



Investor Presentation: May 2019

A collage of images illustrating fresh pet food ingredients and pet care. The collage includes: a ginger cat and a black dog sitting on a wooden deck with large carrots hanging in the foreground; a man walking a dog on a beach; two chickens in a field; a red barn; a woman smiling next to a Dalmatian dog; a family of four preparing food at a table; a bowl of fresh vegetables; a white dog in a field; and a list of ingredients: SWEET CORN, CUT FLOWERS, PEPPERS, BROCCOLI, ZUCCHINI, and CUCUMBERS.

bringing the *power*
of *fresh* food to *pets*

Freshpet

- SWEET CORN
- CUT FLOWERS
- PEPPERS
- BROCCOLI
- ZUCCHINI
- CUCUMBERS

Safe Harbor

Forward Looking Statements

This presentation contains “forward-looking” statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the Company’s results may differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact could be deemed forward-looking, including, but not limited to, the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate and any statements of assumptions underlying any of the foregoing. These statements are based on estimates and information available to us at the time of this presentation and are not guarantees of future performance.

These forward-looking statements are based on certain assumptions and are subject to risks and uncertainties, including those described in the “Risk Factors” section and elsewhere in the preliminary prospectus for this offering. You should read the prospectus, including the Risk Factors set forth therein and the documents that the Company has filed as exhibits to the registration statement, of which the prospectus is a part, completely and with the understanding that if any such risks or uncertainties materialize or if any of the relevant assumptions prove incorrect, the Company’s actual results could differ materially from the results expressed or implied by these forward-looking statements. Except as required by law we assume no obligation to update these forward-looking statements publicly, or to update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Non-GAAP Disclosure

This presentation contains certain non-GAAP financial measures such as EBITDA and adjusted EBITDA among others. While the company believes these non-GAAP financial measures provide useful information for investors, the presentation of this information is not intended to be considered in isolation or as a substitute for the financial information presented in accordance with GAAP. Please refer to the Company’s earnings press releases for a reconciliation of non-GAAP financial measures to the most comparable measures prepared in accordance with GAAP.



**WE FUNDAMENTALLY BELIEVE THAT FRESHPET
HAS THE POTENTIAL TO CHANGE THE WAY
PEOPLE FEED THEIR PETS . . . FOREVER**

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



Humanization
of Pets

Fresh,
Wholesome,
All-Natural
Foods

Until Freshpet, dogs' choices were really limited

Dry Kibble



Canned
Mystery Meat



A totally different approach to nourishing our pets



All natural, refrigerated meals made with fresh ingredients.

We Operate Differently

Delighting consumers with fresh food & our company ideology

PETS · PEOPLE · PLANET

pets.

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



people.

Our team
Our partners
Our families



planet.

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



A Difficult Business to Replicate

Differentiated

Innovative forms, technologies, and appearance



Manufacturing

Proprietary technology, processes, and infrastructure



High Brand Loyalty

Alignment with deep pet parent emotional motivations



Supply Chain

Only refrigerated pet food network in North America



Technical Knowledge

Production Scale

Product Performance

Freshpet Franchise

Distribution Scale

Brand Equity

Fridge Placements

Freshpet Fridge

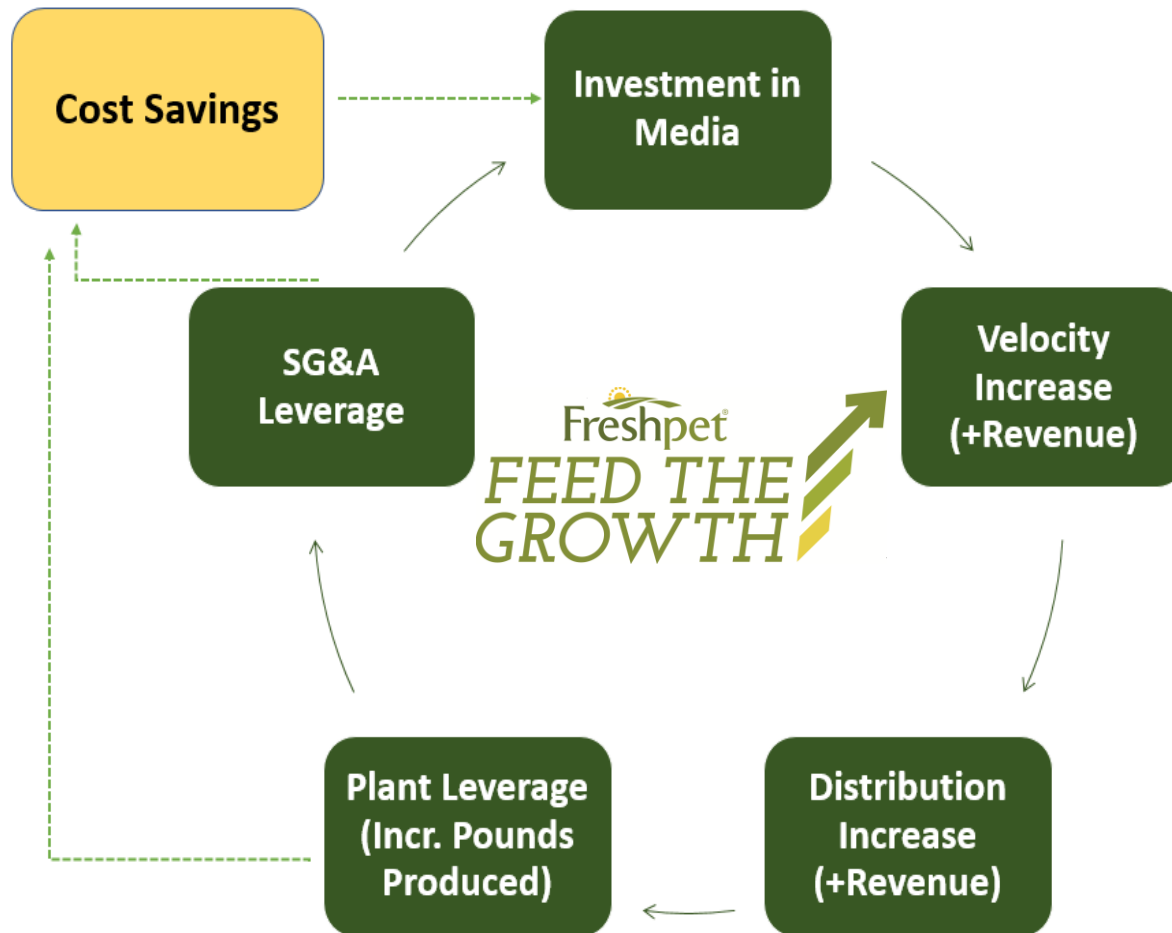
Branded, company-owned real estate



Retailer Partners

Delivers benefits in traffic, frequency and retailer margins

In 2017, we launched our Feed the Growth strategic plan



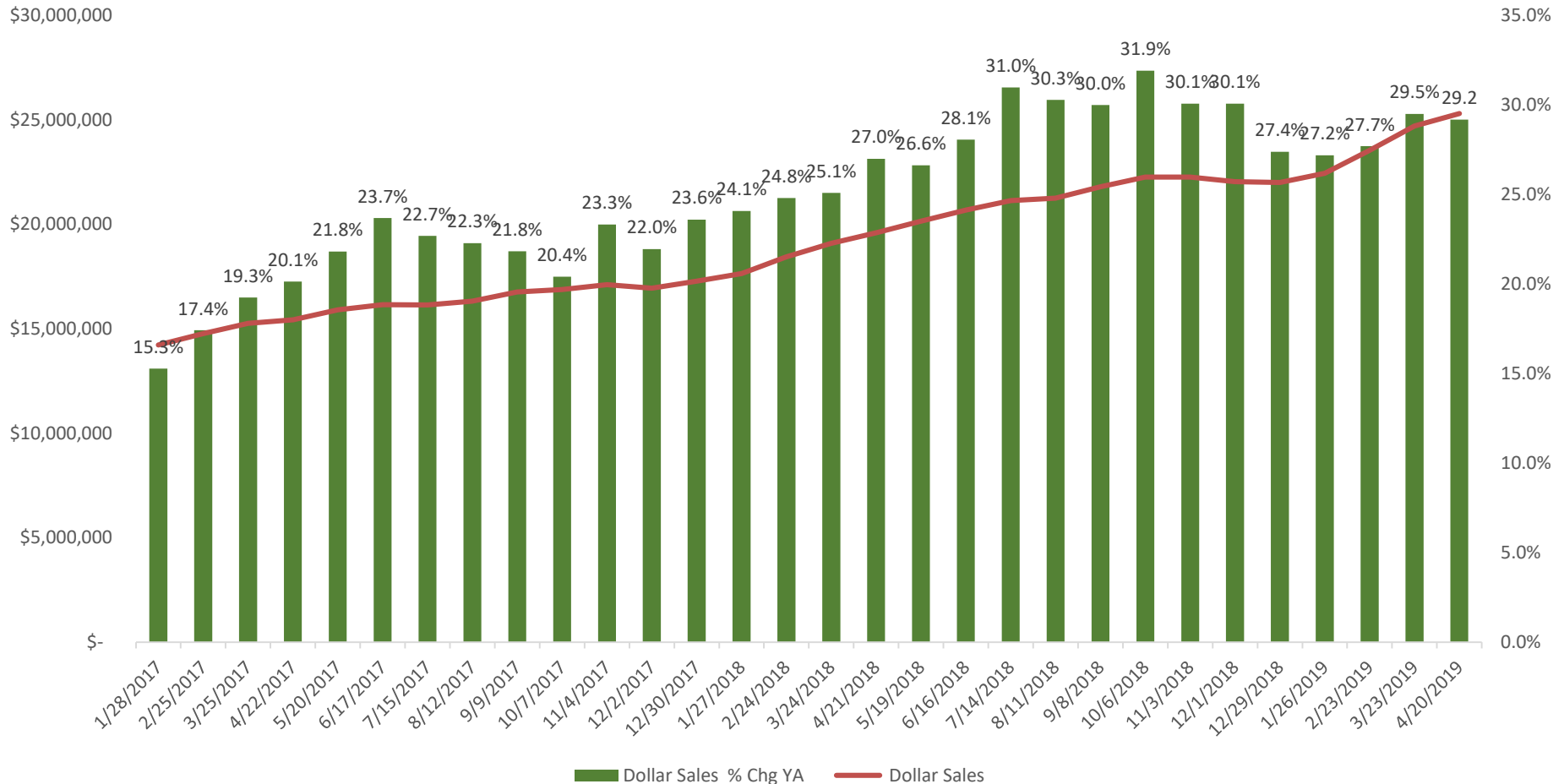
Delivered strong net sales growth and increasing scale benefits

Freshpet Financial Performance			
	2017	2018	2019 Guidance*
Net Sales (\$ millions)	\$152.4	\$193.2	>\$240
<i>IYA</i>	(117)	(127)	(>124)
Adj. EBITDA (\$ millions)	\$17.6	\$20.3	>\$28
<i>IYA</i>	(99)	(115)	(>138)

*Excluding incremental investments in Canada/UK and technical capability/capacity building, Adjusted EBITDA would be up 50+% in 2019

Accelerating consumption growth

Nielsen Mega-Channel Consumption Growth



Nielsen measured \$ consumption for 4 week periods ending 4/20/19

Growing 20+ pts. faster than category in all classes of trade

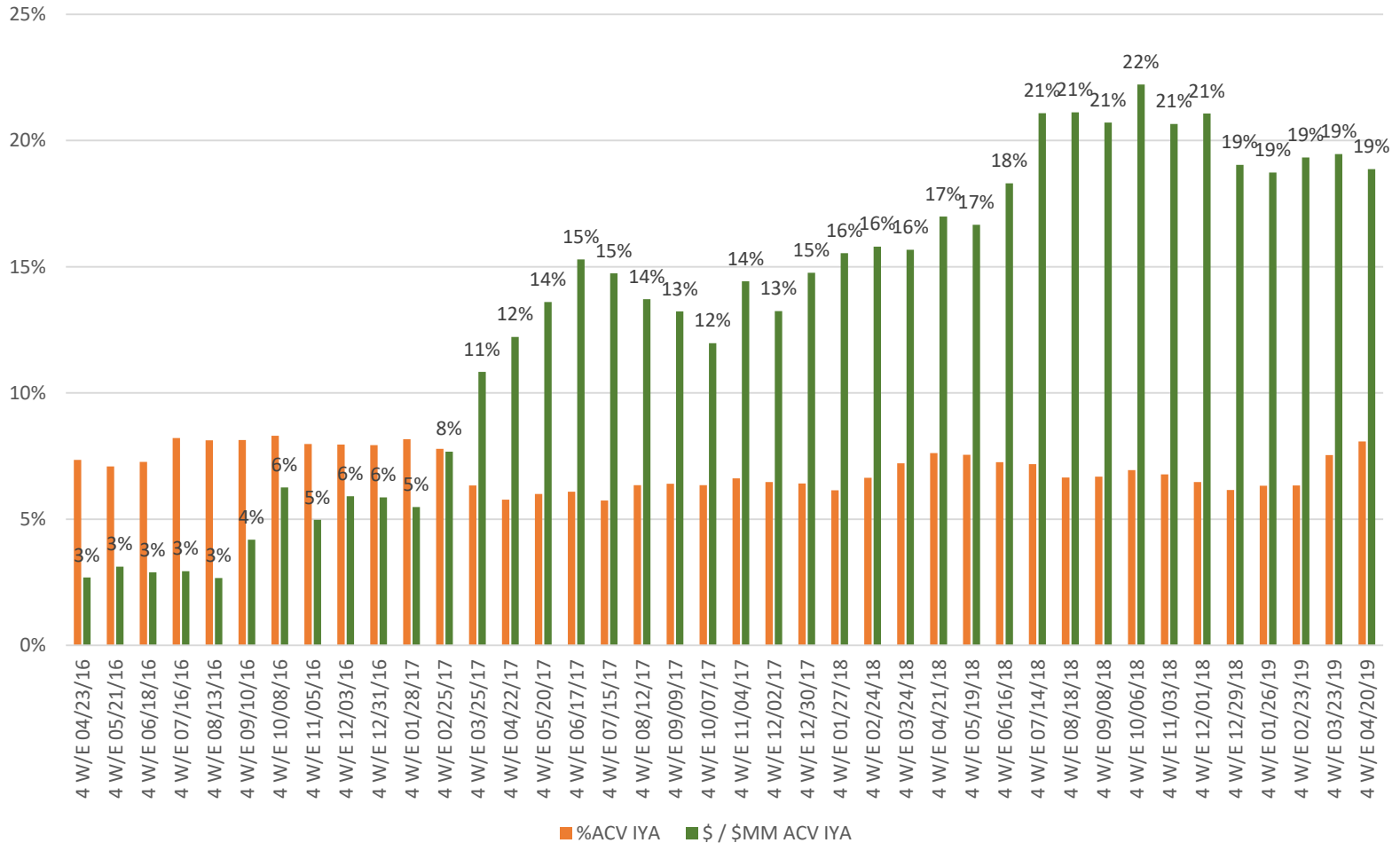
% Change vs YA by Class of Trade						
	Dog Food Wet+Dry (wo FRS/FRZ)			Freshpet Total RFG		
	\$ % Change YA			\$ % Change YA		
	L4 Wks	L13 Wks	L52 Wks	L4 Wks	L13 Wks	L52 Wks
Total xAOC+Pet+WFM	2.3	1.7	0.6	29.2	28.4	29.2
Total US xAOC	6.2	4.6	2.7	33.0	31.5	31.5
Total US Food	2.7	2.0	1.6	37.1	37.0	36.8
Big Box Pet	-7.6	-5.7	-4.6	14.9	17.0	20.5



Nielsen \$ Volume through 4/20/19 – Growth vs YA

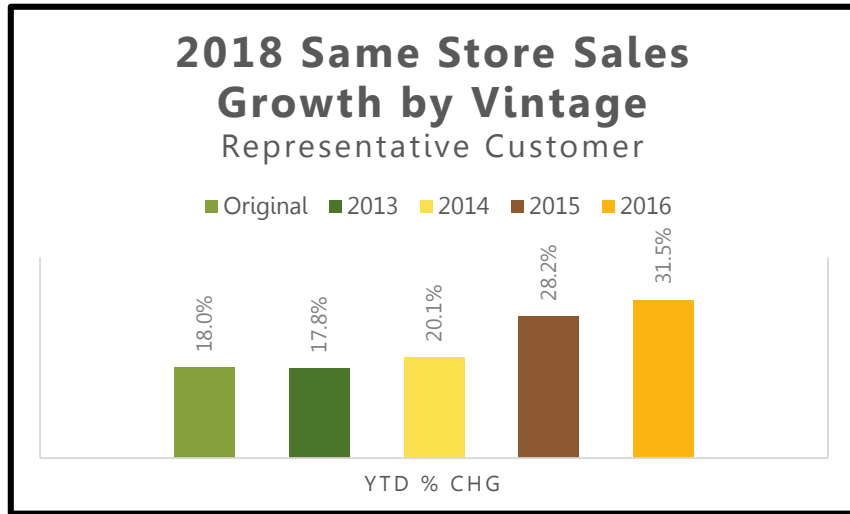
Driven by strong velocity gains

Freshpet Distribution and Velocity Growth

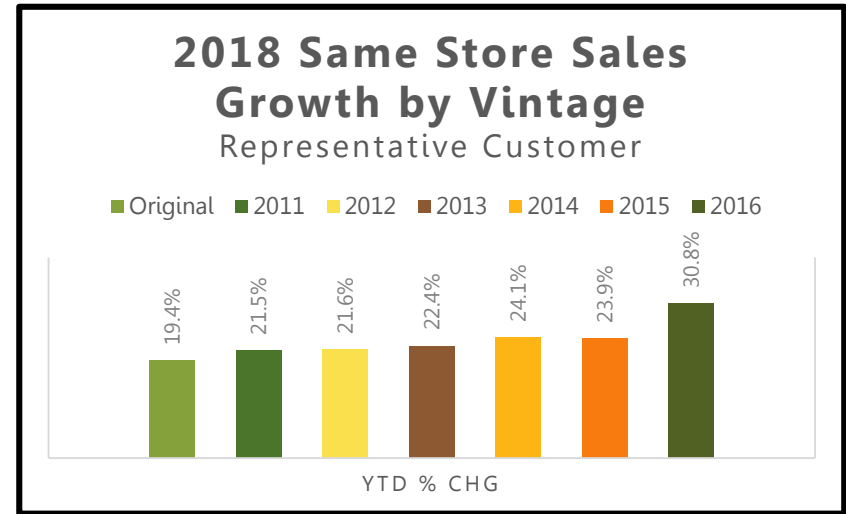


Strong velocity growth regardless of how long the fridge has been in place

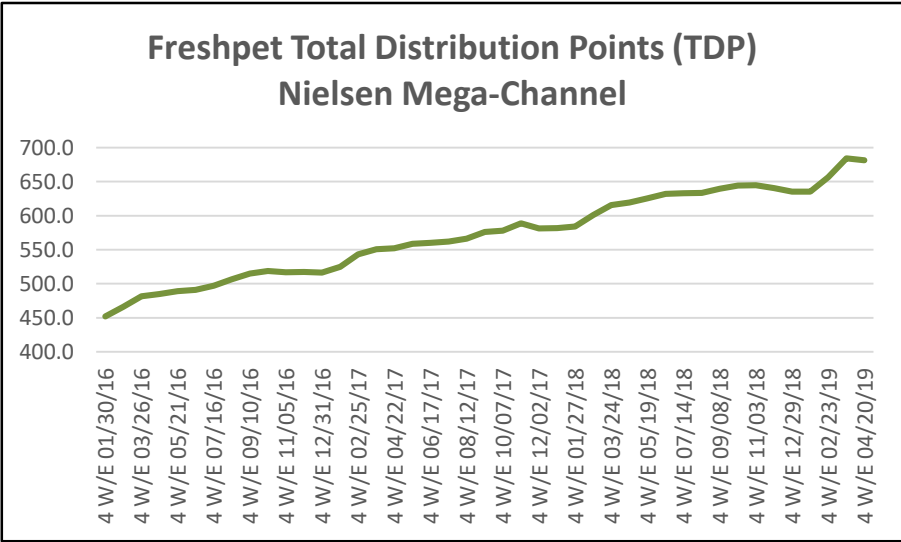
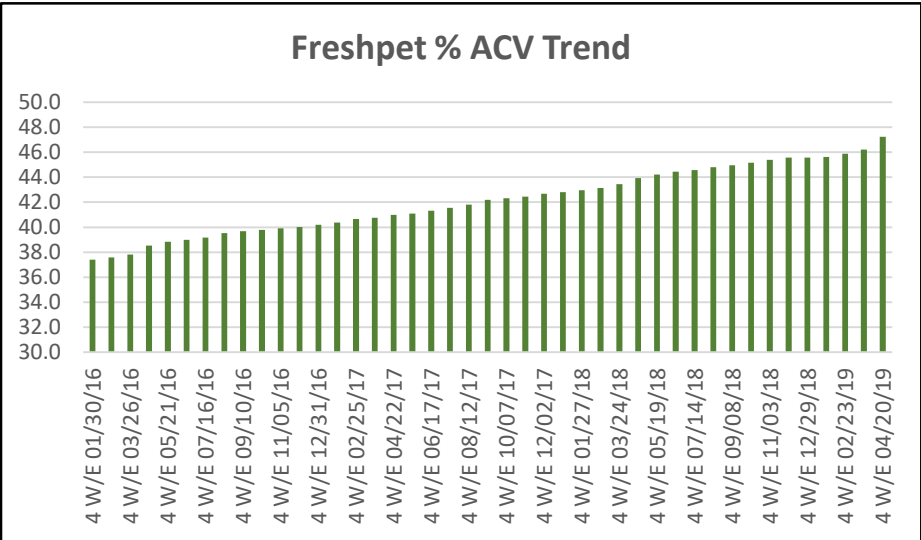
Customer A



Customer B

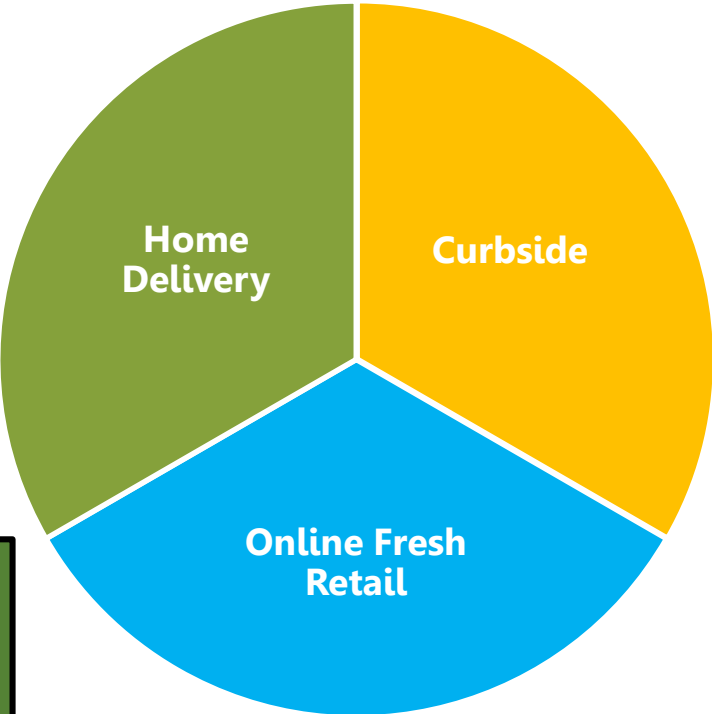


Growing distribution (ACV) and depth (TDP) with room to grow



With growth potential in fresh e-commerce

Strategy: Grow with winning players in fresh e-commerce



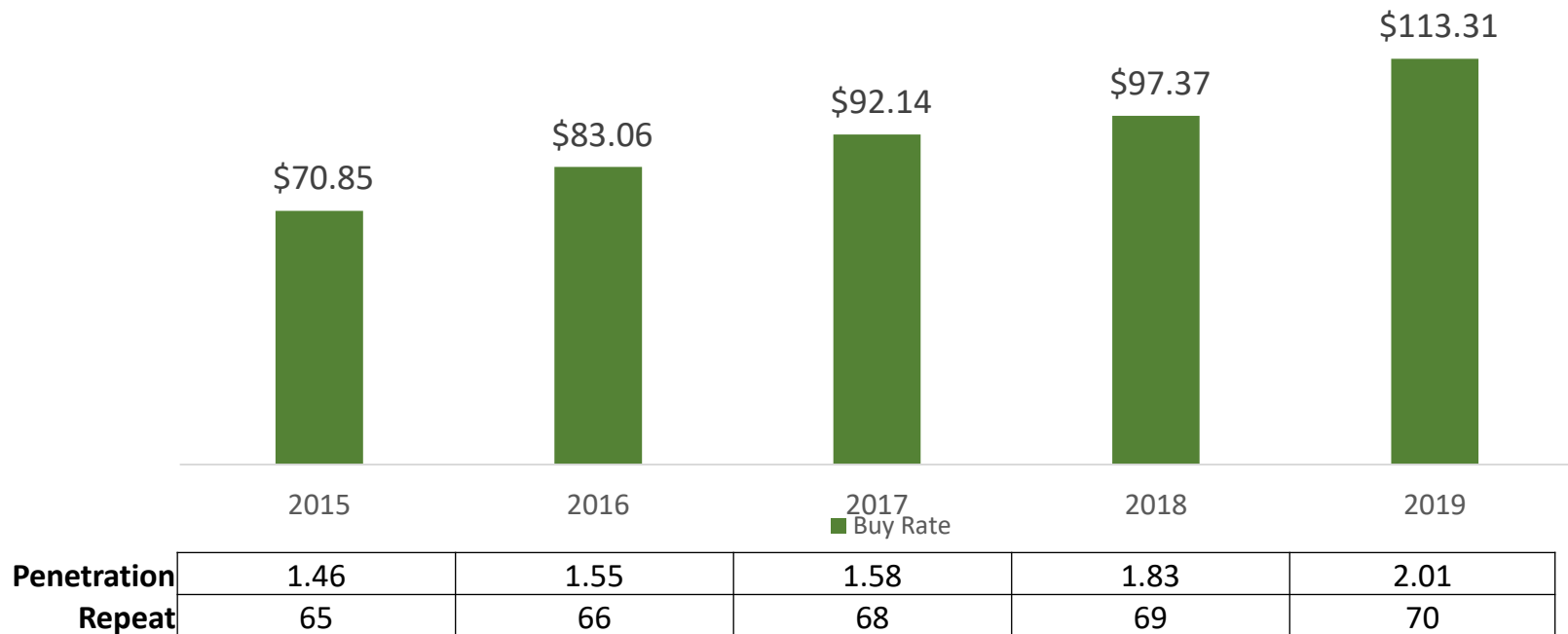
Doubled e-commerce sales vs. YA to 2.2% of brand in Q1 2019

>80% of e-commerce sales utilize Freshpet Fridge



Increased total Freshpet penetration & buying rate

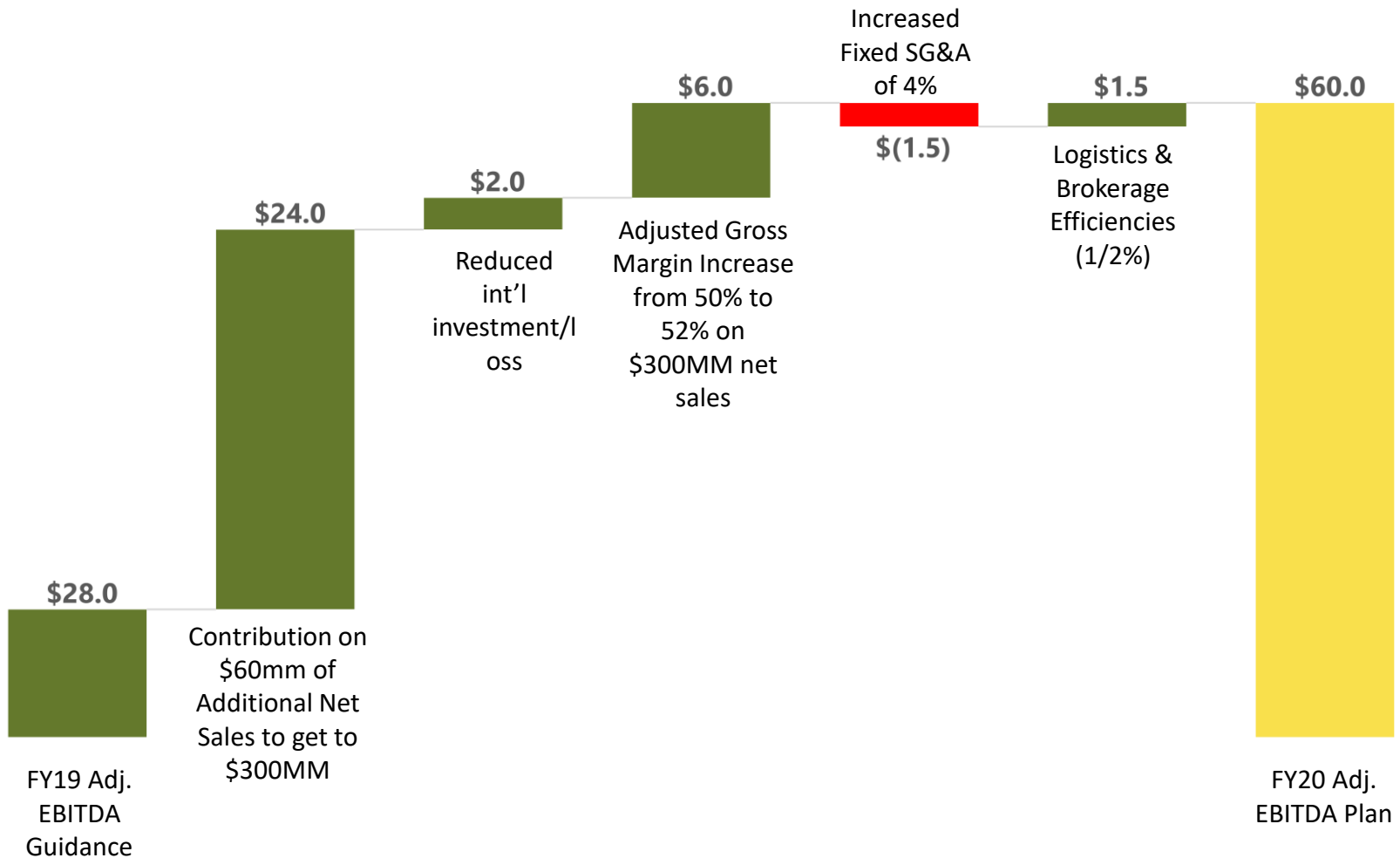
Total Freshpet Buying Rate, Penetration and Repeat Rate



Gaining SG&A leverage and reinvesting for growth

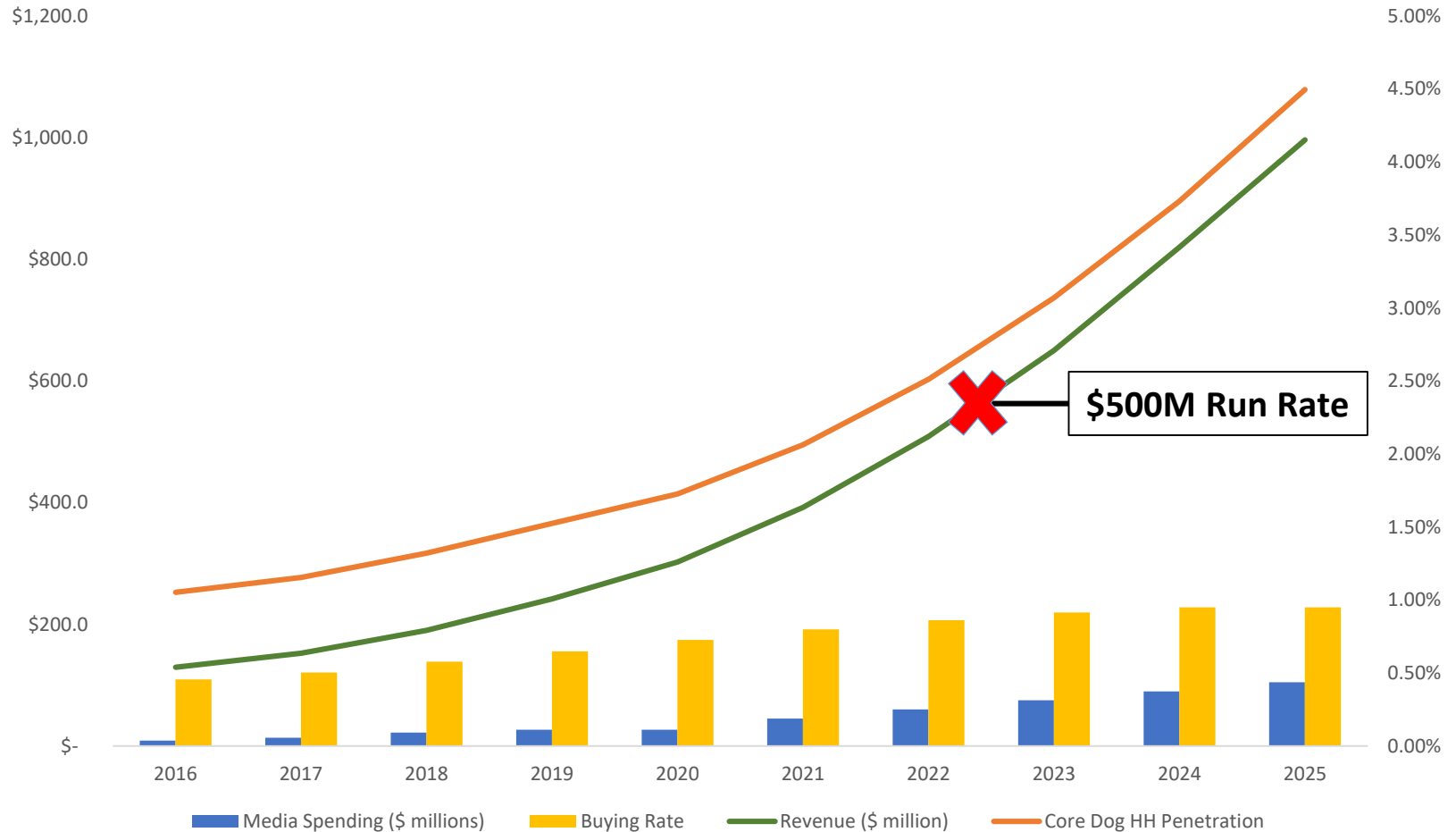
SG&A Leverage			
	FY 2017	FY 2018	Y-o-Y Change
Adj. SG&A % Excluding Media	31.0%	28.5%	2.4%
Media%	8.9%	11.1%	-2.2%
Total Adj. SG&A %	39.9%	39.7%	0.2%

Increased scale/efficiency will deliver \$60M Adj. EBITDA in 2020



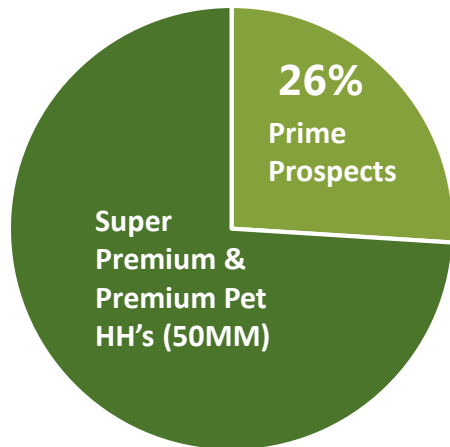
With growth potential well beyond \$300M

Freshpet Growth Potential



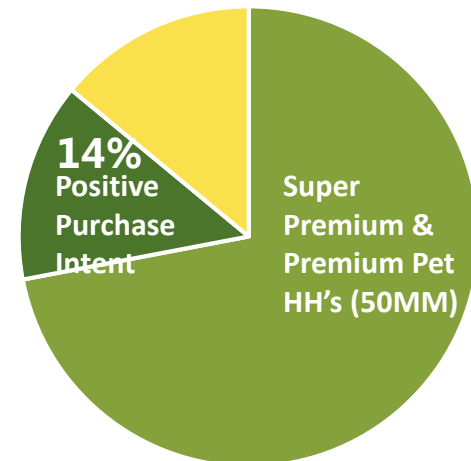
Just scratching the surface of HH penetration potential . . .

Prime Prospects



→ PP's with Positive Interest (53%) →

With Top 2 Box Purchase Interest in Freshpet Concept



By 2025, there will be **7.5 million HH's** who have expressed top 2 box purchase interest in the Freshpet idea – and we have reached <2 million so far

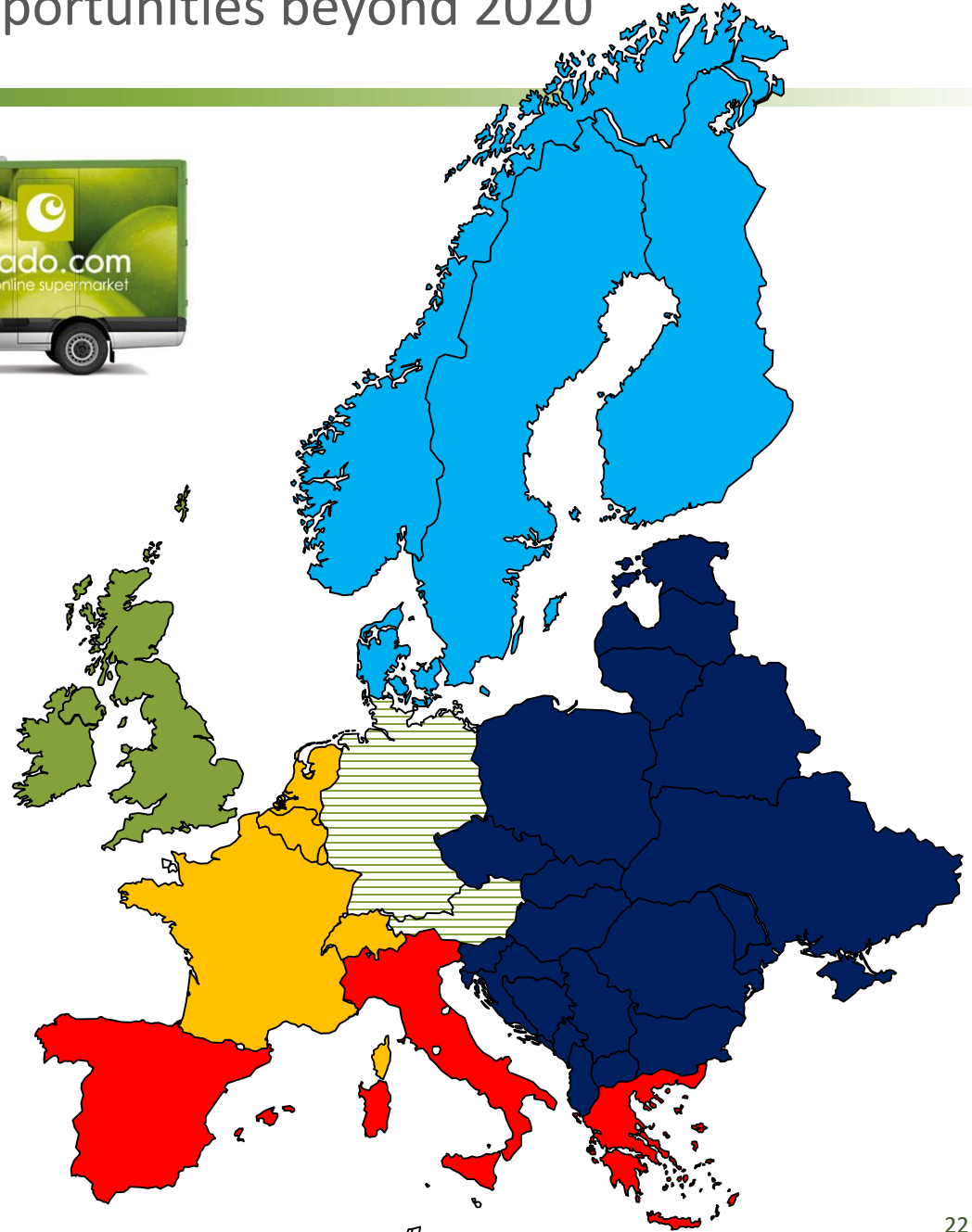
With international growth opportunities beyond 2020

Currently testing in:

TESCO



HOOGVLIET





2019

Freshpet 2019 growth priorities

1. Expand the Freshpet consumer franchise

- Increase HH penetration
- Expand buying rate

2. Strengthen Freshpet's retail presence

- Increase ACV and TDP's
- Upgrade Fridges
- Install 2nd Fridges

3. Strengthen Gross Margin/Adjusted EBITDA Margin

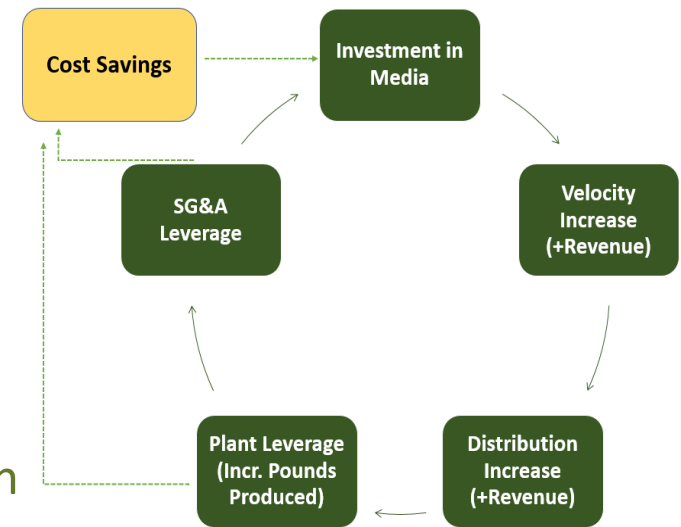
- Pricing
- Product Innovation
- Efficiency gains and capacity utilization
- Build more efficient capacity (Kitchens 2.0 start-up in 2020)
- Deliver SG&A absorption gains

4. Continue Measured Development in Canada and UK

- Modest investment to establish consumer foundation

5. Build Capability to Support Accelerated Longer-Term Capacity Expansion

- Invest in technical talent to enable more rapid and reliable capacity expansion and maximize its productivity



Expand the Freshpet consumer franchise

Increase US advertising investment to \$27 million (11+% of sales)

- More weeks
- Higher media weights

TV



Digital/Social



Expand the Freshpet consumer franchise

Innovation that attracts new users

Homestyle Creations – Custom Dog Meals



11lb Chicken Patties

11lb Beef Patties



4.5oz
Cranberries, Carrots &
Green Beans



4.5oz
Brown Rice, Pumpkin,
Green Beans & Carrots



4.5oz
Bananas, Cranberries &
Blueberries

Create Unlimited Combinations



Multi-Protein Roll



Strengthen Freshpet's retail presence



Strong velocity growth is driving increased retailer interest

- Add 1500-1600 net new stores to 21,000+ (↑ACV by 7%)
- Upgrade another 500 Fridges (beyond 1000 committed in 2018)
- Install 800 second Fridges

Will exceed 21,000 stores in 2019

Upgraded 805 Fridges in 2018



TIER 3
1 Medium/Small Chiller
Limited Selection
10 - 17 Items



TIER 2
1 Large Chiller
Mainline Selection
20 - 25 Items



TIER 1
2 Large Chillers
Latest Innovation, Multi Brand
30 - 35 Items
New Cooler Technology

With aspirations to change the category forever

Good



Better



Best



Strengthen gross margin/adjusted EBITDA margin

Increase Adj. Gross Margin – largely in back half of the year – to 51+% by year-end

Pricing

- Targeted bag items
- +2% pricing impact across total line
- Effective in mid-Q1



Innovation

- Increase appeal of rolls
- Higher margin bag items
- Begins shipping end of Q1



Manufacturing Efficiency

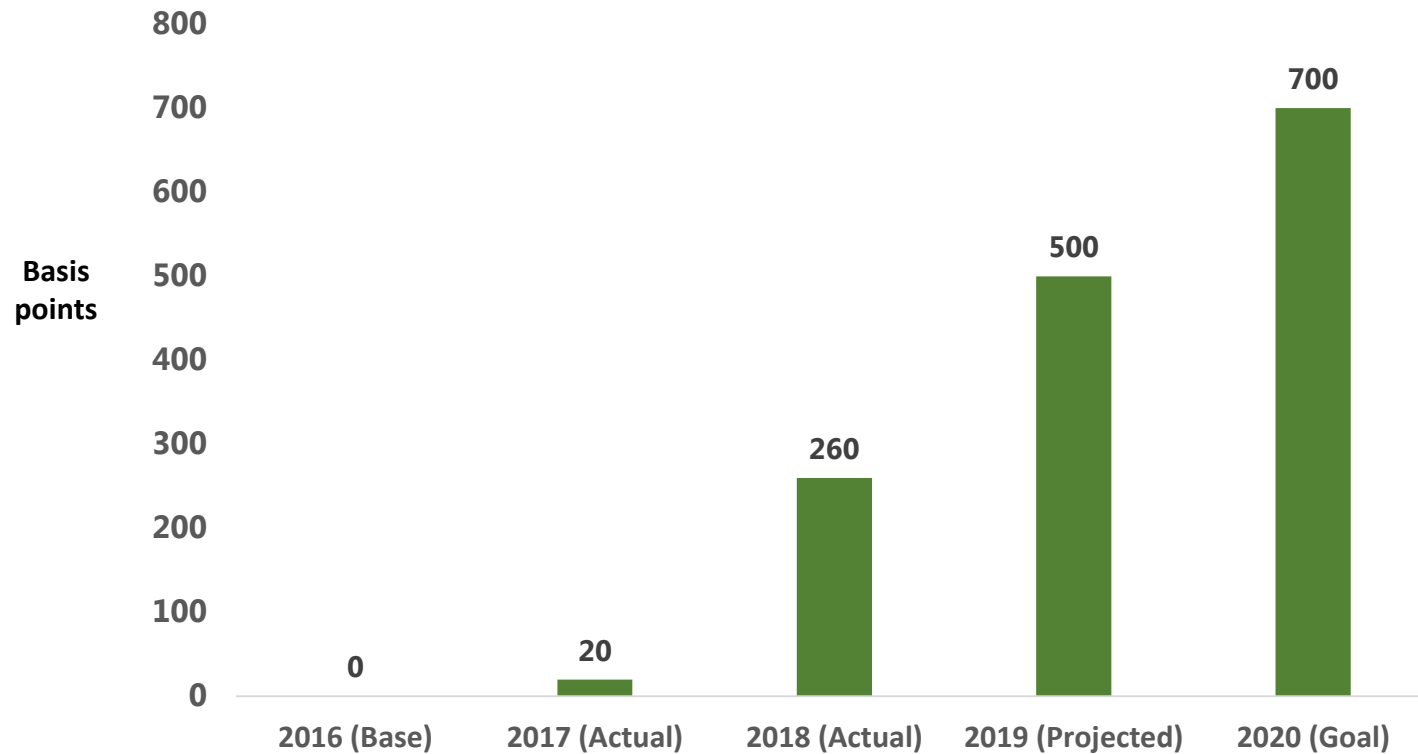
- Increase yield/throughput
- 24/7 on 2 lines in Jan. '19
- 24/3.5 on final line in Q2
- Break ground on Kitchens 2.0

SG&A Leverage

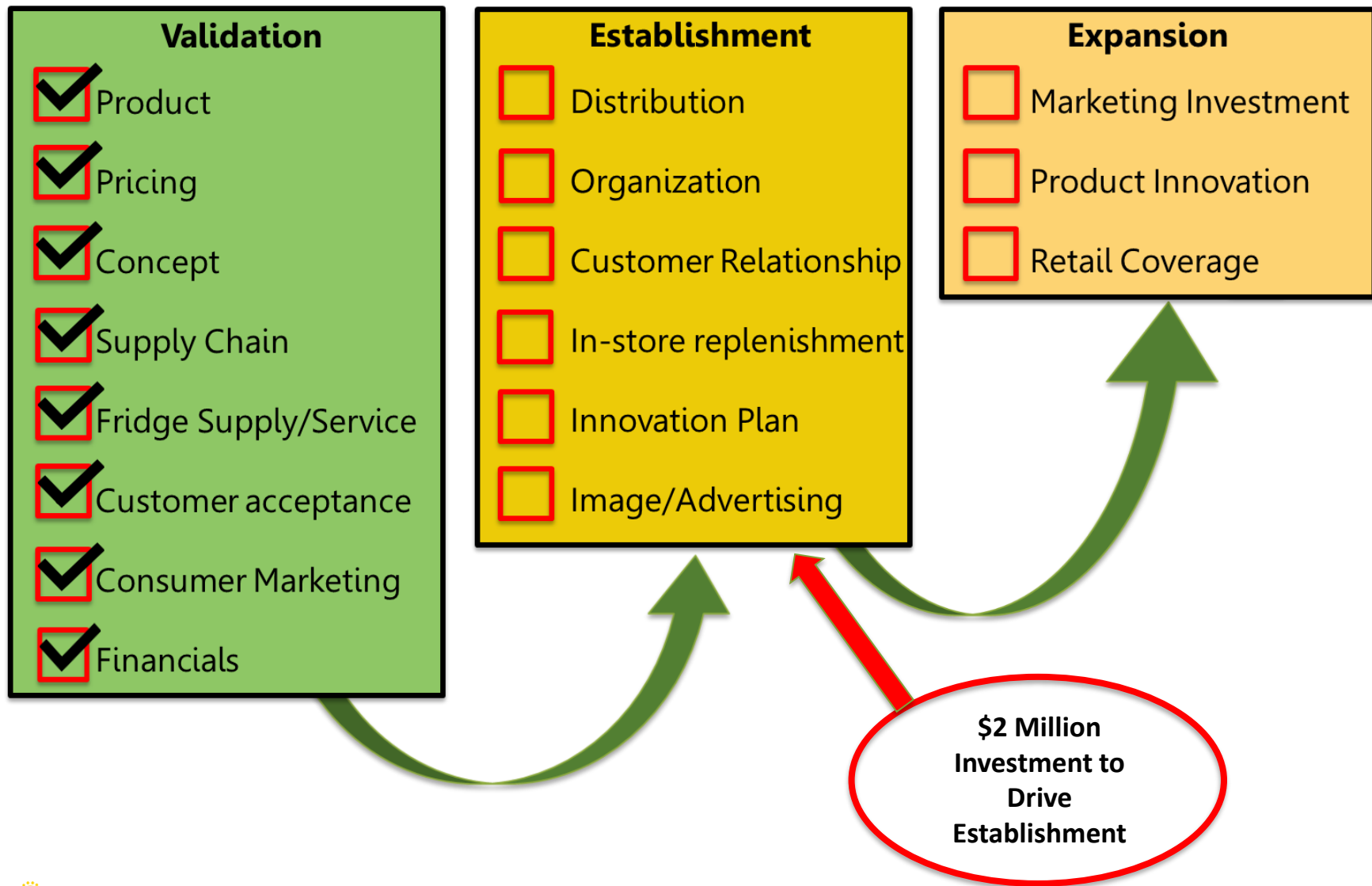
- Scale benefits in freight
- G&A growth significantly < sales growth

Gaining leverage in SG&A

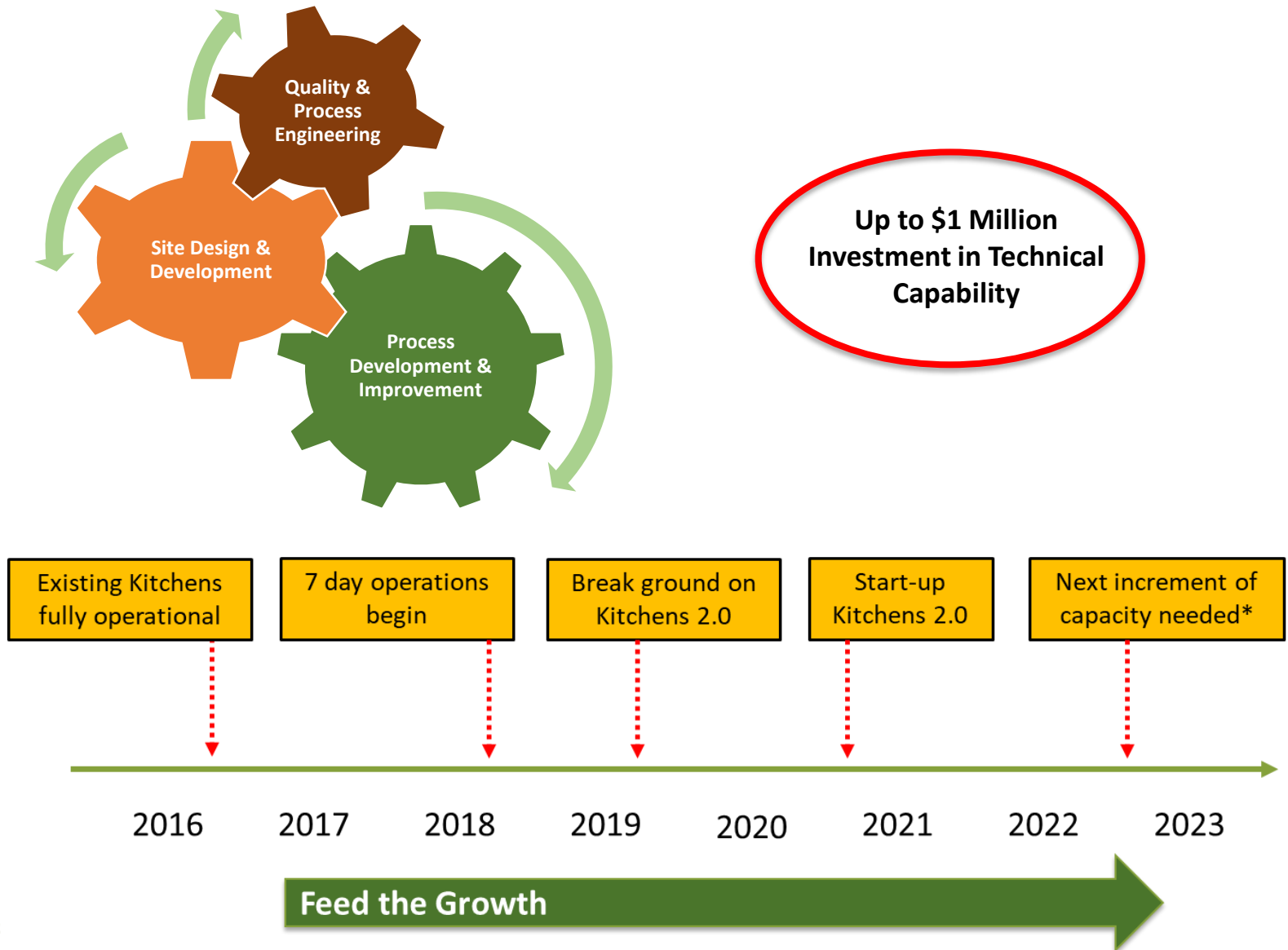
Cumulative SG&A Leverage Progress



Continue measured development in Canada & UK



Build capability to support longer-term capacity expansion





2019 Q1 Results

Off to a strong start in 2019: Delivering growth and profitability

Freshpet Q1 Financial Results		
	Q1 2018	Q1 2019
Net Sales (\$ millions)	\$43.2	\$54.8
<i>IYA</i>	(128)	(127)
Adj. EBITDA (\$ millions)	\$1.8	\$2.8
<i>IYA</i>	(95)	(154)

Significant, accelerating consumption growth across all classes of trade

Freshpet Consumption Growth vs YA		
	Q1 2018	Q1 2019
Mega-Channel	+25.0%	+27.8%
XAOC	+27.6%	+30.4%
Food	+32.1%	+36.5%
Big Box Pet	+15.6%	+18.3%

18% growth in Core Dog HH penetration vs YA

Core Dog HH Penetration, Repeat and Buying Rate



Penetration	0.91	1.01	1.04	1.26	1.49
Repeat	67	68	70	70	71

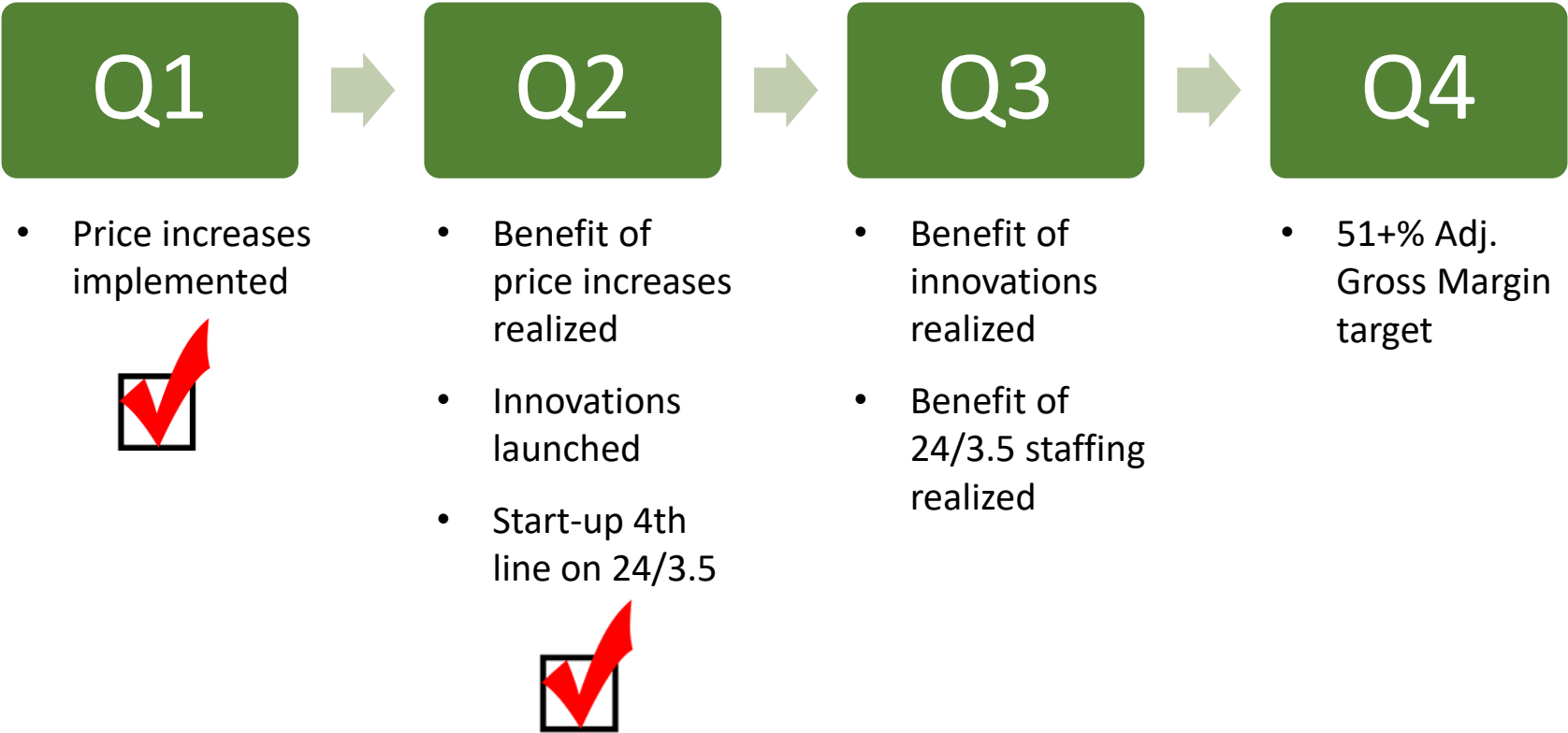
Driving strongest distribution gains since Q1 2016

Freshpet Distribution Gains

	Q1 2018	Q1 2019
Store Count	18,277	20,053
<i>IYA</i>	(107)	(109)
Upgraded Fridges (Cum.)	495	1,008
Increase	-	513
2nd Fridges	NA	341
% ACV	43.9%	47.4%
<i>IYA</i>	(107)	(108)
Total Dist. Points (IYA)	(111)	(111)



On track to deliver adjusted gross margin improvement



Freshpet Adjusted Gross Margin Progress		
	Q4 2018	Q1 2019
Adj. Gross Margin	49.4%	50.4%

Delivering significant leverage from scale in SG&A

SG&A Leverage			
	Q1 2018	Q1 2019	Y-o-Y Change
Adj. SG&A % Excluding Media	30.1%	27.0%	3.1%
Media %	16.0%	18.3%	-2.4%
Total Adj. SG&A %	46.0%	45.4%	0.7%

Breaking ground on \$100M Kitchens 2.0 soon



Delighting pet parents, pets, shareholders and employees . . .

Melissa & Zooka
Canton, MI



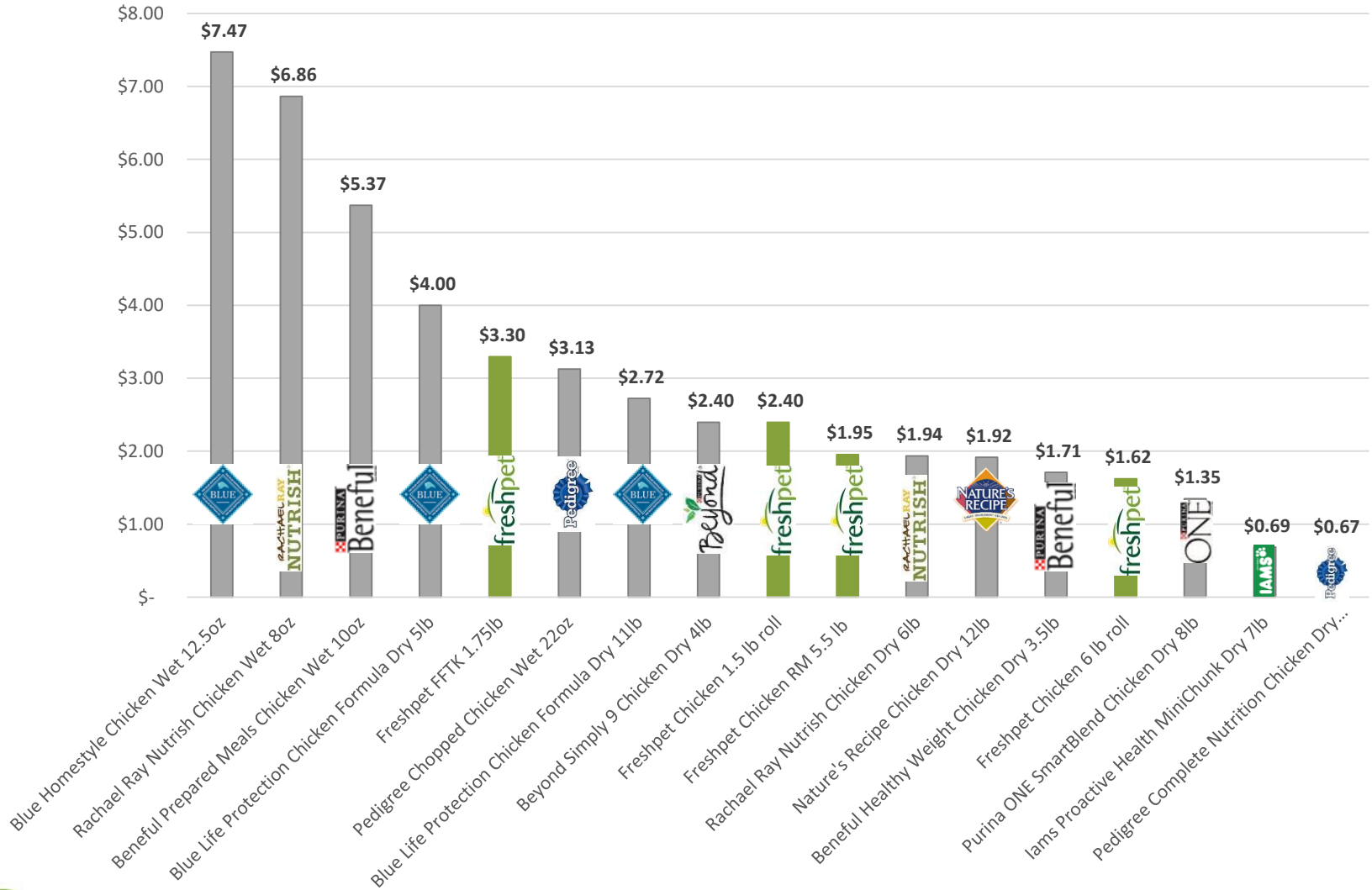


Appendix



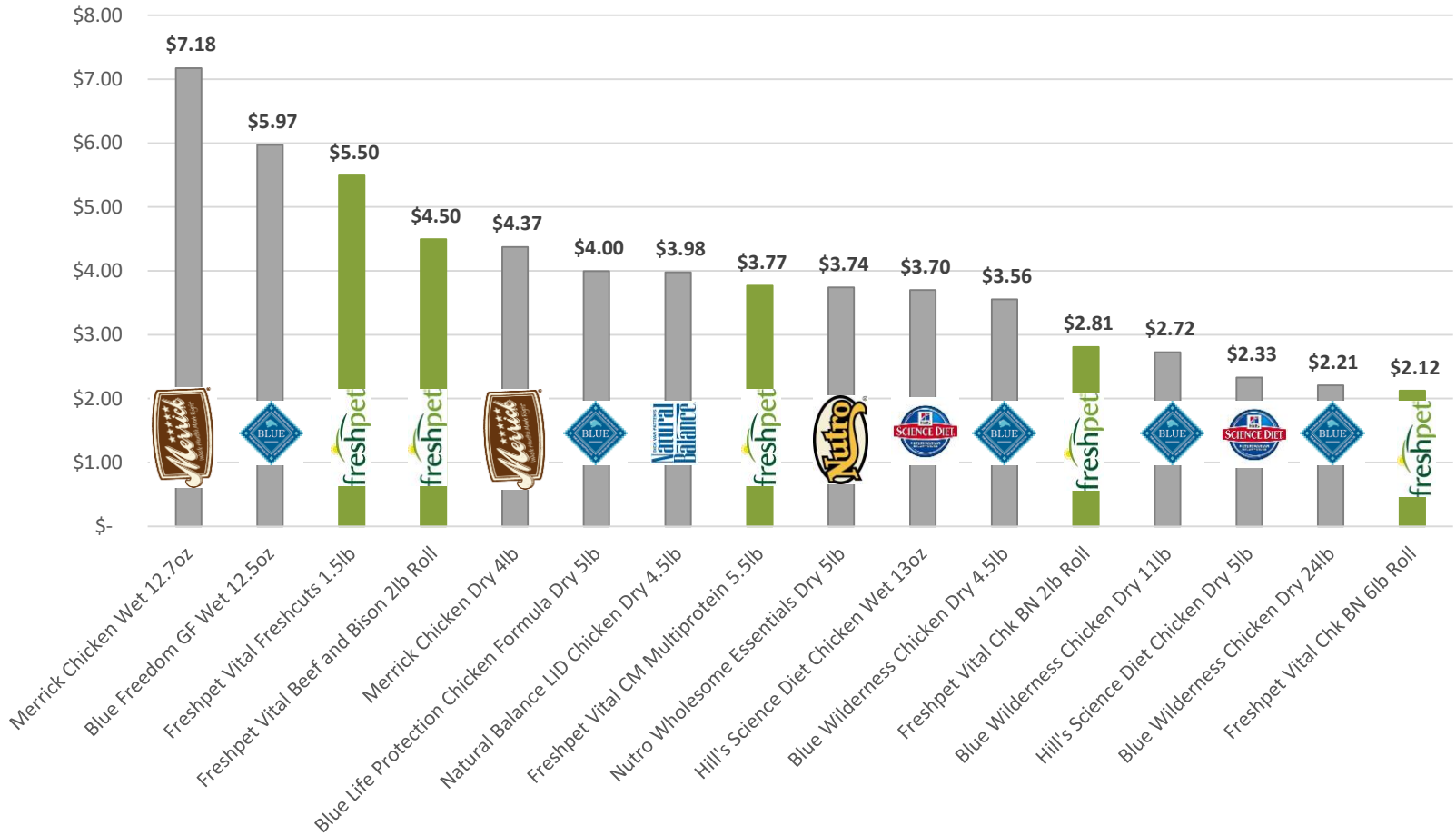
Cost to Feed – Grocery & Mass

Cost to Feed a 30lb Dog Daily



Cost to Feed – Pet Specialty

Cost to Feed a 30lb Dog Daily



High Quality Products at Accessible Price Points

Approximate daily cost to feed for medium-sized dog



Medium-sized dog assumed to be 35 pounds. Price/day based on recommended serving sizes per brand.
 Source: Prices are as of 4.29.19 on Chewy and Target.com.

How We Service Our Customers



Capturing significant benefits of scale and velocity

+900 bps

Fixed Cost Pick-Up

- Manuf. overhead absorption
- G&A overhead absorption

Logistics

- More cases per pallet
- More pallets per order/full trucks
- More straight pallets
- Ultimately, fewer miles per order

Retail Presence

- Lower % sales to service fridges
- Higher frequency retail coverage
- Higher visibility/more sophisticated fridges
- Fresher product
- Lower fridge capex per incremental \$ of sales

Advertising

- More continuous media
- More impactful media vehicles

Incremental gains

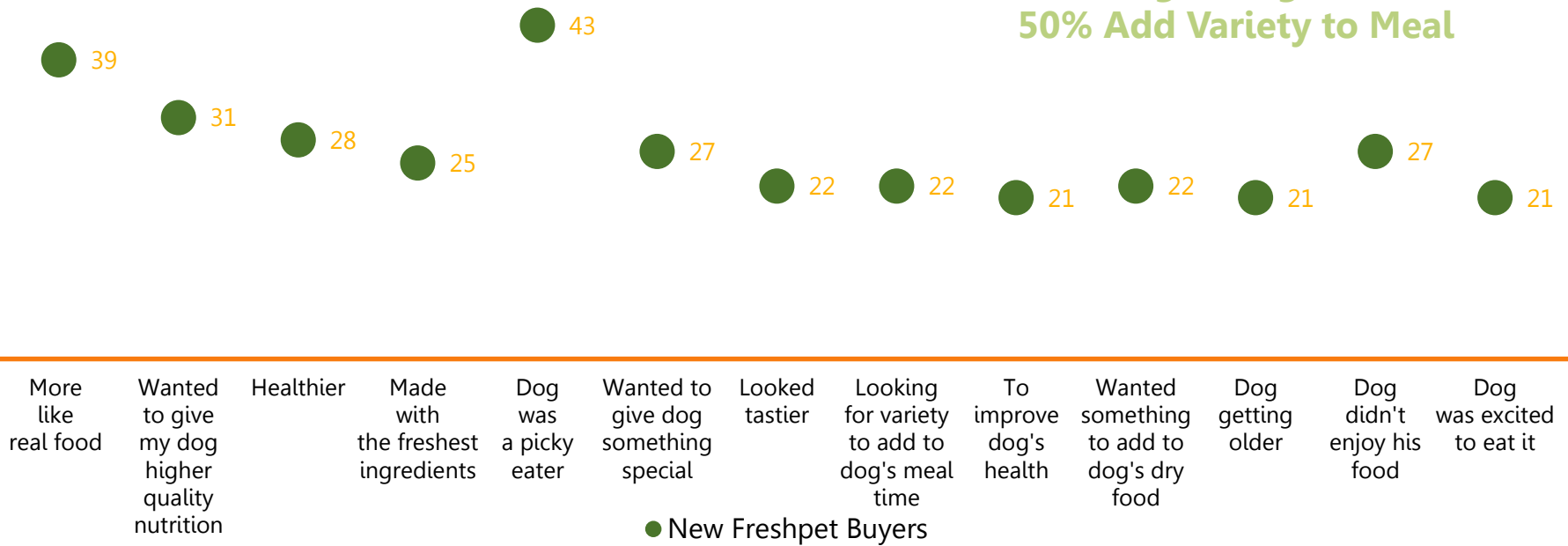


APPENDIX: Consumer Dynamics



Reasons to Start Buying Freshpet

80% Health
70% Dog Eating Woes
50% Add Variety to Meal

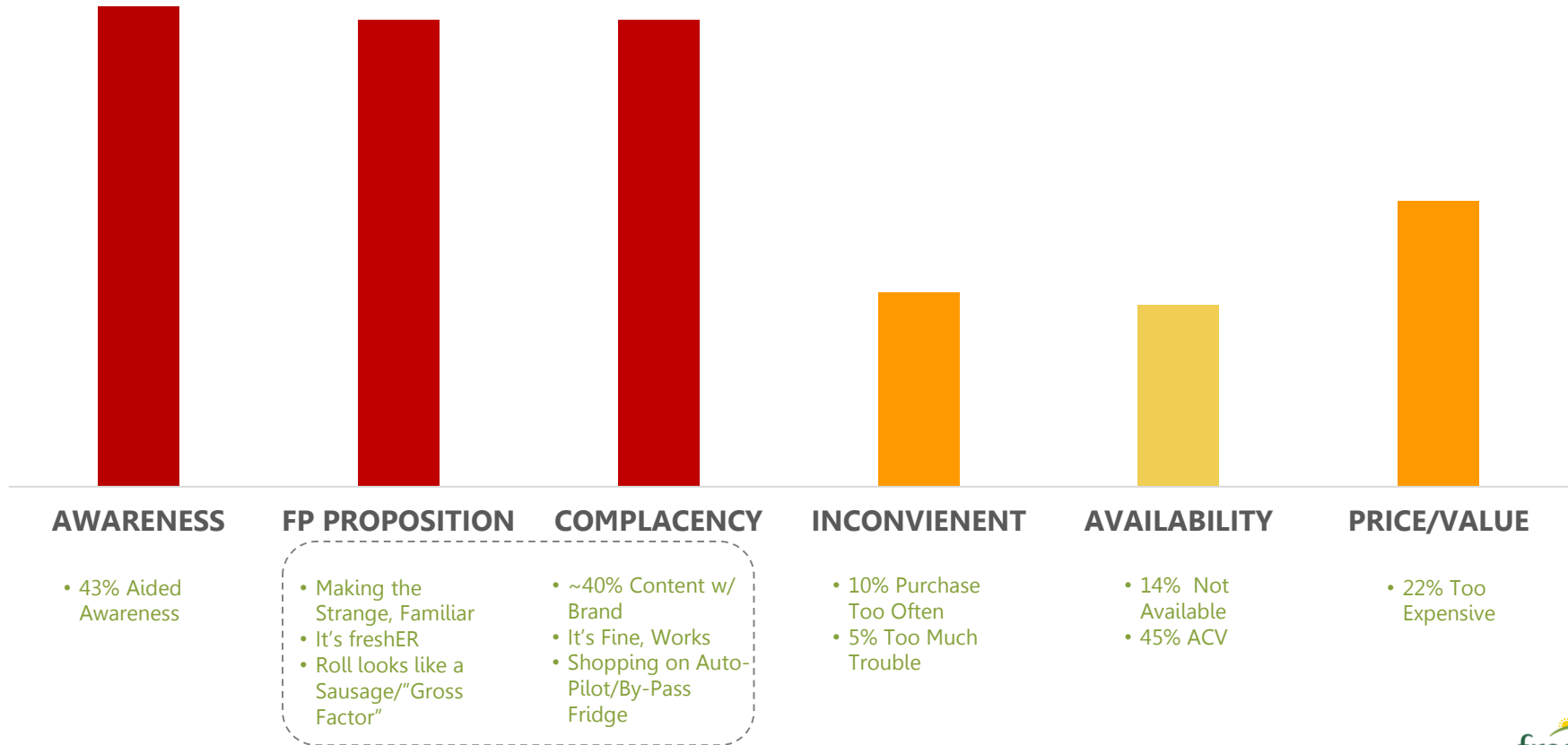


Source: Nielsen NLR Survey 2017, n=67 Why have you INSERT Q9 RESPONSE: started purchasing, purchased more of Freshpet in the past 12 months compared to the previous 12 months? Please select all that apply.
Note: Top 13 responses shown



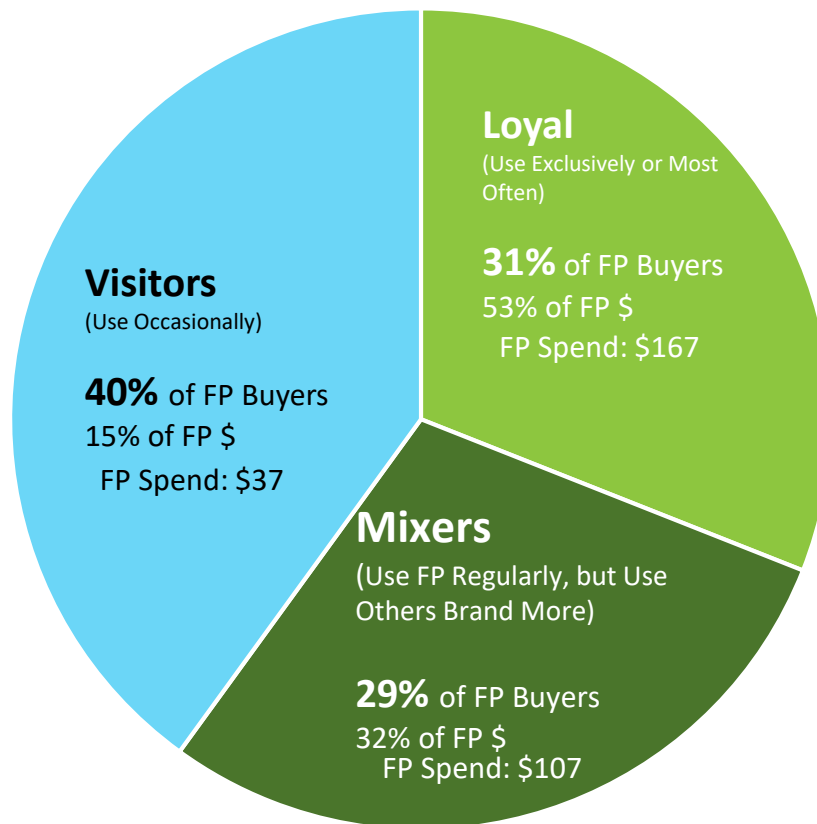
Barriers to purchasing Freshpet

(among prime prospects)



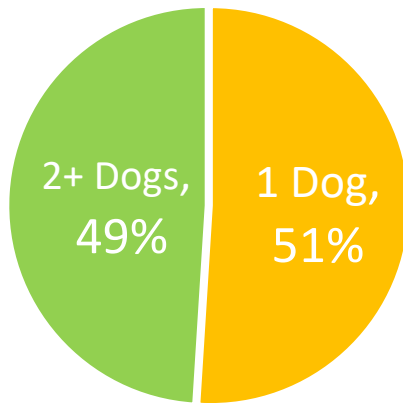
Source: 2016 FP Brand Tracker, 2016 FP A&U, TTL Aware Non Users/Prime Prospects Main Reason Not Purchasing, Shop-A-longs, n=202

Freshpet pet parent segments

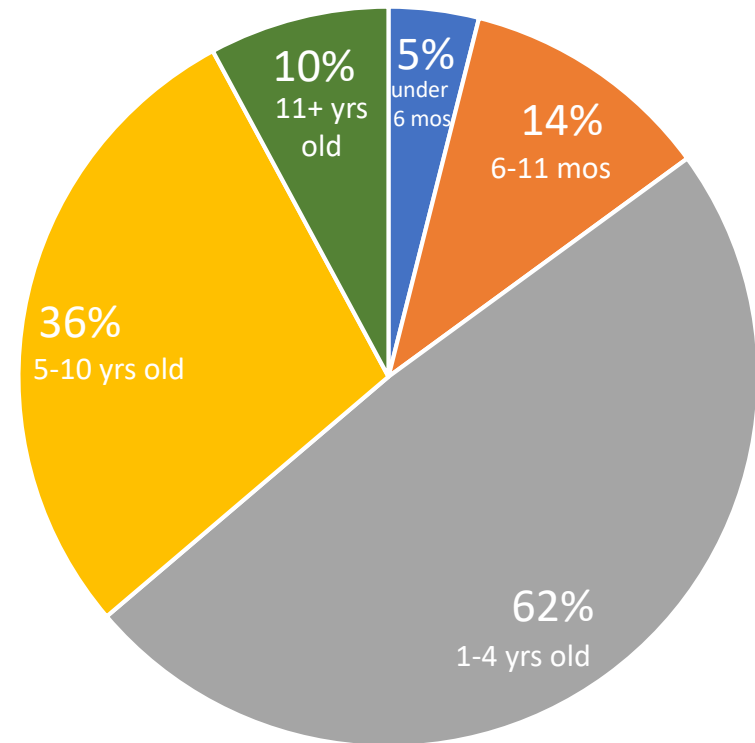


Encouraging franchise longevity

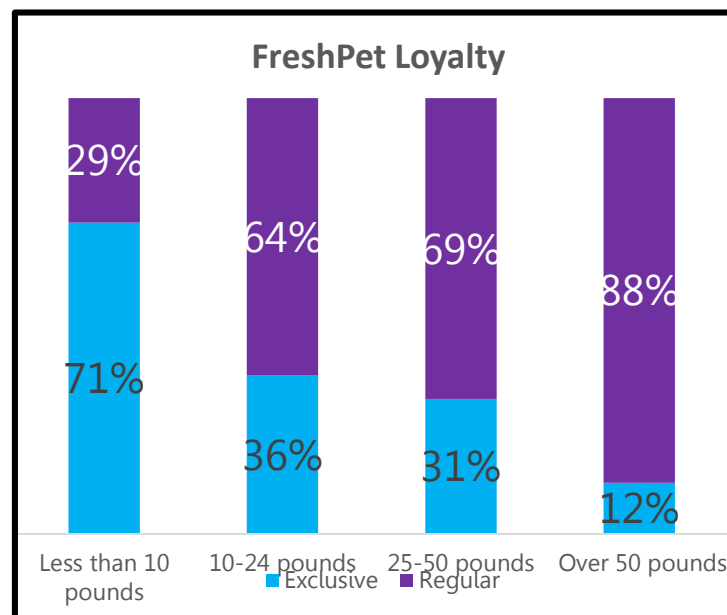
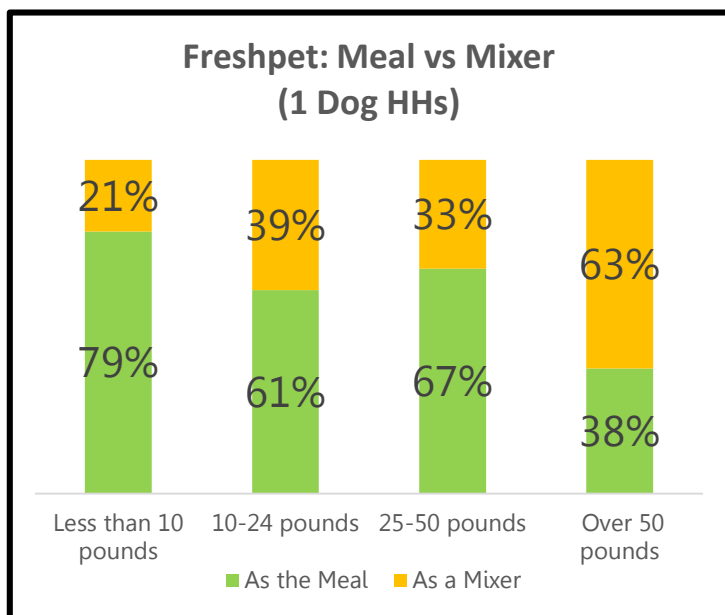
Freshpet Number of Dogs in HH



Dog Age



Freshpet feeding behavior by size of dog



Freshpet pet parents notice a difference

Freshpet Pet Parents are significantly more likely to have experienced a visible difference in their dog(s)

% Noticed a Visible Difference in Dog

	Freshpet Dog Food Feeders	Competitive Dog Food Feeders
	%	%
Yes	83	62
No	17	38

Top-Two Box Percentages (i.e. Much/Somewhat Better)

	Freshpet Dog Food Feeders	Competitive Dog Food Feeders
	%	%
More Enthusiastic for Eating	74	50
Improved Appetite (Less of a Picky Eater)	73	48
Increased Energy Level	72	54
Shinier Coat	71	53
Happier	70	53
Better Stools	70	51
Fewer Upset Stomach Episodes	68	45
Healthier Skin	67	49
Fresher Breath (Less Stinky)	66	44
Improved Muscle Tone	66	43
Healthier Weight	64	45
Brighter Eyes	64	43
Less Flatulence	64	41
Alleviated Allergies	59	33
Less Tear Staining	54	34





Appendix: Manufacturing



Freshpet's Human-Quality Pet Food Facility in Bethlehem, PA



- 4 lines: 2 bag and 2 rolls
- Currently operating any 3 lines 7 days /24 hours per day
- Adding capability to run 4th line 24 hours /3.5 days per week
- By early next year, we will staff all 4 lines 7 days per week

Expanding our manufacturing advantage . . .



Quakertown

Kitchens

Kitchens
2.0

Improving Safety, Quality, Value, Customer Delight

By creating Freshpet Kitchens 2.0 . . .

Use automation to further improve:

- Quality
- Safety
- Cost

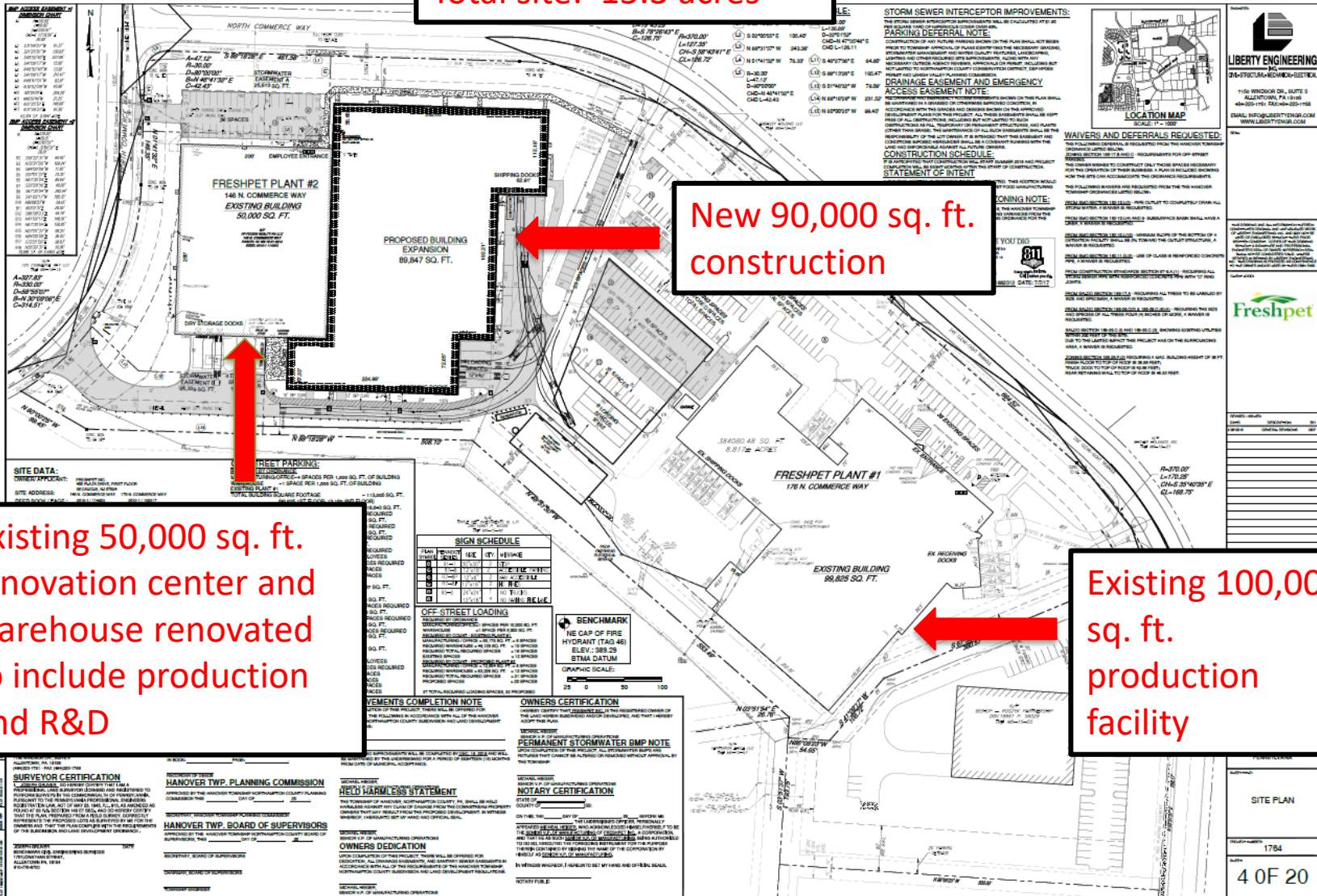


Kitchens 2.0 plan will deliver . . .

- **Efficient use of capital:** Payback at full capacity in <2 years
- **Strengthened manufacturing expertise advantage:** Increased automation delivers improved quality, safety and lower cost – improving gross margins
- **Continued focus on existing gross margin improvement goals:** We will not let Kitchens 2.0 work dilute our near term gross margin improvement efforts

Creating 2nd Production Facility on Site

Total site: 15.3 acres



New 90,000 sq. ft. construction

Existing 50,000 sq. ft. innovation center and warehouse renovated to include production and R&D

Existing 100,000 sq. ft. production facility



Continuing Commitment to the Environment

- ▶ 100% landfill free
- ▶ 100% wind energy
- ▶ Rain water will be collected and used for lawn and landscape irrigation



GOOD STEWARDS OF THE ENVIRONMENT

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



landfill free



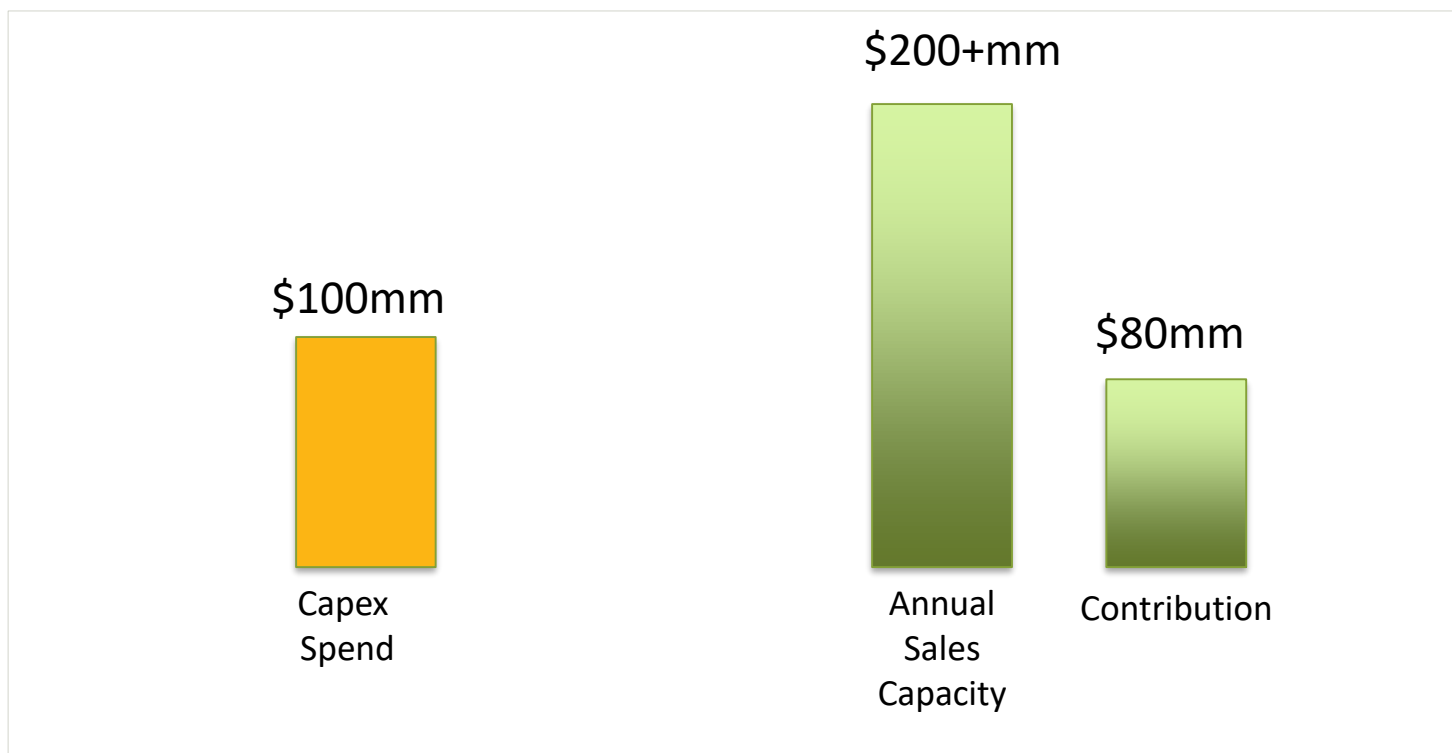
powered
by wind



carbon
emissions offset
25,000+ trees planted

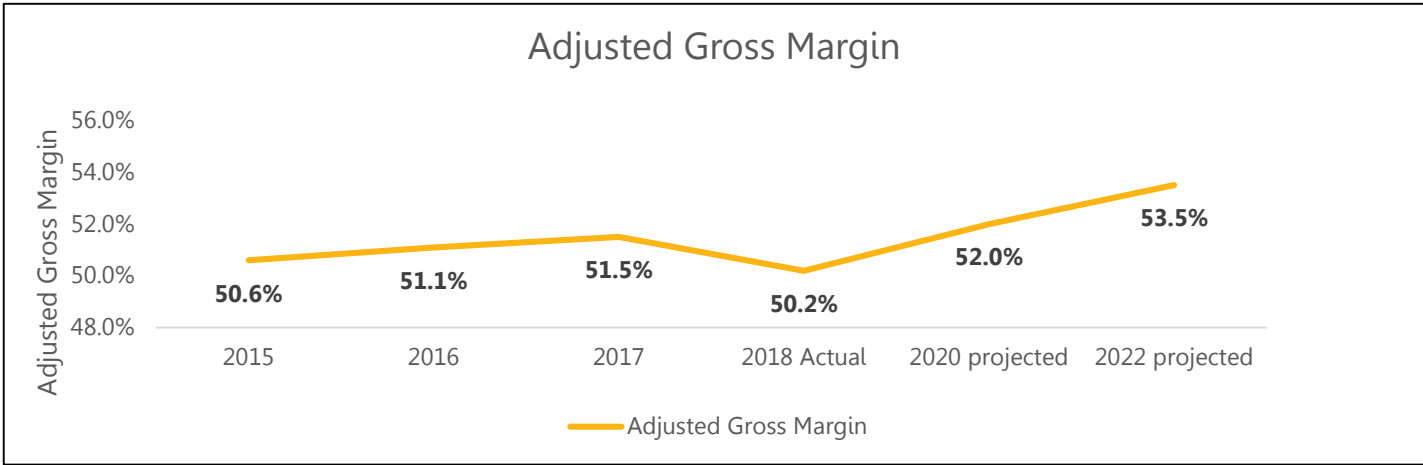
Freshpet Kitchens 2.0 Investment

- Incremental volume will flow through at a 40% contribution rate
- At full capacity payback is less than two years.



Freshpet Kitchens 2.0 Adjusted Gross Margin Growth

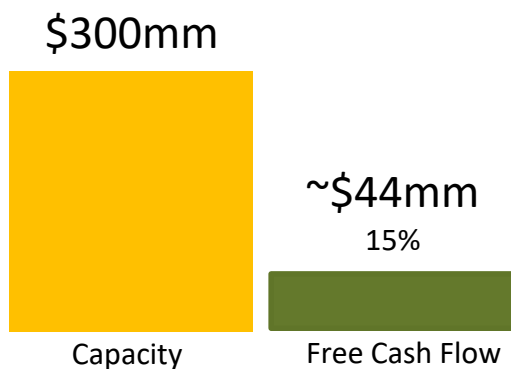
- Safety, quality, and productivity enhancements will improve adjusted gross margin by 100 basis points, with an additional 50 basis points due to scale



Freshpet Kitchens 2.0 Contribution to FCF

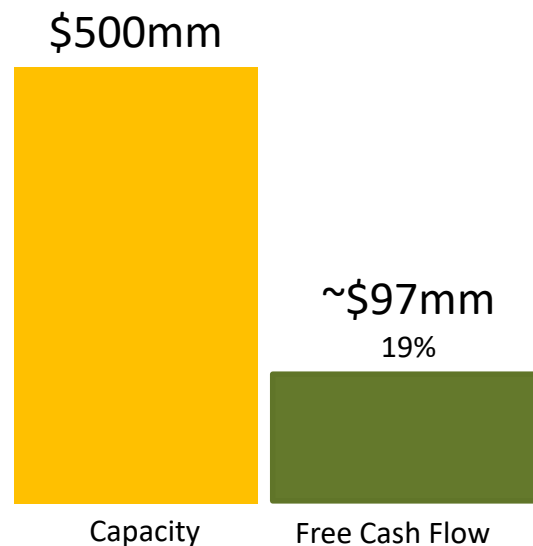
As we continue to leverage our infrastructure we expect to reap the benefits of scale with our Free Cash Flow increasing by 4%.

Original Freshpet Kitchens



Free Cash Flow represents contribution of \$55mm less ongoing capital expenditures of \$11mm

Freshpet Kitchens 2.0

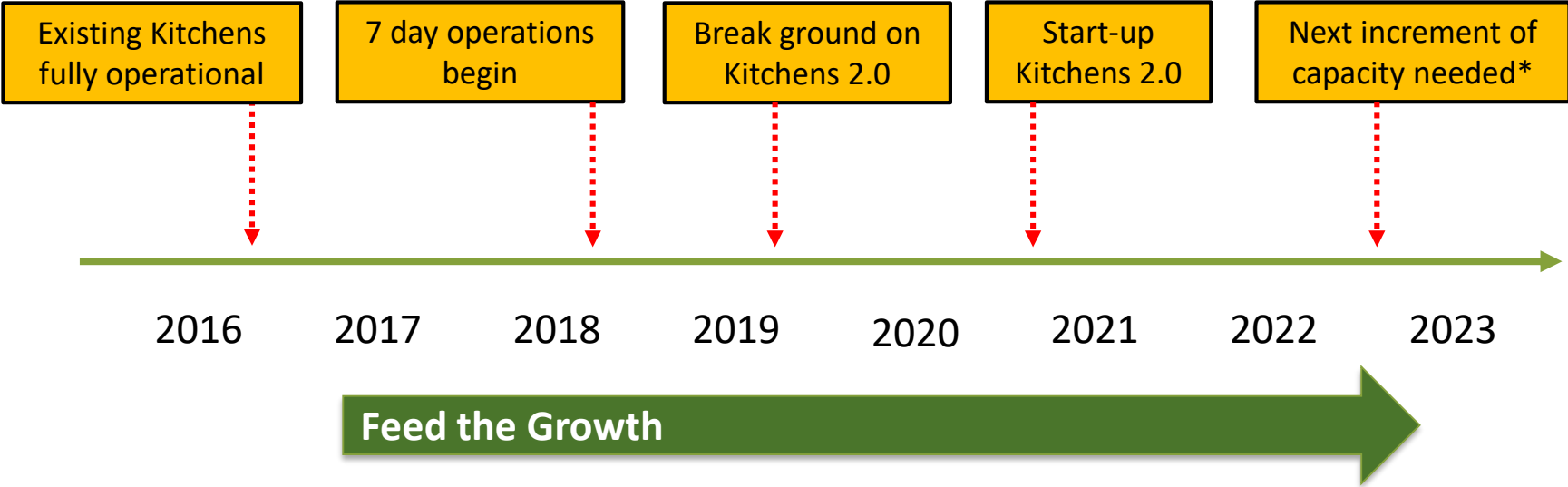


Free Cash Flow represents contribution of \$114mm less ongoing capital expenditures of \$17mm

Freshpet Kitchens 2.0 - Recap

- **Cost:** \$100mm plus or minus 5%
- **Financing:** Replace our existing \$30mm credit line with a \$90mm line in Q2 19
- **Leverage:** Will not exceed 2.5x Adj EBITDA
- **Pay Off:** We expect to pay off the credit line by 2022
- **Capacity:** Net Sales capacity increases \$200mm+ to \$500mm+
- **Payout:** At full capacity payout is less than 15 months

Timeline



2016

2017

2018

2019

2020

2021

2022

2023

Feed the Growth

* Timing for next increment of capacity is dependent on growth rate and product mix

