



ICR CONFERENCE

January 2024



FORWARD LOOKING STATEMENTS & NON-GAAP MEASURES



FORWARD-LOOKING STATEMENTS

Certain statements in this presentation by Freshpet, Inc. (the “Company”) constitute “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are based on our current expectations and assumptions. These forward looking statements, which include any statements related to the timing of Freshpet Kitchens Expansion, our long-term strategy and 2027 goals, our net sales and Adjusted EBITDA guidance, and 2024 outlook, are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in the forward looking statements including difficulties in construction, third party data presented accompanying such statements, and most prominently, the risks discussed under the heading “Risk Factors” in the Company’s latest annual report on Form 10-K and quarterly reports on Form 10-Q 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 EBITDA Margin), 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 income (loss) plus interest expense, income tax expense and depreciation and amortization expense, and Adjusted EBITDA as EBITDA plus net income (loss) on equity method investment, non-cash share-based compensation, fees related to equity offerings of our common stock, implementation and other costs associated with the implementation of an ERP system, and other expenses, including loss on disposal of equipment, COVID-19 expenses and organization changes designed to support long-term growth objectives. Freshpet defines Adjusted Gross Profit as gross profit before depreciation expense, COVID-19 expense and non-cash share-based compensation, and Adjusted SG&A as SG&A expenses before depreciation and amortization expense, non-cash share-based compensation, gain (loss) on disposal of equipment, fees related to equity offerings of our common stock, implementation and other costs associated with the implementation of an ERP system, COVID-19 expense and organization changes designed to support long term growth objectives.

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. Adjusted EBITDA is also an important component of internal budgeting and setting management compensation. 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 represent the Company’s guidance for fiscal year 2023. The Company is unable to reconcile these forward-looking non-GAAP financial measures to the most directly comparable GAAP measures without unreasonable efforts because the Company is currently unable to predict with a reasonable degree of certainty the type and impact of certain items, including the timing of and amount of costs of goods sold and selling, general and administrative expenses, that would be expected to impact GAAP measures for these periods but would not impact the non-GAAP measures. The unavailable information could significantly impact our financial results. These items are not within the Company’s control and may vary greatly between periods. Based on the foregoing, the Company believes that providing estimates of the amounts that would be required to reconcile these forecasted non-GAAP measures to forecasted GAAP measures would imply a degree of precision that would be confusing or misleading to investors for the reasons identified above.



FRESHPET STRENGTHENS THE BOND BETWEEN **PEOPLE** AND OUR **PETS** SO THAT WE BOTH LIVE LONGER, HEALTHIER AND HAPPIER LIVES WHILE BEING KIND TO THE **PLANET**.



TODAY'S PRESENTERS

BILLY CYR CEO



JOINED
2016



SCOTT MORRIS CO-FOUNDER & COO



JOINED
2006



TODD CUNFER CFO



JOINED
2022



BUILDING OUR TALENT BENCH

NANDINI NATRAJAN SVP QUALITY & FOOD SAFETY



JOINED
2024



RACHEL ULSH VP OF INVESTOR RELATIONS



JOINED
2024



LISA ALEXANDER GENERAL COUNSEL



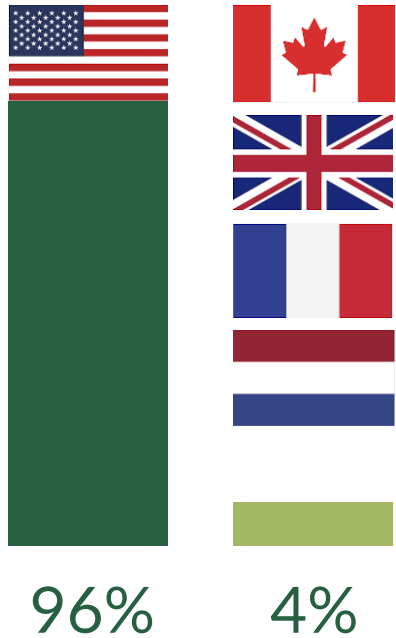
JOINED
2023



freshpet QUICK FACTS

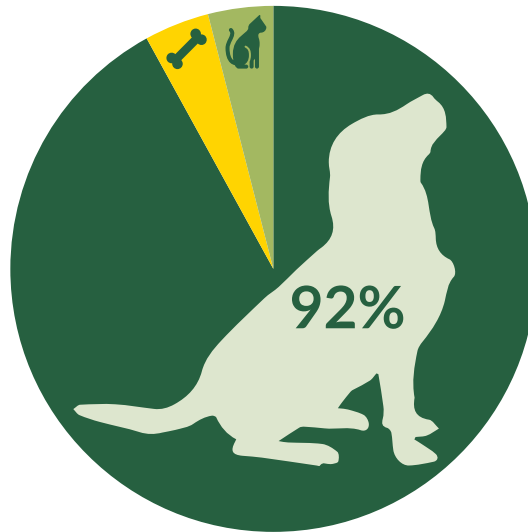


GLOBAL NET SALES ~\$755M Projected 2023



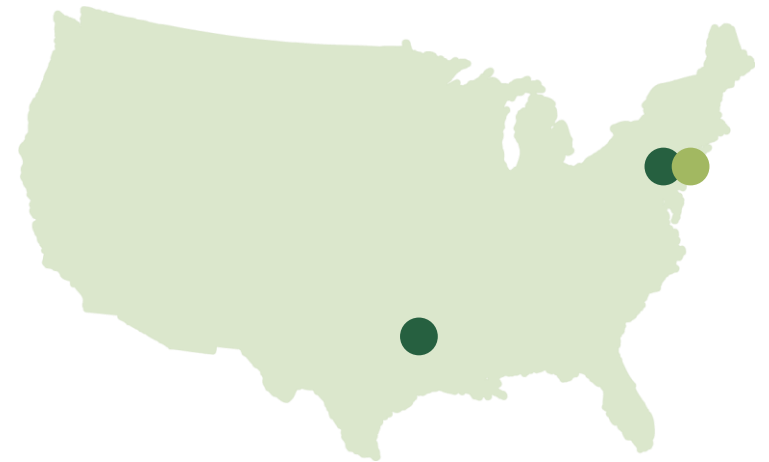
CATEGORIES

- 92% Fresh Dog Food
- 4% Fresh Treats
- 4% Cat food



FOOTPRINT

- NJ HQ
- Owned Manufacturing (PA & TX)
- ~1,100 Team Members



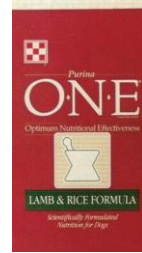
FRESHPET SAW THE INTERSECTION OF
TWO VERY POWERFUL MACRO-TRENDS

HUMANIZATION
OF PETS



FRESH, WHOLESOME,
ALL-NATURAL FOODS

FRESHPET DISRUPTED A \$40 BILLION CATEGORY BY REIMAGINING PET FOOD



1940

PET FOOD =
WHAT WE EAT

1950

DAWN OF COMMERCIAL
PET FOOD

1990

BIRTH OF SUPER
PREMIUM

2000's

ULTRA PREMIUM

2010 & beyond

SIMPLE
REAL FOODS

OUR PORTFOLIO HAS MULTIPLE FORMS THAT ADDRESS PET OWNER MOTIVATIONS



ROLLS WITH INCLUSIONS

ROASTED MEALS

SHREDDED

“HOME COOKED”

PATTIES

Improved convenience, visual appeal and human food cues

OUR GROWTH MODEL IS SIMPLE: AWARENESS → PENETRATION → LOYALTY



STRONG ADVERTISING INVESTMENT



AVAILABILITY AND VISIBILITY



INNOVATION



WE ARE FOCUSED ON OUR CORE CONSUMER – HIPPOH'S*

OUR PET PARENTS WANT TO FEED THEIR DOGS SOMETHING THEY WOULD EAT



Pet partner, treat dog like a person



Dog #1 priority



Dog deserves the best

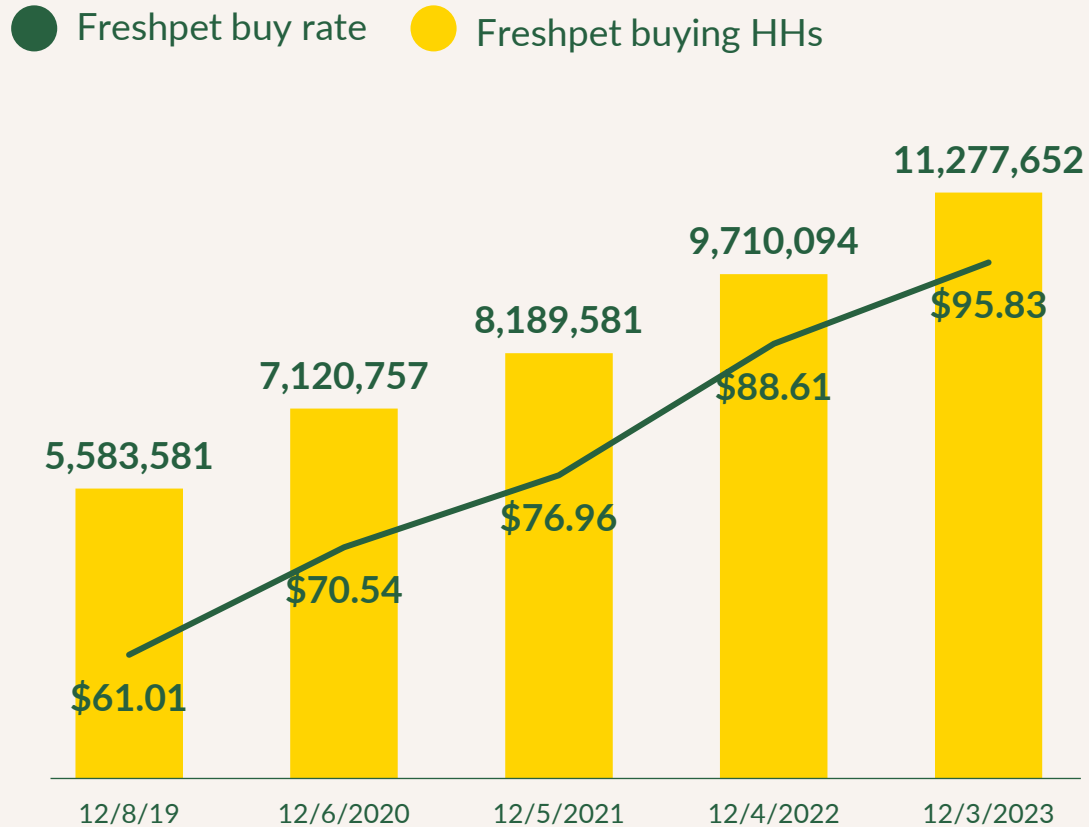


They eat fresh, are food lovers, appreciate the best... Same for pup: Fresh, real, human quality food



MORE AND MORE CONSUMERS ARE JOINING THE FRESHPET FRANCHISE AND BUYING MORE WHEN THEY DO

FRESHPET HOUSEHOLD (HH) PENETRATION & BUYING RATE





IN

26,777

STORES



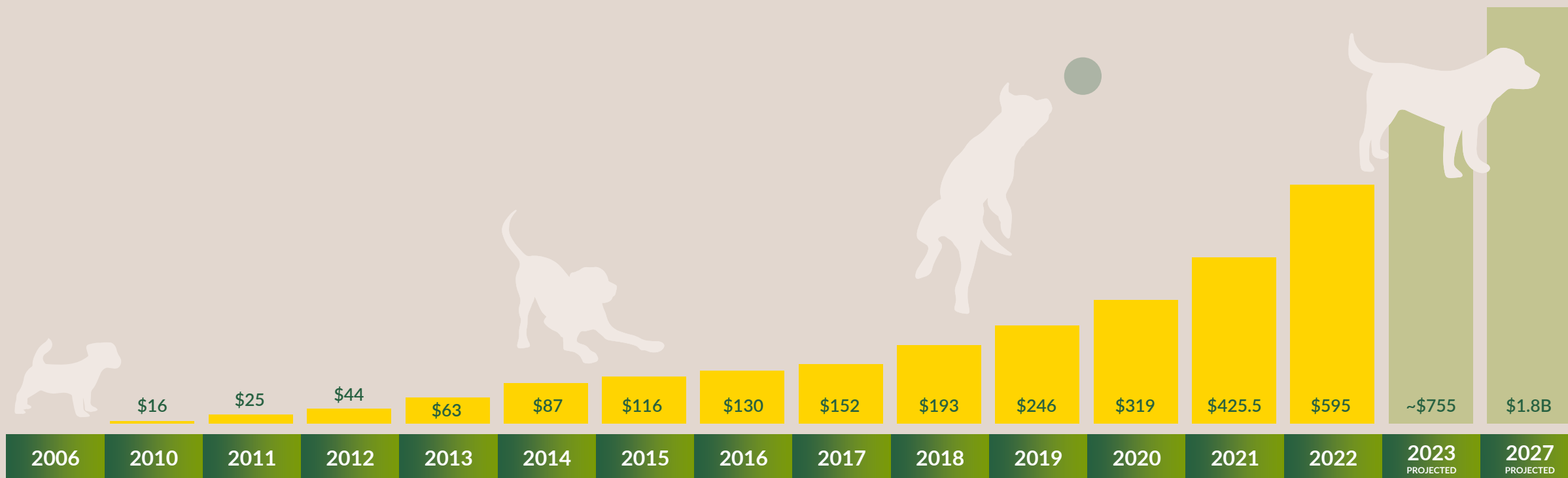
33,500+

FRIDGES

1.7MM+
CUBIC FEET AT RETAIL

OUR MODEL CONTINUES TO DRIVE STRONG AND CONSISTENT TOP LINE GROWTH

Freshpet has demonstrated exceptional growth and outpaced the pet food category for over a decade

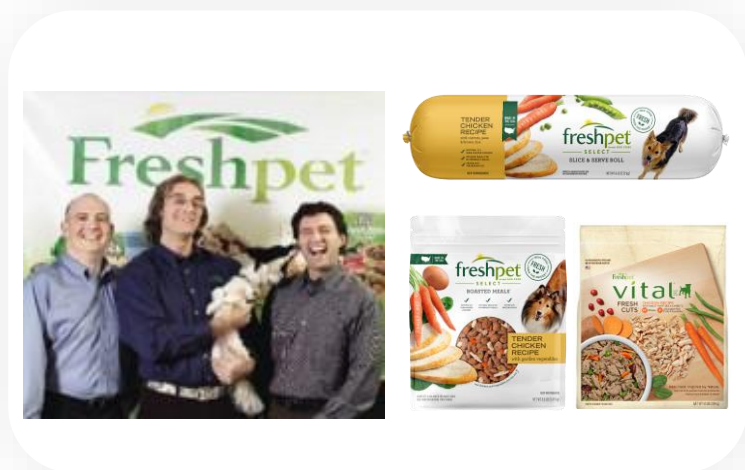


NET SALES (MILLIONS)



OUR GROWTH MODEL IS SIMPLE AND ULTIMATELY ACHIEVES OUR AWARENESS → PENETRATION → LOYALTY

2006-2010
Establish Fresh



LEARNING / DEVELOPMENT

2010-2022
Accelerate Fresh Growth



EXPANDING OUT TO \$500M

2023+
Fresh Future



SCALED AND IMPROVED OPERATIONS
AND FOCUS ON INCREASE IN CONSUMER
AND CUSTOMER INTENSITY

LONG-TERM STRATEGY: PATH TO 2027



20 MILLION
Freshpet Households
by 2027 (target)



\$1.8 BILLION
Net Sales (target)



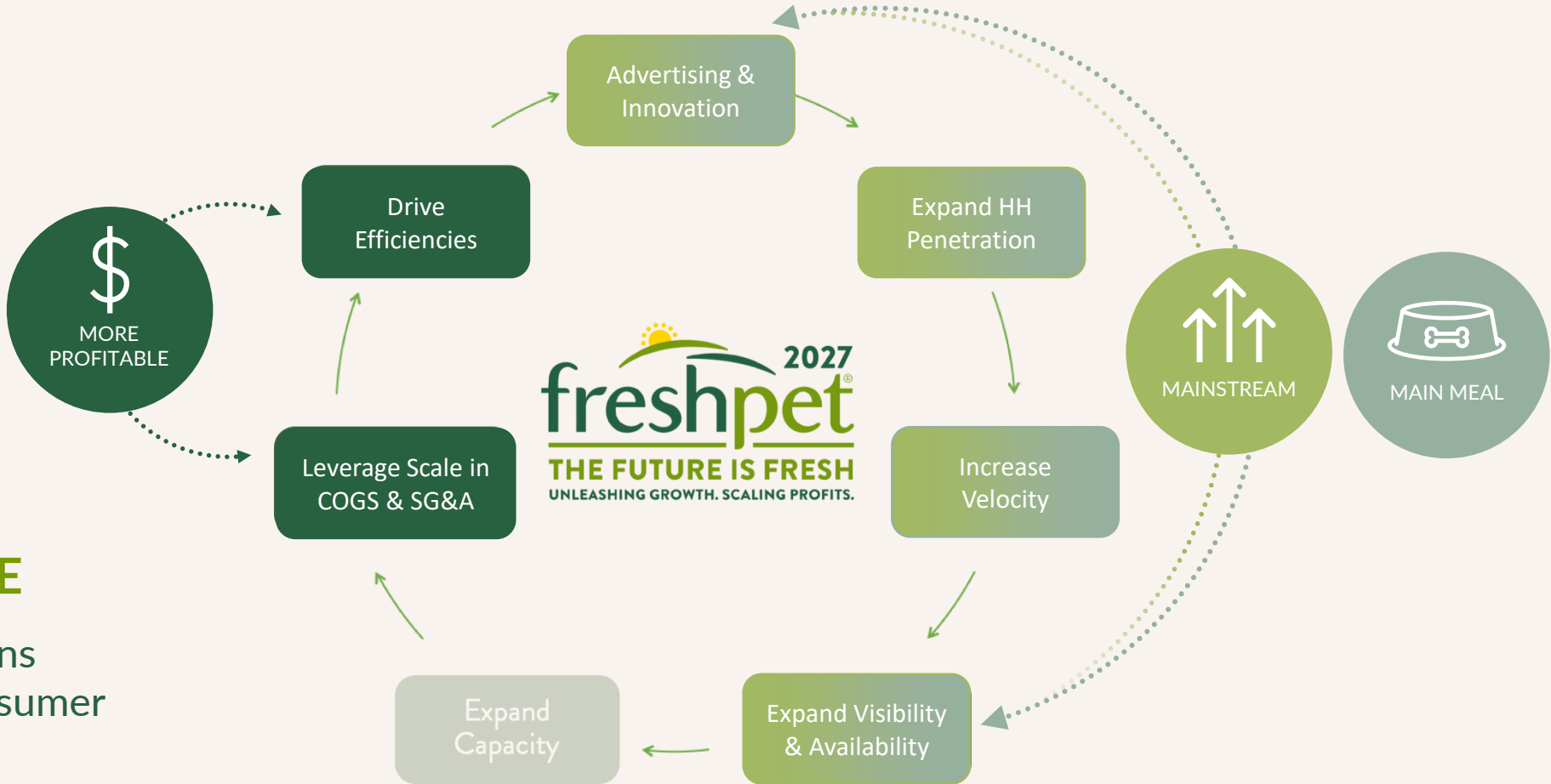
~18%
Adjusted EBITDA
Margin (target)

**MAINSTREAM,
MAIN MEAL &
MORE PROFITABLE**





WE BELIEVE WE CAN ACHIEVE OUR 2027 FRESH FUTURE PLAN THROUGH OUR FOCUS ON MAINSTREAM, MAIN MEAL, AND MORE PROFITABLE



2023+ FRESH FUTURE

Scale and improve operations and focus on increased consumer and customer intensity.



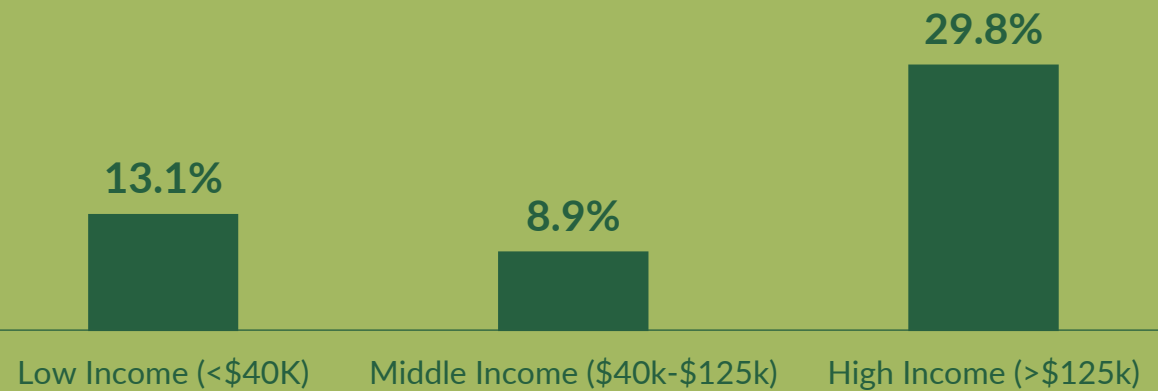


FRESHPET APPEALS TO A WIDE RANGE OF INCOME GROUPS AND HAS INTRODUCED PRODUCTS TO APPEAL TO EACH OF THEM



FRESHPET HOUSEHOLD PENETRATION GROWTH BY INCOME

Past 52 Weeks





FRESHPET HAS DEVELOPED A STRONG FRANCHISE AMONGST SMALL DOG HOUSEHOLDS AND IS NOW SEEKING TO STRENGTHEN LARGE DOG FRANCHISE

- #1 in Unit Sales
- #1 in Frequency
- #2 in Penetration



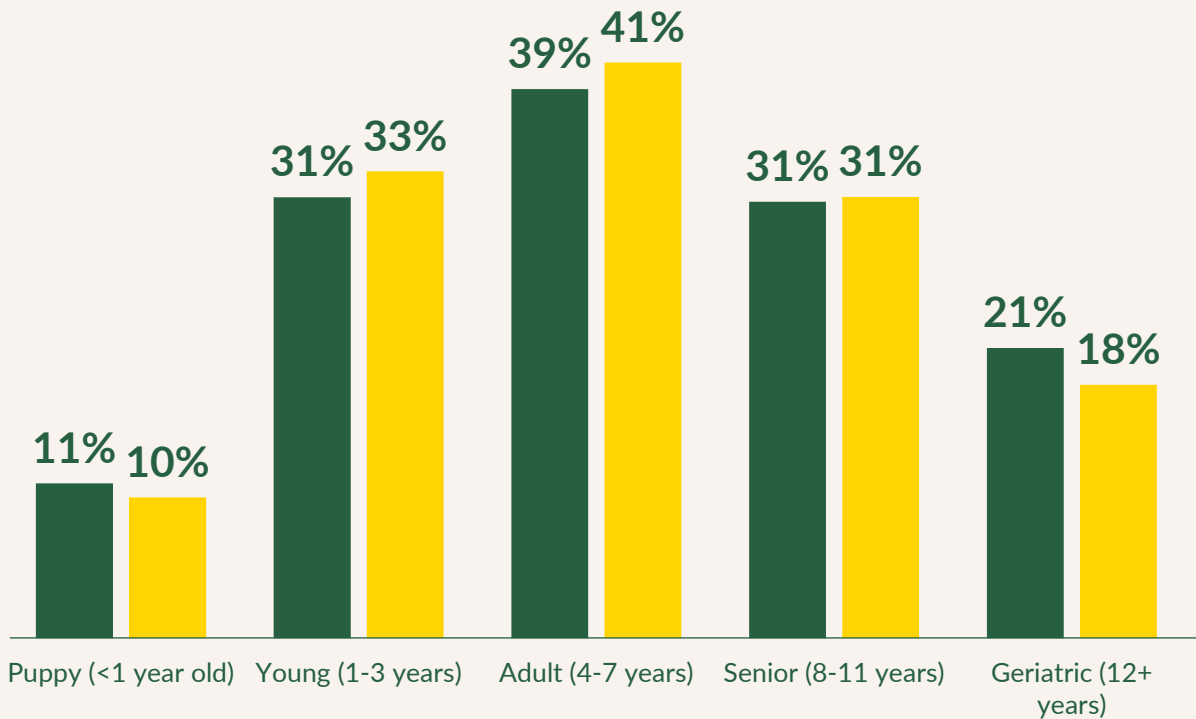
- Top 10 velocity item
- Only in multiple fridge stores today



FRESHPET HAS PRODUCTS FOR EACH LIFE STAGE OF DOGS

FRESHPET DOG FOOD BUYERS BY AGE OF DOG

● % of FP Buyers ● % of Dog Food Buyers

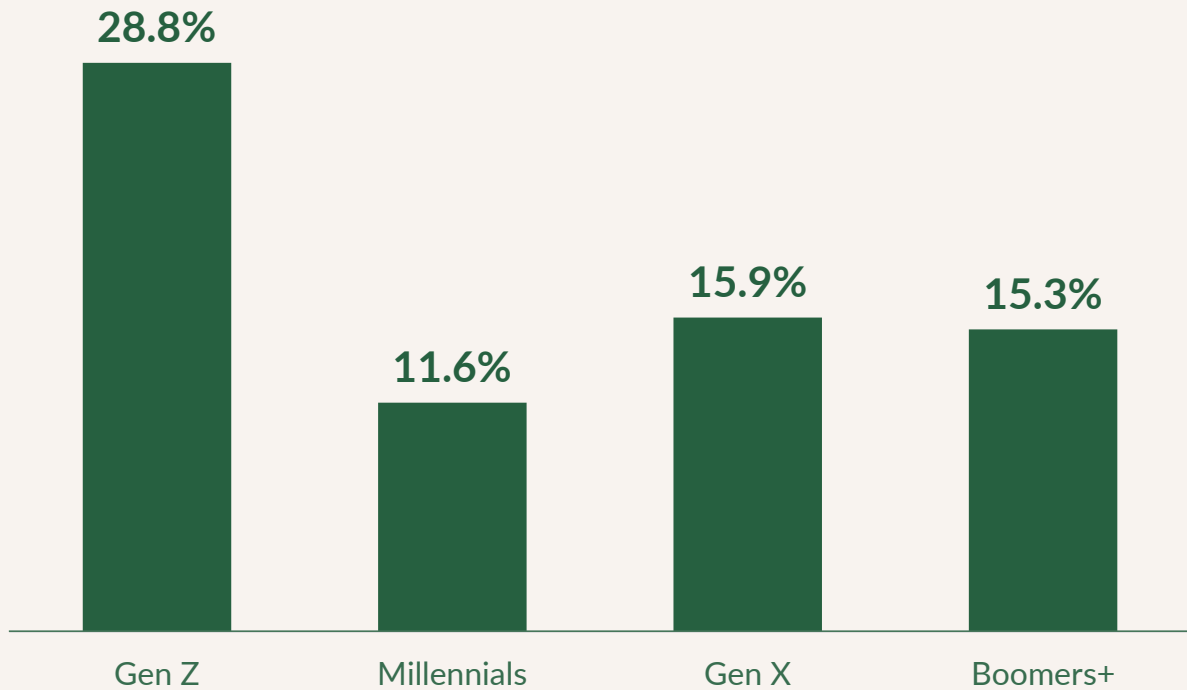




FRESHPET IS GROWING FASTEST WITH YOUNGER USERS

FRESHPET HOUSEHOLD PENETRATION GROWTH BY GENERATION

Past 52 Weeks



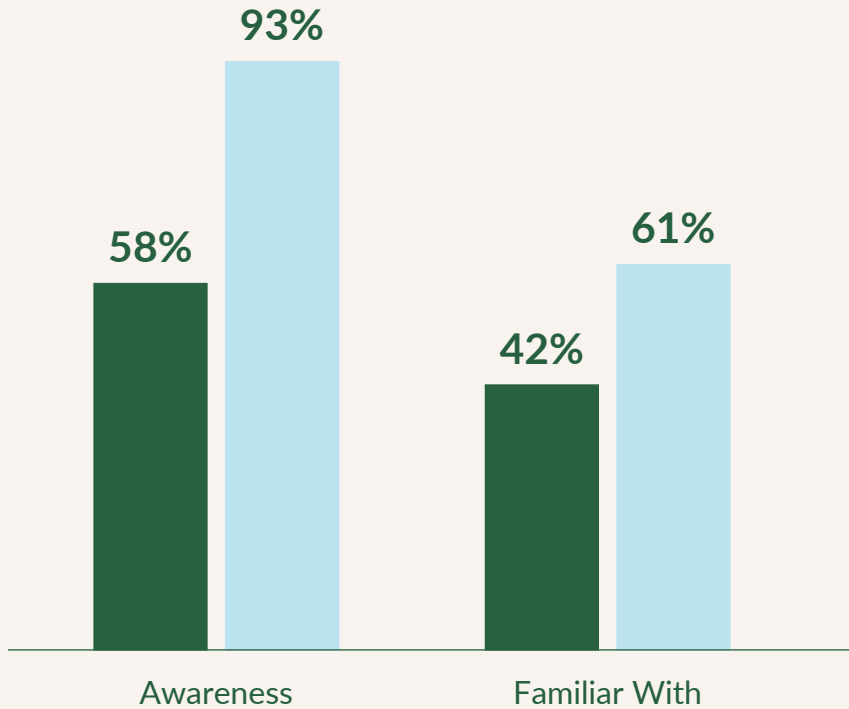


FRESHPET STILL HAS A SIGNIFICANT OPPORTUNITY TO INCREASE AWARENESS AND HOUSEHOLD PENETRATION

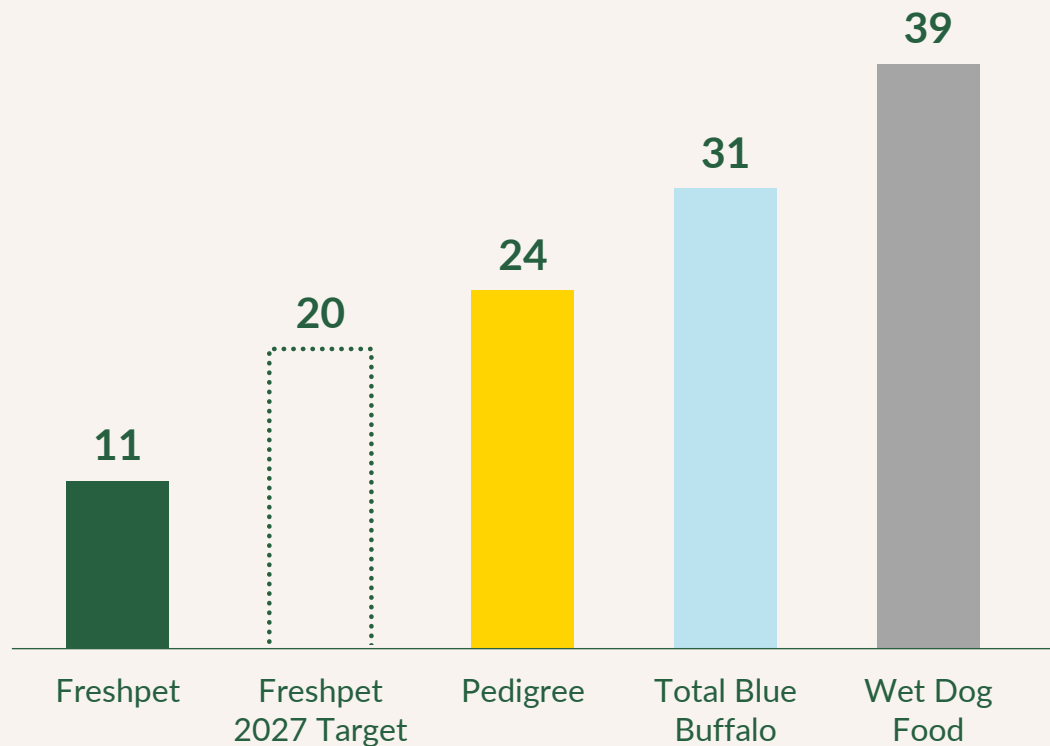


AWARENESS & FAMILIAR WITH

● Freshpet ● Blue Buffalo



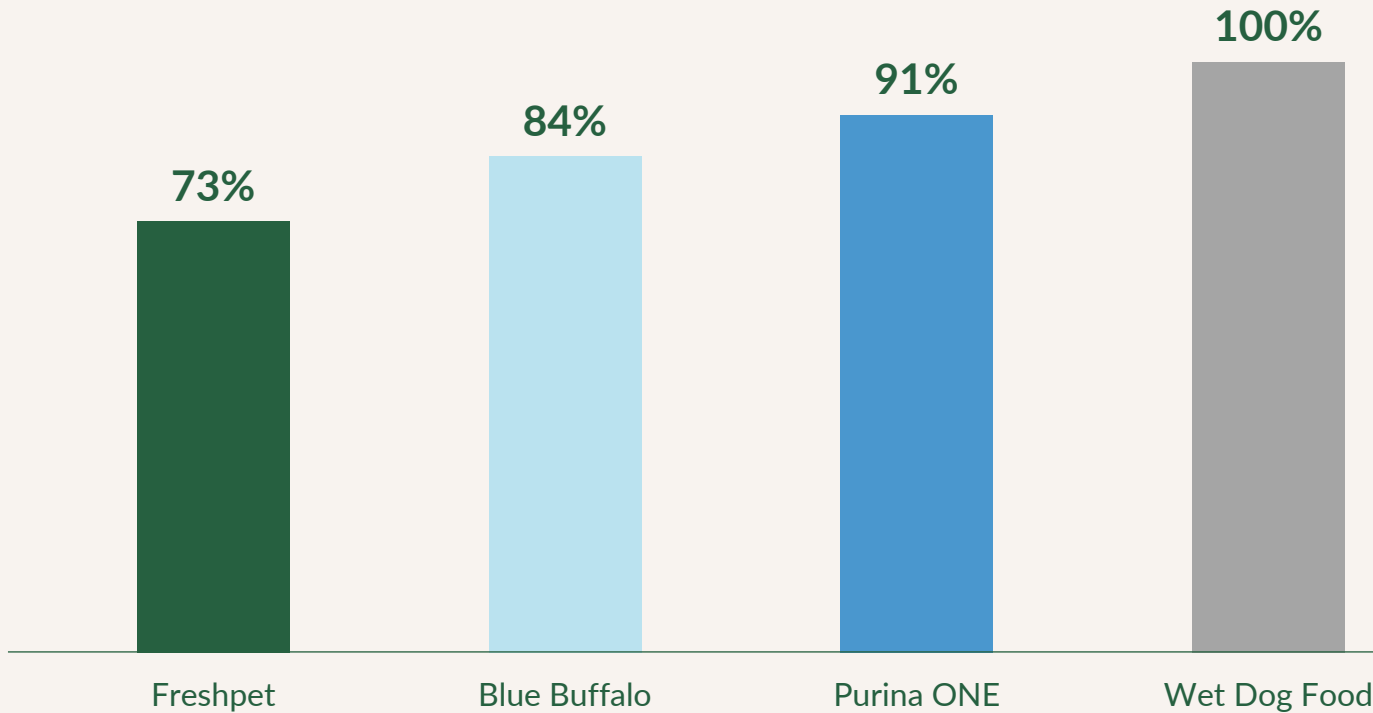
HOUSEHOLD PENETRATION (MILLION HOUSEHOLDS)





FRESHPET STILL HAS A SIGNIFICANT OPPORTUNITY TO INCREASE DISTRIBUTION – PARTICULARLY IN GROCERY WHERE CONSUMERS SHOP FOR FRESH FOOD

% ACV DISTRIBUTION (GROCERY CHANNEL)





MAIN MEAL

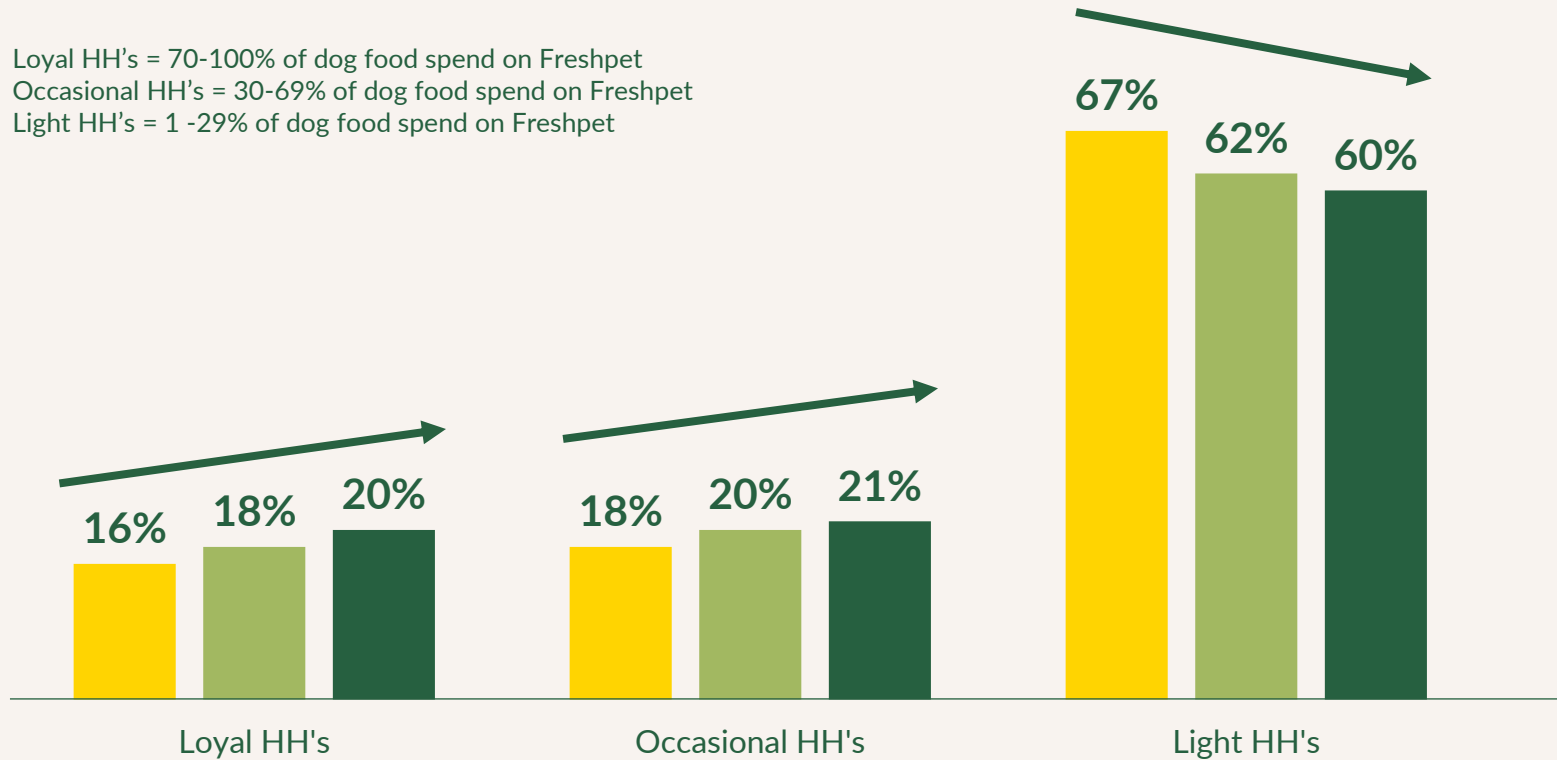


FRESHPET USERS ARE INCREASINGLY USING FRESHPET AS THE MAIN MEAL ITEM

MIX OF FRESHPET HOUSEHOLDS BY USE FREQUENCY

● 2019 ● 2021 ● 2023

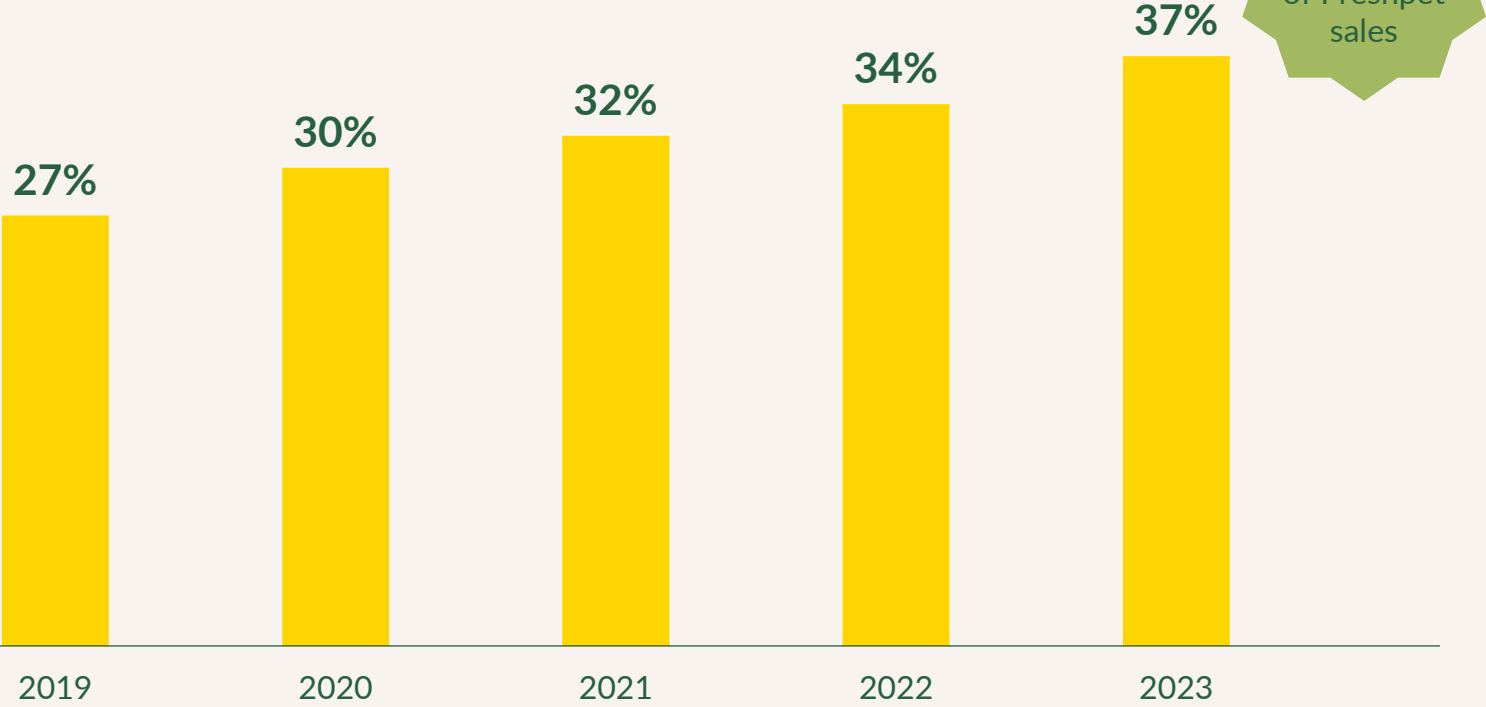
Loyal HH's = 70-100% of dog food spend on Freshpet
Occasional HH's = 30-69% of dog food spend on Freshpet
Light HH's = 1-29% of dog food spend on Freshpet





FRESHPET SALES ARE INCREASINGLY CONCENTRATED IN OUR HEAVIEST USERS WHO USE FRESHPET AS THE MAIN MEAL ITEM

% OF FRESHPET USERS WHO ARE SUPER HEAVY/HEAVY BUYERS



29 Source: Numerator data for the 52 weeks ending 12/10/23 || **Light Users** = \$11 per year on Freshpet; **Medium Users** = \$30 per year on Freshpet; **SH/H Users** = \$234 per year on Freshpet



DRIVING PET PARENTS TO FEED FRESHPET AS THE MAIN MEAL ITEM



ADVERTISING FOCUSED ON HEALTHY FOOD

ESTABLISH A WIDER VARIETY OF ITEMS AT EVERY PRICE POINT

EXPAND OFFERINGS OF SPECIALIZED RECIPES

Highest Quality, Healthy, Overall Amazing Sensorial and Consumer Experience



FRESHPET STILL HAS A SIGNIFICANT OPPORTUNITY TO INCREASE MAIN MEAL CONSUMPTION AS MANY CONSUMERS USE IT AS A MIXER/TOPPER

HOW OUR CONSUMERS FEED



40%
Main Meal



60%
Mix/Top Dry Food

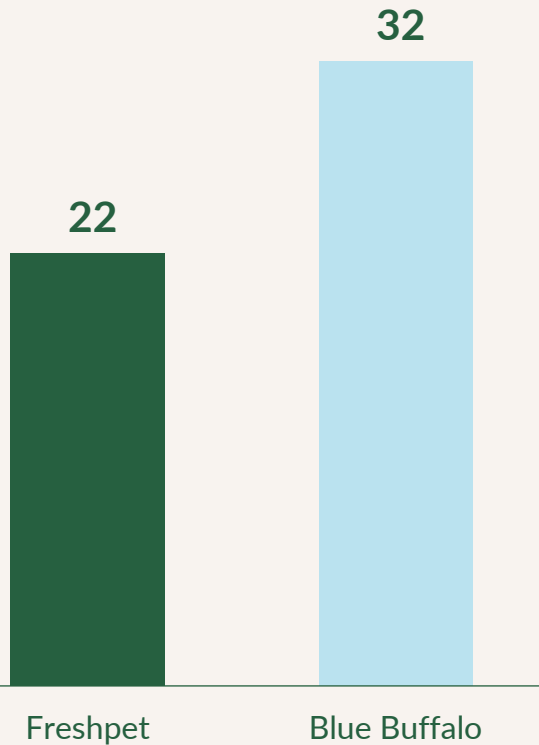




FRESHPET HAS A SIGNIFICANT OPPORTUNITY TO INCREASE NEW ITEMS TO DRIVE MAIN MEAL CONSUMPTION

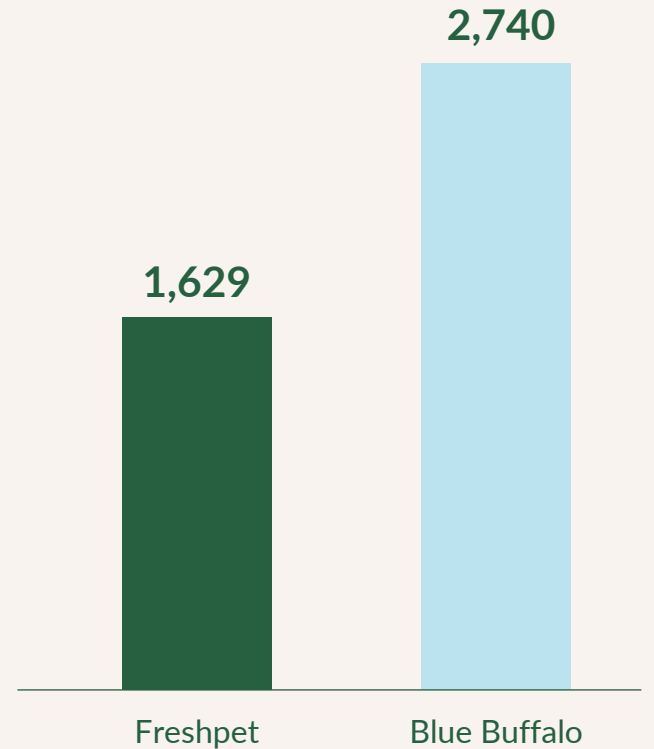
AVERAGE # OF ITEMS

(Grocery: Reach)



TOTAL DISTRIBUTION POINTS

(Grocery: Reach)



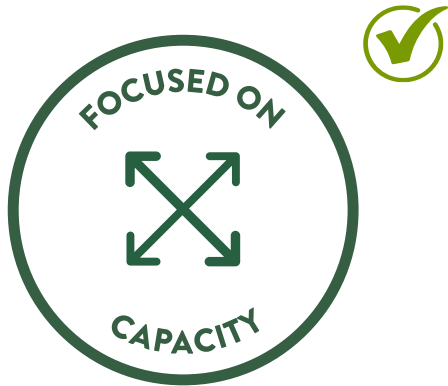


MORE
PROFITABLE



WE ARE ENHANCING MARGINS THROUGH IMPROVED OPERATING PERFORMANCE AND LEVERAGING SCALE AND EFFICIENCY

FOCUSED OPERATIONAL IMPROVEMENT PLAN



**AMPLE
CAPACITY**



**MORE EFFICIENT
LOGISTICS**



**IMPROVED
QUALITY**

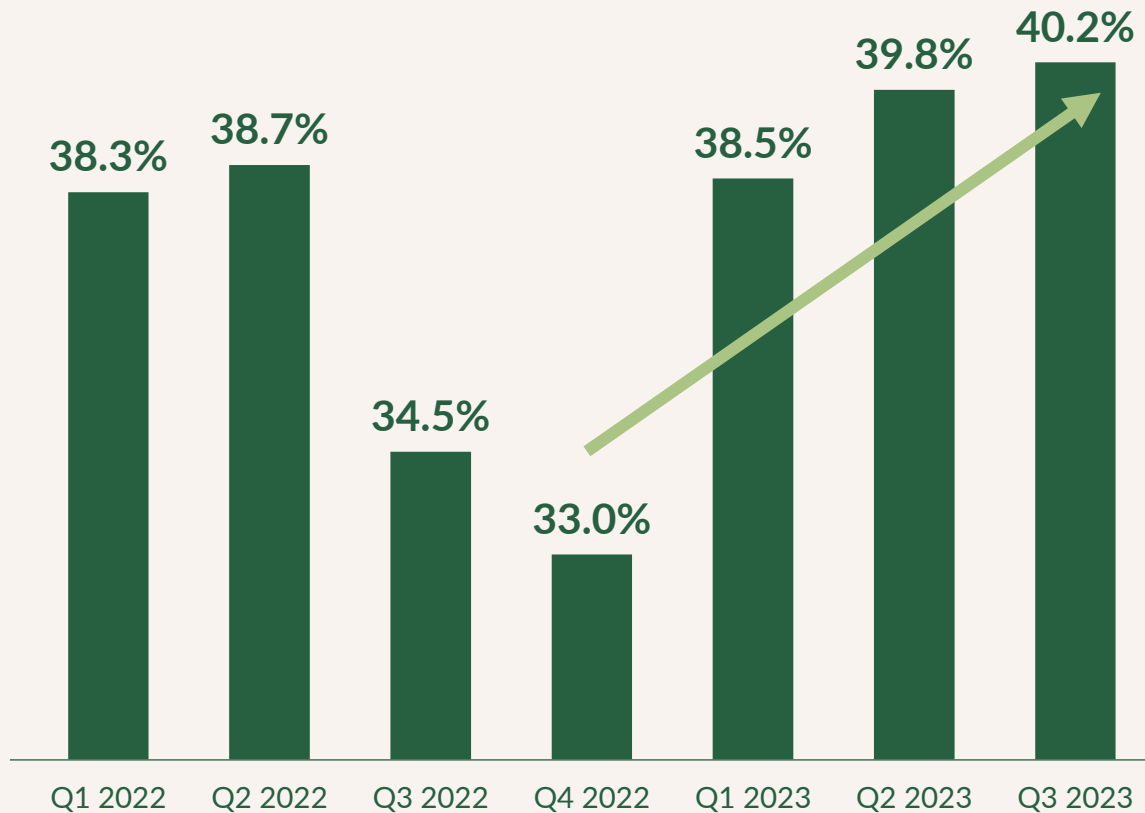


**COMMODITY COSTS
IN LINE WITH PRICING**

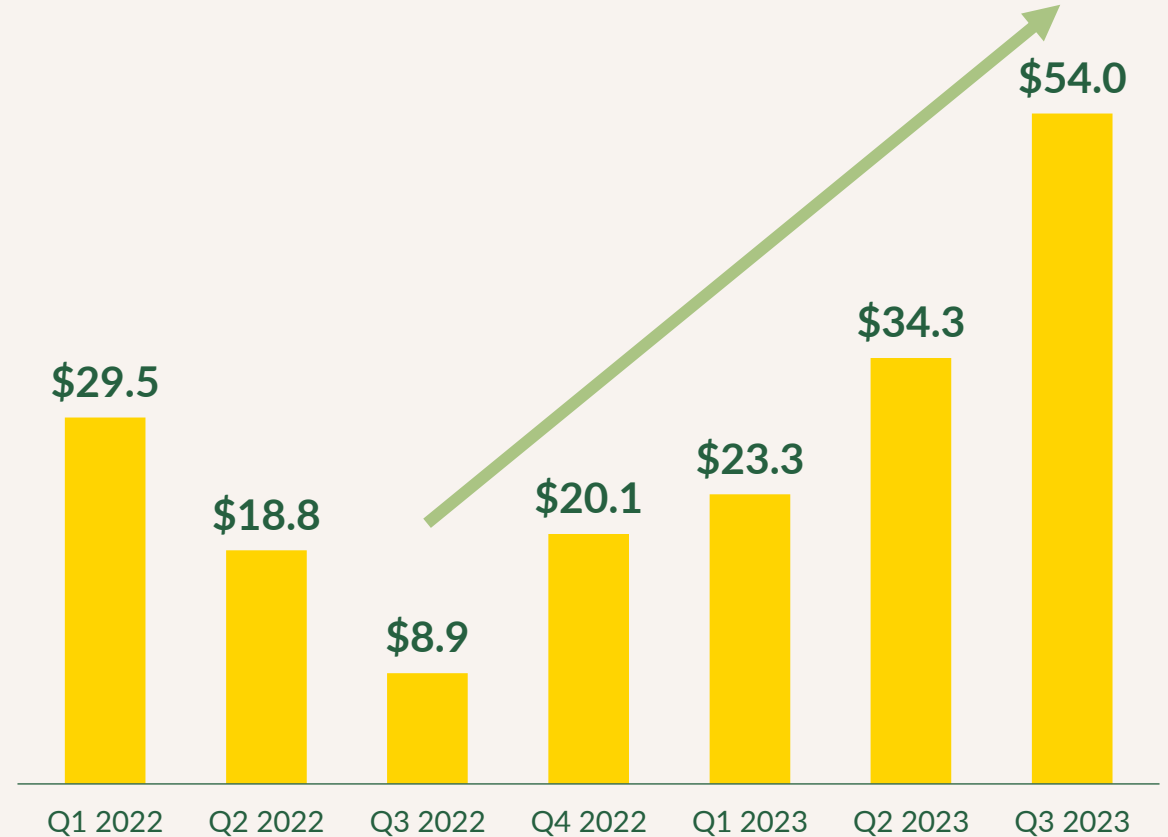


THE ORGANIZATION CHANGES WE MADE IN SEPTEMBER 2022 HAVE BEGUN TO RESTORE OUR OPERATING PERFORMANCE

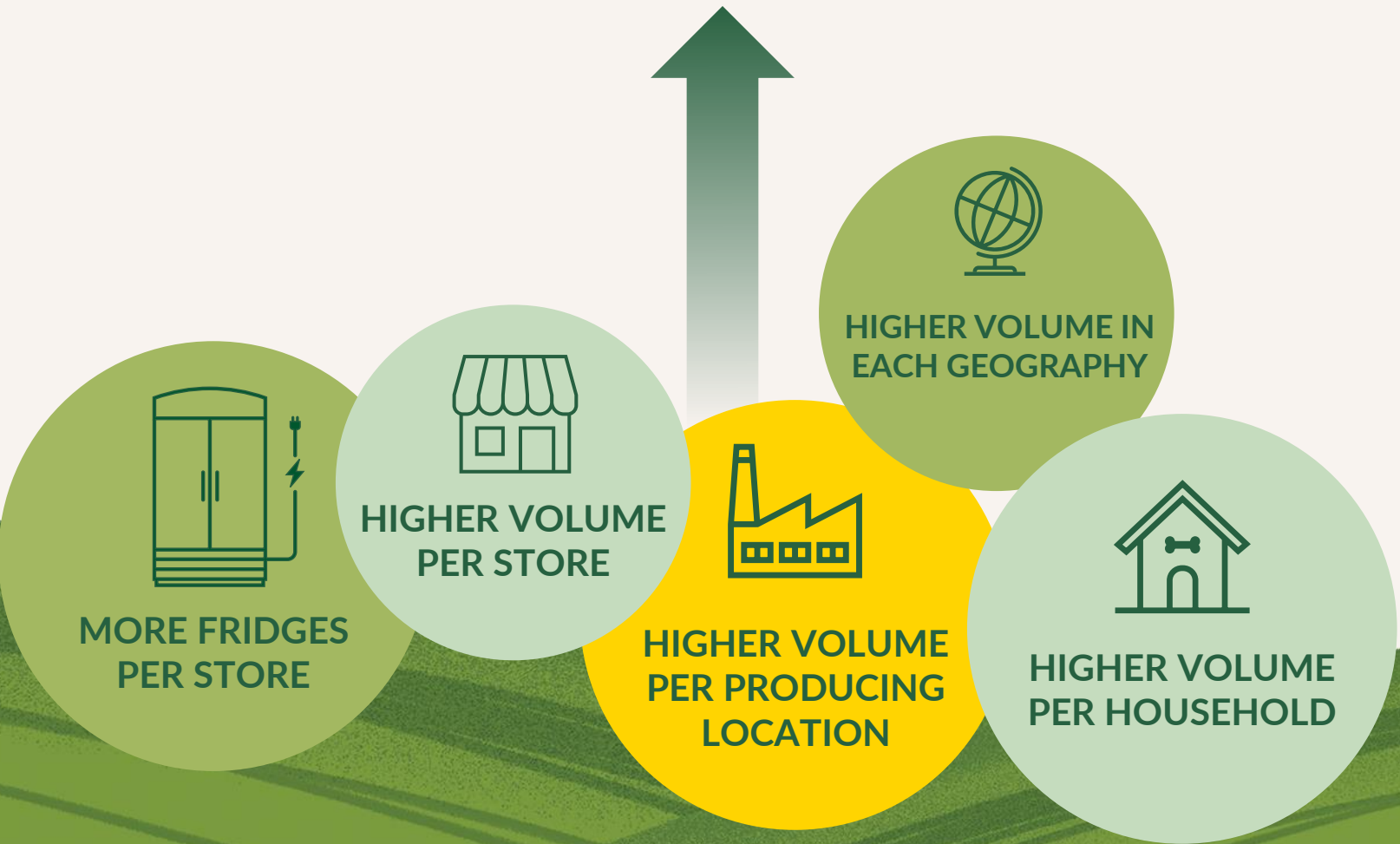
ADJ. GROSS MARGIN BY QUARTER



TRAILING 12-MONTH ADJ. EBITDA



INCREASED BUSINESS INTENSITY & CONCENTRATION CAN DRIVE INCREASED EFFICIENCY



FRESHPET KITCHEN: ENNIS, TX

Phase II construction is on track for the start-up of the first roll line by the end of Q3 2024



GUIDANCE



REITERATING 2023 NET SALES & ADJ. EBITDA GUIDANCE

	NET SALES	ADJUSTED EBITDA
2023 Guidance	~\$755M	~\$62M



NET SALES:

- NIQ Mega-Channel +28% QTD (12/23/23)
- Unmeasured channels growth accelerating; adds >5 pts to growth rate
- International growing faster than US
- Last 4-week NIQ Mega-Channel volume growth +23%

ADJ. EBITDA:

- Continued strong operating performance on quality and logistics

2024 OUTLOOK:

- Intend to continue with disciplined management of growth to deliver further margin improvement and cash flow generation
- Will provide guidance in late Feb. 2024 with FY23 results

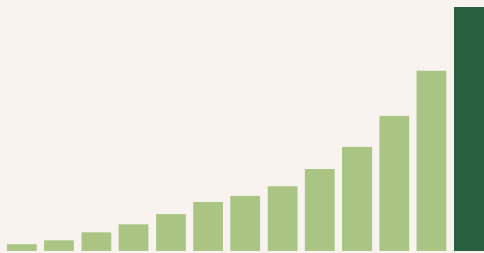
SUMMARY



THE FUTURE OF PET FOOD IS FRESH AND FRESHPET IS SEIZING THAT OPPORTUNITY



LARGE & GROWING TOTAL
ADDRESSABLE MARKET



DEMONSTRATED
RECORD OF GROWTH



EXCEPTIONAL PRODUCTS



INNOVATION BRINGING IN MORE
SHOPPERS



BROAD DISTRIBUTION

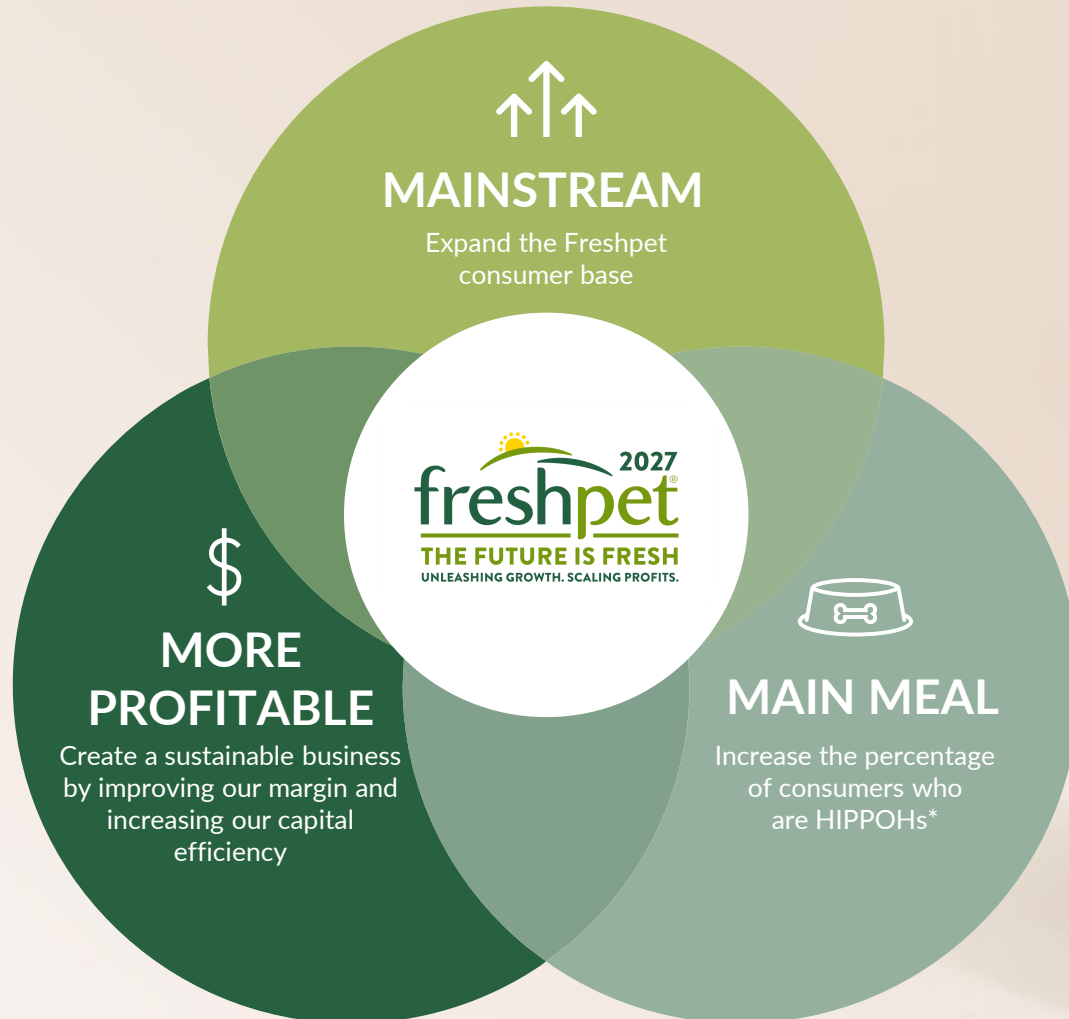


CATEGORY LEADING
MEDIA SUPPORT



STATE-OF-THE-ART
MANUFACTURING
& TECHNICAL KNOW HOW
WITH CAPACITY FOR GROWTH

FRESHPET IS GOING MAINSTREAM AND BECOMING MAIN MEAL AND ON ITS WAY TO BEING MORE PROFITABLE





2027
freshpet[®]
THE FUTURE IS FRESH
UNLEASHING GROWTH. SCALING PROFITS.





THANK YOU!

The logo for freshpet, featuring a stylized sun or moon icon above the brand name "freshpet" in a lowercase, sans-serif font.