



STIFEL CONFERENCE

June 2023



FORWARD LOOKING STATEMENTS & NON-GAAP MEASURES

Forward-Looking Statements

Certain statements in this presentation by Freshpet, Inc. (the “Company”) constitute “forward-looking” statements, which include any statements related to the the Freshpet Kitchens Expansion, our long-term capacity planning, our net sales and Adjusted EBITDA guidance and the Company's general operating and economic environment. 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 our long-term capacity planning, 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.

FORWARD LOOKING STATEMENTS & NON-GAAP MEASURES

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.



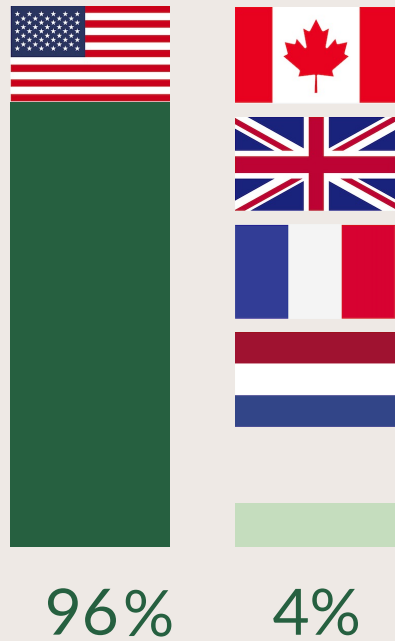
FRESHPET STRENGTHENS THE BOND BETWEEN **PEOPLE** AND OUR **PETS** SO THAT WE BOTH LIVE LONGER, HEALTHIER AND HAPPIER LIVES WHILE BEING KIND TO THE **PLANET.**



freshpet[®] QUICK FACTS

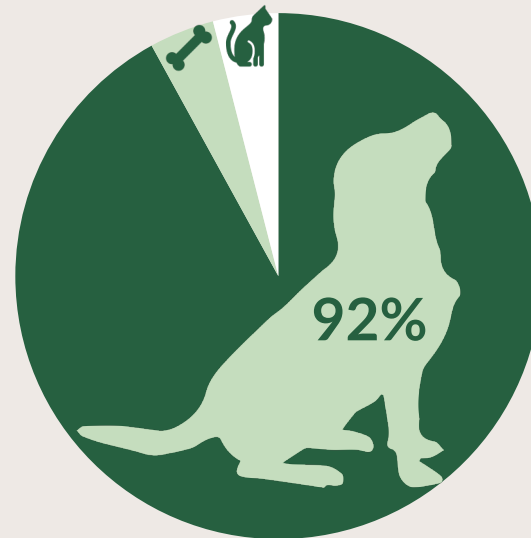
GLOBAL NET SALES

~\$750M Projected 2023



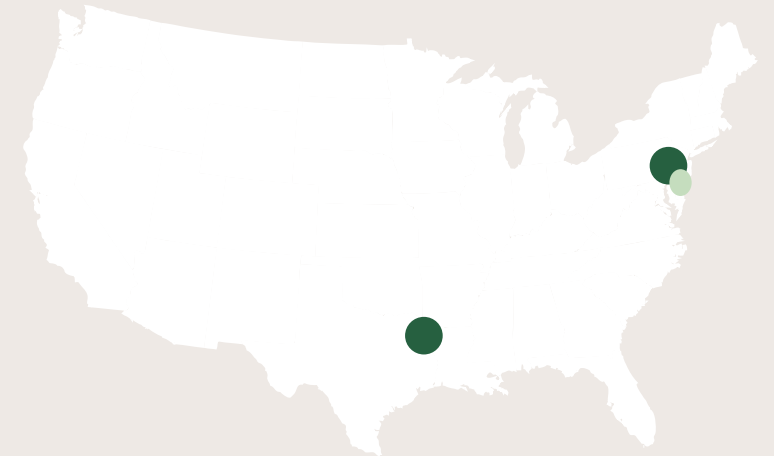
CATEGORIES

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



FOOTPRINT

NJ HQs
Owned Manufacturing (PA & TX)
1000 Team Members



OUR PORTFOLIO HAS MULTIPLE FORMS AND BRANDS THAT MEET THE EMOTIONAL AND RATIONAL MOTIVATIONS OF PET PARENTS



ROLLS WITH VISIBLE INCLUSIONS



ROASTED MEALS



SHREDDED, HUMAN APPEAL



HOME COOKED MEALS



PATTIES



REAL FOOD FRESH FROM THE FRIDGE®

freshpet

REAL FOOD FRESH FROM THE FRIDGE®

freshpet

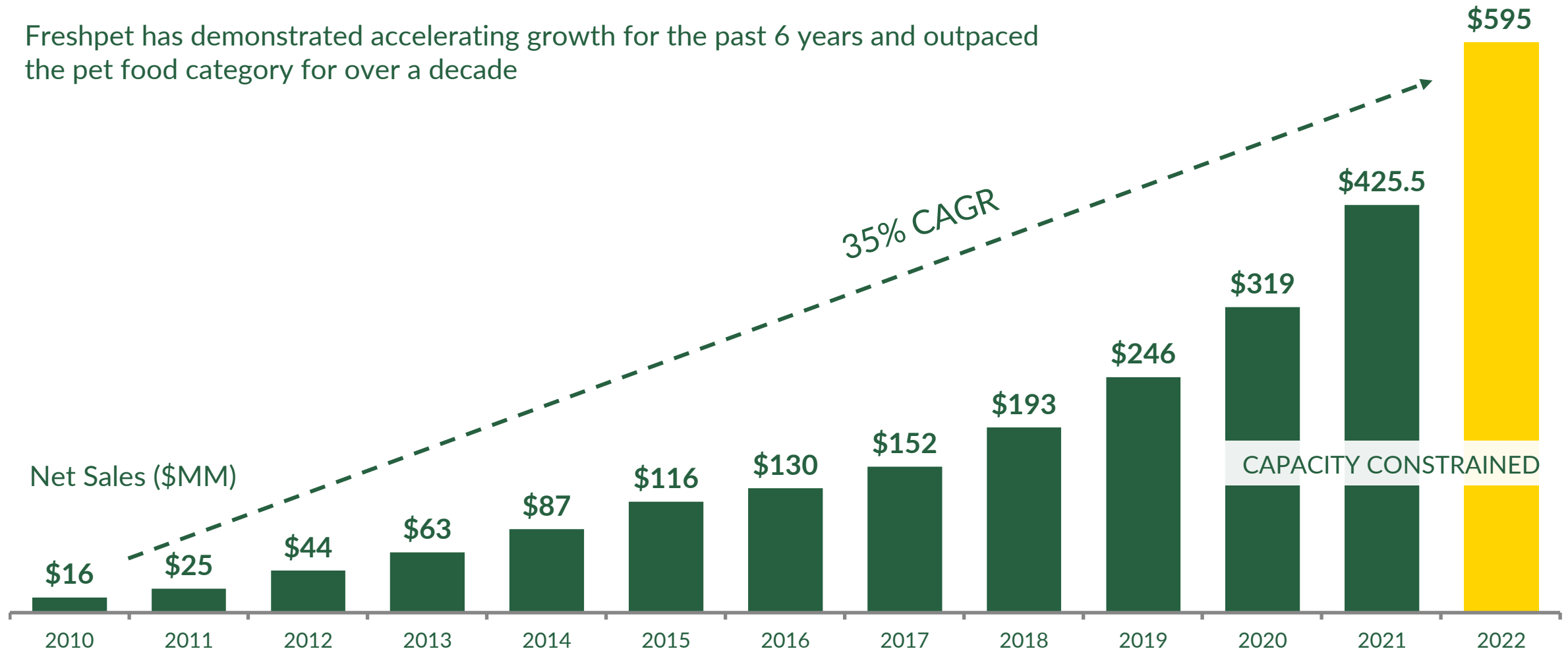
freshpet
NATURE'S
Fresh
SUSTAINABLE PET FOOD

freshpet®

IN 25,852 STORES

OUR MODEL CONTINUES TO DRIVE THE STRONG AND CONSISTENT TOP LINE GROWTH

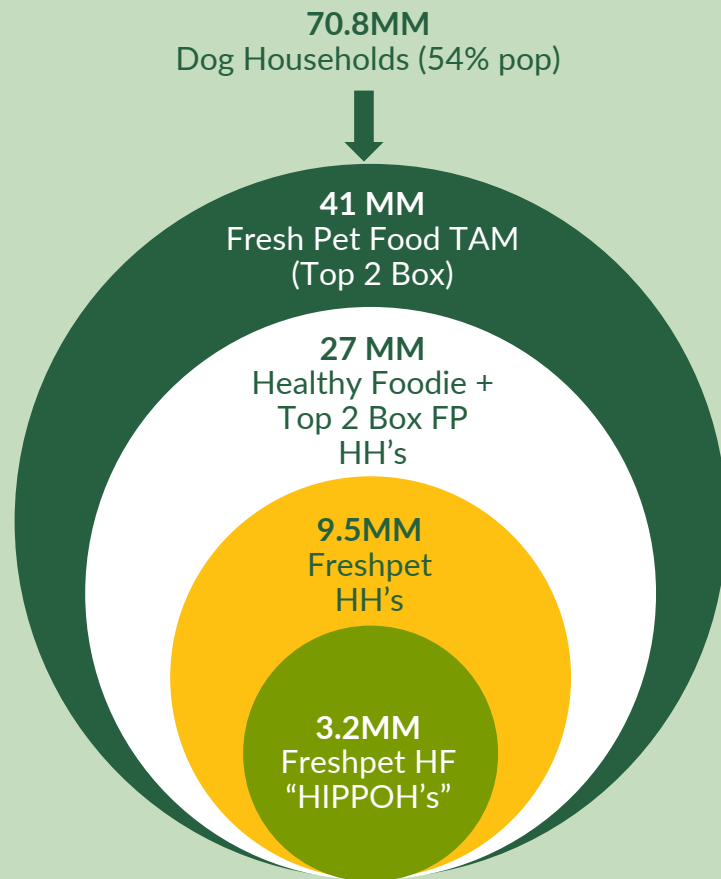
Freshpet has demonstrated accelerating growth for the past 6 years and outpaced the pet food category for over a decade



HOUSEHOLD PENETRATION & BUYING RATE



FRESHPET HEALTHY FOODIE, CORE TARGET



- ✔ These people are our **HIPPOH's**: high-profit pet owning households
- ✔ Representing **33% of current consumers** and **87% of sales**
- ✔ 2x buy rate of \$220+
- ✔ **HHI \$80K+**

WE ARE BUILDING OUR BRAND AND COMMUNICATIONS FOR OUR CORE CONSUMER

Our pet parents want to feed their dogs something they would eat

FRESHPET CORE TARGET - HEALTHY FOODIE HIPPOH'S (HIGH PROFIT PET OWNING HOUSEHOLDS)



Pet partner, treat dog like a person



Dog top priority



Dog deserves the best



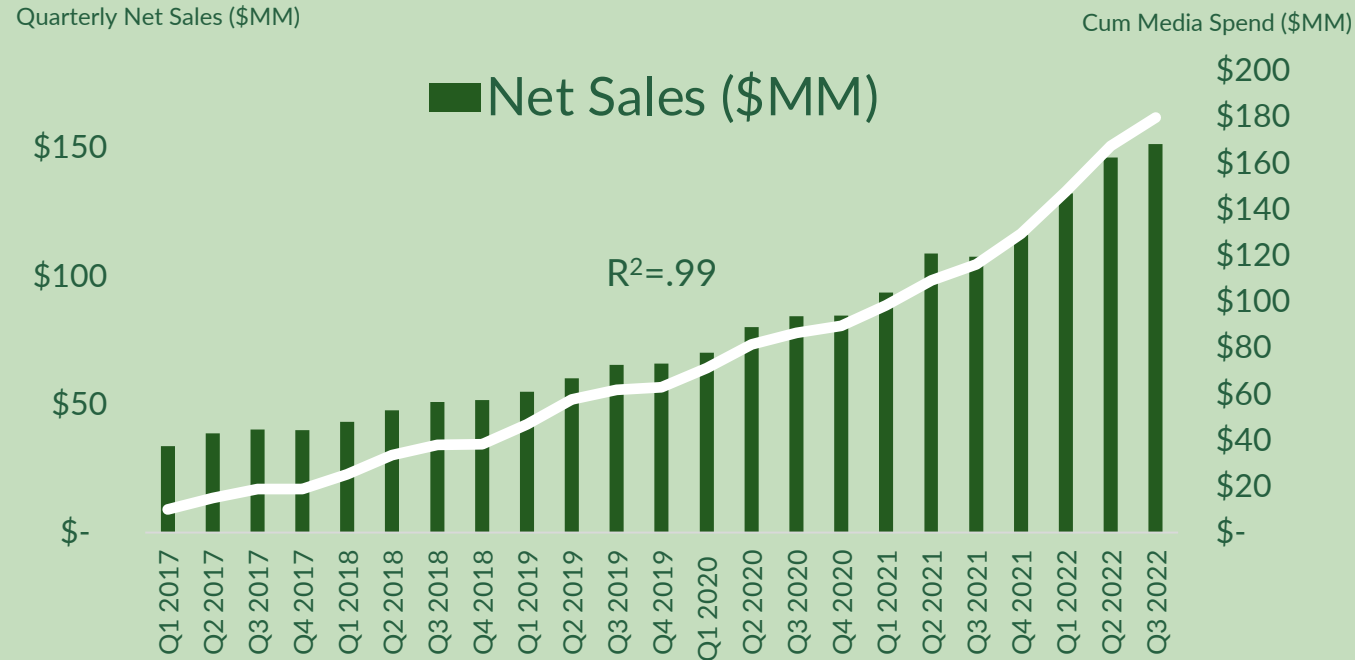
They eat fresh, food lover, appreciate the best. Same for pup: **Fresh, real, human quality food**



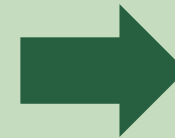


2023 WILL BE OUR BIGGEST MEDIA INVESTMENT SPEND

OUR MEDIA MODEL FUELS SALES AND PENETRATION GROWTH...



...LEADING TO LOYAL HOUSEHOLDS WHO HAVE A FRESH APPROACH TO PET FOOD

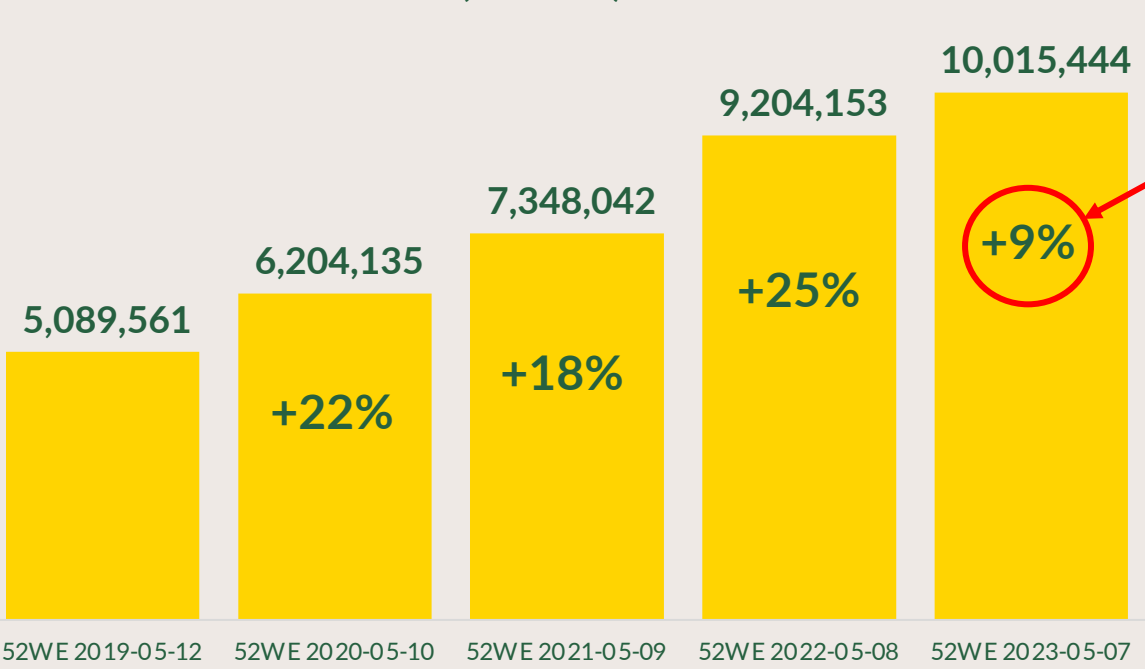


- Investment in penetration to capture our TAM
- >70% of growth comes from media

- Healthy foodies are abandoning dry food

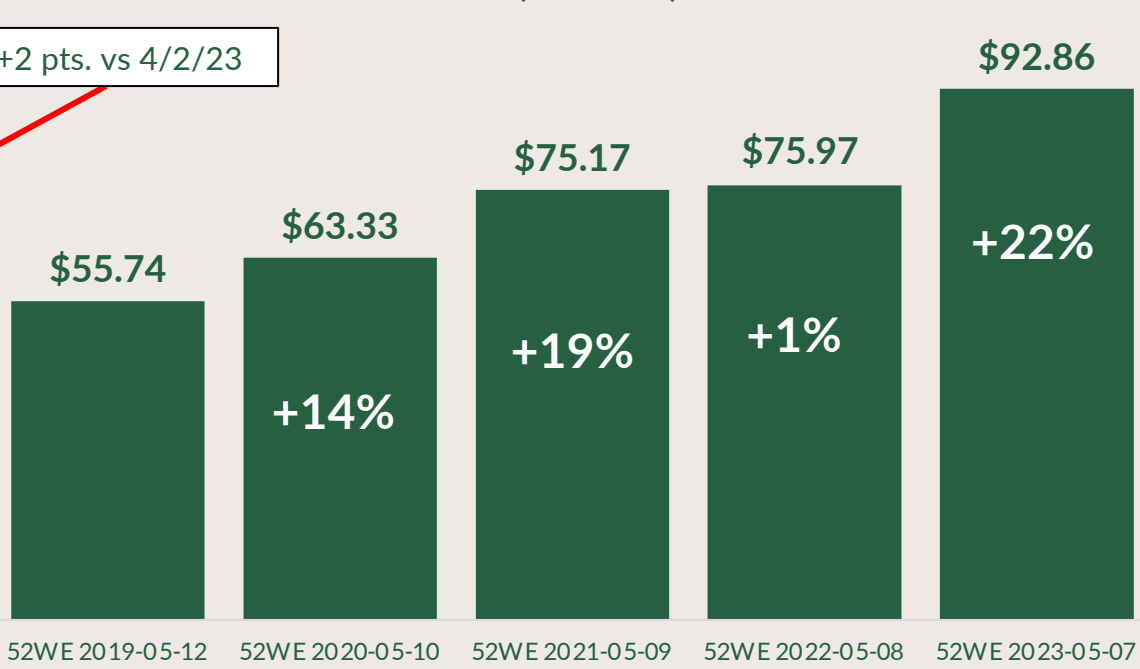
HH PENETRATIONS GROWTH HAS ACCELERATED SINCE THE END OF Q1: SURPASSED 10MM HH'S WITH VERY STRONG BUYING RATE

FRESHPET PENETRATION GROWTH
(52 Weeks)



■ Freshpet Buying HHs

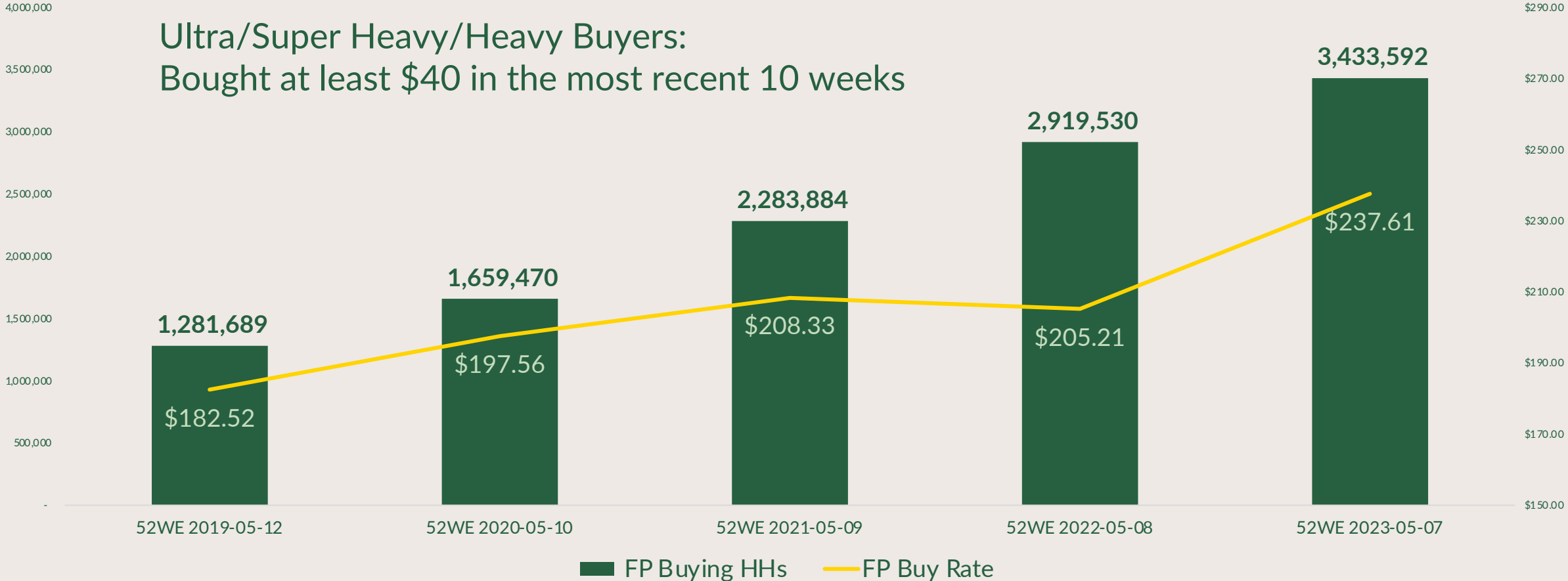
FRESHPET BUYING RATE
(52 Weeks)



■ Freshpet Buy Rate

FRESHPET HEAVY/SUPER HEAVY BUYERS CONTINUE TO INCREASE

FRESHPET ULTRA/SUPER HEAVY/HEAVY BUYERS 5 YEAR TREND

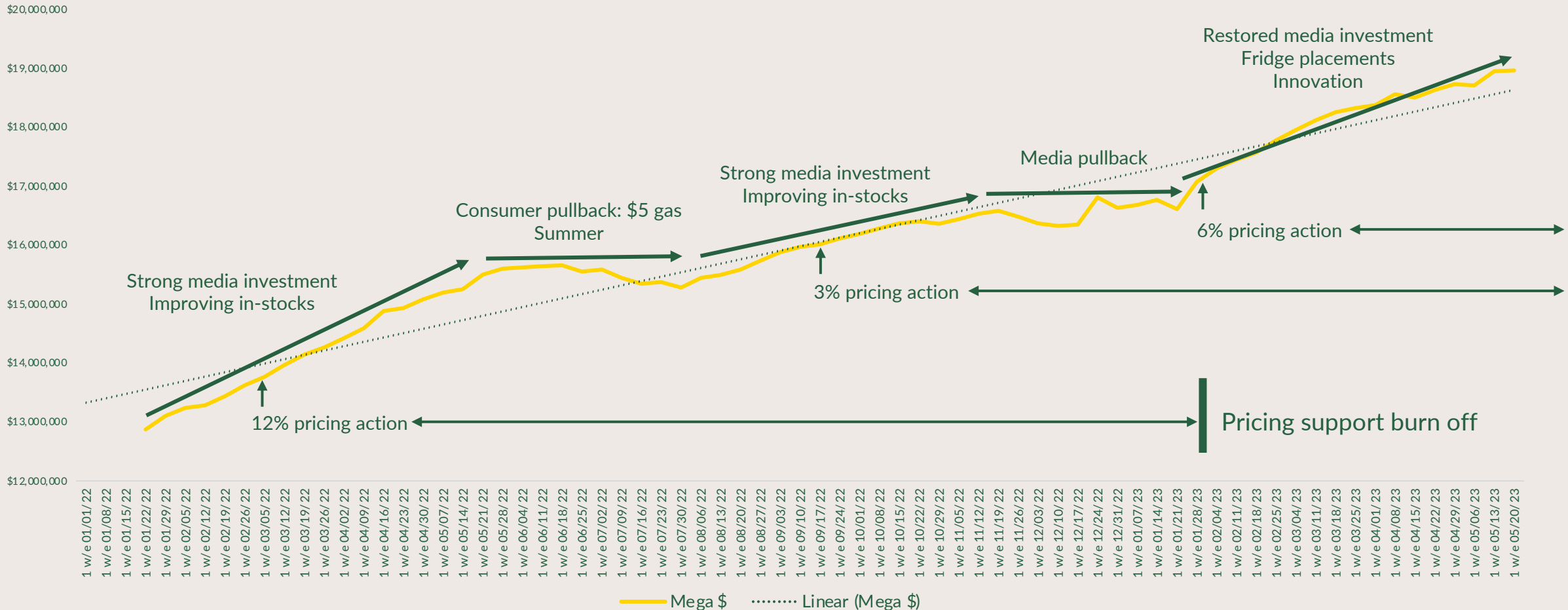


CURRENT BUSINESS TRENDS



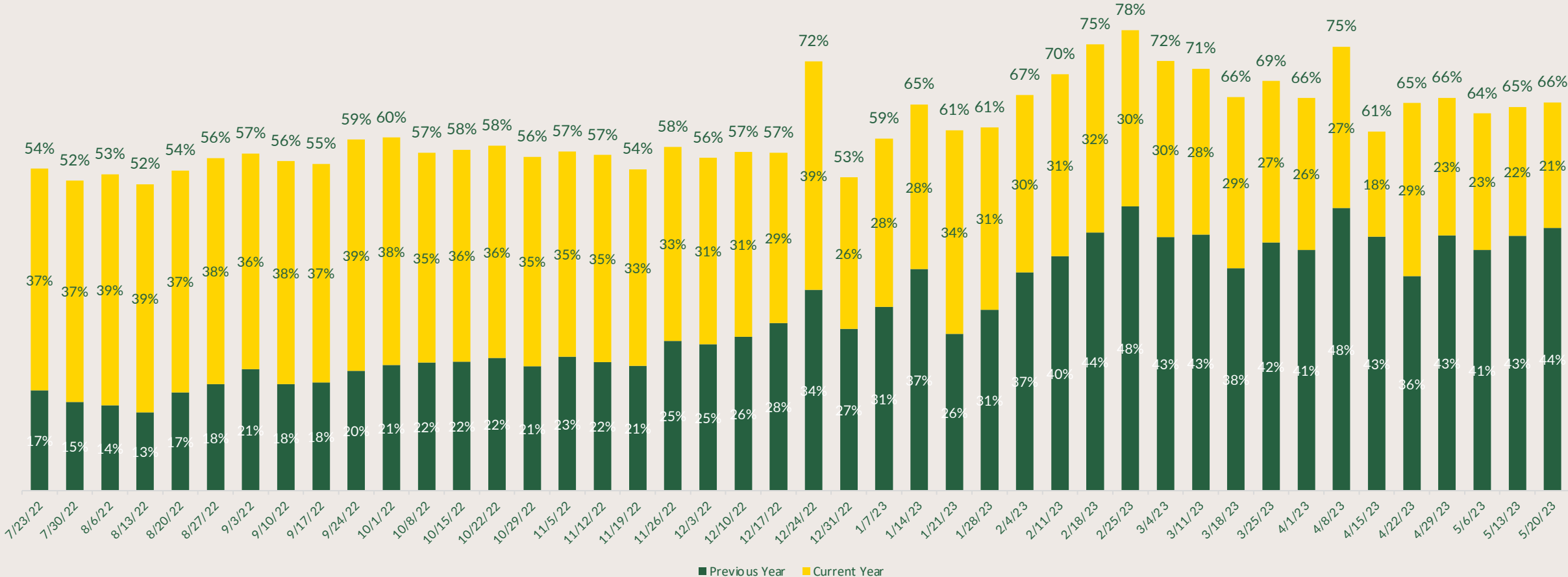
FH 2023 CONSUMPTION GROWTH ACCELERATES DESPITE “BURNING OFF” THE BENEFITS OF FEB '22 12% PRICE INCREASE: ADVERTISING AND FRIDGE PLACEMENTS WORKING

NIELSEN MEGA-CHANNEL 4-WEEK ROLLING AVERAGE DOLLAR SALES



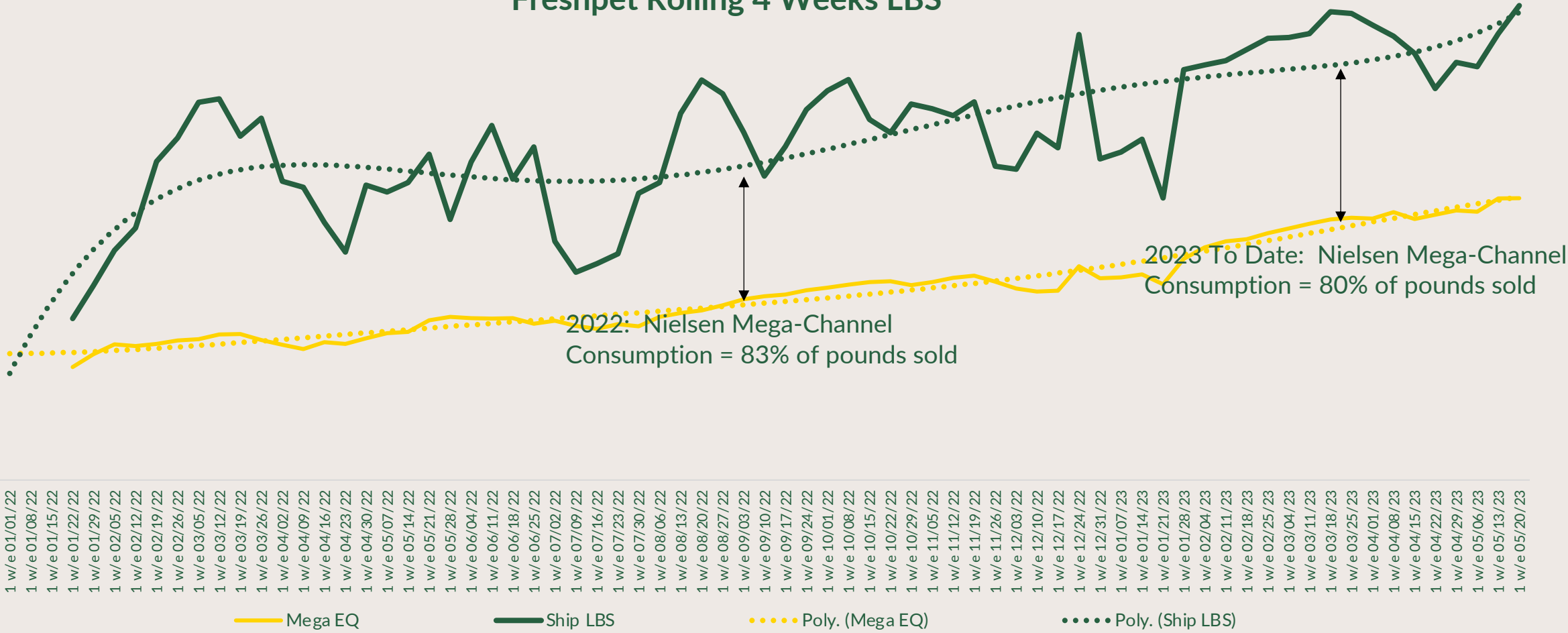
2-YEAR STACKED GROWTH REMAINS STRONG & CONSISTENT

NIELSEN MEGA-CHANNEL CONSUMPTION GROWTH 2-YEAR STACKED



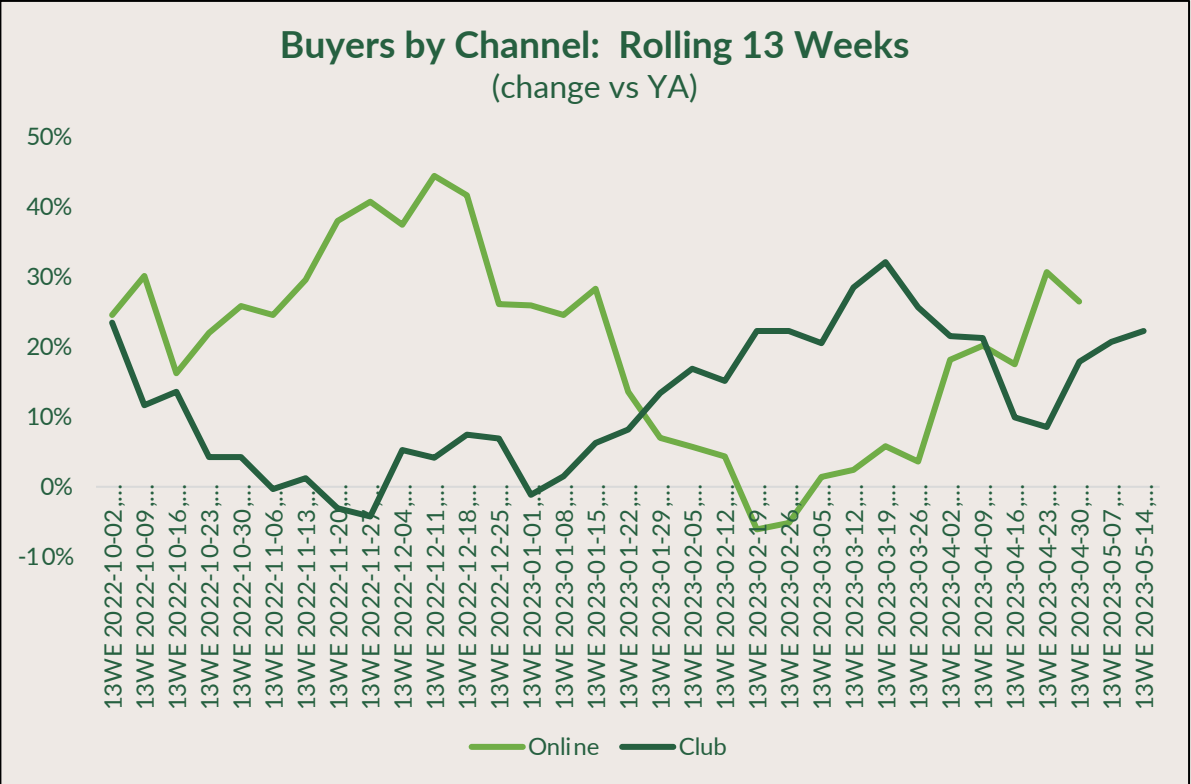
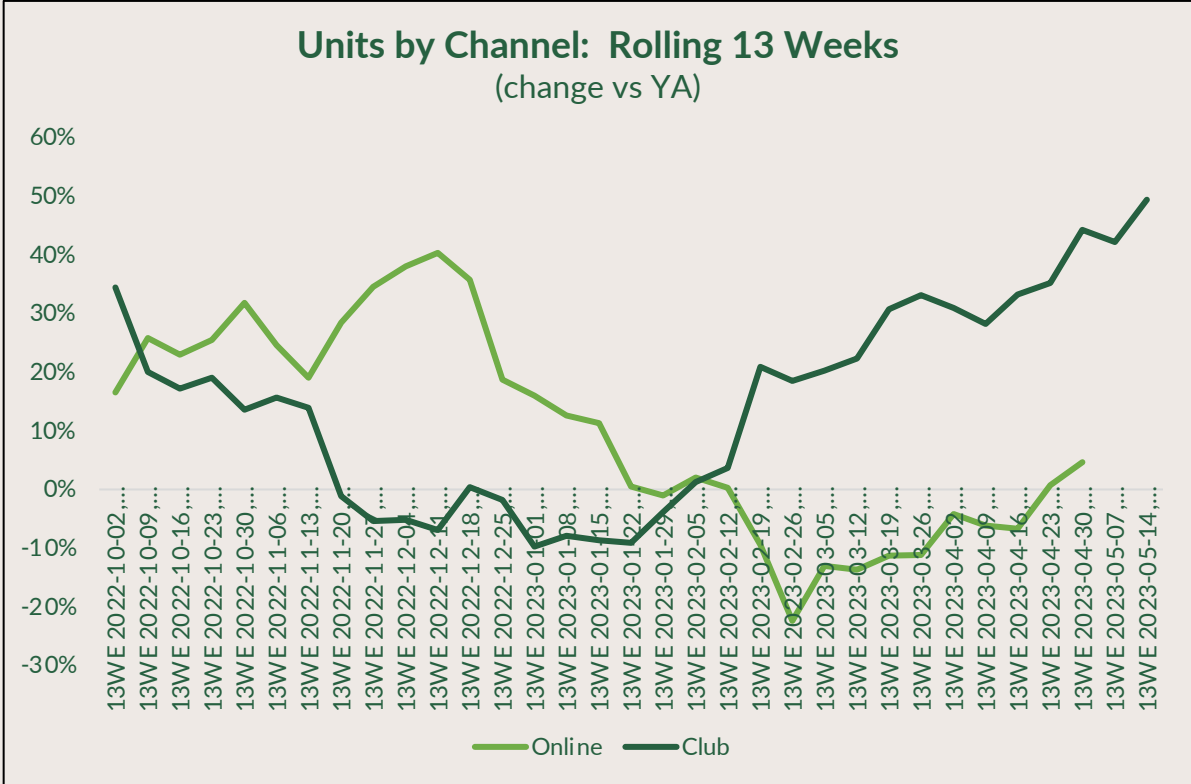
SHIPMENT GROWTH EXCEEDING NIELSEN MEASURED GROWTH: SHIPMENT GROWTH RUNNING ~3 POINTS AHEAD OF CONSUMPTION

Freshpet Rolling 4 Weeks LBS



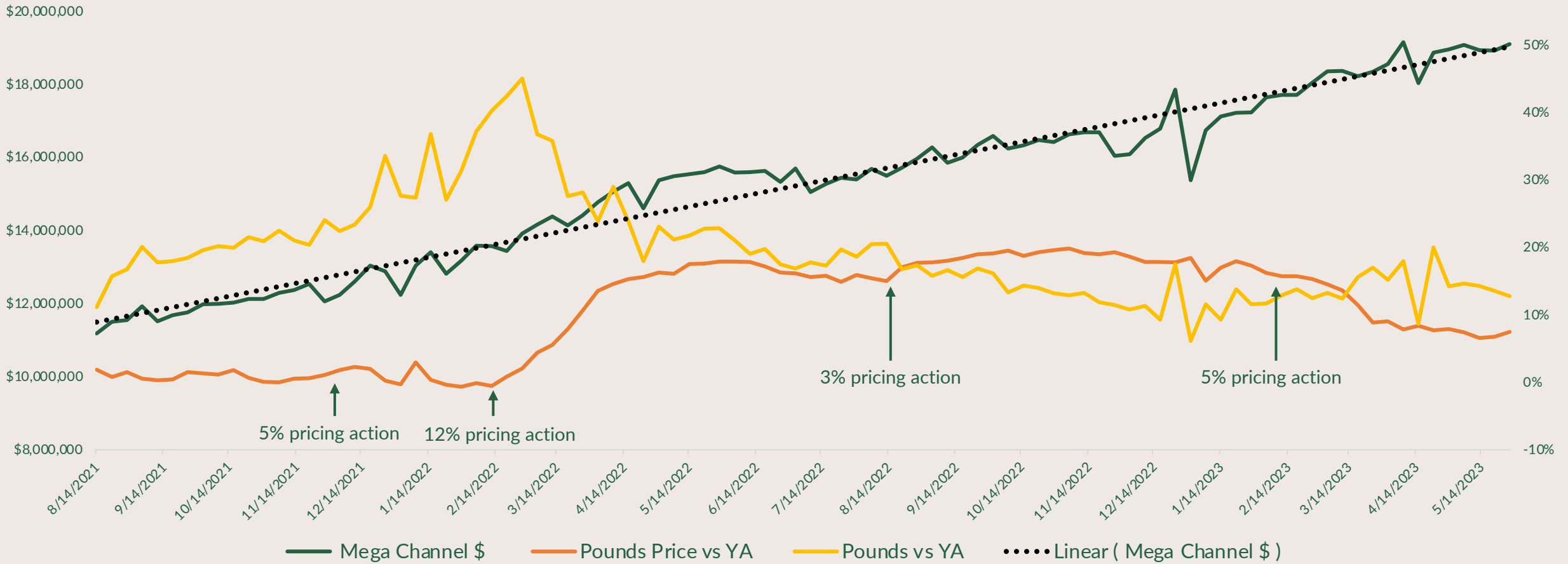
UNMEASURED CHANNEL GROWTH IS TAKING OFF: COSTCO AND ONLINE BUSINESSES HAVE ACCELERATED IN 2023

NUMERATOR HH PANEL DATA BY CHANNEL: ROLLING 13 WEEKS



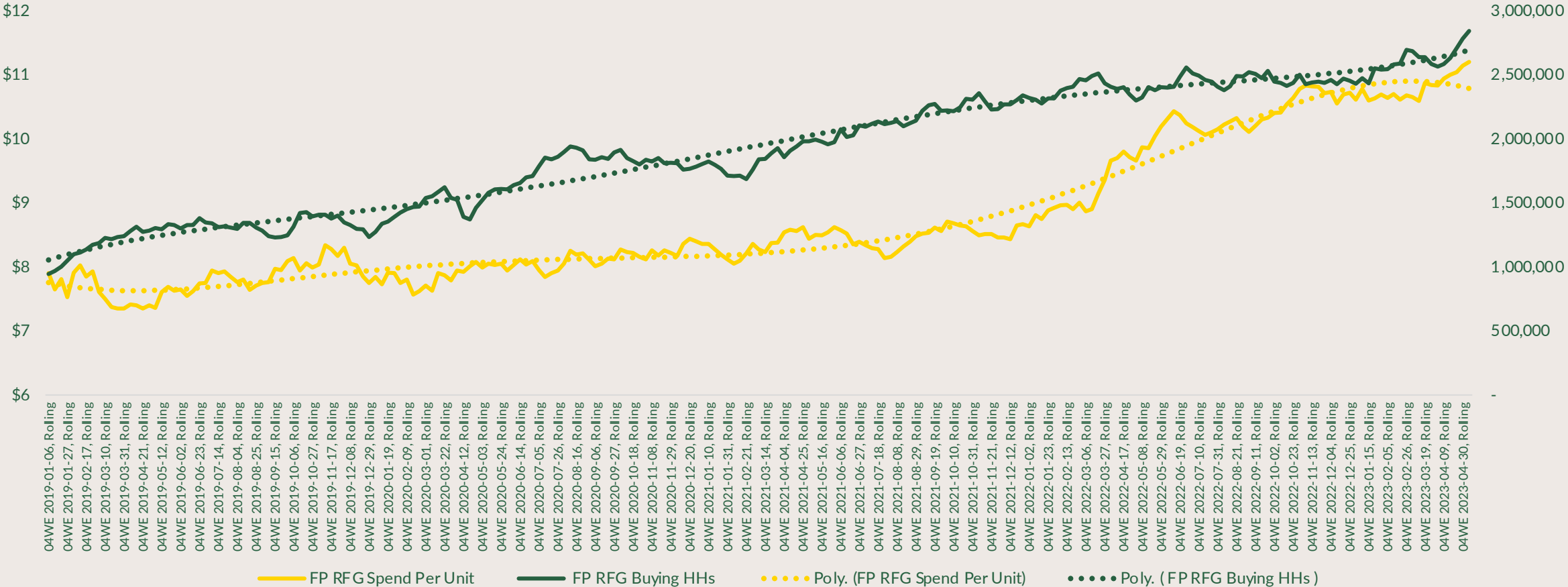
CONSUMPTION GROWTH IS VERY STEADY DESPITE SIGNIFICANT PRICING OVER THE PAST YEAR

FRESHPET NIELSEN MEGA-CHANNEL DOLLAR SALES, POUNDS AND PRICE GROWTH RATES



FRESHPET FRANCHISE HAS CONSISTENTLY DIGESTED HIGHER PRICING AND CONTINUED TO GROW

Freshpet Spend per Unit vs Buying HH's
(Rolling 4-Week)



THE PET FOOD AISLE IS STARTING TO LOOK VERY DIFFERENT

The fresh pet food category will follow human fresh food trends and shopping destinations.

2023 IS A BREAKOUT YEAR FOR FRIDGE EXPANSION: +~17%

Leading to 1.7M+ cu ft at retail by end of 2023

- ✔ +1200 New stores
- ✔ +3000 2nd and 3rd Fridges
- ✔ +1000 Upgrades



STRONG PRODUCTION AND PLACEMENT OF 2ND & 3RD OF FRIDGES IS DRIVING AVAILABILITY TO RECORD LEVELS

FRESHPET TOTAL DISTRIBUTION POINTS (TDP'S)
NIELSEN MEGA-CHANNEL



THE LEADING INDICATORS OF ACCELERATING UNIT AND POUND GROWTH ARE IN PLACE AND WORKING: **EXPECT TO SEE ACCELERATION IN THE PERIODS AHEAD**

LEADING INDICATORS

- ✓ • Household penetration acceleration
- ✓ • Buying rate growth
- ✓ • Fridge additions
- ✓ • Fill rates >95%
- ✓ • Media investment (to go & vs YA)



LAGGING INDICATOR

Nielsen consumption growth acceleration

OUR MODEL IS WORKING IN 2023: ADVERTISING & FRIDGE PLACEMENTS ACCERATING HH PENETRATION, POUNDS & UNIT GROWTH

ADVERTISING
>\$70MM in 2023



>40% to go

AVAILABILITY & VISIBILITY
+5000 fridges in 2023



>3500 to go

SIGNIFICANT MOMENTUM



- Accelerating pound & unit growth as pricing benefit fades
- Pound shipments +20% YA
- HH penetration accelerating

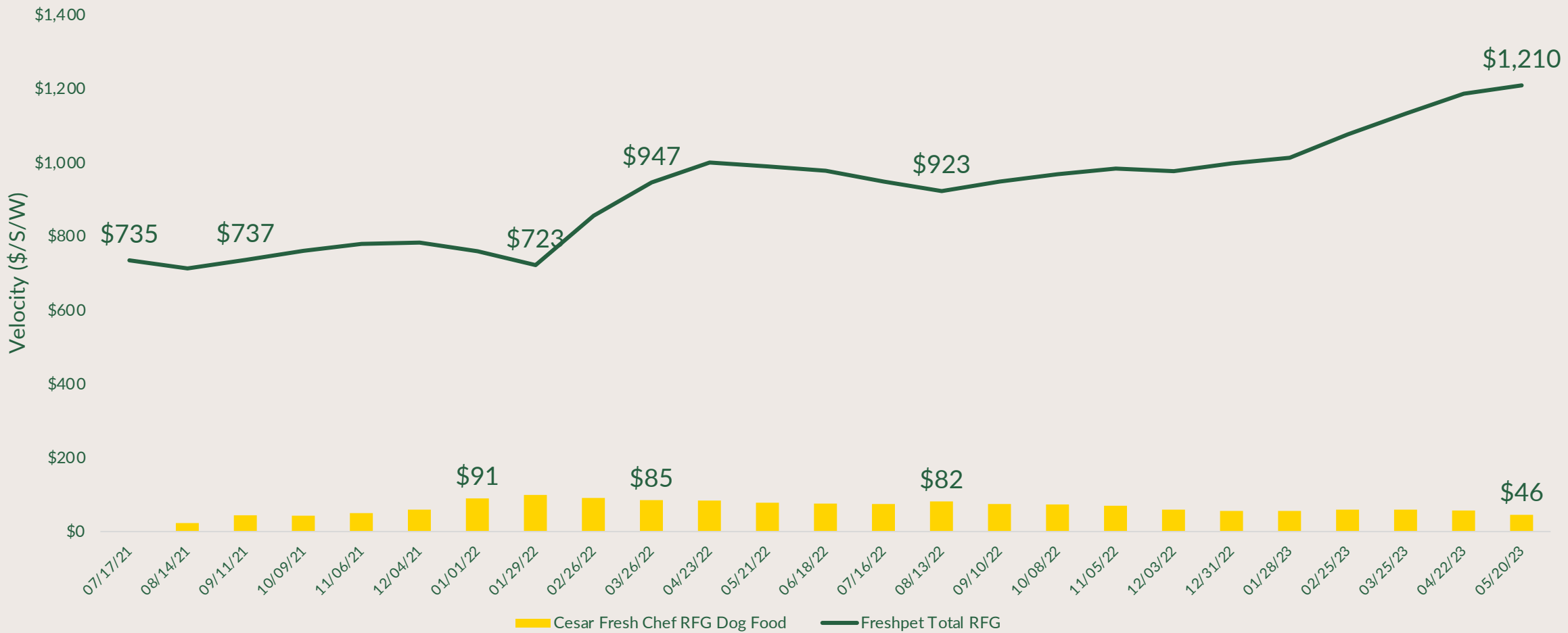
Model continues to work as it has since 2011

COMPETITIVE UPDATE



CESAR SALES WELL BELOW FRESHPET SALES LEVELS

REFRIGERATED BRAND VELOCITIES COMPARABLE DOLLARS PER STORE PER WEEK



BLUE BUFFALO FRESH SALES WELL BELOW FRESHPET SALES LEVELS

REFRIGERATED BRAND VELOCITIES

COMPARABLE DOLLARS PER STORE PER WEEK



INCREASING OPERATIONAL EFFICIENCY & SCALE





FRESHPET ENNIS, TX KITCHEN SITE

Future location of 10 acres of solar panels

Wastewater treatment

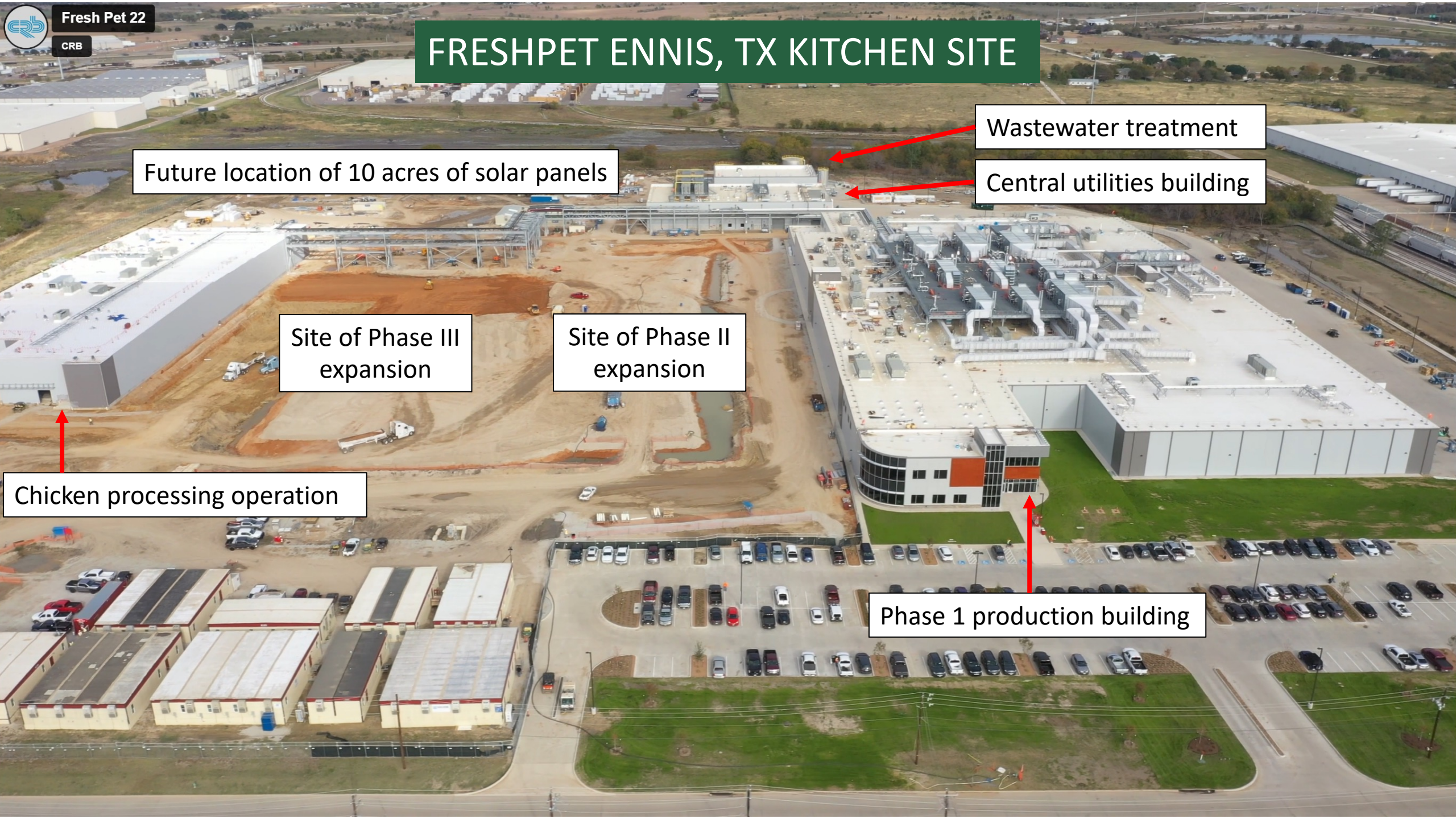
Central utilities building

Site of Phase III expansion

Site of Phase II expansion

Chicken processing operation

Phase 1 production building



ENNIS KITCHEN: START-UP IS ON TRACK

2023 Milestones

Bag line will be operating 24/7

2023 Chicken Processing Start-Up

Bag line begins shipping saleable product

Rolls line operating 24/7

2022 DART Rate = 1.57

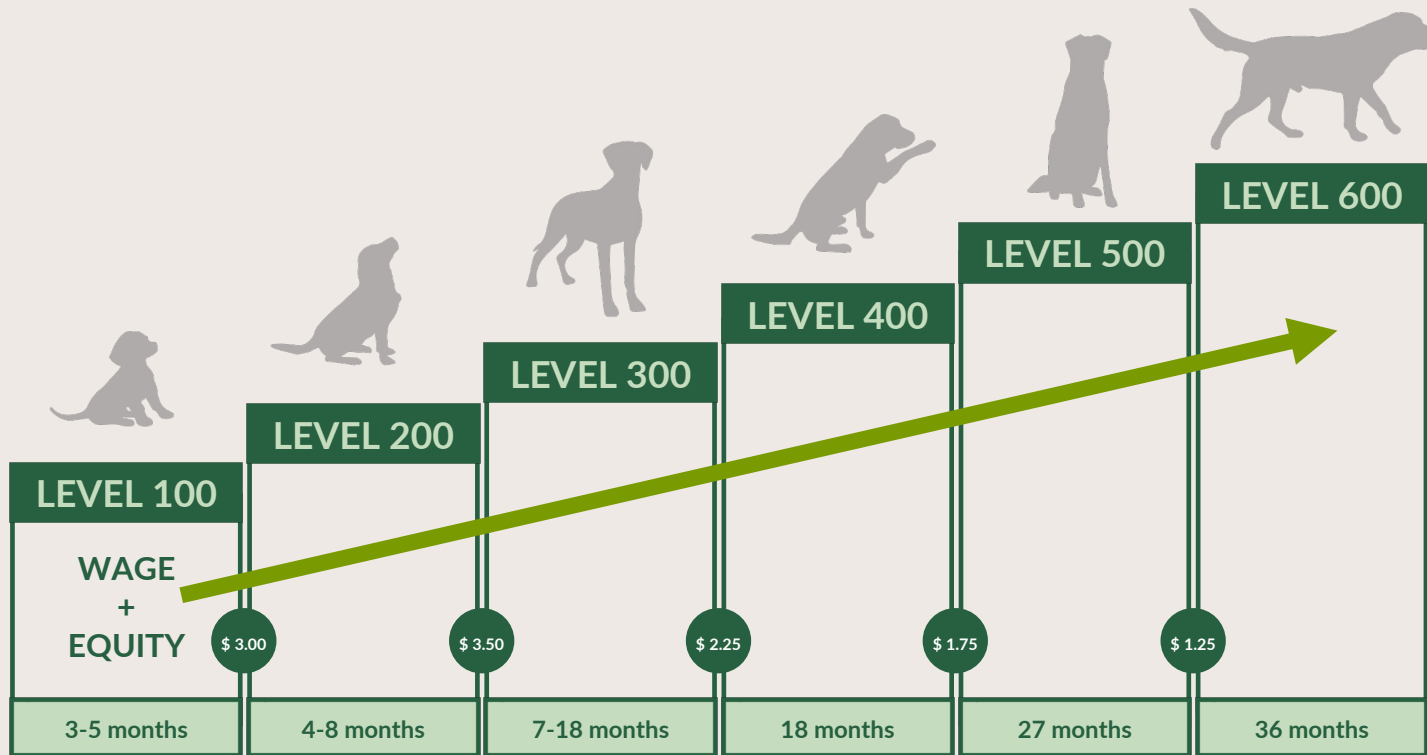
First SQF Audit = 99

2022

2023

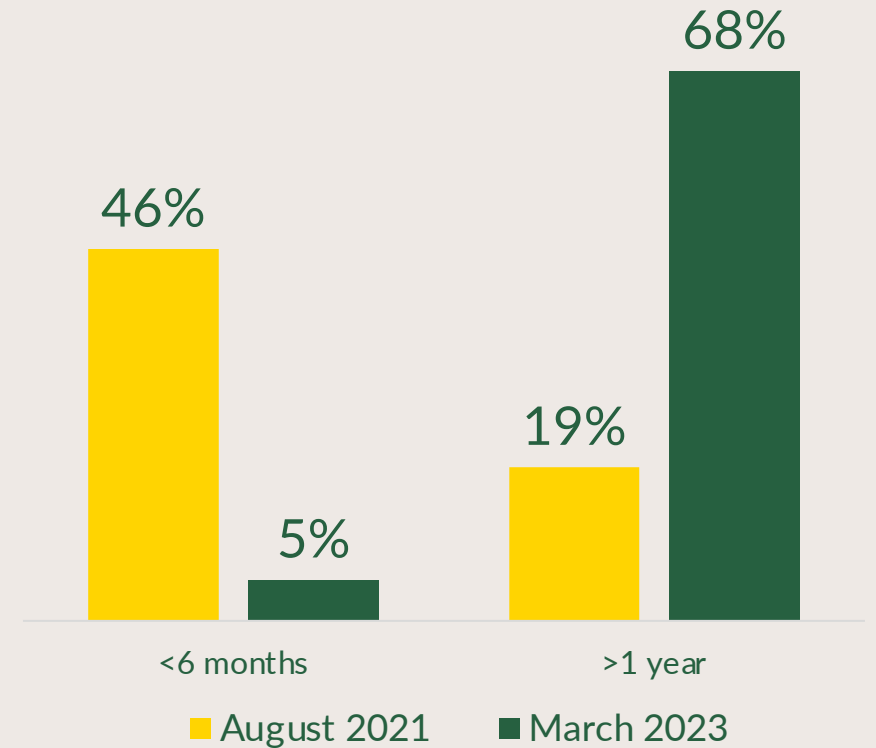
2024-2027

FRESHPET ACADEMY IS DELIVERING THE LABOR IMPROVEMENTS WE HAD HOPED FOR



GROWING OUR TALENT, INCREASING SKILLS →

FRESHPET TEAM MEMBER TENURE



FY 2023 GUIDANCE



PROGRESS REPORT



2023 PLAN: OPERATIONAL IMPROVEMENTS



**Ample
capacity**



**More efficient
logistics**



**Improved
quality**

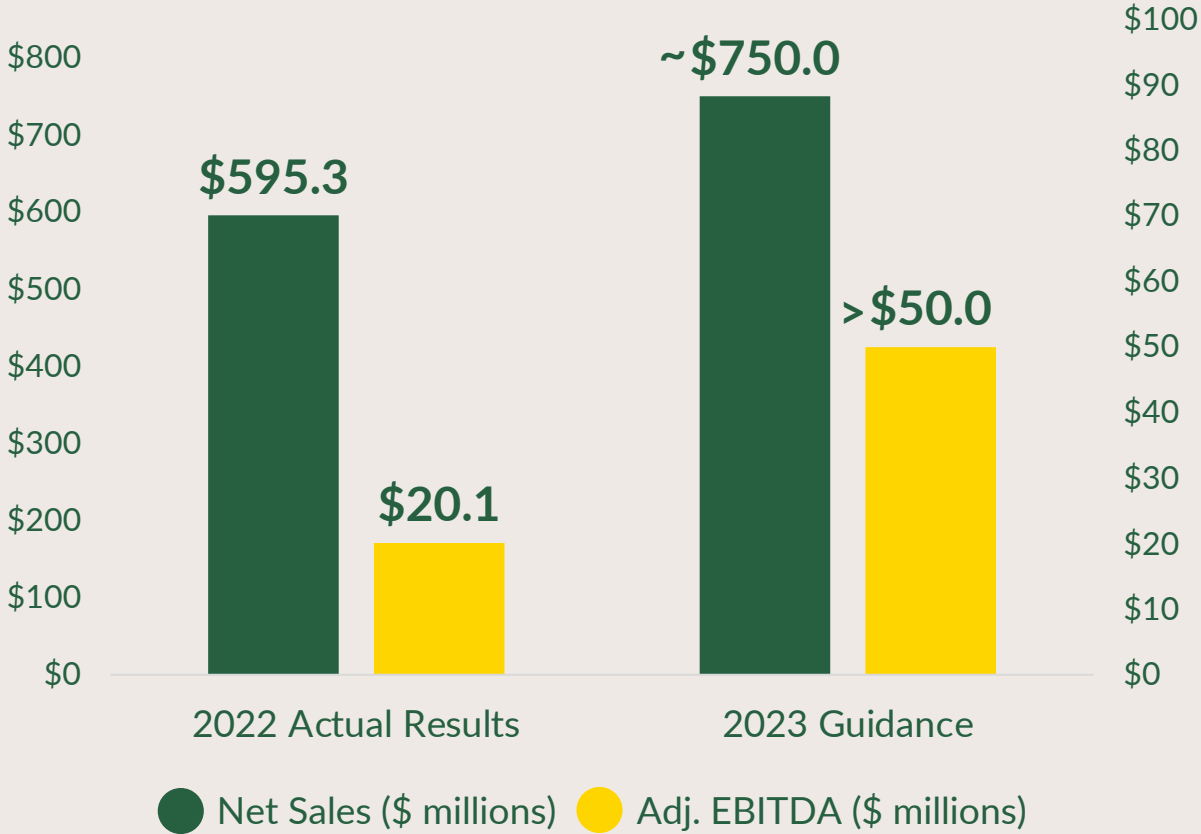


**Commodity costs
in line with pricing**

RE-AFFIRMING 2023 GUIDANCE: FOCUS ON IMPROVING PROFITABILITY WHILE DRIVING GROWTH

- **Volume cadence:** Shipment growth strongly tied to sequential consumption growth. Year-on-year growth trends skewed by trade inventory re-fill in 2022.
- **Advertising investment:** Investing >25% more in media. Front-loaded to jump start demand.
- **Adj. Gross Margin:** Anticipate further improvement in second half as pricing takes hold and temporary inefficiencies are eliminated. Near-term gains are expected to be offset by underutilized capacity in Ennis.
- **Logistics costs:** Once bag line starts up in Ennis and can produce all sku's, expect to see steady improvement in logistics.

FRESHPET FINANCIAL PROJECTIONS



2023 GUIDANCE: Q2 EXPECTATIONS

- ✔ **Volume cadence:** Q2 2023 is projected to have similar (mid-20's) net sales growth as Q1 2023.
- ✔ **Advertising investment:** Very heavy advertising investment to drive renewed engagement and offset impact of last two price increases.
- ✔ **Logistics costs:** Q2 2023 will include significant transitory costs of shipping bags from Bethlehem to Dallas to support West Coast shipments while the Ennis bag line ramps up.
- ✔ **Adj. Gross Margin:** Full benefit of February price increase and continued improvement in quality to be offset by underutilized capacity in Ennis. Net effect is Q2 2023 Adj. Gross Margin that is slightly below that of Q1 2023.
- ✔ **Adj. EBITDA \$:** Q2 2023 will be comparable to Q1 2023 due to under-utilization of Ennis bag line, heavy marketing spend, transitory logistics costs, and some catch-up in SG&A.

GOVERNANCE UPDATE



SHAREHOLDER FRIENDLY GOVERNANCE PLAN: TRANSITIONING FROM AN EMERGING GROWTH COMPANY TO FULLY MATURE COMPANY BY THE TIME WE ARE \$1 BILLION IN NET SALES

- **Committed to a 5-year governance transformation plan in 2020**
 - Plan included board declassification, removal of supermajority voting rights, majority voting, right to call special meetings and proxy access
 - Received broad shareholder support for each element – including 97% support for our plan to de-stagger our Board by 2025
 - Plan also included mandatory retirement for directors, and which prevents Chairman Charlie Norris from standing for re-election. This has been public information since 2021.
 - We have implemented every element of the plan as committed in 2020
- **Board composition enhanced by appointment of a strong operations executive, Dave Biegger (former Chief Supply Chain Officer for Conagra and Campbell Soup)**
 - The Board retained Spencer Stuart to evaluate and recruit top talent for our Board (including JANA’s nominees)
 - JANA interviewed the top two candidates and supported their appointment
 - We offered to interview JANA’s outside director nominees to replace the recent departure from the Board

2020 PROXY EXHIBIT



SELF-DIRECTED BUSINESS IMPROVEMENT PLAN: FRESHPET PROACTIVELY INITIATED COURSE CORRECTIONS THAT ARE WORKING

- **Freshpet announced organization changes and renewed focus on operation improvements on Sept. 7, 2022 (two weeks before it was known that JANA had invested in Freshpet)**
 - Planning for organizational changes had been underway since July 2022
 - Announced the departure of the CFO and later announced the hiring of a proven CFO, Todd Cunfer
 - Announced plans to hire additional operations talent and later announced the hiring of EVP of Manufacturing & Supply Chain, Jay Dahlgren, and VP of Logistics, Dirk Martin
 - Additional hires will be announced later this month
- **Since those changes, the Company has met or exceeded expectations every quarter and reduced the capital spending commitments**
 - The Company exceeded guidance and consensus for FY 2022 net sales and Adj. EBITDA
 - Q1 net sales and Adj. EBITDA exceeded guidance and consensus
- **Freshpet has demonstrated improved operating performance**
 - The Company successfully opened its largest and most efficient plant in October and now has two lines running on target
 - The Company successfully opened its second DC on time and below budgeted costs
 - The Company's costs for quality and logistics improved significantly YTD and are continuing to improve

The Company continues to focus on restoring the margins that eroded over the past three years and is making good progress



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

