UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-36729

FRESHPET, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**20-1884894**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1450 US-206, Bedminster, New Jersey	**07921**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (201) 520-4000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock	FRPT	NASDAQ Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 31, 2026 the registrant had 48,058,074 shares of common stock, $0.001 par value per share, outstanding.

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Forward-Looking Statements

This report contains forward-looking statements that are subject to risks and uncertainties. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "aim," "anticipate," "believe," "estimate," “expect," "forecast," "outlook," "potential," "project," "projection," "plan," "target," "intend," "seek," "may," "could," "would," "will," "should," "can," "can have," "likely," the negatives thereof and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. They appear in a number of places throughout this report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

- our ability to meet our sustainability targets, goals, and commitments, including due to the impact of climate change;
- changes in global and domestic economic and business conditions, and financial market conditions, such as continued inflation, interest rate increases, tariffs, trade wars, recession, government or regulator shutdowns or defunding, regulatory delays or uncertainty, supply chain disruptions or agricultural labor shortages;
- our ability to successfully implement our growth strategy, including related to implementing our marketing strategy and continuing to build our capacity to meet demand, such as through the timely expansion of certain of our Freshpet Kitchens Bethlehem, Freshpet Kitchens South and Freshpet Kitchens Ennis (collectively, our "Freshpet Kitchens");
- the ability of our distributors to facilitate sales;
- the impact of consumer economic uncertainty on pet adoption and new customer acquisition rates;
- changes in global trade policy, including the imposition of tariffs on certain goods imported into the United States of America or resultant trade wars that may lead to reduced economic activity, increased costs, reduced demand and changes in retail consumer purchasing behaviors for some or all of our products, or other potentially adverse economic outcomes;
- the impact of various worldwide or macroeconomic events, such as the ongoing conflicts in Europe, the Middle East and South America, and the continued effects of such conflict on U.S. and global economics, our employees, suppliers, customers and end consumers, which could adversely and materially impact our business, financial condition and results of operations;
- our ability to successfully implement new processes and systems as we continue to improve our Enterprise Resource Planning ("ERP");
- our ability to timely complete the construction at our Freshpet Kitchens Ennis and achieve the anticipated benefits therefrom;
- the loss of key members of our senior management team;
- allegations that our products cause injury or illness or fail to comply with government regulations;
- the loss of a significant customer or supplier;
- the entrance of new competitors into our industry;
- the effectiveness of our marketing and trade spending programs;
- our ability to introduce new products and improve existing products;
- our ability to match our manufacturing capacity with demand;
- the impact of government regulation, scrutiny, warning and public perception;
- the effect of false marketing claims;
- adverse weather conditions, natural disasters, pestilences and other natural conditions affecting our operations or those of our suppliers;

- sustained disruptions within the agriculture industry, including diseases affecting livestock (such as highly pathogenic avian influenza ("HPAI")), or agricultural labor shortages, including as a result of U.S. immigration policy;
- our ability to develop and maintain our brand;
- the effect of potential price increases and shortages on the inputs, commodities and ingredients that we require, including those effects caused by sustained inflation or supply chain constrictions on energy and fertilizer arising from the ongoing conflict in the Middle East;
- the impact of prolonged drought and rising cost of feed on the supply and price of beef;
- our ability to manage our supply chain effectively;
- global or local pandemics and epidemics;
- the failure of our information technology systems to perform adequately, including as a result of any interruptions, intrusions, cyber attacks or physical or electronic security breaches of such systems;
- our ability to successfully implement artificial intelligence into our operations and to realize the anticipated benefits, cost savings and efficiencies from such initiatives;
- delays, interruptions or failure in the implementation of our new manufacturing technologies to perform as anticipated;
- volatility in the price of our common stock; and
- other factors discussed under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this report and the headings "Risk Factors," "Business," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2025.

While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under "Risk Factors" and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this report. All forward-looking statements are expressly qualified in their entirety by these cautionary statements. You should evaluate all forward-looking statements made in this report in the context of these risks and uncertainties. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. The Company assumes no obligation to revise or update any forward-looking statements for any reason, except as required by law.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

FRESHPET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited, in thousands, except per share data)

	June 30, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 350,809	$ 277,975
Accounts receivable, net of allowance for doubtful accounts	65,383	63,762
Inventories, net	86,734	76,766
Prepaid expenses	7,744	9,807
Other current assets	6,396	7,404
Total Current Assets	517,066	435,714
Property, plant and equipment, net	1,146,325	1,138,671
Operating lease right of use assets	64,786	66,424
Long term investment in equity securities	—	33,446
Deferred tax assets, net	47,405	68,893
Other assets	36,833	34,627
Total Assets	$ 1,812,415	$ 1,777,775
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 36,817	$ 42,429
Accrued expenses	44,116	31,610
Current operating lease liabilities	2,189	2,241
Current finance lease liabilities	2,397	2,315
Total Current Liabilities	85,519	78,595
Convertible senior notes	398,443	397,330
Long term operating lease liabilities	64,046	65,023
Long term finance lease liabilities	26,582	28,075
Deferred tax liabilities, net	129	93
Total Liabilities	$ 574,719	$ 569,116
Commitments and contingencies	—	—
STOCKHOLDERS' EQUITY:		
Common stock — voting, $0.001 par value, 200,000 shares authorized, 49,671 issued and 48,625 outstanding on June 30, 2026, and 48,985 issued and 48,970 outstanding on December 31, 2025	49	49
Additional paid-in capital	1,367,847	1,351,201
Accumulated deficit	(74,673)	(142,669)
Accumulated other comprehensive (loss) income	(706)	334
Treasury stock, at cost, inclusive of excise tax and broker fees — 1,046 shares on June 30, 2026 and 14 shares on December 31, 2025	(54,821)	(256)
Total Stockholders' Equity	1,237,696	1,208,659
Total Liabilities and Stockholders' Equity	$ 1,812,415	$ 1,777,775

See accompanying notes to the unaudited condensed consolidated financial statements.

FRESHPET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Unaudited, in thousands, except per share data)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
NET SALES	$ 305,587	$ 264,689	$ 603,231	$ 527,938
COST OF GOODS SOLD	176,893	156,499	353,863	315,960
GROSS PROFIT	128,694	108,190	249,368	211,978
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES	106,985	90,386	223,328	205,671
INCOME FROM OPERATIONS	21,709	17,804	26,040	6,307
OTHER INCOME (EXPENSES):				
Interest and Other Income, net	2,830	2,199	5,713	4,592
Interest Expense	(3,483)	(3,749)	(7,069)	(7,208)
Gain on Equity Investment	4,539	—	66,552	—
TOTAL OTHER INCOME (EXPENSES)	3,886	(1,550)	65,196	(2,616)
INCOME BEFORE INCOME TAXES	25,595	16,254	91,236	3,691
INCOME TAX EXPENSE (BENEFIT)	6,107	(102)	23,240	32
INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 19,488	$ 16,356	$ 67,996	$ 3,659
OTHER COMPREHENSIVE (LOSS) INCOME:				
Change in foreign currency translation	$ (247)	$ 240	$ (1,040)	$ 451
TOTAL OTHER COMPREHENSIVE (LOSS) INCOME	(247)	240	(1,040)	451
TOTAL COMPREHENSIVE INCOME	$ 19,241	$ 16,596	$ 66,956	$ 4,110
NET INCOME PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS				
-BASIC	$ 0.40	$ 0.34	$ 1.38	$ 0.08
-DILUTED	$ 0.39	$ 0.33	$ 1.29	$ 0.07
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING				
-BASIC	49,197	48,778	49,129	48,755
-DILUTED	55,811	50,198	55,926	50,256

See accompanying notes to the unaudited condensed consolidated financial statements.

FRESHPET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited, in thousands)

	Common Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss)	Treasury Shares	Treasury Stock	Total Stockholders' Equity
BALANCES, March 31, 2026	49,155	$ 49	$ 1,356,890	$ (94,161)	$ (459)	14	$ (256)	$ 1,262,063
Exercise of options to purchase common stock	514	—	5,242	—	—	—	—	5,242
Vesting of restricted stock units	2	—	(53)	—	—	—	—	(53)
Share-based compensation expense	—	—	5,768	—	—	—	—	5,768
Purchase of treasury stock, inclusive of excise tax and broker fees	—	—	—	—	—	1,032	(54,565)	(54,565)
Foreign currency translation	—	—	—	—	(247)	—	—	(247)
Net income	—	—	—	19,488	—	—	—	19,488
BALANCES, June 30, 2026	49,671	$ 49	$ 1,367,847	$ (74,673)	$ (706)	1,046	$ (54,821)	$ 1,237,696

	Common Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss)	Treasury Shares	Treasury Stock	Total Stockholders' Equity
BALANCES, March 31, 2025	48,788	$ 49	$ 1,344,775	$ (294,503)	$ (576)	14	$ (256)	$ 1,049,489
Exercise of options to purchase common stock	3	—	30	—	—	—	—	30
Vesting of restricted stock units	1	—	(244)	—	—	—	—	(244)
Share-based compensation expense	—	—	5,783	—	—	—	—	5,783
Foreign currency translation	—	—	—	—	240	—	—	240
Net income	—	—	—	16,356	—	—	—	16,356
BALANCES, June 30, 2025	48,792	$ 49	$ 1,350,344	$ (278,147)	$ (336)	14	$ (256)	$ 1,071,654

	Common Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Shares	Treasury Stock	Total Stockholders' Equity
BALANCES, December 31, 2025	48,985	$ 49	$ 1,351,201	$ (142,669)	$ 334	14	$ (256)	$ 1,208,659
Exercise of options to purchase common stock	535	—	5,985	—	—	—	—	5,985
Vesting of restricted stock units	151	—	(4,657)	—	—	—	—	(4,657)
Share-based compensation expense	—	—	15,318	—	—	—	—	15,318
Purchase of treasury stock, inclusive of excise tax and broker fees	—	—	—	—	—	1,032	(54,565)	(54,565)
Foreign currency translation	—	—	—	—	(1,040)	—	—	(1,040)
Net income	—	—	—	67,996	—	—	—	67,996
BALANCES, June 30, 2026	49,671	$ 49	$ 1,367,847	$ (74,673)	$ (706)	1,046	$ (54,821)	$ 1,237,696

	Common Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss)	Treasury Shares	Treasury Stock	Total Stockholders' Equity
BALANCES, December 31, 2024	48,716	$ 49	$ 1,338,160	$ (281,806)	$ (787)	14	$ (256)	$ 1,055,360
Exercise of options to purchase common stock	7	—	187	—	—	—	—	187
Vesting of restricted stock units	69	—	(3,162)	—	—	—	—	(3,162)
Share-based compensation expense	—	—	15,159	—	—	—	—	15,159
Foreign currency translation	—	—	—	—	451	—	—	451
Net income	—	—	—	3,659	—	—	—	3,659
BALANCES, June 30, 2025	48,792	$ 49	$ 1,350,344	$ (278,147)	$ (336)	14	$ (256)	$ 1,071,654

See accompanying notes to the unaudited condensed consolidated financial statements.

FRESHPET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, in thousands)

	For the Six Months Ended June 30, 2026	For the Six Months Ended June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 67,996	$ 3,659
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Provision for loss on accounts receivable	14	11,452
Loss on disposal of property, plant and equipment	154	1,229
Share-based compensation	15,516	15,037
Depreciation and amortization	49,954	42,436
Amortization of deferred financing costs	1,113	1,074
Change in operating lease right of use asset	1,638	727
Deferred income taxes	21,528	—
Gain on equity investment	(66,552)	—
Changes in operating assets and liabilities:		
Accounts receivable	(1,467)	(3,208)
Inventories	(9,991)	(9,400)
Prepaid expenses and other current assets	2,445	(3,913)
Other assets	(3,725)	(3,060)
Accounts payable	(5,554)	2,291
Accrued expenses	12,713	(18,958)
Operating lease liability	(1,028)	(673)
Net cash flows provided by operating activities	84,754	38,693
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of equity investment	99,998	—
Acquisitions of property, plant and equipment, software and deposits on equipment	(57,324)	(59,932)
Net cash flows provided by (used in) investing activities	42,674	(59,932)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Purchase of treasury stock, inclusive of broker fees	(54,391)	—
Proceeds from exercise of options to purchase common stock	5,985	187
Tax withholdings related to net shares settlements of restricted stock units	(4,632)	(2,860)
Principal payments under finance lease obligations	(1,556)	(1,037)
Net cash flows used in financing activities	(54,594)	(3,710)
NET CHANGE IN CASH AND CASH EQUIVALENTS	72,834	(24,949)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	277,975	268,633
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 350,809	$ 243,684

SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid, net of amounts capitalized	$ 5,812	$ 5,992
Taxes paid	$ 912	$ —
Operating right-of-use assets obtained in exchange for lease obligations	$ —	$ 64,866
NON-CASH FINANCING AND INVESTING ACTIVITIES:		
Property, plant and equipment and software purchases in accounts payable and accrued expenses	$ 8,500	$ 9,057
Excise tax on share repurchases included in accrued liabilities	$ 174	$ —
Tax withholdings related to net shares settlements of restricted stock units in accrued expenses	$ 24	$ 301
Non-cash addition of finance lease to property, plant and equipment	$ —	$ 7,236

See accompanying notes to the unaudited condensed consolidated financial statements.

FRESHPET, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in thousands, except per share data)

Note 1 – Summary of Significant Accounting Policies:

Nature of the Business – Freshpet, Inc. (hereafter referred to as “Freshpet”, the “Company”, “we,” "us" or “our”), a Delaware corporation, manufactures and markets fresh meals and treats for dogs and cats. The Company’s products are distributed throughout the United States, Canada and other international markets, into major retail classes including Grocery, Mass, International, Digital, Pet Specialty, and Club.

Basis of Presentation – The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (“U.S. GAAP”). The unaudited condensed consolidated financial statements include the accounts of the Company as well as the Company’s wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The interim unaudited condensed consolidated financial statements have been prepared on the same basis as the annual audited consolidated financial statements and in accordance with the rules and regulations of the United States Securities and Exchange Commission (the “SEC”). In the opinion of management, the interim unaudited financial statements reflect all adjustments, which include only normal recurring adjustments, necessary for the fair presentation of the Company’s financial position as of June 30, 2026, the results of its operations and changes to stockholders’ equity for the three and six months ended June 30, 2026 and 2025, and its cash flows for the six months ended June 30, 2026 and 2025. The results for the three and six months ended June 30, 2026, are not necessarily indicative of results to be expected for the year ending December 31, 2026, or any other interim periods, or any future year or period. All amounts included herein have been rounded except where otherwise stated. As figures are rounded, numbers presented throughout this document may not add up precisely to the totals we provide and percentages may not precisely reflect the absolute figures.

These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes in Item 8 of Part II, “Financial Statements and Supplementary Data,” of our Annual Report on Form 10-K for the year ended December 31, 2025.

Estimates and Uncertainties – The preparation of our consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used in determining, among other items, trade incentives, share-based compensation and useful lives for long-lived assets. Actual results, as determined at a later date, could differ from those estimates.

Segments – The Company has one operating and reportable segment, as the Company's chief operating decision maker, who is the Company's Chief Executive Officer, reviews financial information on a consolidated basis for purposes of allocating resources and evaluating financial performance.

The accounting policies of the segment are the same as those described herein, Note 1 – Summary of Significant Accounting Policies.

Investment in Unconsolidated Company – The Company utilizes the equity method to account for investments when the Company possesses the ability to exercise significant influence, but not control, over the operating and financial policies of the investee. The ability to exercise significant influence is presumed when an investor possesses more than 20% of the voting interests of the investee. This presumption may be overcome based on specific facts and circumstances that demonstrate that the ability to exercise significant influence is restricted.

In 2020, the Company invested in a privately held company, with the investment initially accounted for under the equity method of accounting based on its ability to exercise significant influence, based on its representation on and the makeup of the investee's Board of Directors. As of March 30, 2023, significant influence had been lost and the Company stopped accounting for the investment as an equity method investment and began to account for the investment under Accounting Standards Codification (ASC) Topic 321 ("ASC 321"), Investments - Equity Securities.

On January 16, 2026, the Company received $95,459 in cash for the sale of 100% of its non-controlling interest in the privately held company following the equity investment's acquisition by a third party. During the second quarter of 2026, the Company received an additional $4,539 in cash related to certain post-closing adjustments. The carrying value of the investment at December 31, 2025 was $33,446. The Company recognized a pre-tax gain of $66,552 for the six months ended June 30, 2026. The gain is subject to additional customary post-closing adjustments.

March 2023 Issuance of $402.5 million of 3.00% Convertible Senior Notes (the "Convertible Notes") - In conjunction with the issuance of the $402.5 million Convertible Notes in March 2023, the Company evaluated the debt instrument and its embedded features to determine if the contract or the embedded components of the contract qualified as a derivative that would be required to be separately accounted for in accordance with the relevant accounting literature.

The Company accounts for the Convertible Notes as a single liability measured at amortized cost with debt issuance costs recorded as a direct deduction to the debt liability in the Consolidated Balance Sheet. The Company uses the effective interest rate method to amortize the debt issuance costs to interest expense over the respective term of the Convertible Notes.

Leases – The Company is a lessee in noncancelable (1) operating leases, and (2) finance leases, which it accounts for in accordance with ASC Topic 842, *Leases*.

The Company determines if an arrangement is or contains a lease at contract inception. The Company recognizes a right of use asset and a lease liability at the lease commencement date. For both operating and finance leases, the right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received; and the lease liability is initially measured at the present value of the unpaid lease payments at the lease commencement date.

The Company's leases do not provide an implicit rate; therefore, the Company uses its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future payments for those leases. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms in a similar economic environment.

Right of use assets for the operating and finance leases are periodically reviewed for impairment losses. The Company uses the long-lived assets impairment guidance in ASC Subtopic 360-10, *Property, Plant, and Equipment - Overall*, to determine whether a right of use asset is impaired, and if so, the amount of the impairment loss to recognize. No such loss was recognized as of June 30, 2026.

The Company monitors for events or changes in circumstances that require a reassessment of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding right of use asset.

The Company has elected the practical expedient to combine lease and non-lease components when determining the right of use asset and lease liability for certain classes of leased assets, including office buildings, warehouse buildings and manufacturing equipment. This election has not been made for all other classes of leased assets. The Company has also elected to not recognize right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognizes the lease payments associated with its short-term leases as an expense on a straight-line basis over the lease term.

Income Taxes – The Company accounts for income taxes pursuant to the provisions of ASC Topic 740 ("ASC 740"), *Income Taxes*. This approach requires, among other things, an asset and liability approach to calculating deferred income taxes, and recognizing deferred tax assets and liabilities for expected future tax consequences stemming from temporary differences between asset and liability carrying amounts and their tax bases, principally net operating loss carryforwards, depreciation, and share-based compensation. Deferred tax assets and liabilities are measured using enacted tax rates in effects for the years in which those temporary differences are expected to be recovered or settled.

A valuation allowance is established to offset any net deferred tax assets for which management believes it is more likely than not (a probability level of more than 50%) that the net deferred asset will not be realized. This evaluation utilizes the framework contained in ASC Topic 740, Income Taxes, pursuant to which management analyzed all positive and negative evidence available at the balance sheet date to determine whether all or some portion of the deferred tax assets will not be realized.

Income tax expense for interim periods is based on an estimated annual income tax rate, adjusted for discrete tax items, with any changes affecting the estimated annual effective tax rate recorded in the interim period in which the change occurs.

Share-based Compensation – The Company recognizes share-based compensation based on the value of the portion of share-based payment awards that is ultimately expected to vest during the period. The Company estimates grant date fair value of its options using the Black-Scholes Merton option-pricing model. Service and performance based restricted stock units are measured based on the fair market value of the underlying stock on the dates of the grants whereas market based restricted stock units, such as total shareholder return awards, are measured using the Monte-Carlo simulation. Share awards are amortized under the straight-line method over the requisite service period of the entire award. Certain awards provide for accelerated vesting upon retirement if age and service conditions are met. When an employee is retirement-eligible (or becomes eligible during the vesting period), the Company recognizes compensation cost for the portion of the award for which the requisite service period has been rendered, resulting in accelerated expense recognition. The Company accounts for forfeitures as they occur.

Cash Equivalents – The Company holds treasury bills with original maturities when purchased of less than three months, within cash and cash equivalents, carried at amortized cost on the Consolidated Balance Sheet. Treasury bills have been classified as held-to-maturity as we have the ability and intent to hold them to maturity. As of June 30, 2026, the Company had $99,822 of treasury bills within cash equivalents, which included $237 of amortized discount. As of December 31, 2025, the Company had $99,789 of treasury bills within cash equivalents, which included $275 of amortized discount.

Trade Accounts Receivable – The allowance for doubtful accounts is based on the Company's assessment of the collectability of customer accounts. The Company regularly reviews the allowance by considering factors such as historical experience, credit quality, the age of the accounts receivable balances and current economic conditions that may affect a customer's ability to pay. For the six months ended June 30, 2026, we recognized a provision for loss on accounts receivable of $14. For the six months ended June 30, 2025, we recognized a provision for loss on accounts receivable of $11,452, of which $10,680 was attributable to the liquidation of one of our pet specialty distributors.

Implementation Costs of Cloud Computing Arrangement – As of June 30, 2026 and December 31, 2025, the Company's deferred implementation costs of systems associated with cloud computing arrangements, which are reflected within prepaid and other assets, were $15,191 and $13,428, respectively. The cost will be recognized over the term of the agreements.

Fair Value of Financial Instruments – ASC 820 guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active). Level 2 includes financial instruments that are valued using models or other valuation methodologies.
- Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

Our financial assets and liabilities include cash and cash equivalents, receivables, accounts payable and accrued liabilities, the fair values of which approximate their carrying values due to the short-term nature of these instruments. The Company holds certain financial assets within cash and cash equivalents in the form of held-to-maturity treasury bills as we have the ability and intent to hold them to maturity, as such, they are not fair valued each reporting period but instead measured at amortized cost. The fair value of these assets is based on quoted market prices for the same or similar securities within less active markets, which the Company determined to be Level 2 inputs. As of June 30, 2026, the fair value of these treasury bills approximates their carrying value due to the short-term nature of these instruments.

Certain financial and non-financial assets, including operating lease right-of-use assets and property, plant and equipment are reported at their carrying values and are not subject to recurring fair value measurements. We review our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Refer to Note 6 - Convertible Senior Notes for the fair value of our Convertible Senior Notes.

As of June 30, 2026, the Company maintained Level 1 and Level 2 assets and liabilities.

Share Repurchase Program – On May 21, 2026, the Company announced that its board of directors approved a share repurchase program authorizing the Company to repurchase up to an aggregate of $150 million of its outstanding common stock. Repurchases under this program may be made at management's discretion on the open market or through privately negotiated transactions, including plans that comply with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended. The share repurchase program may be suspended or discontinued at any time by the Company and does not have a fixed expiration date.

During the six months ended June 30, 2026, the Company repurchased 1,032 shares of its common stock through open market transactions for a total cost of $54,565, which included $21 of broker fees and $174 of accrued excise taxes.

Repurchases of the Company's common stock are accounted for at cost and recorded as treasury stock. The broker fees incurred and excise tax on repurchases of the Company's common stock are recorded as a cost of acquiring treasury stock. Any reissued treasury stock will be accounted for at average cost. Gains or losses on reissued treasury stock arising from the difference between the average cost and the fair value of the award will be recorded in additional paid-in capital.

(Unaudited, in thousands, except per share data)

Net Sales – Information about the Company's net sales by class of retailer is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Grocery, Mass, International and Digital	$ 239,025	$ 216,888	$ 471,344	$ 432,044
Pet Specialty and Club	66,562	47,801	131,887	95,894
Net Sales	$ 305,587	$ 264,689	$ 603,231	$ 527,938

The pet specialty and club class of retailers service a specific consumer through specialized offerings, which include value focused and or premium products. In contrast, grocery, mass, international and digital offer a wide variety of products.

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued *ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires disclosures related to the specific types of expenses included within the expense captions presented on the face of the income statement as well as disclosures about selling expenses. This guidance will be effective for the Company for the annual report for the fiscal year ending December 31, 2027 and subsequent interim periods, with early adoption permitted. The guidance is required to be applied on a retrospective basis for all prior periods presented in the financial statements. The Company is currently evaluating the provisions of this guidance and its effect on its future consolidated financial statements.

In September 2025, the FASB issued *ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which amends certain aspects of the accounting for software costs, including removing software development project stages and requiring companies to capitalize software costs when both of the following occur: (1) management authorizes or commits to funding a software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended. This guidance will be effective for the Company for the annual report for the fiscal year ending December 31, 2028, including the interim periods within that fiscal year, with early adoption permitted. The guidance can be applied prospectively, retrospectively, or utilizing a modified transition approach. The Company is currently evaluating the provisions of this guidance and its effect on its future consolidated financial statements.

Note 2 – Inventories, net:

	June 30, 2026	December 31, 2025
Raw Materials and Work in Process	$ 24,845	$ 15,408
Packaging Components Material	7,006	5,687
Finished Goods	54,883	55,671
Inventories, net	$ 86,734	$ 76,766

(Unaudited, in thousands, except per share data)

Note 3 – Property, Plant and Equipment, net:

	June 30, 2026	December 31, 2025
Refrigeration Equipment	$ 210,891	$ 211,709
Machinery and Equipment	377,533	344,890
Building, Land and Improvements	770,265	730,298
Furniture and Office Equipment	19,988	18,464
Leasehold Improvements	5,180	5,162
Construction in Progress	101,034	130,438
Finance Lease Right of Use Asset	35,714	35,714
	1,520,605	1,476,675
Less: Accumulated Depreciation and Amortization	(374,280)	(338,004)
Property, Plant and Equipment, net	$ 1,146,325	$ 1,138,671

Depreciation and amortization expense related to property, plant and equipment for the three and six months ended June 30, 2026 totaled $23,919 and $47,859, respectively, of which $17,879 and $35,836, respectively, was recorded to cost of goods sold with the remainder of depreciation expense recorded to selling, general and administrative expense.

Depreciation and amortization expense related to property, plant and equipment for the three and six months ended June 30, 2025 totaled $19,852 and $40,770, respectively, of which $14,413 and $30,276, respectively, was recorded to cost of goods sold with the remainder of depreciation expense recorded to selling, general and administrative expense.

Note 4 – Income Taxes:

Income tax expense (benefit) and the effective tax rate for the three and six months ended June 30, 2026 and 2025 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Income before income taxes	$ 25,595	$ 16,254	$ 91,236	$ 3,691
Income tax expense (benefit)	$ 6,107	$ (102)	$ 23,240	$ 32
Effective tax rate	23.9 %	(0.6)%	25.5 %	0.9 %

The effective tax rate for the three and six months ended June 30, 2026 differed from the U.S. federal statutory rate of 21% primarily due to state income taxes. Income tax expense for the three and six months ended June 30, 2026 includes discrete tax expense of $1.2 million and $16.7 million, respectively, related to the gain on the sale of an equity investment, which was recognized in full during the six months ended June 30, 2026. The gain did not impact the Company's effective tax rate, as it was fully taxable and resulted in no permanent differences.

The effective tax rate for the three and six months ended June 30, 2025 differed from the U.S. federal statutory rate of 21% primarily due to the full valuation allowance in the prior year period.

(Unaudited, in thousands, except per share data)

At December 31, 2025, the Company concluded that it was appropriate to release a majority of the valuation allowance against the $71.4 million of deferred tax assets recorded as of that date based on the weight of available evidence, which now supports the conclusion that it is more likely than not that the majority of deferred tax assets will be realized. Based on sustained profitability, including generating three-year cumulative income before taxes of $76.9 million, excluding the gain in fiscal year 2024 on our equity investment, the significant deferred tax liabilities expected to reverse in future periods, and the projections of future taxable income sufficient to fully utilize the Company's federal and state NOLs, the positive evidence supporting the release of most of the valuation allowance outweighed the negative evidence supporting a full valuation allowance. As a result, we recognized a deferred income tax benefit of $68.8 million for the year ended December 31, 2025.

For the three months ended June 30, 2026, income tax expense was $6.1 million, of which $5.4 million represented deferred income tax expense. Income tax expense increased $6.2 million compared to the prior year period, primarily attributable to an increase in taxable income due to the gain on equity investment.

For the six months ended June 30, 2026, income tax expense was $23.2 million, of which $21.5 million represented deferred income tax expense. Income tax expense increased $23.2 million compared to the prior year period, primarily attributable to an increase in taxable income due to the gain on equity investment.

Note 5 – Accrued Expenses:

	June 30, 2026	December 31, 2025
Accrued Compensation and Employee Related Costs	$ 9,737	$ 8,030
Accrued Chiller Cost	2,119	3,484
Accrued Construction Costs	358	466
Accrued Freight	4,520	2,777
Accrued Production Expenses	5,286	5,469
Accrued Corporate and Marketing Expenses	15,121	4,646
Accrued Interest	3,019	3,019
Other Accrued Expenses	3,956	3,719
Accrued Expenses	$ 44,116	$ 31,610

Note 6 – Convertible Senior Notes:

In March 2023, we issued $402,500 aggregate principal amount of 3.0% convertible senior notes due 2028 (the “Convertible Notes”). The Convertible Notes were issued in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”). The net proceeds from the sale of the Convertible Notes were approximately $391,492 after deducting offering and issuance costs related to the Convertible Notes and before the 2023 Capped Call transactions, as described below.

The Convertible Notes are our senior, unsecured obligations and accrue interest at a rate of 3.0% per annum, payable semi-annually in arrears on April 1 and October 1 of each year, beginning on October 1, 2023. The Convertible Notes will mature on April 1, 2028 unless earlier converted, redeemed or repurchased by us. Before January 3, 2028, noteholders will have the right to convert their Convertible Notes only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ended on June 30, 2023 (and only during such calendar quarter), if the last reported sale price of our common stock, par value $0.001 per share (the "common stock"), for each of at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five consecutive business day period immediately after any 10 consecutive trading day period (the "measurement period") in which the trading price per $1,000 principal amount of notes, as determined following a request by a holder or holders of the Convertible Notes in the manner described in the indenture pursuant to which the Convertible Notes were issued and are governed (the “Indenture”), for each trading day of the measurement period, was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; (3) if we call any or all of the Convertible Notes for redemption, but only with respect to the convertible notes called (or deemed called) for redemption; or (4) upon the occurrence of specified corporate events (e.g., a fundamental change or the making of certain distributions). On or after January 3, 2028, until the close of business on the second scheduled trading day immediately preceding the maturity date, a holder may convert its Convertible Notes at any time, regardless of the foregoing circumstances.

No early conversions have occurred as of June 30, 2026 or since inception. As of June 30, 2026, noteholders do not have the right to early convert under the 130% early conversion feature.

We will settle conversions by paying or delivering, as applicable, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election. The initial conversion rate for the Convertible Notes is 14.3516 shares of common stock per $1,000 principal amount of Notes, which represents an initial conversion price of approximately $69.68 per share of common stock. The conversion rate and conversion price are subject to customary adjustments upon the occurrence of certain events. In addition, in connection with a make-whole fundamental change (as defined in the Indenture), which shall include, among other things the Company's delivery of a notice of redemption, the Company will, in certain circumstances, increase the conversion rate for a holder who elects to convert its notes in connection with such a corporate event or redemption, as the case may be.

We may redeem for cash all or any portion of the Convertible Notes, at our option, on or after April 3, 2026 and on or before the 40th scheduled trading day immediately preceding the maturity date, if the last reported sale price of our common stock has been at least 130% of the conversion price then in effect for each of at least 20 trading days (whether or not consecutive) during the 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which we send the notice of redemption, at a redemption price equal to 100% of the principal amount of the Convertible Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. However, we may not redeem less than all of the outstanding Convertible Notes unless at least $100.0 million aggregate principal amount of Convertible Notes are outstanding and not called for redemption as of the time we send the related redemption notice.

Upon the occurrence of a fundamental change (as defined in the Indenture), holders may require the Company to repurchase for cash all or any portion of their Convertible Notes at a fundamental change repurchase price equal to 100% of the principal amount of the Convertible Notes to be repurchased, plus accrued and unpaid additional interest, if any, to, but excluding, the fundamental change repurchase date.

The effective interest rate for the Convertible Notes is 3.59%. Transaction costs of $11,008 attributable to the issuance of the Convertible Notes were recorded as a direct deduction from the related debt liability in the Consolidated Balance Sheet and are amortized to interest expense over the term of the Convertible Notes using the effective interest method.

(Unaudited, in thousands, except per share data)

The Company measures the fair value of its Convertible Notes for disclosure purposes. The fair value is based on observable market prices for this debt, which is traded in less active markets and is therefore classified as a Level 2 fair value measurement. The following table discloses the carrying value and fair value of the Company's Convertible Notes as of June 30, 2026:

	As of June 30, 2026	
	Carrying Value [(1)]	Fair Value
3.00% Convertible Senior Notes Maturing April 1, 2028	$ 398,443	$ 455,231
Total	$ 398,443	$ 455,231

(1) The carrying amounts presented are net of unamortized debt issuance costs of $4,057 as of June 30, 2026.

Lender fees that were paid upfront to the lenders and debt issuance fees paid to third parties are recorded as a discount to the carrying amount of debt and are being amortized to interest expense over the life of the debt. The total interest expense for the three and six months ended June 30, 2026 and 2025 recognized related to the Convertible Notes consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Contractual interest expense	$ 3,019	$ 3,019	$ 6,038	$ 6,038
Amortization of issuance costs	559	539	1,113	1,074
Total	$ 3,578	$ 3,558	$ 7,151	$ 7,112

Of the $6,038 of interest expense incurred during each of the six months ended June 30, 2026 and 2025, $3,019 was paid during the three months ended March 31, 2026 and 2025, respectively, with $3,019 of accrued interest expense as of June 30, 2026 and 2025, respectively.

As the proceeds from the sale of the Convertible Notes are being used to fund construction on the Company's manufacturing facility expansion, for the three and six months ended June 30, 2026, approximately $723 and $1,350 of the interest expense incurred, respectively, was capitalized to construction in progress, and for the three and six months ended June 30, 2025, approximately $484 and $1,119 of the interest expense incurred, respectively, was capitalized to construction in progress. As of June 30, 2026 and 2025, $1,854 and $1,422 of capitalized interest, respectively, was reclassified from construction in progress to assets placed in service.

Note 7 – Purchase of Capped Call Options:

In connection with the pricing of the Convertible Notes issued in March 2023, we used $66,211 of the net proceeds from the Convertible Notes to enter into privately negotiated capped call transactions (collectively, the “Capped Call Transactions”) with certain financial institutions.

The Capped Call Transactions are generally expected to reduce potential dilution to holders of our common stock upon any conversion of the Convertible Notes and/or offset any cash payments we are required to make in excess of the principal amount of the Convertible Notes upon conversion of the Convertible Notes in the event that the market price per share of our common stock is greater than the strike price of the Capped Call Transactions, with such reduction and/or offset subject to a cap.

The Capped Call Transactions have an initial cap price of approximately $120.23 per share, which represents a premium of 120% over the last reported sale price of our common stock of $54.65 per share on March 15, 2023, and is subject to certain adjustments under the terms of the Capped Call Transactions. Collectively, the Capped

(Unaudited, in thousands, except per share data)

Call Transactions cover, initially, the number of shares of our common stock underlying the Convertible Notes, subject to anti-dilution adjustments substantially similar to those applicable to the Convertible Notes.

The Capped Call Transactions are accounted for as freestanding derivatives and recorded at the initial fair value in additional paid-in-capital in the Consolidated Balance Sheet with no recorded subsequent change to fair value as long as they meet the criteria for equity classification. As of June 30, 2026, the instrument continued to qualify for equity classification.

Note 8 – Leases

We have various noncancelable operating lease agreements for office, lab, warehouse and manufacturing space with original remaining lease terms of three years to twenty years, some of which include an option to extend the lease term for up to ten years. Because the Company is not reasonably certain to exercise the renewal options on these lease arrangements, the options are not considered in determining the lease term and associated potential option payments are excluded from lease payments. The Company's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants.

We also have finance lease agreements for manufacturing equipment and land with initial terms of ten years and twenty years, with options to extend the lease terms by the corresponding number of years, which the Company is not reasonably certain to exercise. The manufacturing equipment agreement does not include termination options for either party to the lease or restrictive financial or other covenants. The land agreement contains termination options that are not wholly within the control of the Company, and therefore, are not considered as part of the term of the lease.

Weighted-average remaining lease term (in years) and discount rate related to operating and finance leases were as follows:

	As of June 30, 2026	
	Operating Leases	Finance Lease
Weighted-average remaining lease term	17.29	9.77
Weighted-average discount rate	8.4 %	8.6 %

As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at the commencement date to determine the present value of lease payments.

Maturities of lease liabilities under noncancelable operating leases and finance leases as of June 30, 2026 were as follows:

	As of June 30, 2026	
	Operating Leases	Finance Lease
2026 [(1)]	$ 3,945	$ 2,111
2027	7,167	4,810
2028	6,464	4,831
2029	6,540	4,852
2030 and beyond	108,463	27,379
Total lease payments	$ 132,579	$ 43,983
Less: Imputed interest	(66,344)	(15,004)
Present value of lease liabilities	$ 66,235	$ 28,979

(1) Excluding the six months ended June 30, 2026.

A summary of lease costs for the three and six months ended June 30, 2026 and 2025 were as follows:

FRESHPET, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in thousands, except per share data)

		Three Months Ended June 30,		Six Months Ended June 30,	
		2026	2025	2026	2025
Operating Lease:					
Lease cost	Cost of goods sold and selling, general and administrative	$ 2,236	$ 828	$ 4,472	$ 1,201
Finance Lease:					
Amortization of right of use asset	Cost of goods sold and selling, general and administrative	$ 802	$ 800	$ 1,602	$ 1,512
Interest on lease liabilities	Interest expense	$ 628	$ 675	$ 1,268	$ 1,217
Variable lease cost (2)	Inventory/Cost of goods sold (2)	$ 6,648	$ 5,636	$ 12,784	$ 10,918

(2) Variable lease cost primarily consists of the procurement and manufacturing costs capitalized to inventory. For the three and six months ended June 30, 2026, $6,648 and $12,784, respectively, and for the three and six months ended June 30, 2025, $5,636 and $10,918, respectively, of variable lease cost were capitalized to inventory and will be captured as part of cost of goods sold as the inventory turns.

Supplemental balance sheet information related to leases as of June 30, 2026 and December 31, 2025 are as follows:

		As of June 30, 2026	As of December 31, 2025
Assets:			
Operating leases	Operating lease right of use assets	$ 64,786	$ 66,424
Finance lease, net	Property, plant and equipment, net	26,719	28,323
Total lease assets		$ 91,505	$ 94,747
Liabilities:			
Current:			
Operating lease liabilities	Current operating lease liabilities	$ 2,189	$ 2,241
Finance lease liabilities	Current finance lease liabilities	2,397	2,315
Non-current:			
Operating lease liabilities	Long term operating lease liabilities	64,046	65,023
Finance lease liabilities	Long term finance lease liabilities	26,582	28,075
Total lease liabilities		$ 95,214	$ 97,654

Supplemental cash flow information and non-cash activity relating to operating and finance leases are as follows:

	Six Months Ended June 30,	
Operating cash flow information:	2026	2025
Cash paid for amounts included in the measurement of operating lease liabilities	$ 3,865	$ 1,140
Cash paid for amounts included in the measurement of finance lease liabilities (i.e. interest)	$ 1,124	$ 1,073
Finance cash flow information:		
Cash paid for amounts included in the measurement of finance lease liabilities (i.e. principal payment)	$ 1,556	$ 1,037

Note 9 – Equity Incentive Plans (in thousands, except share data)**:**

Total compensation cost for share-based payments recognized for the three and six months ended June 30, 2026 totaled $6,380 and $15,516, respectively, of which $1,882 and $3,469, respectively, was recorded to cost of goods sold with the remainder recorded to selling, general and administrative expense.

Total compensation cost for share-based payments recognized for the three and six months ended June 30, 2025 totaled $6,221 and $15,037, respectively, of which $1,831 and $3,114, respectively, was recorded to cost of goods sold with the remainder recorded to selling, general and administrative expense.

NASDAQ Marketplace Rules Inducement Award - During the six months ended June 30, 2026, as an inducement in accordance with Nasdaq Listing Rule 5635(c)(4), and therefore outside of any Company equity incentive plan, 7,500 service based restricted stock units were granted to the Company's Chief Financial Officer. Under the terms of the applicable award agreement, the grant is governed as if issued under the Freshpet, Inc. 2024 Equity Incentive Plan, and will vest in equal annual installments over three years, subject to the officer's continued service to the Company.

Service Period and Performance Based Stock Options - During the six months ended June 30, 2026*,* no service based or performance based stock options were granted and 534,880 stock options were exercised.

Service Period Restricted Stock Units - During the six months ended June 30, 2026, 191,956 service based restricted stock units were granted, including the 7,500 inducement award units, at a weighted average grant-date fair market value of $80.95. During the six months ended June 30, 2026, 152,124 restricted stock units vested.

Performance Based Restricted Stock Units - During the six months ended June 30, 2026, no performance based restricted stock units were granted.

Market Based Restricted Stock Units - During the six months ended June 30, 2026, 46,344 performance based restricted stock units with a market condition (total shareholder return or "TSR") were granted, which will vest at the end of the three-year performance period ending on December 31, 2028; however, the number of shares delivered will vary based upon the attained level of performance and may range from 0 to 2.5 times the number of target units awarded. The TSR units were granted at a weighted average grant-date fair market value of $91.94.

Note 10 – Net Income Per Share Attributable to Common Stockholders:

Basic net income per share of common stock is calculated by dividing net income attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period. Diluted net income per share of common stock is computed by giving effect to all potentially dilutive securities. For purpose of determining diluted earnings per common share, the treasury stock method is used for stock options, warrants, and RSUs, and the if-converted method is used for convertible instruments such as convertible debt as prescribed in ASC Topic 260 ("ASC 260")*.* In conjunction with the issuance of the $402.5 million Convertible Notes in March 2023*,* the Company used $66.2 million of the proceeds to purchase capped call instruments. In accordance with ASC 260*,* antidilutive contracts, such as purchased put options and purchased call options are excluded from the computation of diluted net income per share. Accordingly, any potential impact resulting from capped call transactions is excluded from our computation of diluted net income per share.

For the three and six months ended June 30, 2026 and 2025, diluted net income per share attributable to common stockholders is shown below.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net Income Attributable to Common Stockholders, Basic	$ 19,488	$ 16,356	$ 67,996	$ 3,659
Convertible Notes - Interest Expense, net	2,179	—	4,426	—
Net Income Attributable to Common Stockholders, Diluted	$ 21,667	$ 16,356	$ 72,422	$ 3,659
Weighted Average Common Shares Outstanding, Basic	49,197	48,778	49,129	48,755
Service Period Stock Options	243	505	354	539
Restricted Stock Units	116	225	164	229
Performance Stock Options	479	690	503	733
Convertible Notes - Potential Common Shares	5,776	—	5,776	—
Weighted Average Common Shares Outstanding, Diluted	55,811	50,198	55,926	50,256
Basic Net Income per Share	$ 0.40	$ 0.34	$ 1.38	$ 0.08
Diluted Net Income per Share	$ 0.39	$ 0.33	$ 1.29	$ 0.07

The potentially dilutive securities excluded from the determination of diluted net income per share, as their effect is antidilutive, are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Service Period Stock Options	—	—	—	—
Restricted Stock Units	—	—	—	—
Performance Stock Options	—	—	—	—
Convertible Notes	—	5,776	—	5,776
Total	—	5,776	—	5,776

Note 11 – Concentrations:

Concentration of Credit Risk—The Company maintains its cash balances in financial institutions that are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to $250 each. At times, such balances may be in excess of the FDIC insurance limit.

Major Customers— For the three months ended June 30, 2026, one distributor and two customers accounted for 7%, 25% and 12% of our net sales, respectively. For the three months ended June 30, 2025, one distributor and two customers accounted for 7%, 26% and 10% of our net sales, respectively.

For the six months ended June 30, 2026, one distributor and two customers accounted for 7%, 25% and 12% of our net sales, respectively. For the six months ended June 30, 2025, one distributor and two customers accounted for 5%, 26% and 10% of our net sales, respectively.

As of June 30, 2026, one distributor and two customers accounted for 5%, 31%, and 15% of our accounts receivable, respectively. As of December 31, 2025, one distributor and two customers accounted for 4%, 29%, and 15% of our accounts receivable, respectively.

Note 12 – Commitments and Contingencies:

Commitments - In August 2025, we entered into a lease arrangement for a to-be constructed warehouse space, which will contribute right of use assets and lease liabilities upon lease commencement, which is currently anticipated to occur during the fourth quarter of 2026. As of June 30, 2026, the future commitments related to this arrangement are not determinable as they are variable in nature.

The Company’s executives are participants in the Freshpet Key Executive Severance Plan requiring the Company to pay severance in the event of certain terminations as detailed therein.

Legal Obligations - We are currently involved in various claims and legal actions that arise in the ordinary course of our business. Legal costs such as outside counsel fees and expenses are charged to selling, general and administrative expenses in the period incurred. None of these claims or proceedings, most of which are covered by insurance, are expected to have a material adverse effect on our business, financial condition, results of operations or cash flows. However, a significant increase in the number of these claims or an increase in amounts owing under successful claims could materially and adversely affect our business, financial condition, results of operations or cash flows.

Note 13 – Segments:

The Company operates in one consolidated operating and reportable segment: the manufacturing, marketing and distribution of fresh dog food, cat food, and dog treats (collectively, "fresh pet food products"). The Company's chief operating decision maker ("CODM"), who is the Company's Chief Executive Officer, reviews financial information on a consolidated basis for purposes of allocating resources and evaluating financial performance.

The segment derives revenues from the sale of fresh pet food products to retailers, through direct sales and distributor arrangements. Revenue from transactions with external customers for each of our fresh pet food products would be impracticable to disclose and management, including the CODM, does not view its business by product line. Although the CODM does not review such information on a regular basis, refer to Note 1 — Summary of Significant Accounting Policies for information about the Company's net sales by class of retailer.

The CODM measures performance for the segment primarily based on net income (loss). The CODM uses net income (loss) to evaluate operating performance and the execution of capacity expansion plans to drive greater capital efficiency.

The measure of segment assets is reported as total assets on the Consolidated Balance Sheet, and total capital expenditures for additions to long-lived assets were $57,324 and $59,932 for the six months ended June 30, 2026 and 2025, respectively.

FRESHPET, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited, in thousands, except per share data)

Financial information, including segment revenue, significant segment expenses, and profit or loss for the three and six months ended June 30, 2026 and 2025 is presented in the table below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net sales	$ 305,587	$ 264,689	$ 603,231	$ 527,938
Input costs (a)	(87,367)	(76,446)	(172,288)	(153,533)
Quality costs (b)	(7,612)	(5,271)	(13,865)	(11,150)
Logistics costs (c)	(21,004)	(15,108)	(39,677)	(30,494)
Media costs (d)	(40,806)	(39,632)	(87,847)	(79,423)
Plant costs and other costs of goods sold (e)	(61,541)	(58,253)	(127,730)	(117,580)
Other segment selling, general and administrative items (f)	(34,175)	(24,860)	(70,160)	(70,749)
Depreciation and amortization	(24,965)	(20,609)	(49,954)	(42,436)
Share-based compensation	(6,380)	(6,221)	(15,516)	(15,037)
Loss on disposals of equipment	(28)	(485)	(154)	(1,229)
Interest and other income, net	2,830	2,199	5,713	4,592
Interest expense	(3,483)	(3,749)	(7,069)	(7,208)
Gain on equity investment	4,539	—	66,552	—
Income tax (expense) benefit	(6,107)	102	(23,240)	(32)
Consolidated net income	$ 19,488	$ 16,356	$ 67,996	$ 3,659

(a) Input costs include expenses related to the procurement of raw materials and packaging materials used in the production of finished goods.
(b) Quality costs include expenses related to quality control processes in place over the production of our dog and cat food products. This includes high pressure processing costs, which is a food preservation method that uses high pressure and cold water to inactivate pathogens and extend shelf life.
(c) Logistics costs include expenses related to the transportation of finished goods from production facilities to our customers and certain warehousing costs.
(d) Media costs include expenses related to advertising through media outlets.
(e) Plant costs and other cost of goods sold items include plant employee costs and administrative expenses directly related to the cost of goods sold.
(f) Other segment selling, general and administrative items include employee costs, chiller expenses, and other administrative selling expenses.

Note 14 – Subsequent Events:

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued for recognition or disclosures.

The Company did not identify any recognized or unrecognized subsequent events that require adjustment or disclosure in the financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion summarizes the significant factors affecting our consolidated operating results, financial condition, liquidity and cash flows as of and for the periods presented below. The following discussion and analysis should be read in conjunction with the accompanying unaudited condensed consolidated financial statements and related notes in Item 1 and with the audited consolidated financial statements and the related notes included in our Annual Report on Form 10-K for the year ended December 31, 2025 (our "Annual Report").

In addition to historical information, this discussion and analysis contains forward-looking statements based on current expectations that involve risks, uncertainties and assumptions, such as our plans, objectives, expectations, and intentions. Our actual results and the timing of events may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the section entitled "Forward-Looking Statements" in this report and in the section entitled "Risk Factors" in our Annual Report.

Overview

Freshpet's mission is to help dogs and cats live longer, happier, healthier lives with the people who love them. We were inspired by the rapidly growing view among pet owners that their dogs and cats are a part of their family, leading them to demand healthier pet food choices. Since Freshpet's inception in 2006, we have created a comprehensive business model to deliver wholesome pet food that pet parents can trust, and in the process, we believe we have become one of the fastest growing pet food companies in North America. Our business model is difficult for others to replicate and we see significant opportunity for future growth by leveraging the unique elements of our business, including our brand, our production technology, our manufacturing network, our refrigerated distribution, our Freshpet Fridges and our culture.

Components of our Results of Operations

Net Sales

Our net sales are derived from the sale of fresh pet food products to retailers, through direct sales and distributor arrangements. Our products are primarily sold to consumers through a fast-growing network of company-owned branded refrigerators, known as Freshpet Fridges, located in our customers' stores. We continue to roll out Freshpet Fridges at leading retailers across North America and parts of Europe and have installed Freshpet Fridges in approximately 30,721 retail stores as of June 30, 2026. Our products are sold under the Freshpet brand name with ingredients, packaging and labeling customized by class of retail. Sales are recorded net of discounts, returns and promotional allowances.

Our net sales growth strategy is driven by the following key factors:

- Increasing sales velocity from the average Freshpet Fridge due to increasing awareness, trial and adoption of Freshpet products and innovation. Our investments in marketing and advertising help to drive awareness and trial at each point of sale.
- Increasing distribution and penetration of Freshpet products in major classes of retail, including Grocery, Mass, International, Digital, Pet Specialty, and Club. The impact of new Freshpet Fridge installations on our net sales varies by retail class and depends on numerous factors including store traffic, refrigerator size, placement within the store, and proximity to other stores that carry our products. Digital orders include any purchases made online, including our direct-to-consumer business, and may also be fulfilled by our Freshpet Fridge network in brick and mortar stores.
- Consumer trends including long-term growth in pet ownership, pet humanization and a focus on health and wellness.
- At times we increase our sales price to offset any adverse movement in input costs.

Gross Profit

Our gross profit is net of costs of goods sold, which include the costs of product manufacturing, product ingredients, packaging materials and inbound freight, as well as depreciation and amortization and non-cash share-based compensation.

We expect to continue to mitigate any adverse movement in input costs through a combination of cost management and price increases.

Selling, General and Administrative Expenses

Our selling, general and administrative expenses consist of the following:

Outbound freight. We use third-party logistics providers for outbound freight that ship directly to retailers as well as third-party distributors.

Marketing & advertising. Our marketing and advertising expenses primarily consist of television advertising, digital, and social media channels. Our digital efforts span a range of platforms and environments, including company and retail websites, retail media networks, search engines, blogs, and online reviews. These expenses may vary from quarter to quarter depending on the timing of marketing and advertising campaigns.

Freshpet Fridge operating costs. Freshpet Fridge operating costs consist of repair costs and depreciation. The purchase and installation costs for new Freshpet Fridges are capitalized and depreciated over the estimated useful life. Freshpet Fridges purchased in 2025, and after, are protected by a manufacturer warranty of five years, while those purchased prior to 2025 carry a three-year manufacturer warranty. We subsequently incur maintenance and freight costs for repairs and refurbishments handled by third-party service providers.

Research & development. Research and development costs consist of expenses to develop and test new products. The costs are expensed as incurred.

Brokerage. We use third-party brokers to assist with monitoring our products at the point-of-sale as well as representing us at headquarters for various customers. These brokers visit our retail customers' store locations to ensure items are appropriately stocked and maintained.

Share-based compensation. The Company recognizes share-based compensation based on the value of the portion of share-based payment awards that is ultimately expected to vest during the period. The Company estimates grant date fair value of its options using the Black-Scholes Merton option-pricing model. Service and performance based restricted stock units are measured based on the fair market value of the underlying stock on the dates of the grants whereas market based restricted stock units, such as total shareholder return awards, are measured using the Monte-Carlo simulation. Share awards are amortized under the straight-line method over the requisite service period of the entire award. The Company accounts for forfeitures as they occur.

Other general & administrative costs. Other general and administrative costs include non-plant personnel salaries and benefits, as well as corporate general & administrative costs.

Income Taxes

Income tax expense is comprised of federal and state income tax expense based on the period's taxable income.

As a result of releasing a majority of the valuation allowance in 2025, and the resulting deferred tax asset position, income tax expense for the current period primarily represents deferred income tax expense.

Condensed Consolidated Statements of Income

	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2026		2025		2026		2025	
	Amount	% of Net Sales	Amount	% of Net Sales	Amount	% of Net Sales	Amount	% of Net Sales
	(Dollars in thousands)							
Net sales	$ 305,587	100 %	$ 264,689	100 %	$ 603,231	100 %	$ 527,938	100 %
Cost of goods sold	176,893	58 %	156,499	59 %	353,863	59 %	315,960	60 %
Gross profit	128,694	42 %	108,190	41 %	249,368	41 %	211,978	40 %
Selling, general, and administrative expenses	106,985	35 %	90,386	34 %	223,328	37 %	205,671	39 %
Income from operations	21,709	7 %	17,804	7 %	26,040	4 %	6,307	1 %
Interest and other income, net	2,830	1 %	2,199	1 %	5,713	1 %	4,592	1 %
Interest expense	(3,483)	(1)%	(3,749)	(1)%	(7,069)	(1)%	(7,208)	(1)%
Gain on equity investment	4,539	1 %	—	— %	66,552	11 %	—	— %
Income before income taxes	25,595	8 %	16,254	6 %	91,236	15 %	3,691	1 %
Income tax expense (benefit)	6,107	2 %	(102)	— %	23,240	4 %	32	— %
Net income	$ 19,488	6 %	$ 16,356	6 %	$ 67,996	11 %	$ 3,659	1 %

Three Months Ended June 30, 2026 Compared to Three Months Ended June 30, 2025

Net Sales

The following table sets forth net sales by class of retailer:

	Three Months Ended June 30,			
	2026		2025	
	Amount	% of Net Sales	Amount	% of Net Sales
	(Dollars in thousands)			
Grocery, Mass, International and Digital	$ 239,025	78 %	$ 216,888	82 %
Pet Specialty and Club	66,562	22 %	47,801	18 %
Net Sales	$ 305,587	100 %	$ 264,689	100 %

Net sales increased $40.9 million, or 15.5%, to $305.6 million for the three months ended June 30, 2026 as compared to $264.7 million in the same period in the prior year. The $40.9 million increase in net sales was driven by growth in the Grocery, Mass, International, and Digital channel of $22.1 million, with the remaining growth in the Pet Specialty and Club channel. The net sales increase was primarily driven by volume gains of 15.7%, partially offset by unfavorable price/mix of 0.2%.

Gross Profit

Gross profit was $128.7 million, or 42.1% as a percentage of net sales, for the three months ended June 30, 2026, compared to $108.2 million, or 40.9% as a percentage of net sales, in the prior year period. The 1.2% increase in gross profit as a percentage of net sales was primarily due to lower input costs and improved leverage on plant expenses, partially offset by higher quality costs related to the startup of new technology lines.

Adjusted Gross Profit for the three months ended June 30, 2026 was $148.4 million, or 48.6% as a percentage of net sales, compared to $124.0 million, or 46.9% as a percentage of net sales, in the prior year period. See “—Non-GAAP Financial Measures” below.

Selling, General and Administrative Expenses

Selling, general and administrative expenses ("SG&A") were $107.0 million, or 35.0% as a percentage of net sales, for the three months ended June 30, 2026, compared to $90.4 million, or 34.1% as a percentage of net sales, in the prior year period. The increase in SG&A as a percentage of net sales was primarily due to increased logistics costs and variable compensation accrual, partially offset by decreased media spend as a percentage of net sales.

Adjusted SG&A for the three months ended June 30, 2026 was $96.1 million, or 31.4% as a percentage of net sales, compared to $79.6 million, or 30.1% as a percentage of net sales, in the prior year period. See “—Non-GAAP Financial Measures” below.

Income from Operations

As a result of the factors discussed above, income from operations increased by $3.9 million to income from operations of $21.7 million for the three months ended June 30, 2026 as compared to $17.8 million in the prior year period.

Interest and Other Income, net

The Company recorded interest and other income, net of $2.8 million for the three months ended June 30, 2026 as a result of interest income generated from cash and cash equivalents as compared to $2.2 million in the prior year period.

Interest Expense

Interest expense decreased $0.2 million to $3.5 million for the three months ended June 30, 2026 as compared to $3.7 million in the prior year period. The decrease was primarily driven by higher capitalized interest in the period.

Gain on Equity Investment

The $4.5 million additional gain on equity investment for the three months ended June 30, 2026, represents certain post-closing adjustments related to the sale of the Company's non-controlling interest in a privately held company following the equity investment's acquisition by a third party, as discussed in Note 1 of our (unaudited) condensed consolidated financial statements.

Income Tax Expense (Benefit)

Income tax expense increased $6.2 million to $6.1 million for the three months ended June 30, 2026 as compared to an income tax benefit of $0.1 million in the prior year period, primarily attributable to an increase in taxable income.

Net Income

Net income increased $3.1 million to net income of $19.5 million for the three months ended June 30, 2026 as compared to $16.4 million in the prior year period, primarily due to the additional gain on equity investment and contributions from higher sales, partially offset by the increases in SG&A and income tax expense.

Adjusted EBITDA

Adjusted EBITDA was $52.2 million for the three months ended June 30, 2026 as compared to $44.4 million in the prior year period. The increase in Adjusted EBITDA was a result of increased Adjusted Gross Profit, partially offset by higher Adjusted SG&A expenses. See "—Non-GAAP Financial Measures" below.

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

Net Sales

The following table sets forth net sales by class of retailer:

	Six Months Ended June 30,			
	2026		2025	
	Amount	% of Net Sales	Amount	% of Net Sales
	(Dollars in thousands)			
Grocery, Mass, International and Digital	$ 471,344	78 %	$ 432,044	82 %
Pet Specialty and Club	131,887	22 %	95,894	18 %
Net Sales	$ 603,231	100 %	$ 527,938	100 %

Net sales increased $75.3 million, or 14.3%, to $603.2 million for the six months ended June 30, 2026 as compared to $527.9 million in the same period in the prior year. The $75.3 million increase in net sales was driven by growth in the Grocery, Mass, International, and Digital channel of $39.3 million, with the remaining growth in the Pet Specialty and Club channel. The net sales increase was primarily driven by volume gains of 15.1%, partially offset by unfavorable price/mix of 0.8%.

Gross Profit

Gross profit was $249.4 million, or 41.3% as a percentage of net sales, for the six months ended June 30, 2026, compared to $212.0 million, or 40.2% as a percentage of net sales, in the prior year period. The 1.1% increase in gross profit as a percentage of net sales was primarily due to lower input costs and improved leverage on plant expenses, partially offset by higher quality costs related to the startup of new technology lines.

Adjusted Gross Profit for the six months ended June 30, 2026 was $288.0 million, or 47.7% as a percentage of net sales, compared to $244.3 million, or 46.3% as a percentage of net sales, in the prior year period. See "—Non-GAAP Financial Measures" below.

Selling, General and Administrative Expenses

Selling, general and administrative expenses ("SG&A") were $223.3 million, or 37.0% as a percentage of net sales, for the six months ended June 30, 2026, compared to $205.7 million, or 39.0% as a percentage of net sales, in the prior year period. The decrease in SG&A as a percentage of net sales was primarily due to a decrease in non-recurring charges that occurred in the first half of 2025, partially offset by increased logistics costs and variable compensation accrual.

Adjusted SG&A for the six months ended June 30, 2026 was $197.8 million, or 32.8% as a percentage of net sales, compared to $164.3 million, or 31.1% as a percentage of net sales, in the prior year period. See "—Non-GAAP Financial Measures" below.

Income from Operations

As a result of the factors discussed above, income from operations increased by $19.7 million to income from operations of $26.0 million for the six months ended June 30, 2026 as compared to $6.3 million in the prior year period.

Interest and Other Income, net

The Company recorded interest and other income, net of $5.7 million for the six months ended June 30, 2026, as a result of interest income generated from cash and cash equivalents as compared to $4.6 million in the prior year period.

Interest Expense

Interest expense decreased $0.1 million to $7.1 million for the six months ended June 30, 2026 as compared to $7.2 million in the prior year period. The decrease was primarily driven by higher capitalized interest in the period, partially offset by an increase in interest expense related to a finance lease liability.

Gain on Equity Investment

The $66.6 million gain on equity investment for the six months ended June 30, 2026, resulted from the sale of the Company's non-controlling interest in a privately held company following the equity investment's acquisition by a third party, as discussed in Note 1 of our (unaudited) condensed consolidated financial statements.

Income Tax Expense

Income tax expense increased $23.2 million to $23.2 million for the six months ended June 30, 2026 as compared to the nominal income tax expense in the prior year period, primarily attributable to an increase in taxable income due to the gain on equity investment.

Net Income

Net income increased $64.3 million to net income of $68.0 million for the six months ended June 30, 2026 as compared to $3.7 million in the prior year period, primarily due to the gain on equity investment, contributions from higher sales, and decreased non-recurring SG&A charges, partially offset by increases in logistics costs, variable compensation accrual and income tax expense.

Adjusted EBITDA

Adjusted EBITDA was $90.1 million for the six months ended June 30, 2026 as compared to $79.9 million in the prior year period. The increase in Adjusted EBITDA was a result of increased Adjusted Gross Profit, partially offset by higher Adjusted SG&A expenses. See “—Non-GAAP Financial Measures” below.

Non-GAAP Financial Measures

Freshpet uses the following non-GAAP financial measures in its financial communications. These non-GAAP financial measures should be considered as supplements to the U.S. GAAP reported measures, should not be considered replacements for, or superior to, the U.S. GAAP measures and may not be comparable to similarly named measures used by other companies. Such financial measures are not financial measures prepared in accordance with U.S. GAAP.

- Adjusted Gross Profit
- Adjusted Gross Profit as a percentage of net sales (Adjusted Gross Margin)
- Adjusted SG&A Expenses
- Adjusted SG&A Expenses as a percentage of net sales
- EBITDA
- Adjusted EBITDA
- Adjusted EBITDA as a percentage of net sales (Adjusted EBITDA Margin)

We define Adjusted Gross Profit as gross profit before depreciation expense, non-cash share-based compensation, and loss on disposal of manufacturing equipment. We define Adjusted SG&A as SG&A expenses before depreciation and amortization expense, non-cash share-based compensation, loss on disposal of equipment, distributor transition costs, legal obligation and international business charges. EBITDA represents net income (loss) plus depreciation and amortization expense, interest expense net of interest income and, income tax expense. Adjusted EBITDA represents EBITDA less gain on equity investment, plus non-cash share-based compensation expense, loss on disposal of property, plant and equipment, distributor transition costs, legal obligation, and international business charges.

We believe that each of these non-GAAP financial measures provide additional metrics to evaluate our operations and, when considered with both our U.S. GAAP results and the reconciliation to their most directly comparable U.S. GAAP measures, provide a more complete understanding of our business than could be obtained absent this disclosure. The non-GAAP measures are not and should not be considered an alternative to the most directly comparable U.S. GAAP measures or any other figure calculated in accordance with U.S. GAAP, or as an indicator of operating performance. We use the non-GAAP financial measures, together with U.S. GAAP financial measures, such as net sales, gross profit margins and cash flow from operations, to assess our historical and prospective operating performance, to provide meaningful comparisons of operating performance across periods, to enhance our understanding of our operating performance and to compare our performance to that of our peers and competitors.

Adjusted EBITDA is also an important component of internal budgeting and setting management compensation.

The non-GAAP financial measures are presented here because we believe they are useful to investors in assessing the operating performance of our business without the effect of non-cash items, and other items as detailed herein. The non-GAAP financial measures should not be considered in isolation or as alternatives to net income (loss), income (loss) from operations or any other measure of financial performance calculated and prescribed in accordance with U.S. GAAP. Neither EBITDA nor Adjusted EBITDA should be considered a measure of discretionary cash available to us to invest in the growth of our business. Our non-GAAP financial measures may not be comparable to similarly titled measures in other organizations because other organizations may not calculate non-GAAP financial measures in the same manner as we do.

Our presentation of the non-GAAP financial measures should not be construed as an inference that our future results will be unaffected by the expenses that are excluded from that term or by unusual or non-recurring items. We recognize that the non-GAAP financial measures have limitations as analytical financial measures. For example, the non-GAAP financial measures do not reflect:

- our capital expenditures or future requirements for capital expenditures;
- the interest expense, or the cash requirements necessary to service interest expense or principal payments associated with indebtedness;
- depreciation and amortization, which are non-cash charges, although the assets being depreciated and amortized will likely have to be replaced in the future, nor any cash requirements for such replacements; and
- changes in our cash requirements for our working capital needs.

Additionally, Adjusted EBITDA excludes (i) non-cash share-based compensation expense, which is and will remain a key element of our overall long-term incentive compensation package, and (ii) certain costs essential to our sales growth and strategy. Adjusted EBITDA also excludes certain cash charges resulting from matters we consider not to be indicative of our ongoing operations. Other companies in our industry may calculate the non-GAAP financial measures differently than we do, limiting their usefulness as comparative measures.

The following table provides a reconciliation of EBITDA and Adjusted EBITDA to net income, the most directly comparable financial measure presented in accordance with U.S. GAAP:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(Dollars in thousands)			
Net income	$ 19,488	$ 16,356	$ 67,996	$ 3,659
Depreciation and amortization	24,252	19,896	48,530	41,013
Interest expense, net of interest income	484	1,546	1,189	2,610
Income tax expense	6,107	(102)	23,240	32
EBITDA	**50,331**	**37,696**	**140,955**	**47,314**
Non-cash share-based compensation (a)	6,380	6,221	15,516	15,037
Loss on disposal of property, plant and equipment	28	485	154	646
Gain on equity investment	(4,539)	—	(66,552)	—
Distributor transition costs (b)	—	—	—	10,680
Legal obligation (c)	—	—	—	4,987
International business charges (d)	—	—	—	1,273
Adjusted EBITDA	**$ 52,200**	**$ 44,402**	**$ 90,073**	**$ 79,937**
Adjusted EBITDA as a % of Net Sales	17.1 %	16.8 %	14.9 %	15.1 %

(a) Includes true-ups to share-based compensation expense. We have certain outstanding share-based awards with performance-based vesting conditions that require the achievement of certain Adjusted EBITDA margins, Adjusted EBITDA and/or Net Sales targets as a condition of vesting. At each reporting period, we reassess the probability of achieving the performance criteria and the performance period required to meet those targets. When the probability of achieving such performance conditions changes, the compensation cost previously recorded is adjusted as needed. When such performance conditions are deemed to be improbable of achievement, the compensation cost previously recorded is reversed.

(b) Represents a non-recurring loss as a result of an accounts receivable write-off in connection with the liquidation of one of our pet specialty distributors. Concurrent with its liquidation, we transitioned to a new distribution partner, who is a leading pet specialty distributor and who we anticipate will facilitate sales to pet specialty stores. Thus, despite the transitory impact during the first quarter of 2025, our ability to continue to generate sales is consistent with what we would expect to generate within the pet specialty channel.

(c) Represents the net settlement charges for all claims related to the litigation with Phillips.

(d) Represents termination costs due to a business change in our international go-to-market strategy.

The following table provides a reconciliation of Adjusted Gross Profit to Gross Profit, the most directly comparable financial measure presented in accordance with U.S. GAAP:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(Dollars in thousands)			
Gross profit	$ 128,694	$ 108,190	$ 249,368	$ 211,978
Depreciation expense	17,858	13,729	35,156	28,909
Non-cash share-based compensation	1,882	1,831	3,469	3,114
Loss on disposal of manufacturing equipment	—	260	12	255
Adjusted Gross Profit	**$ 148,434**	**$ 124,010**	**$ 288,005**	**$ 244,256**
Adjusted Gross Profit as a % of Net Sales	48.6 %	46.9 %	47.7 %	46.3 %

The following table provides a reconciliation of Adjusted SG&A Expenses to SG&A Expenses, the most directly comparable financial measure presented in accordance with U.S. GAAP:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(Dollars in thousands)			
SG&A expenses	$ 106,985	$ 90,386	$ 223,328	$ 205,671
Depreciation and amortization expense	6,394	6,167	13,374	12,104
Non-cash share-based compensation (a)	4,498	4,390	12,047	11,923
Loss on disposal of equipment	28	225	142	391
Distributor transition costs (b)	—	—	—	10,680
Legal obligation (c)	—	—	—	4,987
International business charges (d)	—	—	—	1,273
Adjusted SG&A Expenses	**$ 96,065**	**$ 79,604**	**$ 197,765**	**$ 164,313**
Adjusted SG&A Expenses as a % of Net Sales	31.4 %	30.1 %	32.8 %	31.1 %

(a) Includes true-ups to share-based compensation expense. We have certain outstanding share-based awards with performance-based vesting conditions that require the achievement of certain Adjusted EBITDA margins, Adjusted EBITDA and/or Net Sales targets as a condition of vesting. At each reporting period, we reassess the probability of achieving the performance criteria and the performance period required to meet those targets. When the probability of achieving such performance conditions changes, the compensation cost previously recorded is adjusted as needed. When such performance conditions are deemed to be improbable of achievement, the compensation cost previously recorded is reversed.

(b) Represents a non-recurring loss as a result of an accounts receivable write-off in connection with the liquidation of one of our pet specialty distributors. Concurrent with its liquidation, we transitioned to a new distribution partner, who is a leading pet specialty distributor and who we anticipate will facilitate sales to pet specialty stores. Thus, despite the transitory impact during the first quarter of 2025, our ability to continue to generate sales is consistent with what we would expect to generate within the pet specialty channel.

(c) Represents the net settlement charges for all claims related to the litigation with Phillips.

(d) Represents termination costs due to a business change in our international go-to-market strategy.

Liquidity and Capital Resources

To meet our capital needs, we issued approximately $402.5 million in convertible notes in March 2023 (the “Convertible Notes”), used $66.2 million of the proceeds to enter into capped call transactions, and used $11.0 million of the proceeds on debt issuance related costs.

We expect to make future capital expenditures in connection with the completion of our planned development of Freshpet Kitchens Ennis Phase 2 and 3. During the six months ended June 30, 2026, we spent approximately $57.3 million of capital to meet our capacity needs as well as recurring capital expenditures. We expect capital expenditures to total approximately $150 million in fiscal year 2026.

We expect to rely on our current and future cash flow from operations to fund our growth going forward. However, we may issue additional debt, refinance our existing debt, and/or raise capital through our access to capital markets, if appropriate. Our ability to obtain additional funding will be subject to various factors, including general economic and market conditions, our operating performance, the market’s perception of our growth potential, lender sentiment and our ability to incur additional debt in compliance with other contractual restrictions.

Our ability to make future minimum interest payments on the Convertible Notes, to refinance any indebtedness and to fund any necessary expenditures for our growth will depend on our ability to generate cash in the future. If our business does not achieve the levels of profitability or generate the amount of cash that we anticipate or if we expand faster than anticipated, we may need to seek additional debt or equity financing to operate and expand our business. Future third-party financing may not be available on favorable terms or at all.

Our primary cash needs, in addition to our plant expansions, are for purchasing ingredients, operating expenses, marketing expenses and capital expenditures to procure Freshpet Fridges. We believe that cash and cash equivalents, expected cash flow from operations, amounts previously raised through the issuance of the Convertible Notes and our ability to access the capital markets, if appropriate, are adequate to fund our debt service requirements, operating and finance lease obligations, capital expenditures and working capital obligations for the foreseeable future. We believe our sources of liquidity and capital will be sufficient to finance our continued operations, growth strategy and additional expenses we expect to incur for at least the next twelve months. However, our ability to continue to meet these requirements and obligations will depend on, among other things, our ability to achieve anticipated levels of revenue and cash flow from operations and our ability to manage costs and working capital successfully.

On May 21, 2026, the Company's Board of Directors approved a share repurchase program, which authorizes the Company to repurchase up to an aggregate of $150 million of its outstanding common stock. The share repurchase authorization does not have a fixed expiration date, does not obligate Freshpet to repurchase any specific number of shares and may be suspended or discontinued at any time. The timing and number of shares repurchased will depend on a variety of factors, including price, general business, economic and market conditions, alternative investment opportunities, and funding considerations. The Company intends to fund the repurchases with existing cash, future cash flow from operations, future borrowings or other sources of cash at the Company’s discretion. During the quarter ended June 30, 2026, the Company repurchased $54,370 of shares of its common stock pursuant to the program, and had $95,630 remaining available for repurchase under the program as of such date.

Our cash flow generation ability is subject to general economic factors at the international, national and regional levels, including but not limited to increased interest rates and inflation, tariffs, trade wars, geopolitical conflict, war, recession, financial, competitive, legislative and regulatory factors and other factors that are beyond our control, including government or regulatory shutdowns or defunding, or disruptions with or increased costs imposed by our key suppliers or others within our supply chain. Further, such macroeconomic factors could negatively impact consumer sentiment, resulting in reduced demand and changes in purchasing behaviors for some or all of our products and other relevant factors, such as consumer hesitancy to trade up in pet food, deferral of pet-related expenses, and reduced pet adoption rates. While these factors are expected to persist in the near term, the Company has implemented strategic initiatives, including targeted marketing, value-focused product innovation, and expanded distribution in club and mass channels, to mitigate their impact. Management believes these actions will support continued growth and margin expansion, even if the current economic environment remains unchanged. We cannot assure you that our business will generate cash flow from operations in an amount sufficient to enable us to fund our liquidity needs.

Expanding certain of our Freshpet Kitchens primarily comprises our material future cash requirement. The Company reduced its capital expenditures for manufacturing expansion during 2025, with the 2026 capital expenditures forecast similarly reflecting both a moderation in demand and significant operational efficiencies. These changes are expected to materially improve near-term cash flow and reduce the capital intensity of the business, while maintaining flexibility to scale as market conditions evolve. However, our capital requirements, including our cash requirements, may vary materially from those currently planned if, for example, our revenues do not reach expected levels, or we have to incur unforeseen capital expenditures and make investments to maintain our competitive position. If this is the case, we may seek alternative financing, such as issuing additional debt or equity securities, and we cannot assure you that we will be able to do so on favorable terms, if at all. Moreover, if we issue new debt securities, the debt holders would have rights senior to common stockholders to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to pay dividends on our common stock. If we issue additional equity or if the Convertible Notes are converted to common shares, existing stockholders may experience dilution, and such new securities could have rights senior to those of our common stock. These factors may make the timing, amount, terms and conditions of additional financing unattractive. Our inability to raise capital could impede our growth or otherwise require us to forego growth opportunities and could materially adversely affect our business, financial condition and results of operations.

The following table sets forth, for the periods indicated, our working capital:

	June 30, 2026	December 31, 2025
	(Dollars in thousands)	
Cash and cash equivalents	$ 350,809	$ 277,975
Accounts receivable, net of allowance for doubtful accounts	65,383	63,762
Inventories, net	86,734	76,766
Prepaid expenses	7,744	9,807
Other current assets	6,396	7,404
Accounts payable	(36,817)	(42,429)
Accrued expenses	(44,116)	(31,610)
Current operating lease liabilities	(2,189)	(2,241)
Current finance lease liabilities	(2,397)	(2,315)
Total Working Capital	$ 431,547	$ 357,119

Working capital consists of current assets net of current liabilities. Working capital increased $74.4 million to $431.5 million as of June 30, 2026 compared to working capital of $357.1 million as of December 31, 2025. The increase was primarily a result of an increase of $72.8 million in cash and cash equivalents, primarily as a result of the proceeds from the sale of our equity investment, an increase of $10.0 million in inventories, net, an increase of $1.6 million in accounts receivable, and a decrease of $5.6 million in accounts payable. The increase was partially offset by a decrease of $2.1 million in prepaid expenses, a decrease of $1.0 million in other current assets, and an increase of $12.5 million in accrued expenses as a result of timing.

We normally carry three to five weeks of finished goods inventory and less than 30 days of accounts receivable.

As of June 30, 2026, our capital resources consisted primarily of $350.8 million of cash and cash equivalents on hand.

As of December 31, 2025, our capital resources consisted primarily of $278.0 million of cash and cash equivalents on hand.

We expect to fund our ongoing operations and obligations with cash and cash equivalents and cash flow from operations.

The following table sets forth, for the periods indicated, our beginning balance of cash, net cash flows provided by (used in) operating, investing and financing activities and our ending balance of cash:

	Six Months Ended June 30,	
	2026	2025
	(Dollars in thousands)	
Cash at the beginning of period	$ 277,975	$ 268,633
Net cash provided by operating activities	84,754	38,693
Net cash provided by (used in) investing activities	42,674	(59,932)
Net cash used in financing activities	(54,594)	(3,710)
Cash at the end of period	$ 350,809	$ 243,684

Net Cash Provided by Operating Activities

Net cash provided by operating activities consists primarily of net income adjusted for certain non-cash items (i.e., provision for loss on accounts receivable, loss on disposal of property, plant and equipment, share-based compensation, change in deferred income taxes, depreciation and amortization, amortization of deferred financing costs, change in operating lease right of use asset, and gain on equity investment).

2026

Net cash provided by operating activities of $84.8 million for the six months ended June 30, 2026 was primarily attributed to:

- $91.4 million of net income, adjusted for reconciling non-cash items, which excludes $23.4 million of non-cash items related to $21.5 million of deferred income tax expense, $50.0 million of depreciation and amortization, $15.5 million of share-based compensation, $1.1 million of amortization of deferred financing costs, $0.2 million of loss on disposal of property, plant and equipment, and $1.6 million of change in operating lease right of use asset, partially offset by $66.6 million of gain on equity investment.

This was partially offset by:

- a $6.6 million decrease due to changes in operating assets and liabilities. The decrease was primarily due to the change in accounts receivable, inventories, other assets, accounts payable, and operating lease liability, partially offset by the changes in accrued expenses and prepaid expenses and other current assets.

2025

Net cash provided by operating activities of $38.7 million for the six months ended June 30, 2025 was primarily attributed to:

- $75.6 million of net income, adjusted for reconciling non-cash items, which excludes $72.0 million of non-cash items related to $42.4 million of depreciation and amortization, $11.5 million of provision for loss on accounts receivable, $15.0 million of share-based compensation, $1.1 million of amortization of deferred financing costs, $1.2 million of loss on disposal of property, plant and equipment, and $0.7 million of change in operating lease right of use asset.

This was partially offset by:

- a $36.9 million decrease due to changes in operating assets and liabilities. The decrease was primarily due to the changes in accrued expenses, inventories, accounts receivable, prepaid expenses and other current assets, and other assets, partially offset by the change in accounts payable.

Net Cash Provided by (Used in) Investing Activities

2026

Net cash provided by investing activities of $42.7 million for the six months ended June 30, 2026 was primarily attributed to:
- $100.0 million of cash proceeds from the sale of our equity investment.

This was partially offset by:
- $57.3 million of capital expenditures related to Freshpet Kitchens, plant recurring capital expenditures, expenditures relating to investment in fridges, and other capital spend.

2025

Net cash used in investing activities of $59.9 million for the six months ended June 30, 2025 was primarily attributed to:
- $59.9 million of capital expenditures related to Freshpet Kitchens, plant recurring capital expenditures, expenditures relating to investment in fridges, and other capital spend.

Net Cash Used in Financing Activities

2026

Net cash used in financing activities of $54.6 million for the six months ended June 30, 2026, was primarily attributed to:
- $54.4 million for share repurchases, inclusive of broker fees;
- $4.6 million for tax withholdings related to net share settlements of restricted stock units; and
- $1.6 million for principal payments under finance lease obligations.

This was partially offset by:
- $6.0 million cash proceeds from the exercise of stock options.

2025

Net cash used in financing activities of $3.7 million for the six months ended June 30, 2025 was primarily attributed to:
- $2.9 million for tax withholdings related to net share settlements of restricted stock units; and
- $1.0 million for principal payments under finance lease obligations.

This was partially offset by:
- $0.2 million cash proceeds from the exercise of stock options.

Indebtedness

For a discussion of our material indebtedness, see Note 6 to our (unaudited) condensed consolidated financial statements included in this report.

Contractual Obligations

There were no material changes to our commitments under contractual obligations, as disclosed in our Annual Report, except as noted in Note 8 - Leases and Note 12 - Commitments and Contingencies to our (unaudited) condensed consolidated financial statements.

Critical Accounting Estimates

Our management's discussion and analysis of financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the revenue and expenses incurred during the reported periods. On an ongoing basis, we evaluate our estimates and judgments, including those related to accrued expenses and share-based compensation. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not apparent from other sources. Changes in estimates are reflected in reported results for the period in which they become known. Actual results may differ from these estimates under different assumptions or conditions.

There have been no material changes to our critical accounting estimates as compared to the critical accounting policies and estimates described in our Annual Report.

Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements:

See Note 1 - Summary of Significant Accounting Policies of our (unaudited) condensed consolidated financial statements for additional information.

Standards Effective in Future Years:

We consider the applicability and impact of all Accounting Standards Updates (ASUs) issued by the Financial Accounting Standards Board (FASB). ASUs not listed herein were assessed and determined to be either not applicable or are expected to have minimal impact to our consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risks

Interest Rate Risk

During periods of rising interest rates, our cost of borrowing could increase, the fair value of our investments could be affected, and it could constrain the purchasing power of our customers.

Commodity Price and Inflation Risk

We purchase certain products and services that are affected by commodity prices, including, but not limited to, agricultural products. These products are subject to price volatility caused by weather, market conditions, disease, costs of fertilizer and energy, government programs and policies, labor availability and availability of similar or competitive products, and other factors which are not considered predictable or within our control. In many cases, we believe we will be able to address material commodity cost increases by either increasing prices or reducing operating expenses. However, increases in commodity prices, without adjustments to pricing or reduction to operating expenses, could increase our operating costs as a percentage of our net sales.

Inflation

Our profitability is dependent, among other things, on our ability to anticipate and react to changes in the costs of key operating resources, including food and other raw materials, labor, energy and other supplies and services. Substantial increases in costs and expenses could impact our operating results to the extent that such increases cannot be passed along to our customers.

While generally we have been able to offset inflation and other changes in the costs of key operating resources through price increases, productivity improvements and greater economies of scale, our price increases are not always implemented immediately, which can cause us to temporarily absorb increased cost. Further, there can be no assurance that we will be able to continue to effectively implement such offsets in the future. From time to time, competitive conditions could limit our pricing flexibility. In addition, macroeconomic conditions could make additional price increases imprudent. There can be no assurance that all future cost increases can be offset by increased prices or that increased prices will be fully absorbed without any resulting changes in product purchasing patterns.

Foreign Exchange Rates

Fluctuations in the currencies of countries where the Company operates outside the U.S. may impact our financial results. The Company is exposed to movements in the British pound sterling, Euro and Canadian Dollar. The Statements of Financial Position of non-U.S. business units are translated into U.S. dollars using period-end exchange rates for assets and liabilities and weighted-average exchange rates for revenues and expenses. The percentage of our consolidated revenue for the six months ended June 30, 2026 recognized in Europe was less than 1%.

The Company may, from time to time, enter into forward exchange contracts to reduce the Company's exposure to foreign currency fluctuations of certain assets and liabilities denominated in foreign currencies. Historically, the foreign currency forward contracts have not been designated as hedges and, accordingly, any changes in their fair value are recognized on the Consolidated Statements of Income and Comprehensive Income in Interest and Other Income, net, and carried at their fair value in the Consolidated Balance Sheet with gains reported in prepaid expenses and other current assets and losses reported in accrued expenses. As of June 30, 2026, there were no forward contracts outstanding.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of such date our disclosure controls and procedures were effective.

Changes in Internal Control

There were no changes in our internal control over financial reporting identified in management’s evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the period covered by this Quarterly Report on Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

We are currently involved in various claims and legal actions that arise in the ordinary course of our business. While the results of such litigation proceedings cannot be predicted with certainty, management believes none of these claims or proceedings are expected to have a material adverse effect on our business, financial condition, results of operations or cash flows.

Item 1A. Risk Factors

There have been no material changes to the risk factors previously reported under Part I, Item 1A. "Risk Factors" in our Annual Report. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may materially affect our business, financial condition and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities by the Registrant

The following table provides information on our share repurchases for the three months ended June 30, 2026:

	Issuer Purchases of Equity Securities			
Period	Total Number of Shares Purchased	Average Price Paid per Share [1]	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs [1]
April 1 2026 - April 30, 2026	—	$ —	—	$ —
May 1, 2026 - May 31, 2026	544,717	$ 52.06	544,717	$ 121,640,511
June 1, 2026 - June 30, 2026	486,906	$ 53.42	486,906	$ 95,629,971
Total	1,031,623	$ 52.70	1,031,623	$ 95,629,971

(1) The average price paid per share excludes broker fees and excise tax incurred on share repurchases for the three months ended June 30. 2026. The remaining authorization outstanding for repurchases of common stock also excludes the broker fees and excise tax incurred.

(2) The Company's Board of Directors authorized the repurchase of common stock under a share repurchase program adopted and announced in May 2026. The share repurchase program authorizes the Company to purchase up to an aggregate of $150 million of the Company's outstanding common stock. Repurchases under this program may be made at management's discretion on the open market or through privately negotiated transactions, including plans that comply with Rule 10b5-1 under the Exchange Act. The share repurchase program may be suspended or discontinued at any time by the Company. The timing of repurchases and the actual number of shares repurchased will depend on a variety of factors, including price, general business, economic and market conditions, alternative investment opportunities and funding considerations.

Item 5. Other Information

Insider Trading Arrangements

Our directors and executive officers may from time to time enter into plans or other arrangements for the purchase or sale of our shares that are intended to satisfy the affirmative defense conditions of Rule 10b5-1 trading arrangements under the Exchange Act.

None of our directors or officers informed us of the adoption or termination of a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Regulation S-K, Item 408 during the fiscal quarter ended June 30, 2026.

Item 6. Exhibits

Exhibit No.	Description
10.1*	Letter Agreement, dated as of June 22, 2026, by and between Freshpet, Inc. and Scott Morris
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
EX-101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document.
EX-101.SCH*	Inline XBRL Taxonomy Extension Schema Document
EX-101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
EX-101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
EX-101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
EX-101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
EX-104	Inline XBRL Formatted Cover Page (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 5, 2026

FRESHPET, INC.

/s/ William B. Cyr
William B. Cyr
Chief Executive Officer
(Principal Executive Officer)

/s/ John G. O'Connor
John G. O'Connor
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.1

June 4, 2026

Dear Scott:

As you have indicated you will retire upon the 20th Anniversary of Freshpet. Inc. (the "Company"), this letter will confirm the following terms in connection with your separation of employment from Freshpet, Inc. (the **"Company").** The Company and you agree that this letter (the **"Agreement")** represents the full and complete agreement concerning your separation of employment from the Company.

1) **Separation and Continuity Period.** You will separate employment from the Company on October 20, 2026 (or such earlier date of your actual employment termination, the **"Separation Date").**

    a) During the period beginning now and ending on the Separation Date (the **"Continuity Period"),** you will make yourself available as needed to ensure a smooth transition.

    b) During the Continuity Period, the Company will continue to pay you your base salary at the rate in effect as of the date hereof, and you may continue to participate in the Company's health and welfare plans, if applicable and subject to their terms. The Company, however, may terminate your employment for **Cause**[1] during the Continuity Period. If the Company terminates your employment for Cause, you will be entitled to receive only the base salary earned up to the date your employment is terminated, and the Separation Date will be the date your employment is terminated for Cause or the date you resign for any reason. Except as otherwise provided for herein, you will not be entitled to any additional employee benefits, and you will not continue to earn any vacation time during the Continuity Period, in accordance with Company Policy.

    c) You acknowledge and agree that other than as specifically set forth in this Agreement, you are not due any compensation for unpaid salary, bonus, severance, incentive or performance pay, or for any accrued or unused vacation time or vacation pay.

2) **Separation Consideration.** Provided you make yourself available as an advisor on an as needed basis following the Continuity Period through the period during which Advisory Payments are made; are not terminated for Cause during the Continuity Period; execute this Agreement within twenty-one (21) days from the date hereof and do not revoke it; do not violate any of the restrictive covenants contained in the Non-Disclosure, Non-Competition and Non-Solicitation Agreement dated August 30, 2024 (the **"Restrictive Covenant Agreement");** and execute the release in the form attached as Exhibit A (the **"Release of**

[1] For purposes of this Agreement, "Cause" shall have the same definition as set forth in the Company's 2024 Equity Incentive Plan. The Compensation Committee will determine whether conduct meets the definition.

Claims") on or within seven (7) days after the Separation Date and do not revoke it (collectively, the **"Preconditions"),** the Company will provide you the following consideration:

a) Separation pay payable on a bi-weekly basis over a period of eighteen months commencing November 6, 2026 and ending April 21, 2028, less all applicable withholdings. The amount of each bi-weekly payment shall be the gross amount of
$38,903.85 (the **"Advisory Payments").**

b) All outstanding unvested restricted stock units (RSUs) granted to you prior to the Separation Date will vest upon the Separation Date subject to the remaining terms and conditions of their respective award agreements pursuant to a Qualified Retirement and the terms of the 2024 Equity Incentive Plan.

c) All outstanding performance stock units (PSUs) granted to you prior to the Separation Date will remain subject to vesting on a pro rata basis measured through December 2026 and otherwise subject to the remaining terms and conditions of their respective award agreements following a Qualified Retirement and achievement of the performance-based measurement metrics set forth in said agreements and the terms of the 2024 Equity Incentive Plan. For the avoidance of doubt the achievement of any performance-based vesting criteria shall be determined by the Compensation Committee of the Board of Directors of Freshpet in accordance with the Plan and the applicable award agreements.

d) Notwithstanding subsections b) and c) above, (i) all outstanding unvested RSUs granted to you on January 3, 2025 will vest upon the Separation Date subject to the remaining terms and conditions of their respective award agreements and the terms of the 2024 Equity Incentive Plan, and (ii) all outstanding PSUs granted to you on January 3, 2025 will remain subject to vesting on a pro rata basis measured through December 2026 and otherwise subject to the remaining terms and conditions of their respective award agreements and achievement of the performance-based measurement metrics set forth in said agreements and the terms of the 2024 Equity Incentive Plan. For the avoidance of doubt the achievement of any performance-based vesting criteria shall be determined by the Compensation Committee of the Board of Directors of Freshpet in accordance with the Plan and the applicable award agreements.

e) All outstanding, vested and unexercised stock options granted to you prior to the Separation Date will continue to be exercisable under the terms of their respective award agreements.

f) You will be entitled to a pro rata portion of the annual bonus otherwise due to you for your service as an employee during 2026 subject to achievement of the performance goals as approved by the Compensation Committee and payable by March 15, 2027.

3) **Employee Benefits.**

a) Your employee medical, dental, and vision benefits will terminate on the Separation Date.

b) Following the termination of your employee benefits, you will be eligible to continue your healthcare coverage pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 **("COBRA"),** as amended, and the requirements and limitations thereof. If you elect continued coverage under COBRA, you will be required to pay 102% of the monthly premium. You will receive information about continuing your health coverage under COBRA in a later mailing, including a form by which you may elect continued coverage.

c) Notwithstanding anything to the contrary in subparagraph b), if you execute this Agreement and the Release of Claims, and if you elect continued coverage under COBRA, the Company will pay the monthly premium costs associated with such continuation of coverage for a period of eighteen (18) months or through April 30, 2028, provided that prior to such date you do not become eligible to receive healthcare benefits coverage from another source, including but not limited to another employer, spouse, or domestic partner.

4) **Medicare Disclaimer.** You represent that you are not a Medicare Beneficiary as of the time you enter into this Agreement. To the extent that you are a Medicare Beneficiary, you agree to contact a Company Human Resources representative for further instruction.

5) **Consideration.** You acknowledge and agree that the payments made pursuant to this Agreement, including the Separation Payment and the vesting of the additional RSUs and PSUs, serve as sufficient consideration for the covenants and other obligations set forth in this Agreement, including but not limited to the Release in Paragraph 6 and the Release of Claims.

6) **Release.** In consideration for the payments, benefits, and other promises and covenants set forth herein, you voluntarily, knowingly, and willingly release and forever discharge the Company, its subsidiaries, affiliates, and parents, together with each of those entities' respective officers, directors, shareholders, employees, agents, fiduciaries, and administrators (collectively, the **"Releasees")** from any and all claims and rights of any nature whatsoever which you now have or in the future may have against them, whether known or unknown, suspected or unsuspected, for any act, omission, or event occurring up to and including the date you sign this Agreement. This release includes, but is not limited to, any rights or claims relating in any way to your employment relationship with the Company (or any of the other Releasees) or the termination thereof or any rights or claims under any federal, state, or local statute, including, without limitation, the Age Discrimination in Employment Act, the Older Workers' Benefit Protection Act, the Americans with Disabilities Act, the Rehabilitation Act of 1973 (including Section 504 thereof), the Civil Rights Act of 1866 (42 U.S.C. § 1981), Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Equal Pay Act, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Family and Medical Leave Act, the Lilly Ledbetter Fair Pay Act, the Genetic Information Non-Discrimination Act, and the Employee Retirement Income Security Act of 1974, the New Jersey Family Leave Act,

the New Jersey Law Against Discrimination, the New Jersey Conscientious Employee Protection Act, the New Jersey Workers' Compensation Act (except as set forth below), the New Jersey Wage and Hour Law, the New Jersey Wage Payment Act, **all** as amended, and any federal, state, local, and/or municipal statute, law, amendment, directive, order, and/or regulation enacted in response to the COVID-19 pandemic, or any other statutory or common law limitation or regulation of the employment relationship of state or federal law, as well as any claim for attorneys' fees and costs incurred by or on behalf of you. This release specifically includes, but is not limited to, any claim for constructive or wrongful discharge, retaliation, violation of public policy, libel, slander, defamation, or any other tort or contract claim. This release also includes any claim based upon the right to the payment of wages, incentive and performance compensation, bonuses, equity grants, vacation, pension benefits, 401(k) Plan benefits, stock benefits, or any other employee benefits, or any other rights arising under federal, state, or local laws prohibiting discrimination and/or harassment on the basis of race, color, age, religion, sexual orientation, religious creed, sex, national origin, ancestry, alienage, citizenship, nationality, mental or physical disability, denial of family and medical care leave, medical condition (including cancer and genetic characteristics), marital status, military status, gender identity, or discrimination and/or harassment on any other basis prohibited by law. However, you acknowledge that you are not releasing any claim related to the enforcement of the terms of the Agreement, any medical claim incurred during your employment that is payable under applicable medical plans or an employer-insured liability plan, any claim arising after the date on which you sign this Agreement, or any claim that is not otherwise waivable under applicable law.

7) **No Claims Filed.** As a condition of the Company entering into this Agreement, subject to Paragraph 9, you further represent that you have not filed against the Company or any of the other Releasees, any complaints, claims, or lawsuits with any court, administrative agency, or arbitral tribunal prior to the date hereof, and that you have not transferred to any other person any such complaints, claims, or lawsuits.

8) **No Admission of Wrongdoing.** By entering into this Agreement, neither you, the Company, nor any of the Company's officers, agents, or employees admit any wrongdoing or violation of any law.

9) **Reports to Government Entities.** Nothing in this Agreement, including but not limited to Paragraph 7, restricts or prohibits you from initiating communications directly with, responding to any inquiries from, providing testimony before, providing confidential information to, reporting possible violations of any law or regulation to, or filing a claim or assisting with an investigation directly with a self-regulatory authority or a government agency or entity, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, Congress, and any Inspector General of any agency (collectively, the **"Regulators"),** or from making other disclosures that are protected under the whistleblower provisions of any federal, state, or local law or regulation. This Agreement does not limit your right to receive an award from any Regulator that provides awards for providing information

relating to a potential violation of law. You do not need the prior authorization of the Company to engage in conduct protected by this Paragraph, and you do not need to notify the Company that you did engage in such conduct.

Please take notice that federal law provides criminal and civil immunity to federal and state claims for trade secret misappropriation to individuals who disclose a trade secret to their attorney(s), a court, or a government official in certain, confidential circumstances that are set forth at 18 U.S.C. §§ 1833(b)(1) and 1833(b)(2), related to the reporting or investigation of a suspected violation of the law, or in connection with a lawsuit for retaliation for reporting a suspected violation of the law.

10) **Post-Employment Restrictions.** You acknowledge and agree that you will continue to abide by and comply with the restrictive covenants and other obligations set forth in the Restrictive Covenant Agreement and all your equity award agreements with the Company, each of which remains in full force and effect. You further acknowledge and agree that your compliance with those obligations is a material inducement to the Company's entry into this Agreement and a condition precedent to your receipt of the consideration provided herein.

11) **Return of Company Property.** You shall return to the Company (or in the case of hard copy or electronic documents, following a thorough, good faith search of your files, destroy) by the Separation Date all Company property, documents, and confidential information in your possession or under your control (together with all duplicates thereof), regardless of whether such property, documents, and/or confidential information is in electronic, written, or other tangible form. You further agree not to retain any Company property, documents, confidential information, or any copies thereof. To the extent that you subsequently discover in your possession Company property, documents or confidential information (in any form) that you inadvertently failed to discover during your thorough, good faith search of your files, you shall promptly notify the Company of such discovery and either (i) return to the Company or (ii) destroy, and certify in writing the destruction thereof, such property, documents or other confidential information.

12) **No Negative Statements or Contact with Media.** You agree not to make (or cause to be made) to anyone any negative or disparaging statements about the Company, any other Releasee, or the services, reputation, financial status, or business relationships of any of the foregoing, and you also agree not to intentionally do anything that damages the Company, any other Releasee, or the services, reputation, financial status, or business relationships of any of the foregoing. This includes, but is not limited to, the direct or indirect publication of negative or disparaging statements about the Company (including by identifying current and former employees) or any of the other Releasees via social media (e.g., Twitter, Facebook, Tumblr, Instagram), video sites (e.g., YouTube, Vimeo), posts to media outlets or blogs, books, professional networking sites (e.g., LinkedIn, Glassdoor, etc.), as well as comments to news stories, blog posts, social media postings, videos, or professional sites. Nothing in this Agreement prevents you from discussing or disclosing details relating to a claim of discrimination or retaliation. You agree that during the eighteen (18) month period following the Separation Date, you will not knowingly encourage any person to initiate litigation in bad

faith against Freshpet. You further agree that during such eighteen (18) month period, you will not directly or indirectly solicit proxies or otherwise seek directly or indirectly solicit proxies or otherwise seek nomination or election to the Board of Directors of Freshpet; provided however that nothing in this Paragraph shall prohibit you from exercise any rights you may have as a shareholder under applicable law.

The Company agrees to provide instruction to the members of the executive team not to make (or cause to be made) to anyone any negative or disparaging statements about you, nor intentionally do anything that damages your reputation. This includes, but is not limited to, the direct or indirect publication of negative or disparaging statements about you via social media (e.g., X (formerly known as Twitter), Facebook, Tumblr, Instagram), video sites (e.g., YouTube, Vimeo), posts to media outlets or blogs, books, professional networking sites (e.g., LinkedIn, Glassdoor, etc.), as well as comments to news stories, blog posts, social media postings, videos, or professional sites.

13) **Breach of this Agreement.** You promise to abide by the terms and conditions in this Agreement, and you understand that if you do not, the Company shall be entitled to attorneys' fees and any other damages incurred due to such breach, except that this provision will not apply if you file a lawsuit challenging the validity of this Agreement. You agree to fully abide in all respects by the terms, conditions, and obligations in this Agreement (including, without limitation, with regard to Paragraph 7 (Release), Paragraph 10 (Post-Employment Restrictions), Paragraph 11 (Return of Company Property), Paragraph 12 (No Negative Statements or Contact with Media), and this Paragraph 13 (Breach of this Agreement)). You acknowledge and agree that if you do not so abide, the Company shall be entitled to attorneys' fees and any other damages incurred due to such breach. You further acknowledge and agree that any breach of the aforementioned paragraphs of this Agreement by you shall entitle the Company to: (i) the immediate return, upon the Company's demand, of any amounts paid or distributed to you after the date this Agreement is effective, which is the day you sign it; and (ii) the right, in the Company's sole discretion, to offset any amounts otherwise due to you by the Company to the extent such amounts have not been so returned.

14) **Severability.** If at any time, after the date of your execution of this Agreement, any court or administrative agency finds that any provision of this Agreement is illegal, void, or unenforceable, that provision will no longer have any force and effect. However, any such finding as to a particular provision shall not be deemed to impair the enforceability of any other provision of this Agreement.

15) **Changes to the Agreement.** This Agreement may not be changed unless the changes are in writing and signed by you and an authorized representative of the Company.

16) **Choice of Law; Arbitration; Waiver of Jury Trial.** Any controversy or claim arising out of or relating to this Agreement, any breach hereof, or your employment or the termination thereof, shall be settled by binding arbitration, by and pursuant to the Employment Arbitration Rules and Procedures of JAMS **("JAMS")** then in effect. The determination of the arbitrator shall be conclusive and binding on you and the Company, and judgment may be entered on the

arbitrator's award in any court of competent jurisdiction. The arbitrator shall not have the power to award punitive or exemplary damages. Issues of arbitrability shall be determined in accordance with the United States federal substantive and procedural laws relating to arbitration. The arbitration shall be conducted on a strictly confidential basis, and neither you nor the Company shall disclose the existence of a claim, the nature of a claim, any documents, exhibits, or information exchanged or presented in connection with such a claim, or the result of any action (collectively, **"Arbitration Materials")** to any third party, except as required by law, with the sole exception of legal counsel and parties engaged by that counsel to assist in the arbitration process, who also shall be bound by these confidentiality terms. The parties will share the JAMS administrative fees and the arbitrator's fee and expenses, and each party will pay its own attorneys' fees, except as otherwise provided by law. If court proceedings to stay litigation or compel arbitration are necessary, the party who unsuccessfully opposes such proceedings shall pay all associated costs, expenses, and attorneys' fees that the other party reasonably incurs. Either party may commence litigation in court to compel arbitration or to confirm or vacate an arbitral award, to the extent authorized by the Federal Arbitration Act. The arbitrator may grant interim injunctive relief, and the Company or its successors or assigns may commence litigation in court to obtain injunctive relief or an order requiring specific performance to enforce or prevent any violations of the covenants contained herein. You and the Company each agree that any arbitration will be conducted only on an individual basis and that no dispute between the parties may be consolidated or joined with a dispute between any other employee and the Company or any Releasee. You also agree that you may not seek to bring your dispute on behalf of other employees, independent contractors, or consultants of the Company or any Releasee as a class or collective action and that no arbitrator will have authority hereunder to hear or decide any class, collective, or representative action. Notwithstanding the foregoing, nothing in this Agreement prohibits either party from requesting that the arbitrator consolidate, on a non-class or non-collective action basis, related matters that involve common questions of law or fact when doing so would increase efficiency. The parties agree to take all steps necessary to protect the confidentiality of the Arbitration Materials in connection with any such proceeding, agree to file all confidential information (and all documents containing confidential information) under seal, and agree to the entry of an appropriate protective order encompassing the confidentiality terms of this Agreement. **TO THE EXTENT PERMITTED BY APPLICABLE LAW THAT CANNOT BE WAIVED, YOU AND THE COMPANY HEREBY AGREE AND COVENANT THAT NEITHER YOU NOR THE COMPANY WILL ASSERT (WHETHER AS A PLAINTIFF, DEFENDANT, OR OTHERWISE) ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY MATTER CONTEMPLATED HEREBY, WHETHER NOW OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. YOU AND THE COMPANY FURTHER AGREE THAT YOU AND THE COMPANY OR ANY OF ITS AFFILIATES MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY, AND BARGAINED-FOR AGREEMENT BETWEEN THE COMPANY AND ITS AFFILIATES, ON THE ONE HAND, AND YOU, ON THE OTHER HAND, TO WAIVE IRREVOCABLY THE RIGHT TO A TRIAL BY JURY IN ANY PROCEEDING WHATSOEVER BETWEEN SUCH PARTIES ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND**

THAT ANY PROCEEDING PROPERLY HEARD BY A COURT UNDER THIS AGREEMENT WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

17) **Entire Agreement.** This Agreement constitutes the entire agreement between you and the Company and supersedes all other agreements between you and the Company with respect to the terms of your employment and the termination thereof, except this Agreement shall not relieve you of any contractual or common law obligations you have to the Company or any of its affiliates that by their nature are intended to survive the termination of your employment with the Company, such as the Restrictive Covenant Agreement, or any such superseded agreement including, without limitation, to maintain the Company's confidential information as confidential and not to use such information for your benefit or the benefit of any third party. You confirm that in signing this Agreement you have not relied on any warranty, representation, assurance, or promise of any kind whatsoever other than as expressly set out in this Agreement.

18) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

19) **Waivers.** A waiver by either party of any term or condition of this Agreement in any instance will not be deemed or construed to be a waiver of such term or condition in the future, or of any subsequent breach thereof. All rights, remedies, undertakings, or obligations contained in this Agreement will be cumulative, and none of them will be in limitation of any other right, remedy, undertaking, or obligation of either party.

20) **Section 409A.** This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (Section 409A), including the exceptions thereto, and shall be construed and administered in accordance with such intent. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, any installment payments provided under this Agreement shall each be treated as a separate payment.

Notwithstanding any other provision of this Agreement, if at the time of your termination of employment, you are a "specified employee," determined in accordance with Section 409A, any payments and benefits provided under this Agreement that constitute "nonqualified deferred compensation" subject to Section 409A that are provided to you on account of a separation from service shall not be paid until the first payroll date to occur following the six-month anniversary of your Separation Date **("Specified Employee Payment Date").** The aggregate amount of any payments that would otherwise have been made during such six-month period shall be paid in a lump sum on the Specified Employee Payment Date and thereafter any remaining payments shall be paid without delay in accordance with their original schedule. If you die before the Specified Employee Payment Date, any delayed payments shall be paid to your estate in a lump sum within two weeks of your death.

21) **Acknowledgments.** By signing this Agreement, you acknowledge that:

a) You have carefully read and understand this Agreement;

b) The Company advised you to consult with an attorney and/or any other advisor of your choice before signing this Agreement;

c) You have been given twenty-one (21) days to consider your rights and obligations under this Agreement and to consult with an attorney about both. Any negotiations and resulting changes to this Agreement, whether material or immaterial, will not restart the 21-day consideration period;

d) You understand that this Agreement is **LEGALLY BINDING** and by signing it you give up certain rights;

e) You have voluntarily chosen to enter into this Agreement and have not been forced or pressured in any way to sign it;

f) You acknowledge and agree that the Advisory Payment and other benefits set forth in this Agreement are contingent on your execution of this Agreement, which releases all of your claims against the Company and the Releasees, and you **KNOWINGLY AND VOLUNTARILY AGREE TO RELEASE** the Company and the Releasees from any and all claims you may have, known or unknown, in exchange for the benefits you have obtained by signing, and that these benefits are in addition to any benefit you would have otherwise received if you did not sign this Agreement;

g) You have seven (7) days after you sign this Agreement to revoke it by notifying the Company in writing. This Agreement will not become effective or enforceable until the seven (7) day revocation period has expired;

h) This Agreement includes a WAIVER OF ALL RIGHTS AND CLAIMS you may have under the Age Discrimination in Employment Act of 1967 (29 U.S.C. §§ 621 et seq.); and

i) This Agreement does not waive any rights or claims that may arise after this Agreement becomes effective, which is eight (8) days after you sign it, provided that you do not exercise your right to revoke this Agreement.

22) **Return of Signed Agreement.** You should return the signed Agreement to me on or before the date that is twenty-one (21) days from the date hereof.

[Signature Page Follows]

FRESHPET, INC.

By: <u>/s/ William B. Cyr</u>
Wiliam B. Cyr

Read, Accepted, and Agreed to:

<u>/s/ Scott Morris</u>
SCOTT MORRIS

<u>6/22/2026</u>
Date

[Agreement Signature Page]

EXHIBIT A

RELEASE OF CLAIMS

FOR AND IN CONSIDERATION OF the consideration to be provided to me in connection with the separation of my employment, in accordance with the letter agreement between Freshpet, Inc. (the **"Company")** and me dated June 5, 2026 (the **"Agreement"),** which consideration is conditioned on my signing this Release of Claims and to which I am not otherwise entitled, I, on my own behalf and on behalf of my heirs and estate, voluntarily, knowingly, and willingly release and forever discharge the Company, its subsidiaries, Affiliates, and parents, together with each of those entities' respective officers, directors, shareholders, employees, agents, fiduciaries, and administrators (collectively, the **"Releasees")** from any and all claims and rights of any nature whatsoever which I now have or in the future may have against them, whether known or unknown, suspected or unsuspected, for any act, omission, or event occurring up to and including the date of this Release of Claims. This Release of Claims includes, but is not limited to, any rights or claims relating in any way to my employment relationship with the Company (or any of the other Releasees) or the termination thereof or any rights or claims under any federal, state, or local statute, including, without limitation, the Age Discrimination in Employment Act, the Older Workers' Benefit Protection Act, the Americans with Disabilities Act, the Fair Credit Reporting Act, the Rehabilitation Act of 1973 (including Section 504 thereof), the Civil Rights Act of 1866 (42 U.S.C. § 1981), Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Equal Pay Act, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Family and Medical Leave Act, the Lilly Ledbetter Fair Pay Act, the Genetic Information Non-Discrimination Act, and the Employee Retirement Income Security Act of 1974, the New Jersey Family Leave Act, the New Jersey Law Against Discrimination, the New Jersey Conscientious Employee Protection Act, the New Jersey Workers' Compensation Act (except as set forth below), the New Jersey Wage and Hour Law, the New Jersey Wage Payment Act, all as amended, and any federal, state, local, and/or municipal statute, law, amendment, directive, order, and/or regulation enacted in response to the COVID-19 pandemic, or any other statutory or common law limitation or regulation of the employment relationship of state or federal law, as well as any claim for attorneys' fees and costs incurred by or on behalf of me. This release specifically includes, but is not limited to, any claim for constructive or wrongful discharge, retaliation, violation of public policy, libel, slander, defamation, or any other tort or contract claim. This release also includes any claim based upon the right to the payment of wages, incentive and performance compensation, bonuses, equity grants, vacation, pension benefits, 401(k) Plan benefits, stock benefits, or any other employee benefits, or any other rights arising under federal, state, or local laws prohibiting discrimination and/or harassment on the basis of race, color, age, religion, sexual orientation, religious creed, sex, national origin, ancestry, alienage, citizenship, nationality, mental or physical disability, denial of family and medical care leave, medical condition (including cancer and genetic characteristics), marital status, military status, gender identity, or discrimination and/or harassment on any other basis prohibited by law. However, I acknowledge that I am not releasing any claim related to the enforcement of the terms of the Agreement, any medical claim incurred during my employment that is payable under applicable medical plans or an employer-insured liability plan, any claim arising after the date on which I sign this Release of Claims, or any claim that is not otherwise waivable under applicable law.

As a condition of the Company entering into this Release of Claims, I further represent that I have not filed against the Company or any of the other Releasees, any complaints, claims or lawsuits with any arbitral tribunal, administrative agency, or court prior to the date hereof, and that I have not transferred to any other person any such complaints, claims, or lawsuits. This Release of Claims does not (i) prohibit or restrict me from initiating communications directly with, responding to any inquiries from, providing testimony before, providing confidential information to, reporting possible violations of law or regulation to, or from filing a claim or assisting with an investigation directly with a self-regulatory authority or a government agency or entity, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, Congress, and any Inspector General of any agency, or from making other disclosures that are protected under the whistleblower provisions of any federal, state, or local law or regulation; or (ii) require me to notify the Company of such communications or inquiry. Nothing herein, however, shall constitute a waiver of claims arising out of or relating to any acts or omissions occurring after I sign this Release of Claims, or claims for enforcement of this Release of Claims.

I acknowledge that this Release of Claims is independent of, but does not supersede, the Release contained in the Agreement. I further acknowledge that, in signing this Release of Claims, I have not relied on any promises or representations, express or implied, other than those that are set forth expressly in the Agreement and this Release of Claims and that are intended to survive separation from employment, in accordance with the terms of the Agreement.

I further acknowledge that:

1. I first received this Release of Claims on the date of the Agreement to which it is attached as Exhibit A *(i.e.,* the date set forth in the first sentence of this Release of Claims);

2. I understand that, in order for this Release of Claims to be effective, I may not sign it prior to the Separation Date, but that if I wish to receive the consideration, I must sign and return this Release of Claims no later than twenty-one (21) days after the Separation Date and no earlier than the Separation Date;

3. I have carefully read and understand this Release of Claims;

4. The Company advised me to consult with an attorney and/or any other advisor of my choice before signing this Release of Claims;

5. I understand that this Release of Claims is **LEGALLY BINDING** and that by signing it I give up certain rights;

6. I have voluntarily chosen to enter into this Release of Claims and have not been forced or pressured in any way to sign it;

7. I acknowledge and agree that the consideration is contingent on execution of this Release of Claims, which releases all of my claims against the Company and the Releasees, and I **KNOWINGLY AND VOLUNTARILY AGREE TO RELEASE** the Company and the Releasees from any and all claims I may have, known or unknown, in exchange for the benefits I have obtained by signing, and that these benefits are in addition to any benefit I would have otherwise received if I did not sign this Release of Claims;

8. I have seven (7) days after I sign this Release of Claims to revoke it by notifying the Company in writing. This Release of Claims will not become effective or enforceable until the seven (7) day revocation period has expired;

9. This Release of Claims includes a WAIVER OF ALL RIGHTS AND CLAIMS I may have under the Age Discrimination in Employment Act of 1967 (29 U.S.C. §§ 621 et seq.); and

10. This Release of Claims does not waive any rights or claims that may arise after this Release of Claims becomes effective, which is eight (8) days after I sign it, provided that I do not exercise my right to revoke it.

Intending to be legally bound, I have signed this Release of Claims as of the date written below.

Signature:	_______________	_______________
	SCOTT MORRIS	Date signed

[Exhibit A Release of Claims Signature Page]

Exhibit 31.1

CERTIFICATIONS

I, William B. Cyr, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Freshpet, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2026

/s/ William B. Cyr

William B. Cyr
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, John G. O'Connor, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Freshpet, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 5, 2026

/s/ John G. O'Connor

John G. O'Connor
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. § 1350,
AS ADOPTED PURSUANT TO § 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the filing of the Quarterly Report on Form 10-Q of Freshpet, Inc., a Delaware corporation (the “Company”), for the quarter ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to such officer’s knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: August 5, 2026

/s/ William B. Cyr
William B. Cyr
Chief Executive Officer

/s/ John G. O'Connor
John G O'Connor
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.