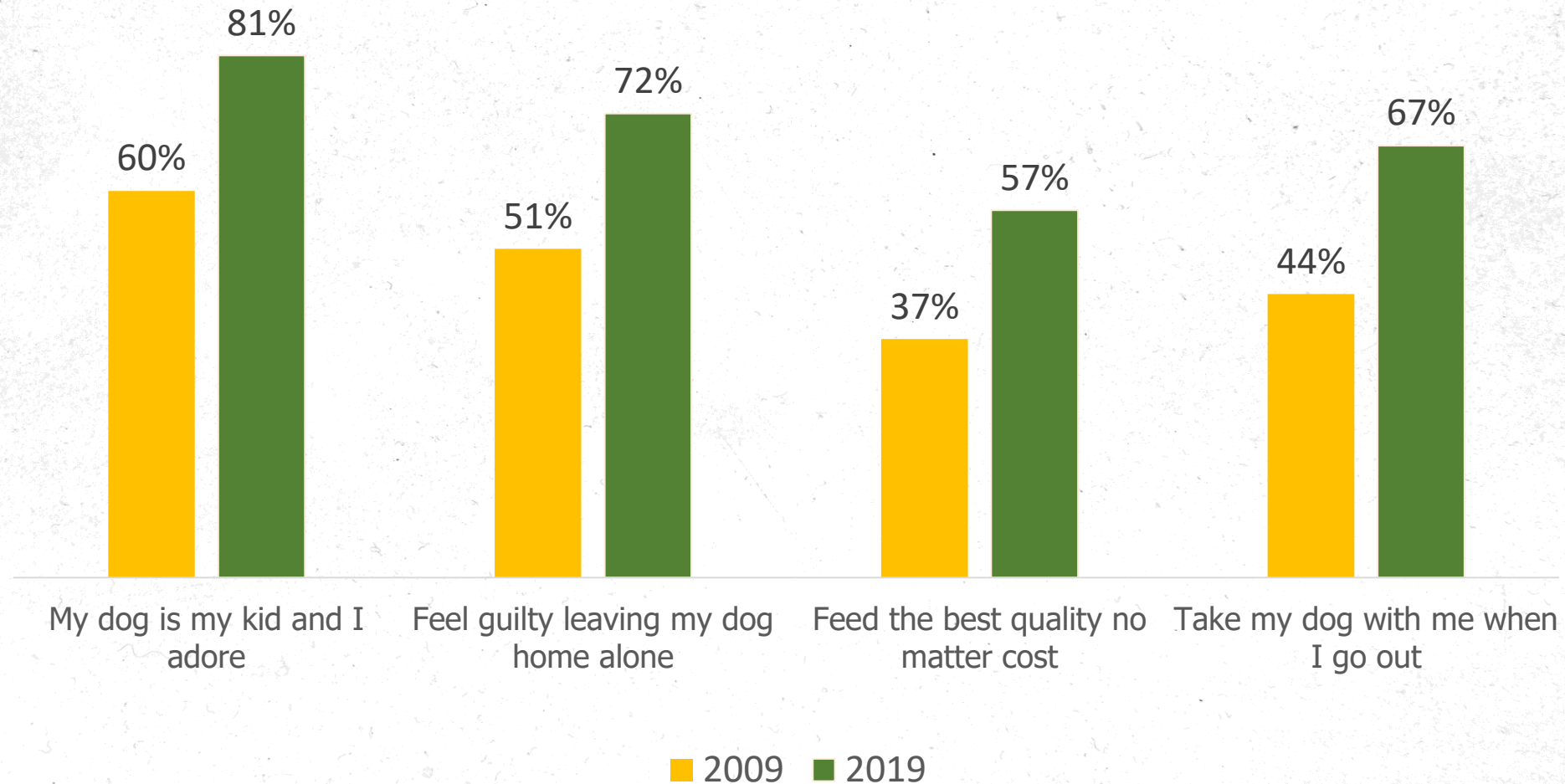
Dry Kibble



Canned
Mystery Meat

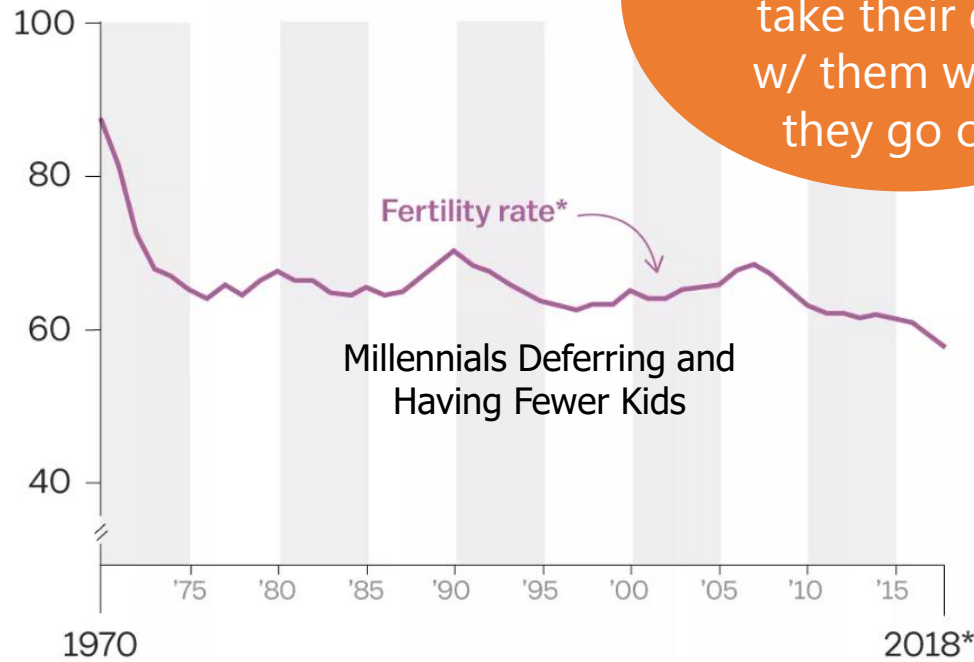


Long-term trend towards treating pets like family



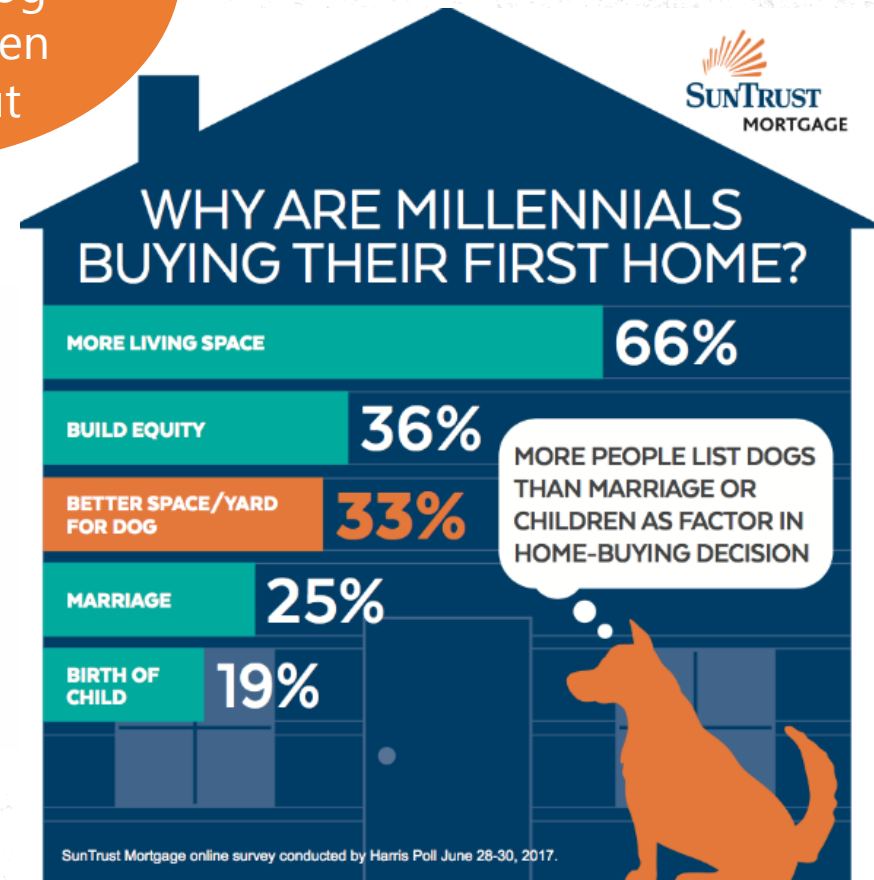
Pets replace kids

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



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



Humanization
of Pets

Fresh,
Wholesome,
All-Natural
Foods

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





SCOTT MORRIS
CO-FOUNDER / PRESIDENT



DICK KASSAR
CFO, VICE-CHAIRMAN
10/1/20



BILLY CYR
CEO

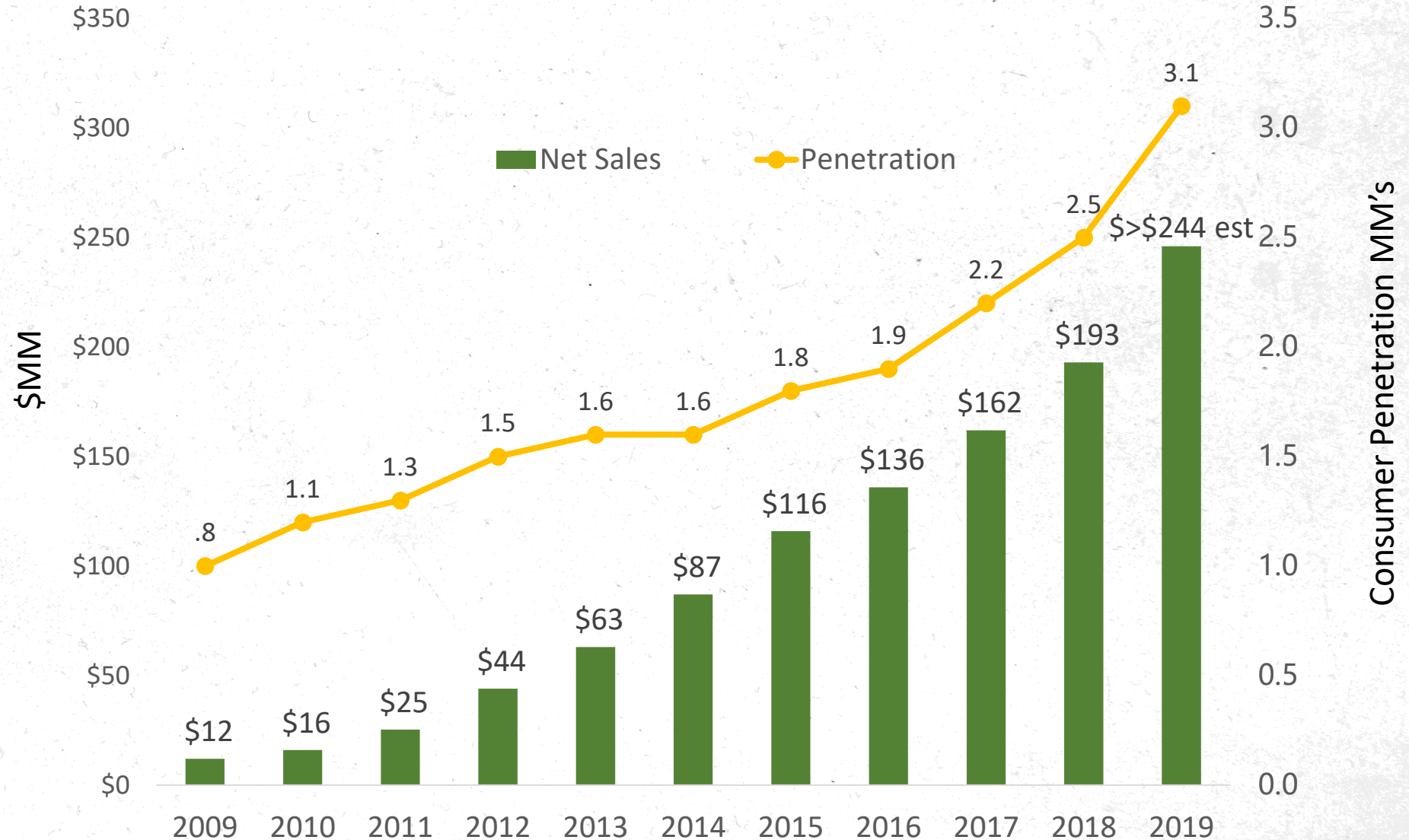


HEATHER POMERANZ
EVP FINANCE, CFO 10/1/20

Management Team Capable of Driving Through Growth Phases

Strong historical revenue growth primarily driven by consumer penetration

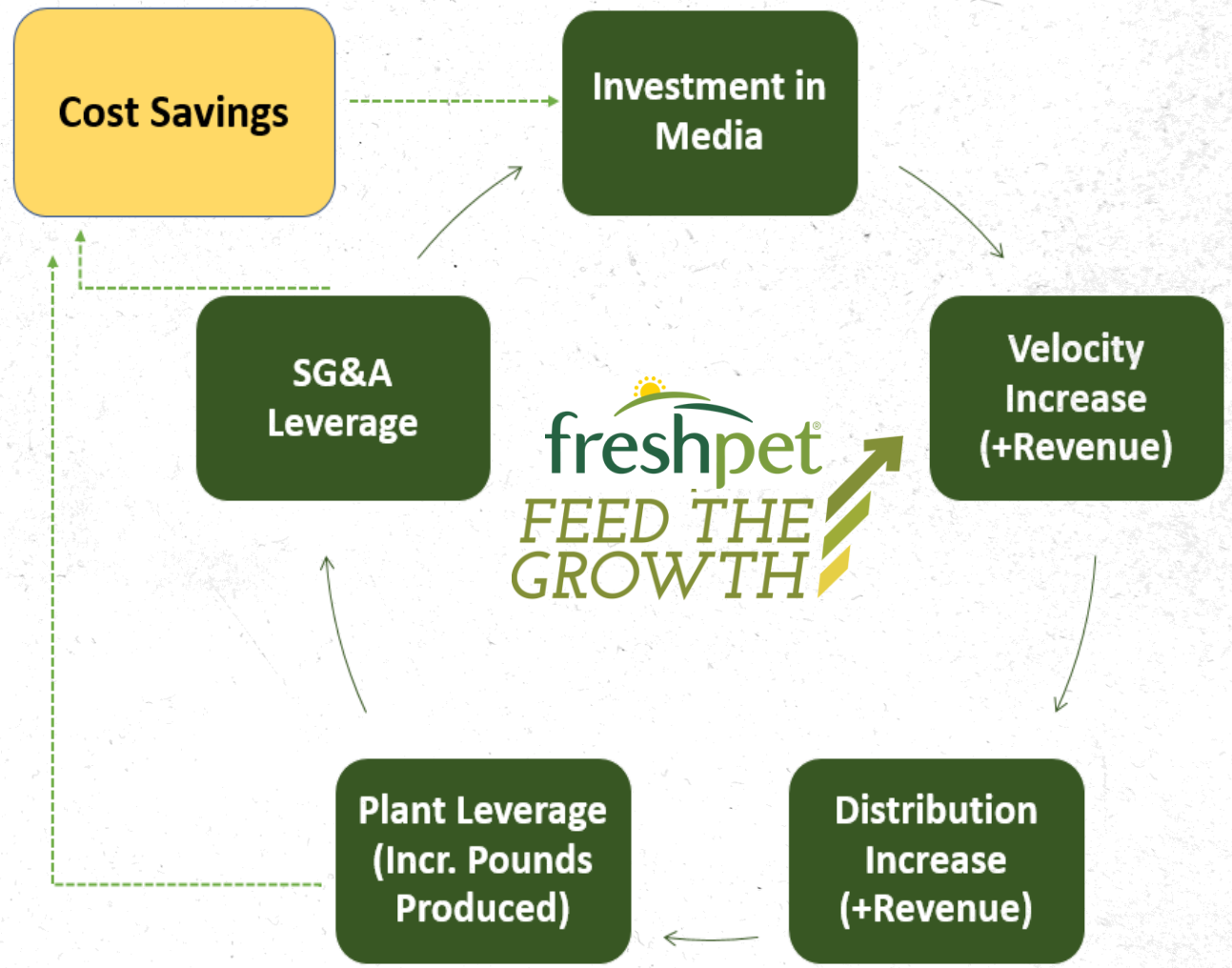
>25% growth
in penetration
and net sales



Source: Nielsen HH Panel for the period ending Dec 2019

2017: Launched Feed the Growth

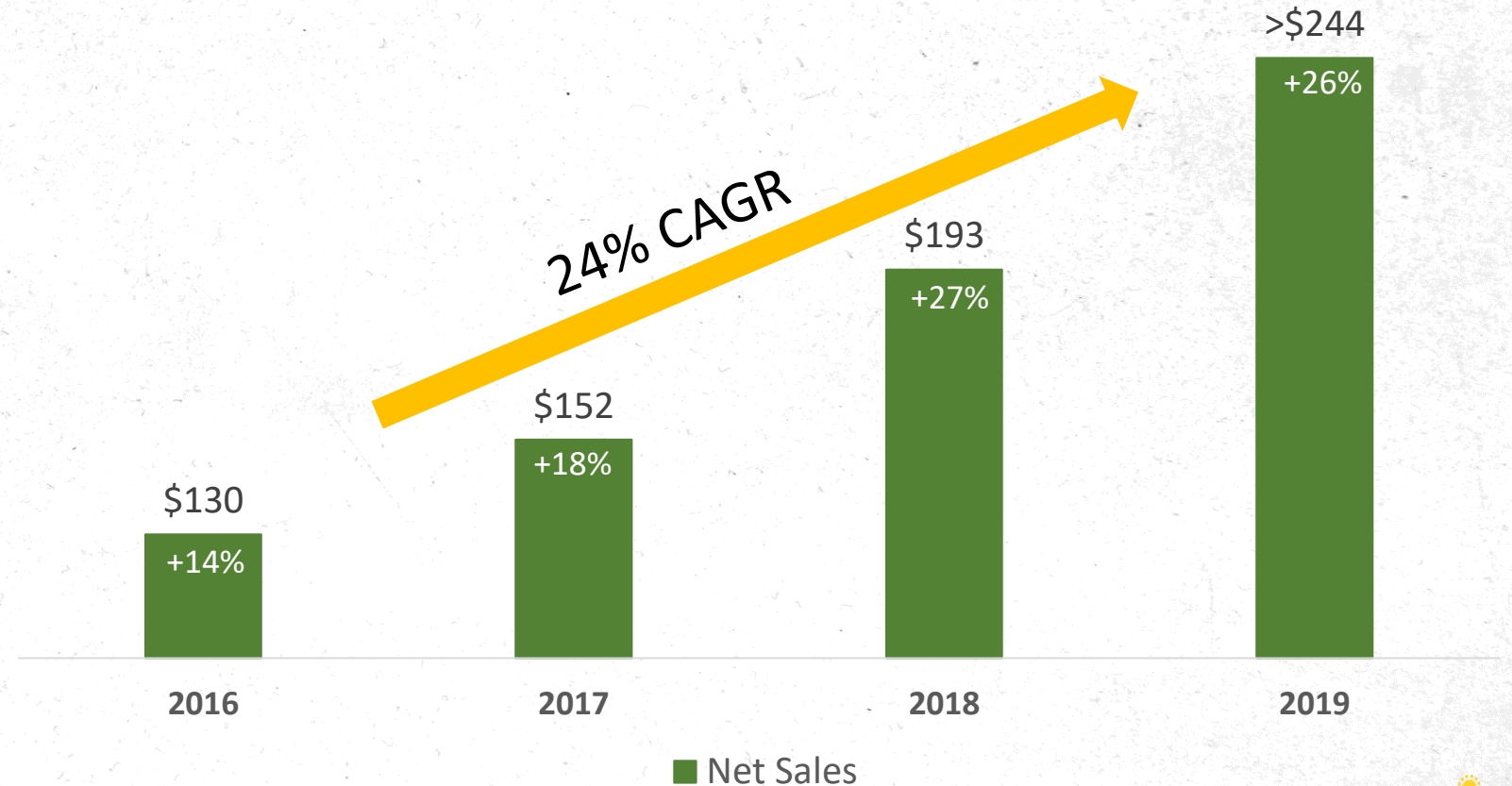
Goal: \$300 million in Net Sales as soon as 2020



Media investment re-accelerated growth

6 of the last 7
quarters >25%
growth

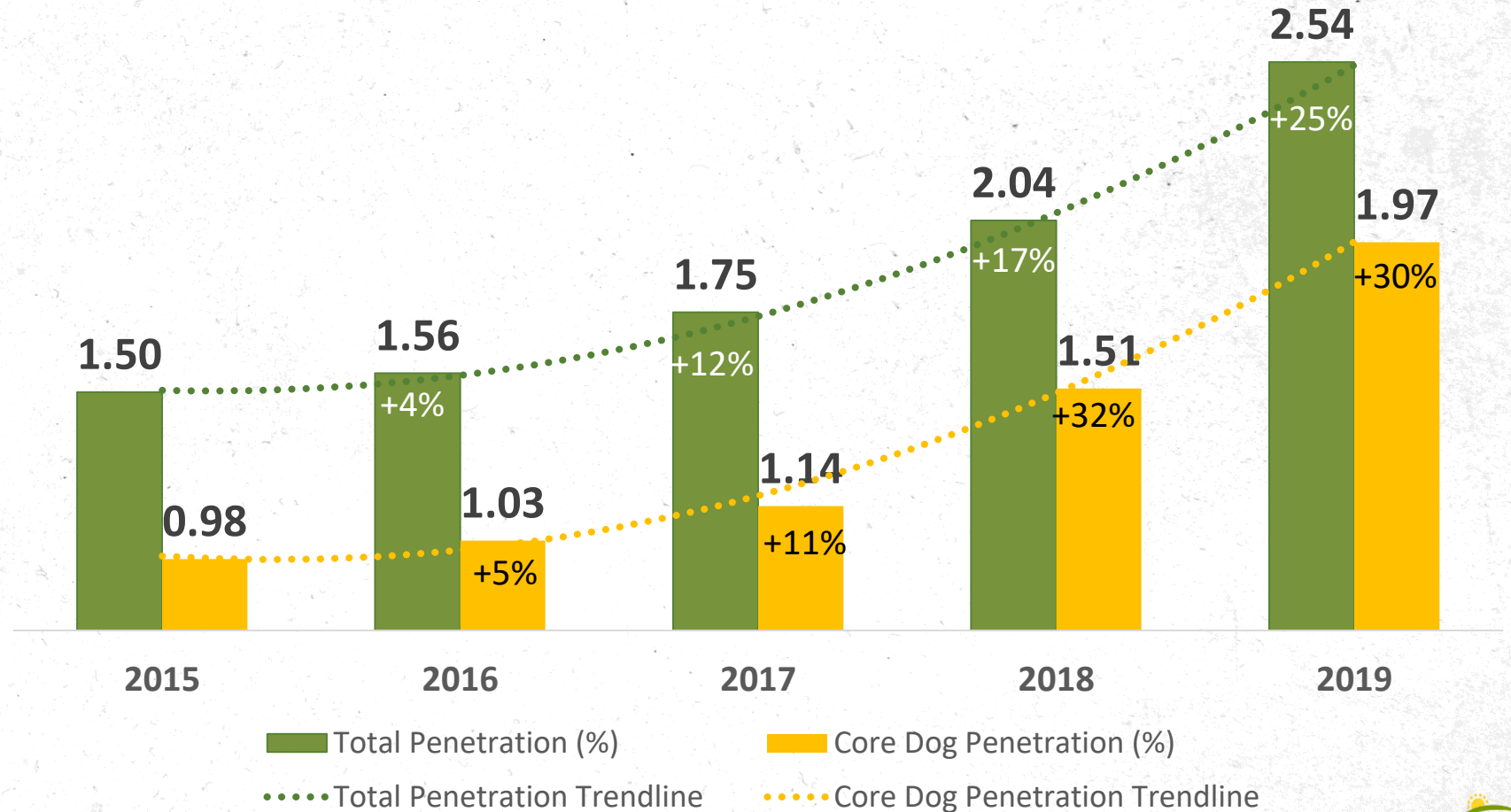
Freshpet Net Sales



Accelerating penetration growth

Almost doubled
Core Dog HH
penetration in 3
years

Freshpet Penetration Growth



Source: Nielsen HH Panel for the period ending Dec 2019

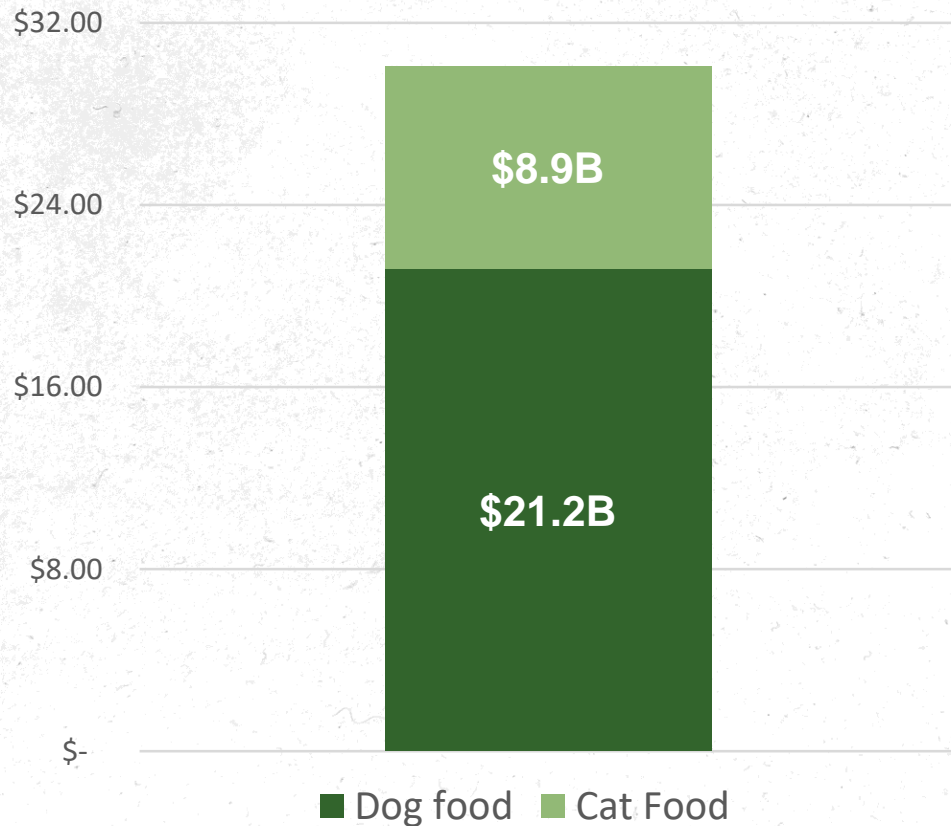
Piper

Freshpet
roll lover

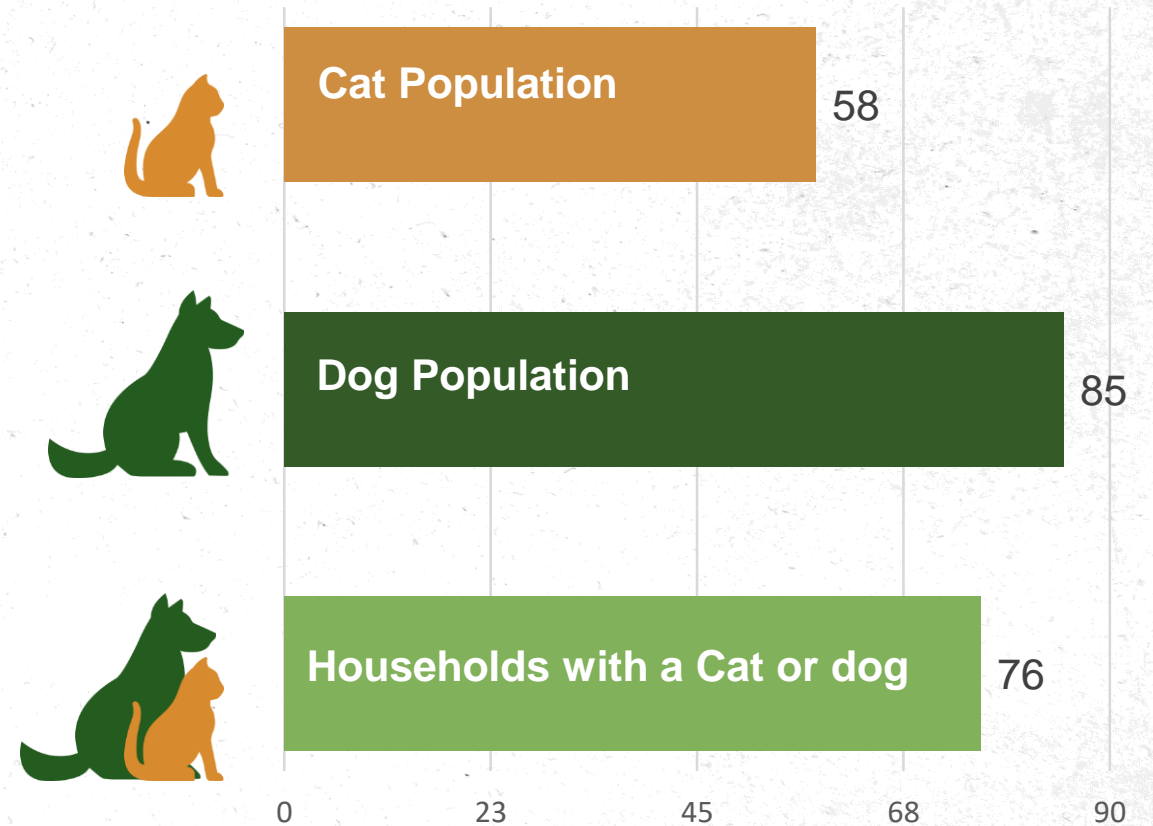


US PET FOOD MARKET QUICK FACTS

\$30B+ of pet food sales in the US
2019 Growth ~+7%



Pet Population & Households # in MM's



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



FRESHPET HAS THE POTENTIAL TO
CHANGE THE WAY PEOPLE NOURISH
THEIR PETS
Forever...

WHILE PETS, PEOPLE AND
THE PLANET THRIVE



We operate differently:

A healthier happier world where pets people and planet thrive



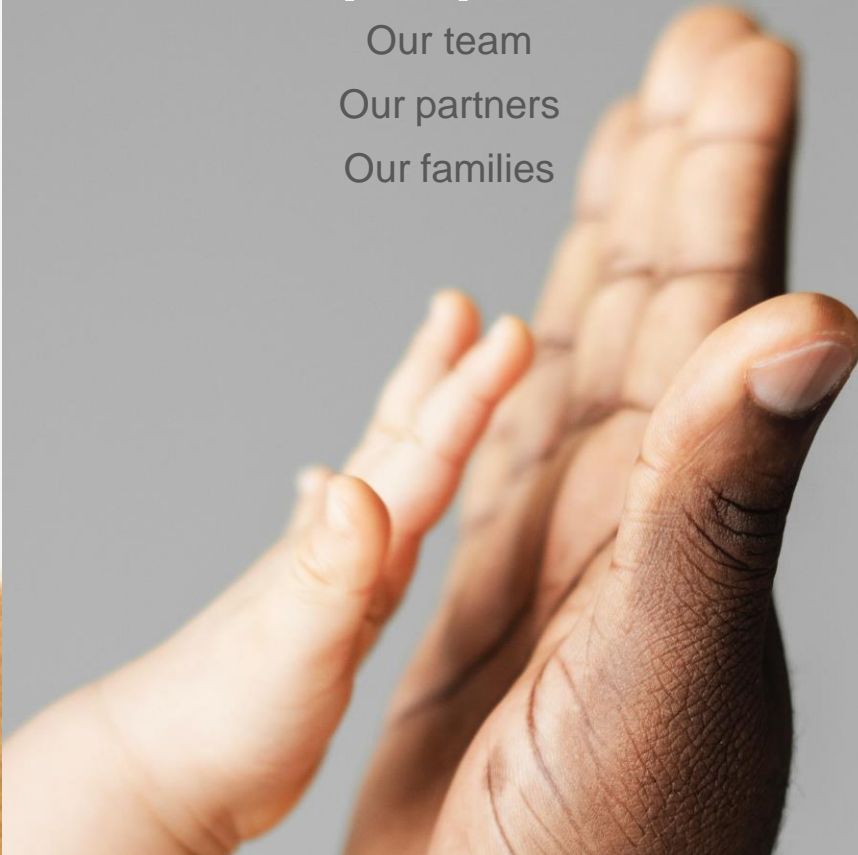
pets.

The power of fresh
natural & simple foods
Less processed
Acts of kindness



people.

Our team
Our partners
Our families



planet.

Renewable energy
Carbon footprint offset
Conservation – land fill free
Sustainable practices



Our nutritional ideology is aligned with how consumers think about good food

We start with fresh ingredients and end with fresh pet food



100% natural farm raised
poultry, beef & fish



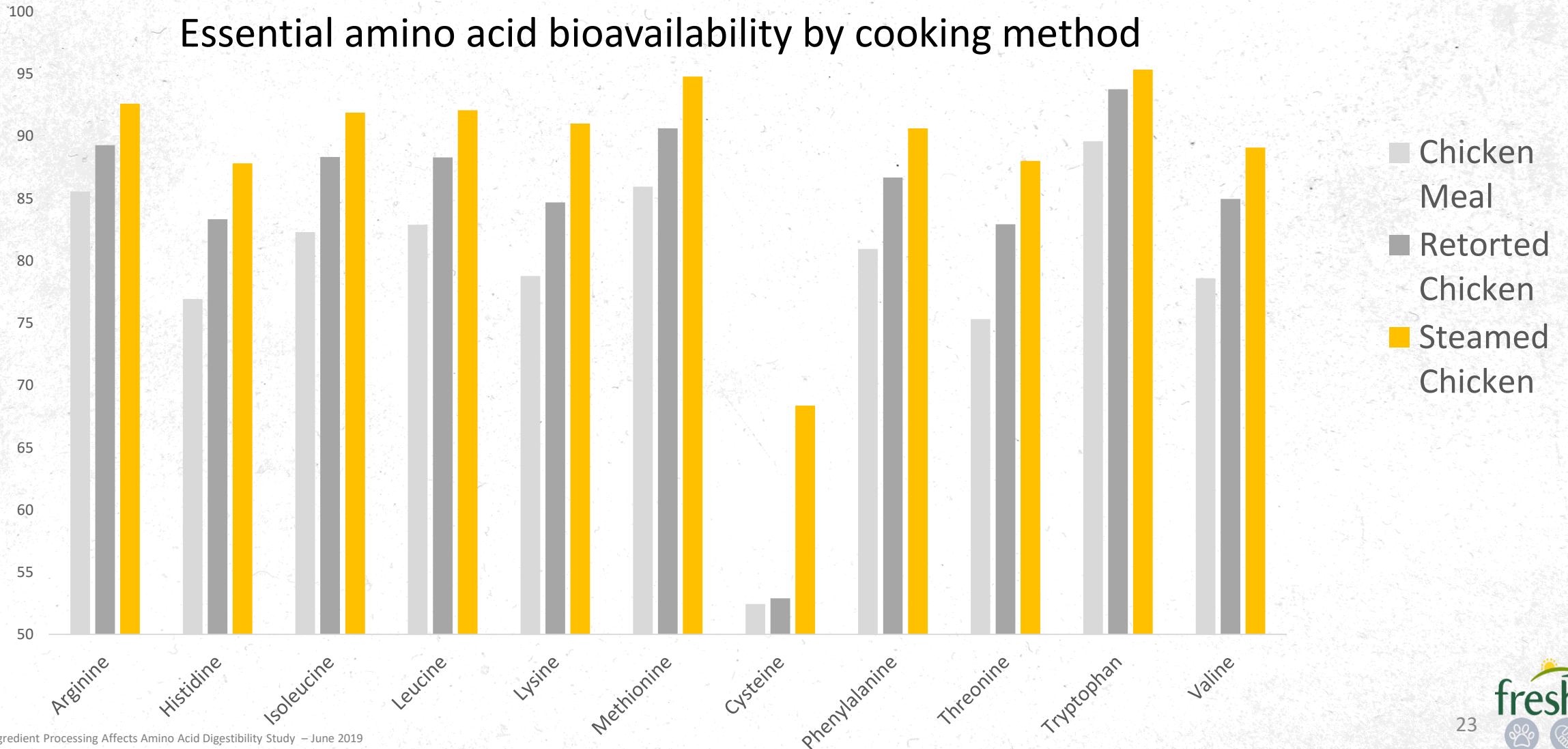
Fiber packed garden veggies



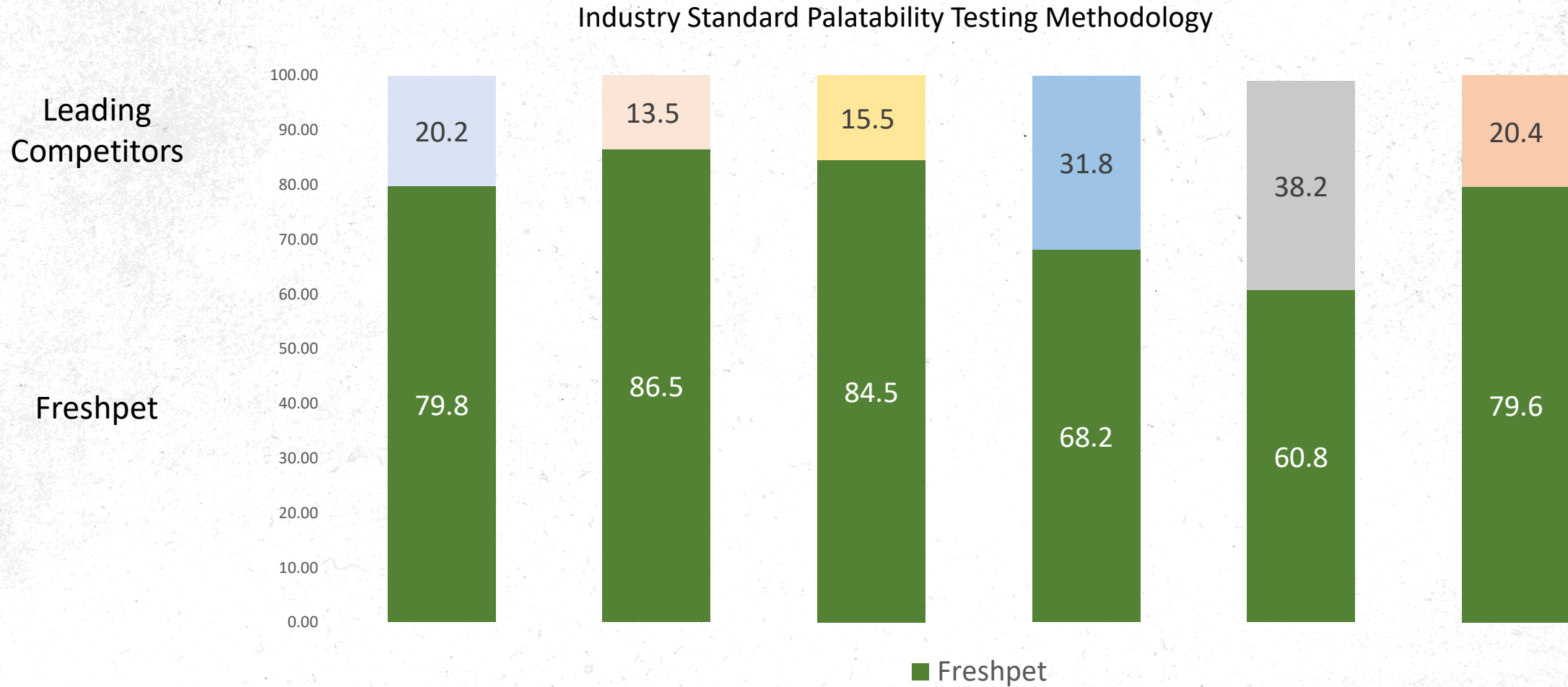
Antioxidant-rich fruits



Lightly cooked to deliver optimal nutrition

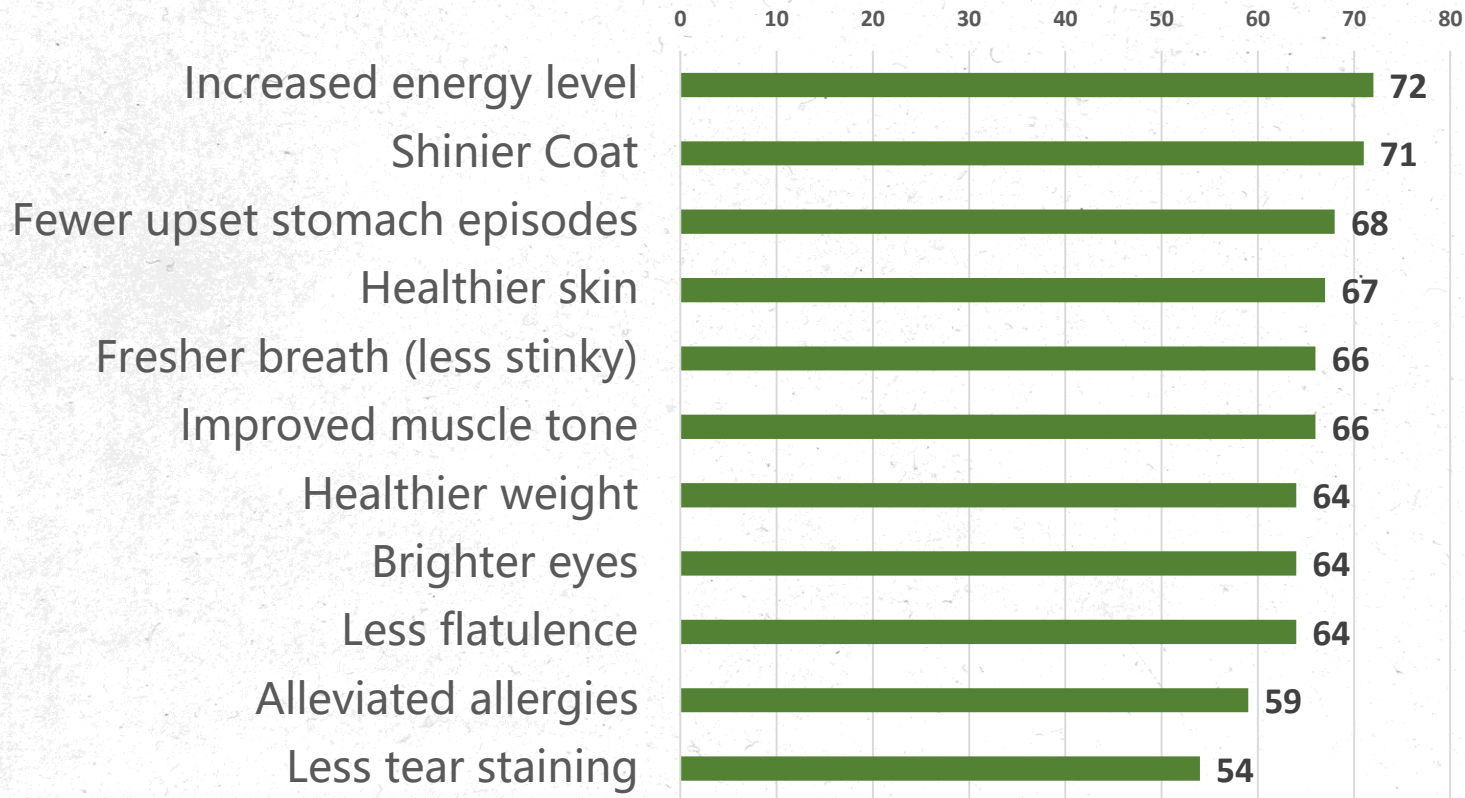


Category-leading palatability reinforces quality and fulfills emotional motivations

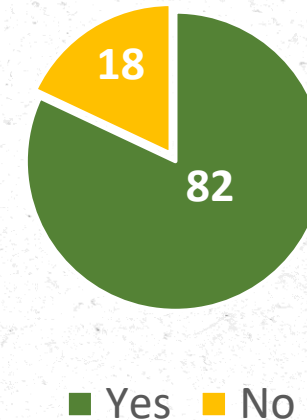


82% of Consumers Report Visible Health Difference

% Noticed Visible Health Difference



Noticed a Visible Health Difference



Source: Freshpet Visible Difference Study 2018

Delivering a noticeable impact on pets' wellbeing

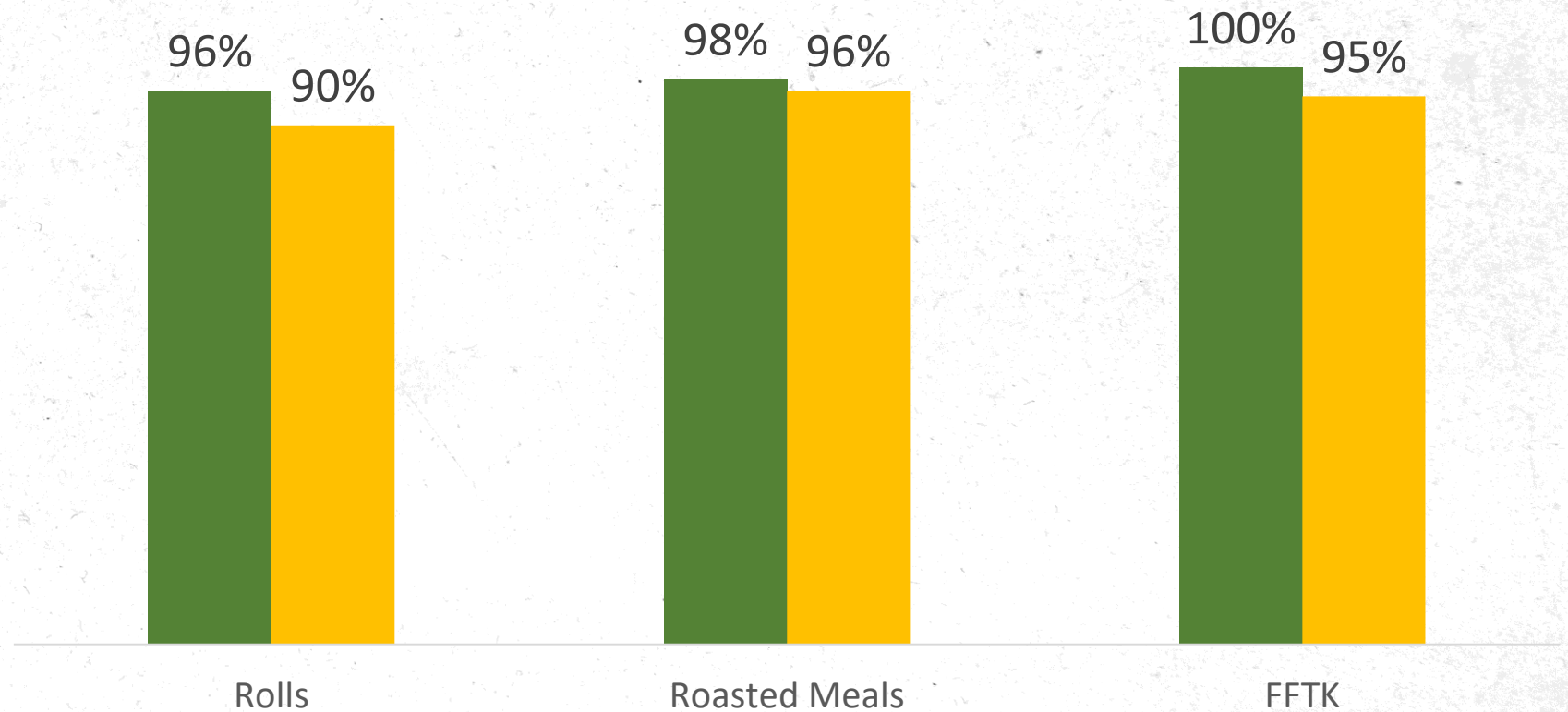
Creating Category Leading Satisfaction



Crazy Healthy,
Crazy Delicious

Freshpet Product Satisfaction

Top Two Box Percentages
Among Regular FP Users



■ % Extremely/Very Satisfied on Product Satisfaction
■ % Agree Completely/Somewhat on Good Value

Source: Freshpet Quality and Satisfaction Study, July 2018

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



HOW FRESHPET GROWS, OUR MODEL IS SIMPLE

Advertising



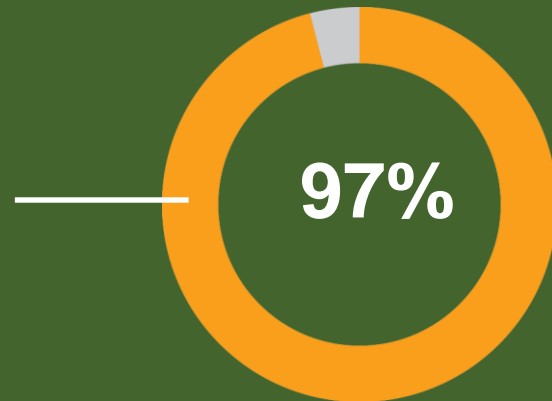
Availability & Visibility



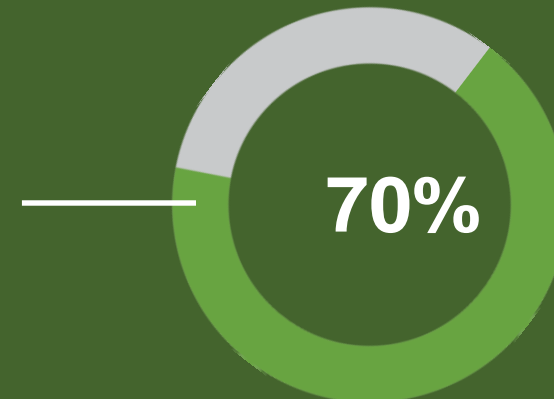
Innovation



Product Satisfaction
Extremely & Very Satisfied



Freshpet Repeat Rate

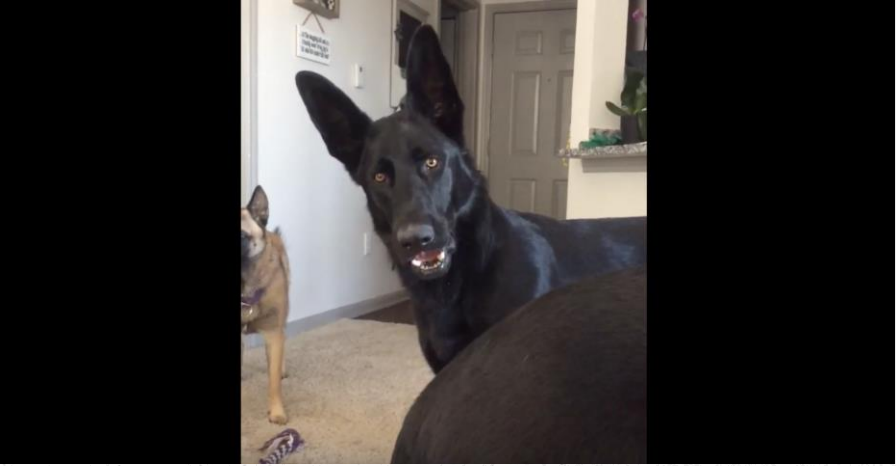


BRINGING THE FRESHPET VALUE PROPOSITION TO LIFE



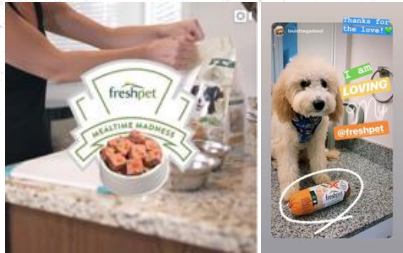
Letters
Consumer testimonial
Heart-first storytelling

ANCHOR CAMPAIGNS



Awakening
Humor to deliver a challenging message
Head-first storytelling

PET LOVE



BENEFITS OF FRESH



TAILS OF GOOD

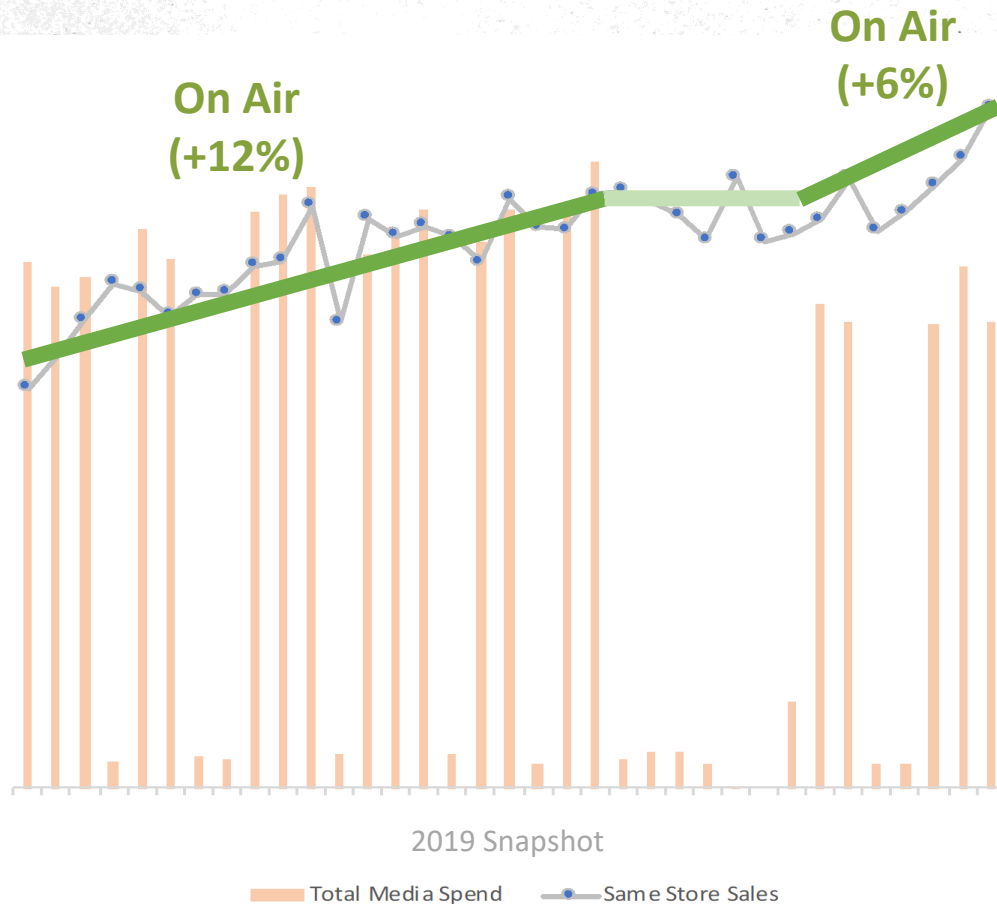


PROOF POINTS



Media model fuels penetration growth and same store sales

Same Store Sales Growth & Media Spending

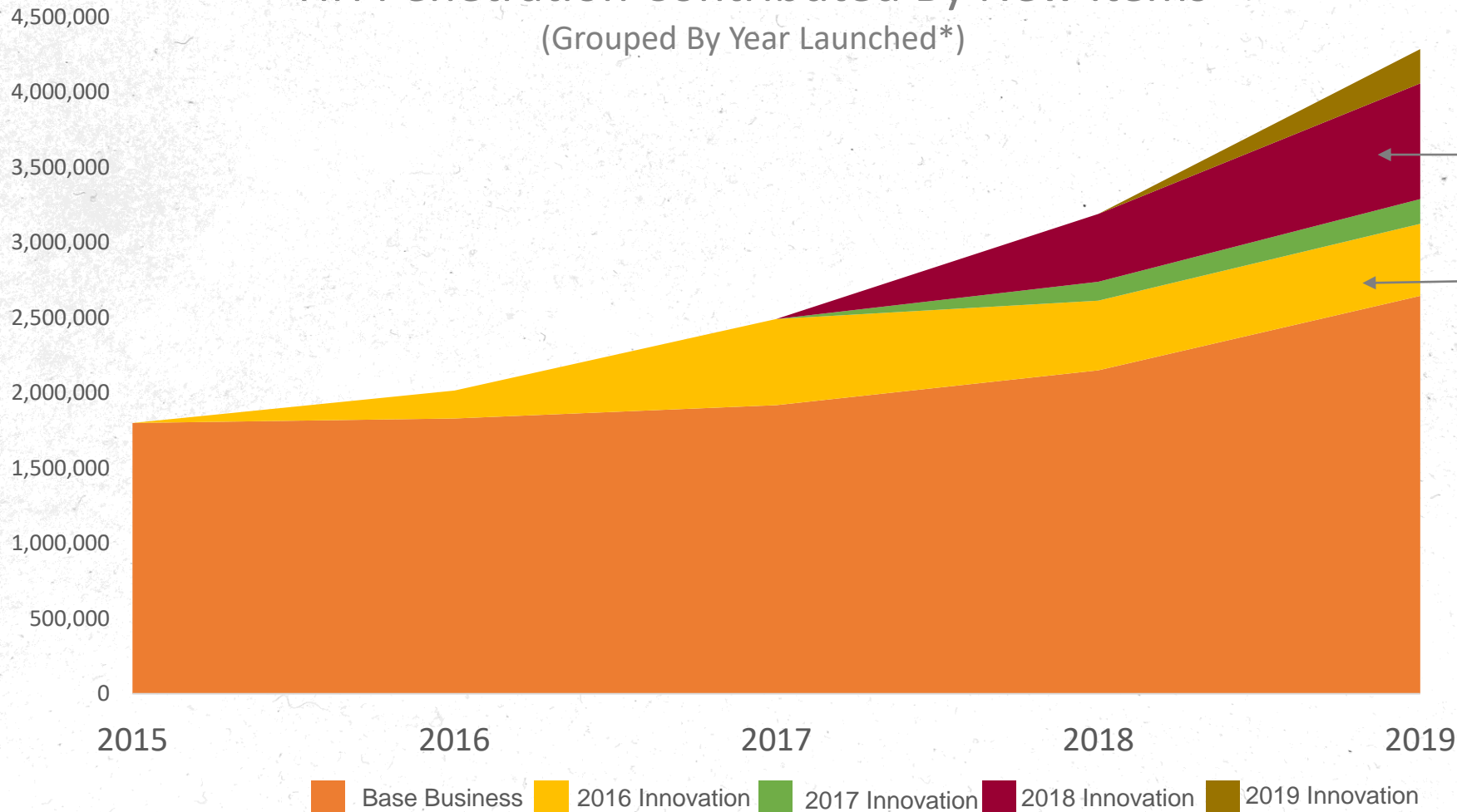


2019 vs. 2017

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

Innovation has been successful at attracting incremental households

HH Penetration Contributed By New Items
(Grouped By Year Launched*)



Small Dog



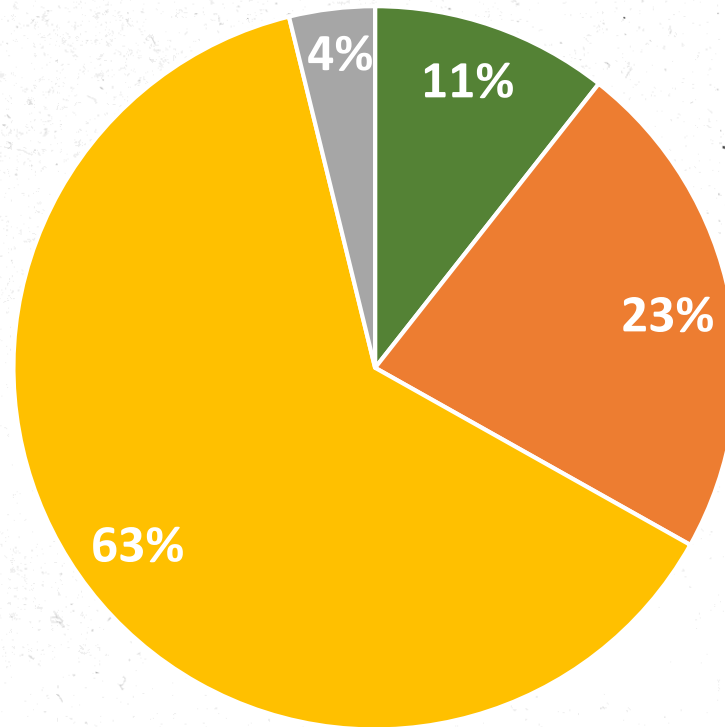
Fresh From The Kitchen



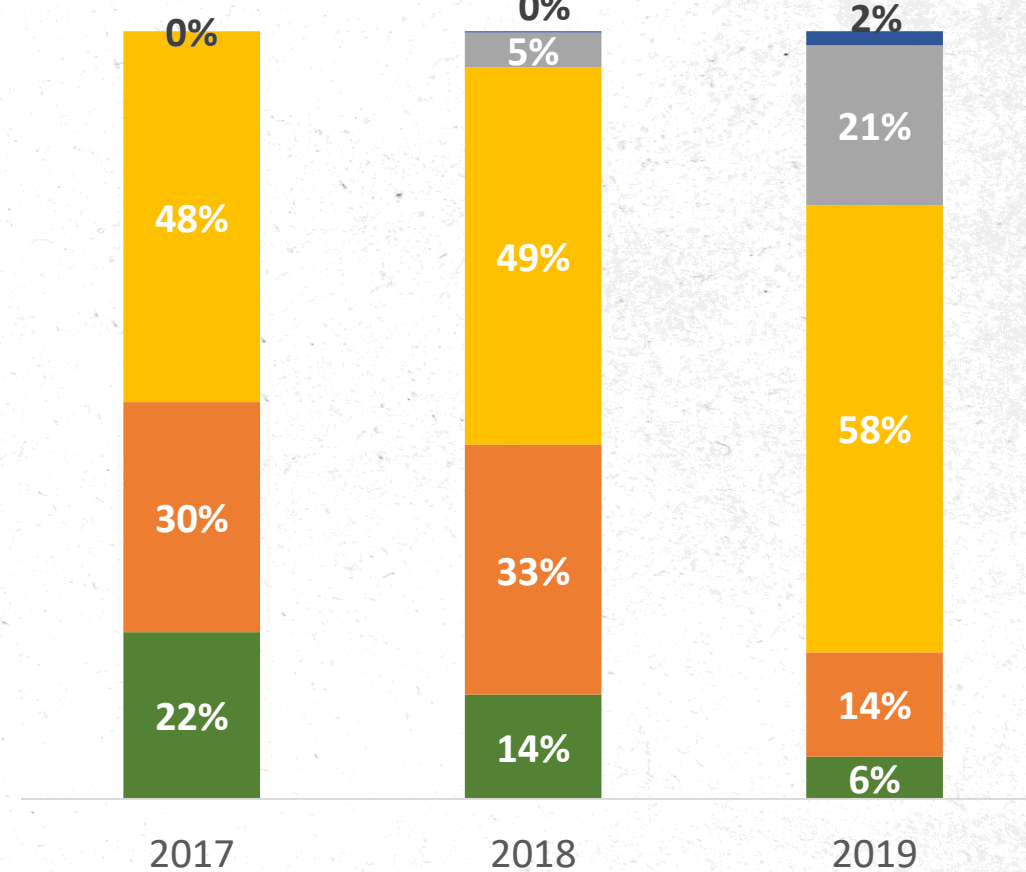
Increasing mix of large & multi-fridge stores

67% of stores have at least one large chiller

Freshpet Fridge Fleet Composition
(US stores only)



New Fridge Installations by Size
(US Fridges Only)



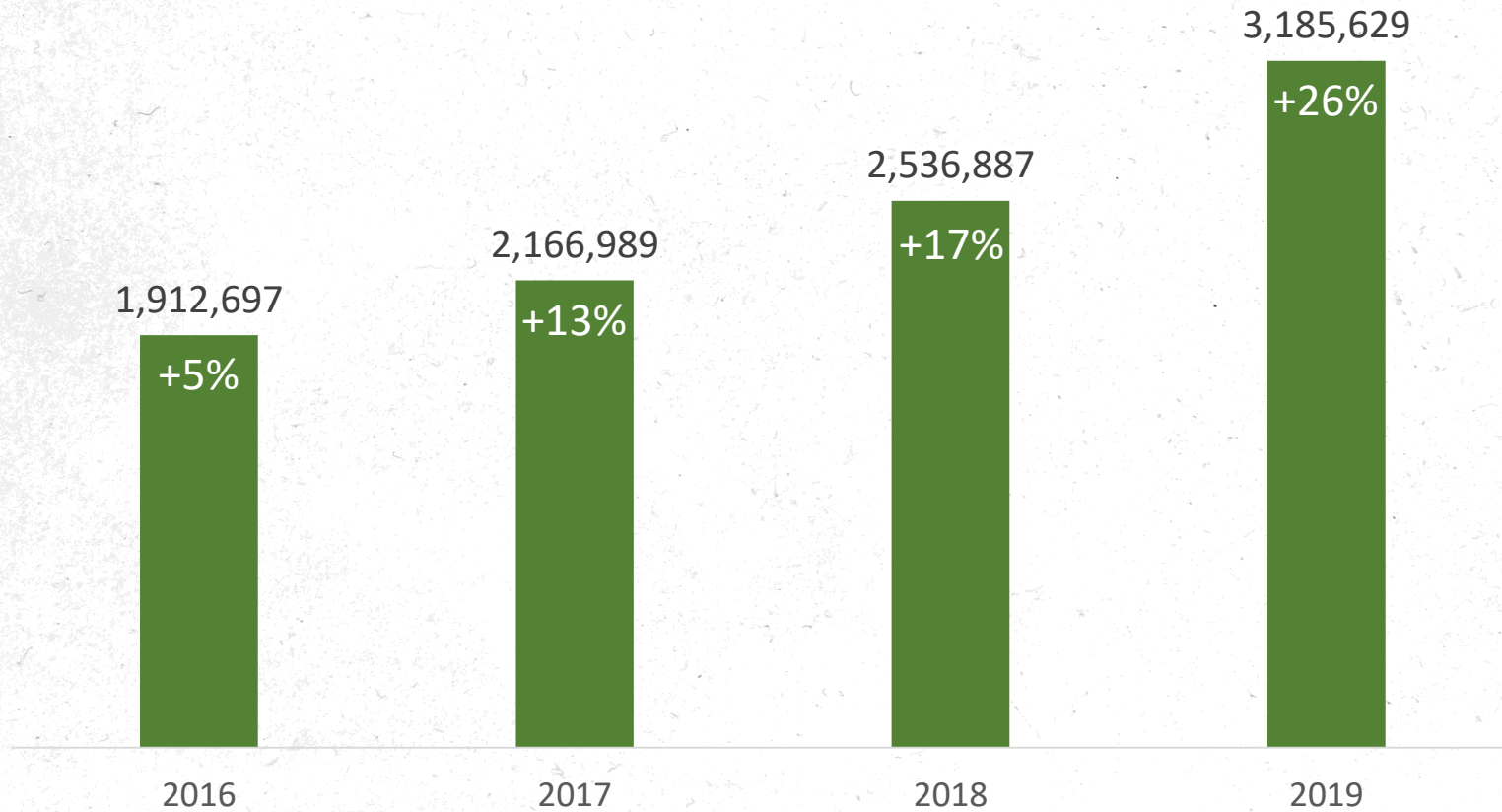
■ Small ■ Medium ■ Large ■ 2+ Chillers ■ Small ■ Medium ■ Large ■ 2 Chillers ■ 3 Chillers

Source: Internal company data

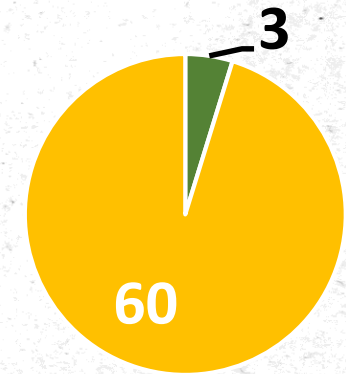
Providing More Space for Meaningful Innovation



Total Freshpet HH's (52 weeks ending)



2019 Dog HH's



■ Freshpet ■ No Freshpet

Source: Nielsen HH Panel data ending December 2019

HH penetration gains accelerate . . . but are still a small share of the pet universe

SWITCHING TO FRESHPET

We always recommend transitioning slowly to Freshpet so that the change is gentle on your pet's tummy.



DAY 1-3



DAY 3-6

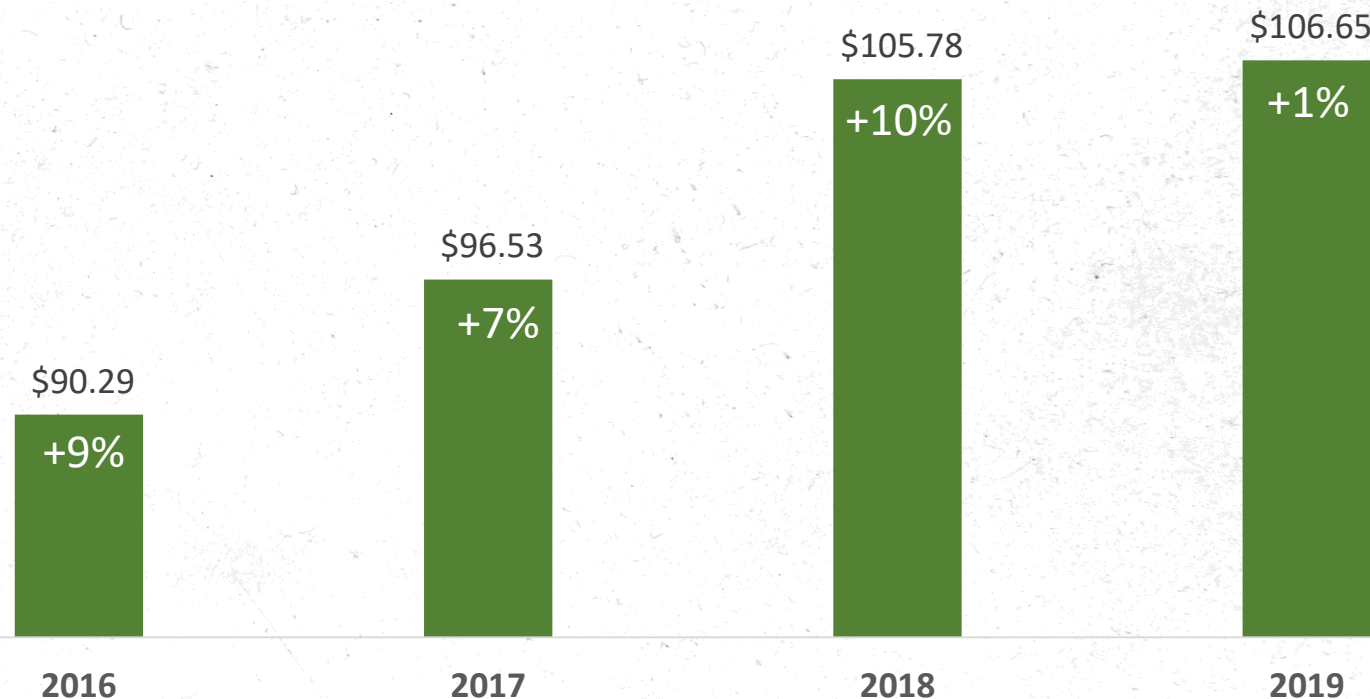


DAY 7-10



SUCCESS

Total Freshpet Buying Rate



Source: Nielsen HH Panel data ending December 2019

Despite rapid influx of new buyers, buying rate continues to grow

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



Differentiated

Innovative forms, technologies, and appearance



Manufacturing

Proprietary technology, processes, and infrastructure



High Brand Loyalty

Alignment with deep pet parent emotional motivations



Freshpet Fridge

Branded, company-owned real estate



freshpet®

PRODUCT PERFORMANCE

TECHNICAL KNOWLEDGE

PRODUCTION SCALE

BRAND EQUITY

DISTRIBUTION SCALE

FRIDGE PLACEMENTS

Supply Chain

Only refrigerated pet food network in North America



Retailer Partners

Delivers benefits in traffic, frequency and retailer margins



A difficult business to replicate

Highly effective & efficient business model

70%

High Repurchase Rate

- Easy to retain users
- Marketing exclusively focused on attracting new users
- Loyal shoppers

SALE

No Discounting

- Acquire full price buyers only
- Limits supply chain variability
- Retailers make full margin

Multiple, Distinct Sub-Brands

- Preferred offerings for multiple classes of retailers
- Loyal shoppers at full margin

Powerful Retail Presence

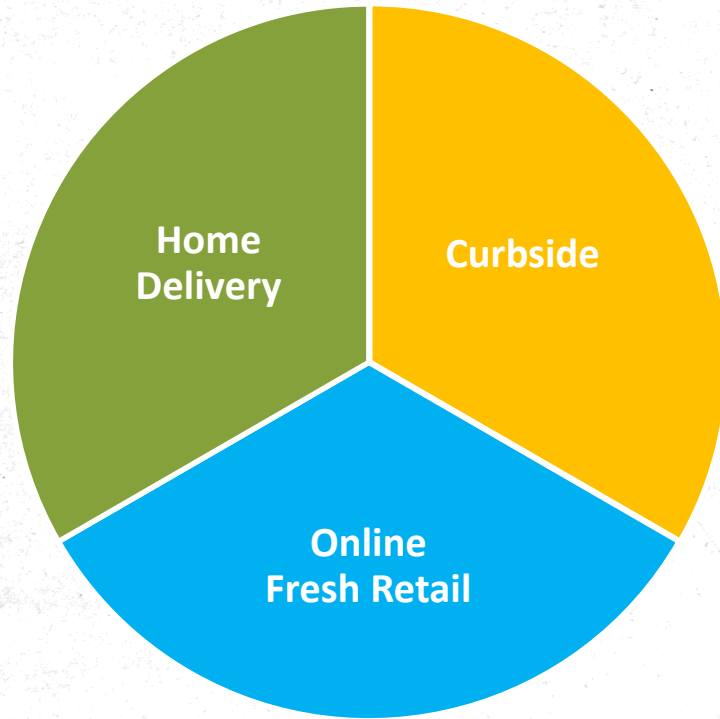
- Amplifies advertising message
- Drives brand interest

Consumers,
retailers and
Freshpet benefit

FRESHPET® SELECT
VITAL®
NATURE'S FRESH®
DELI FRESH®
HOMESTYLE
CREATIONS™



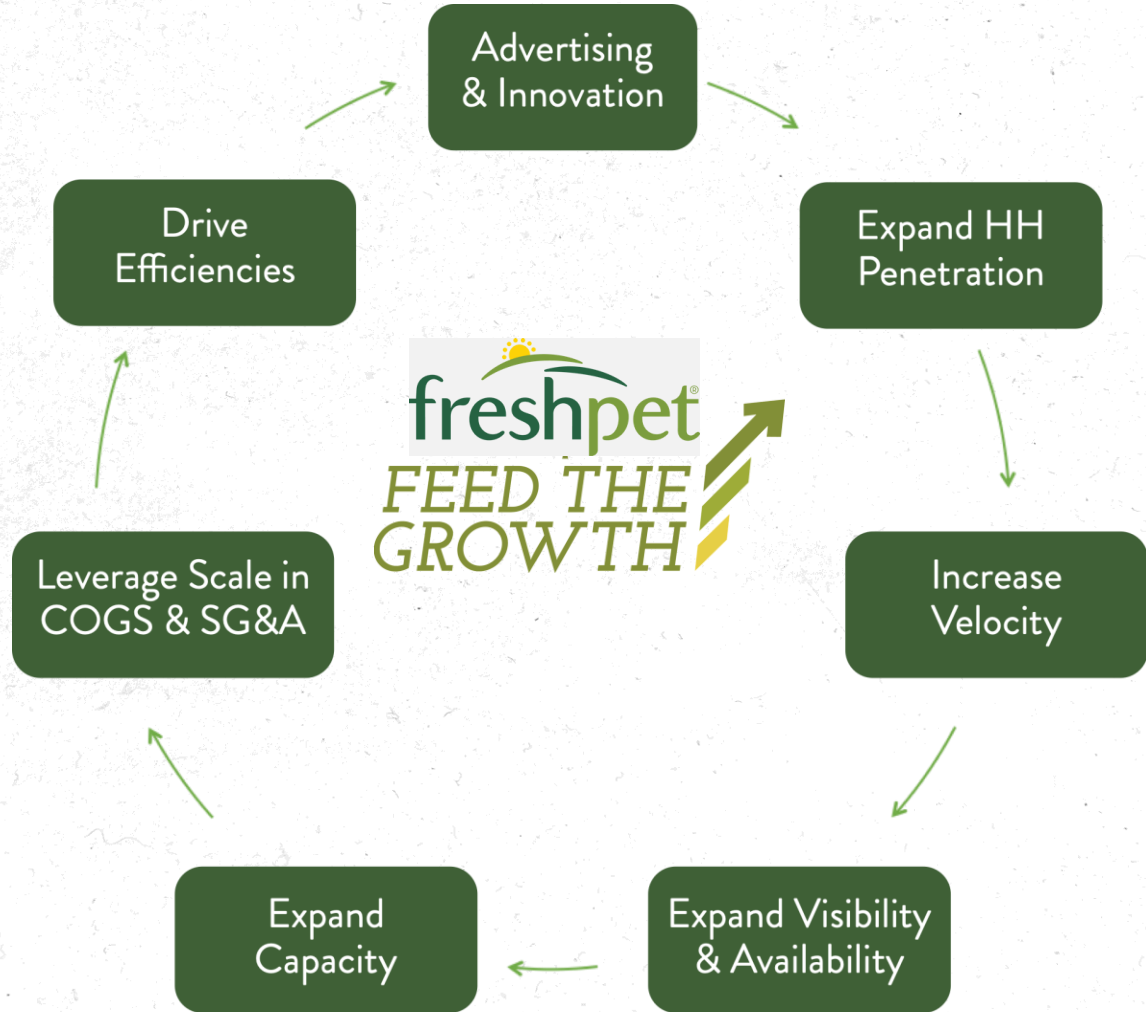
Be available **anywhere & any way** the pet parent wants to buy fresh food



e-commerce sales doubled in 2019



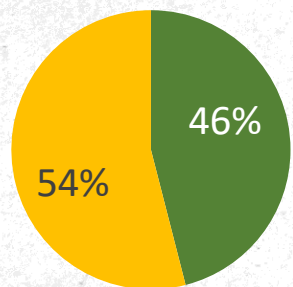
Updated strategic plan



Will drive significant
top line growth
+
rapid profit growth

Significant opportunities to grow

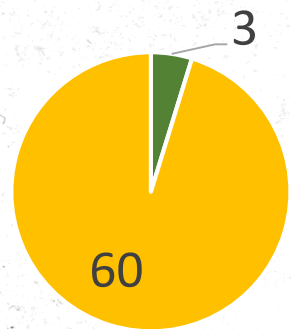
Aided Awareness



■ Aided Awareness ■ Unaware

Drive Awareness

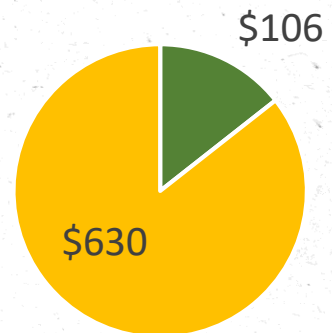
2019 Dog HH's



■ Freshpet ■ No Freshpet

Increase Penetration

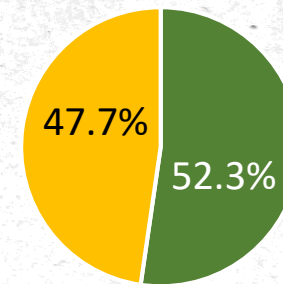
Buying Rate



■ Current
■ Avg. Cost to Feed 30 lb Dog

Increase Frequency of Use
& Size of Dog

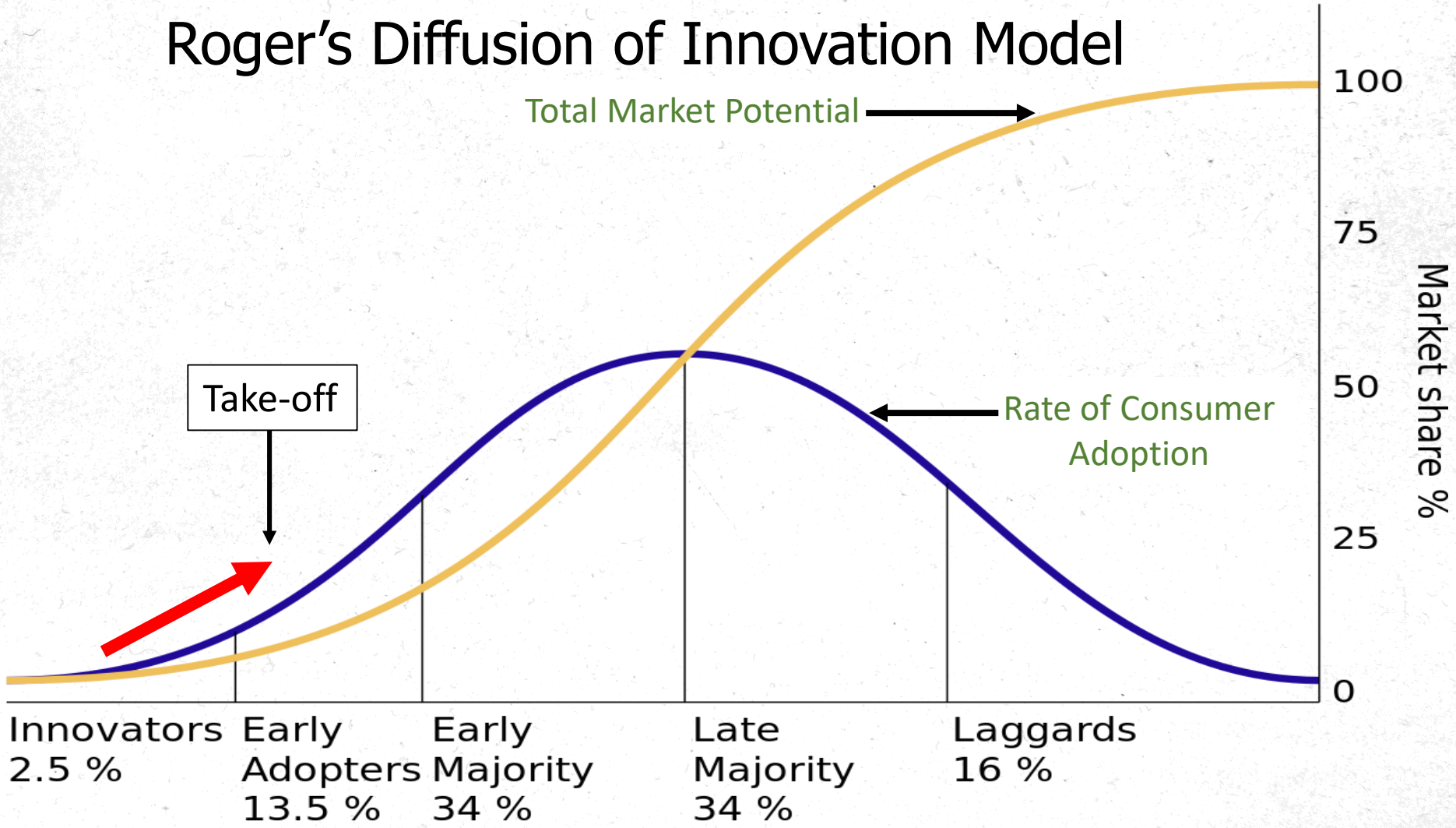
% ACV Distribution



■ Available ■ Not Available

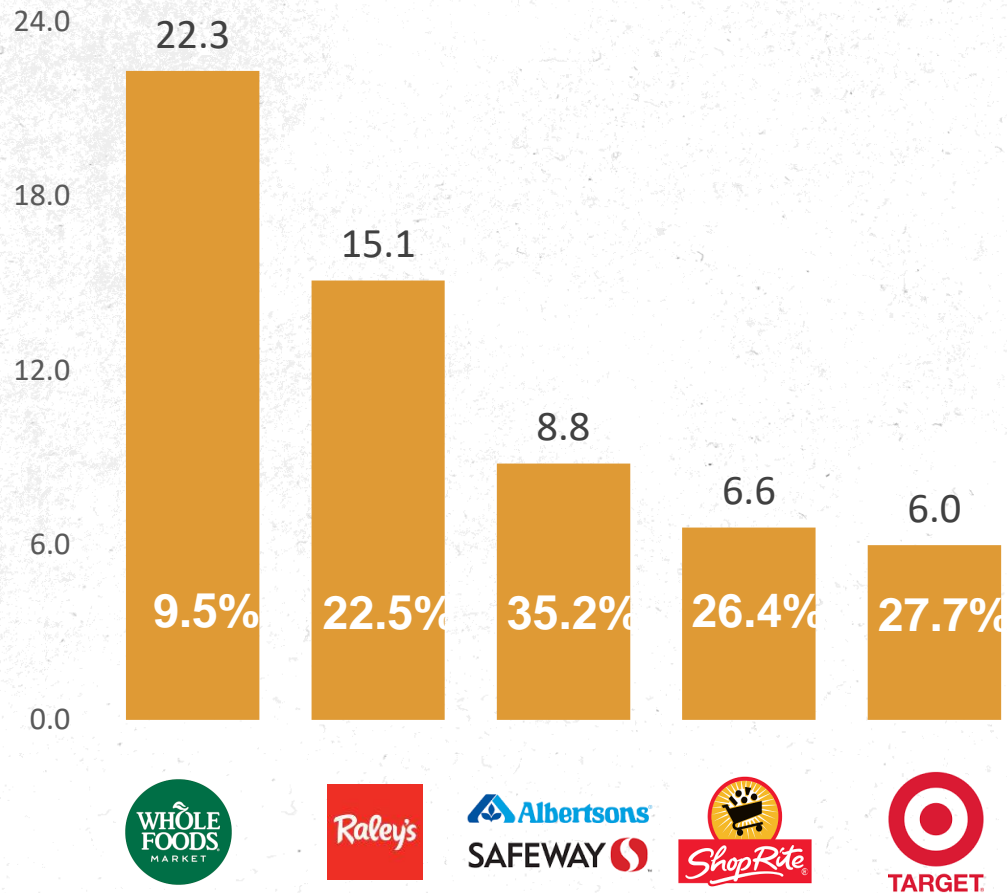
Expand Distribution

In the early stages of accelerating consumer adoption

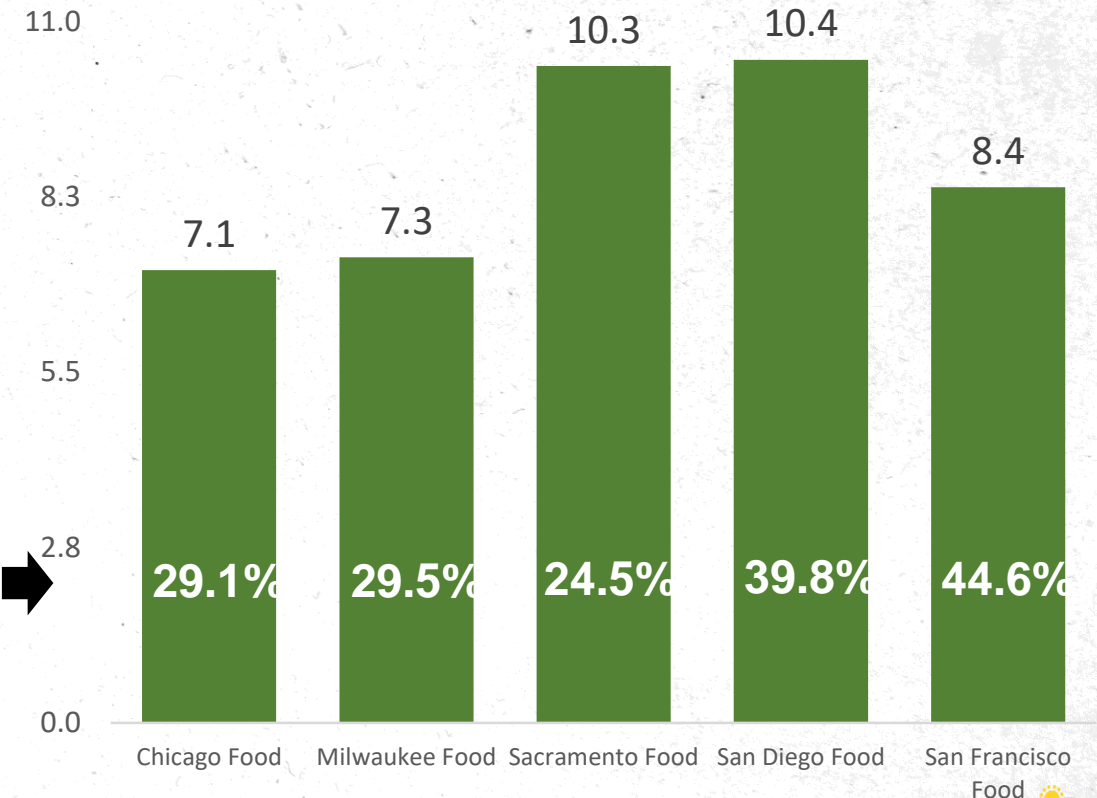


LEADING MARKETS AND RETAILERS PROVIDE AN INDICATOR OF TOTAL MARKET SHARE POTENTIAL

Freshpet Share in Leading Retailers
52 Week Share Total Dog Food



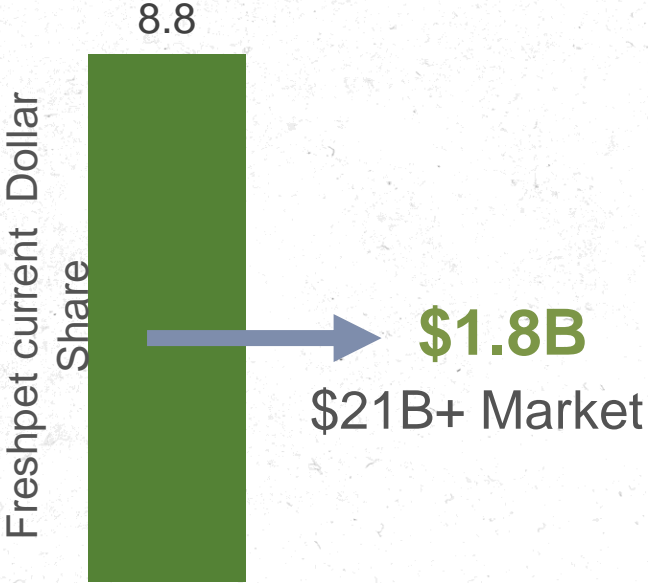
Freshpet Share in Leading Markets
52 Week Share Total Dog Food



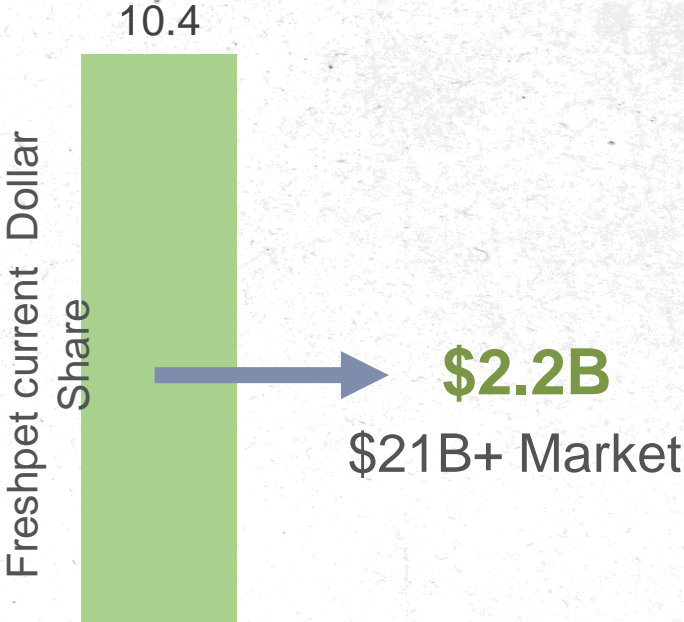
FRESHPET MARKET POTENTIAL IN THE \$21B US DOG FOOD MARKET

CURRENT SHARES PROJECTED NATIONALLY

Freshpet Dollar Share of Dog food Extrapolation



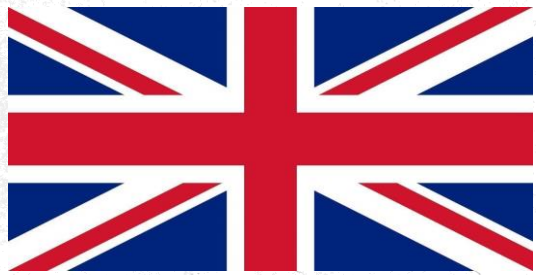
Freshpet Dollar Share of Dog food Extrapolation



San Diego Market



Media investments are beginning to drive distribution gains in Canada & the UK



TESCO

M
MORRISONS


ocado

~400 stores

~7% ACV



 **Loblaws**

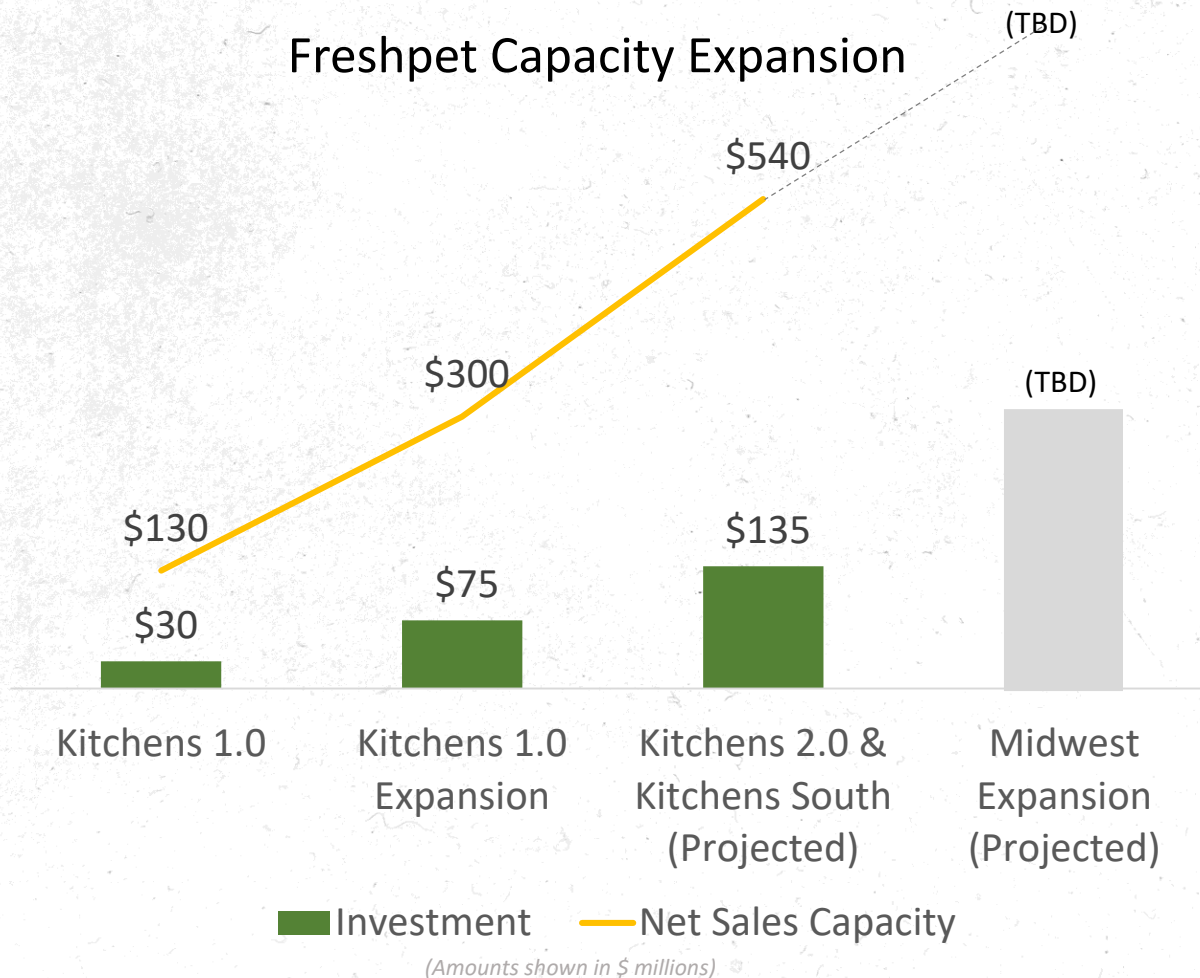
Walmart 

Sobeys

~1000 stores

~23% ACV

Adding capacity to keep up with the growth



Freshpet Kitchens 2.0 opens in Q3 2020



Growing into our scale and reinvesting for growth

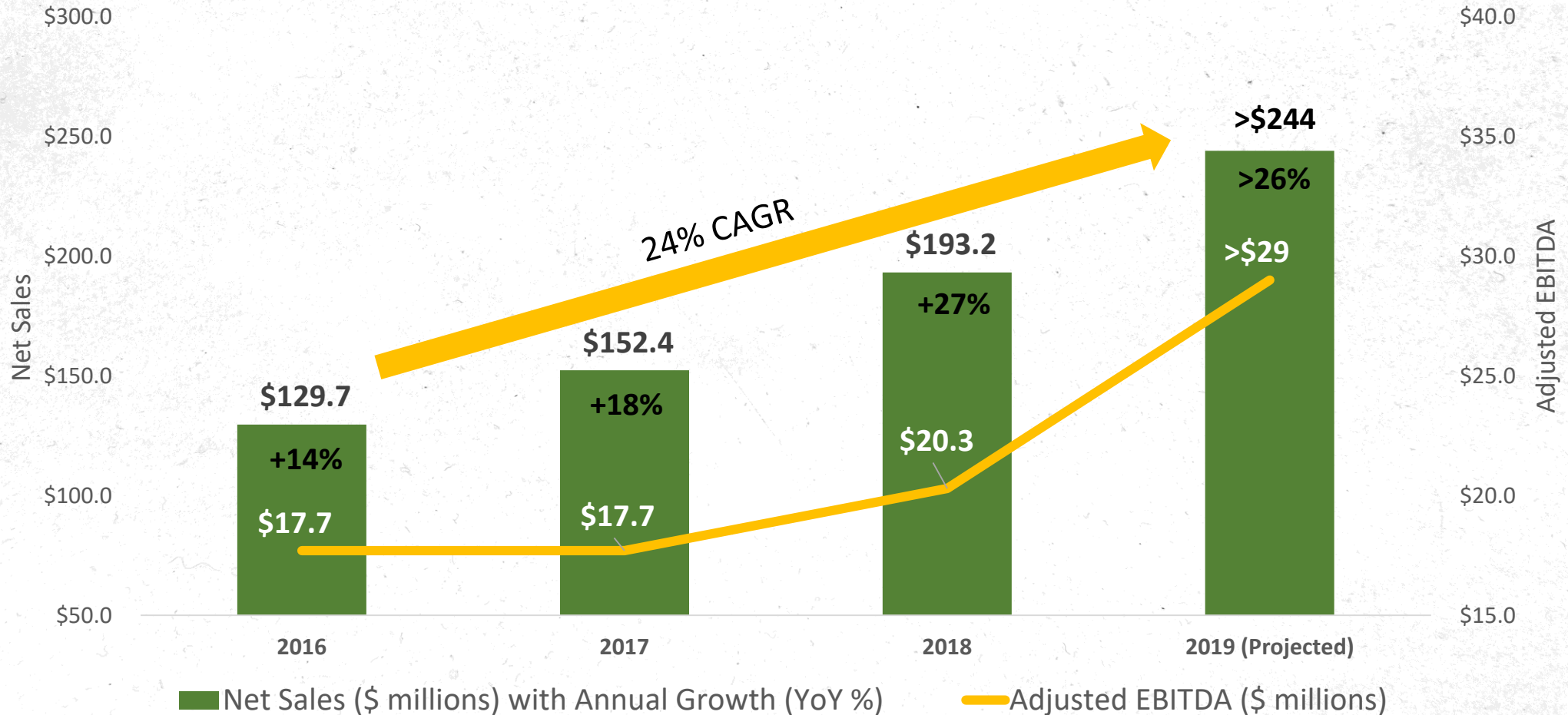
	2016	Today*	Growth
Net Sales	\$130M	>\$244M	+88%
Adj. SG&A (excl. media)	31.2%	25.3%	-590 bps
Media Spending	\$8M	\$29M	+263%
Media Spending % of Sales	6.3%	11.9%	+560 bps

*2019 Guidance



Scale is beginning to turn into profits & will generate positive net income in 2020

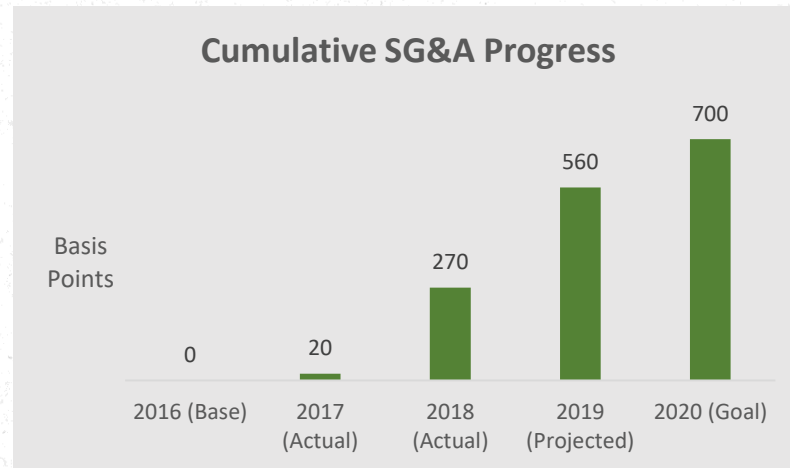
Freshpet Net Sales and Adj. EBITDA Growth



Opportunities for margin expansion



Freight Load Size & Distance



G&A Leverage



Scale & Automation in COGS

Rewarding all who touch our business



We do this for our pets because of what they do for us



Thank-you!



Appa

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





bringing the power of fresh food to pets

