

**PET IQ**®

Smarter Pet Health

---

FEBRUARY 2024

**4Q23 EARNINGS PRESENTATION**



## FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties, such as statements about our plans, objectives, expectations, assumptions or future events. In some cases, you can identify forward-looking statements by terminology such as “anticipate,” “estimate,” “plan,” “project,” “continuing,” “ongoing,” “expect,” “believe,” “intend,” “may,” “will,” “should,” “could” and similar expressions. Forward-looking statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from any future results, performances, or achievements expressed or implied by the forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include, but are not limited to, general economic or market conditions, including inflation and interest rates; overall consumer spending in the industry; our ability to successfully grow our business through acquisitions and our ability to integrate acquisitions; our dependency on a limited number of customers; our ability to implement our growth strategy effectively; our ability to continue to grow our Services segment; disruptions in our manufacturing, shipping, transportation and distribution chains; competition from veterinarians and others in our industry; reputational damage to our brands; the effectiveness of our marketing and trade promotion programs; recalls or withdrawals of our products or product liability claims; our ability to introduce new products and improve existing products; our ability to protect our intellectual property; costs associated with governmental regulation; our ability to keep and retain key employees; our ability to sustain profitability; cyber security risks, including breaches that result in business interruption and data loss; our substantial indebtedness and ability to raise additional capital as needed; and the risks set forth under the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2022 and other reports filed time to time with the Securities and Exchange Commission. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may materially adversely affect our business, financial condition or operating results. The forward-looking statements speak only as of the date on which they are made, and, except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Consequently, you should not place undue reliance on forward-looking statements.



# CONTENTS

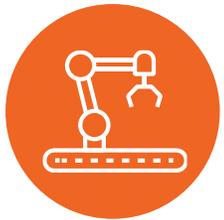
1. OVERVIEW & HIGHLIGHTS
2. PRODUCTS SEGMENT
3. SERVICES SEGMENT
4. OUTLOOK
5. APPENDIX



## OUR MISSION

To deliver a smarter way for pet parents to help their pets live their best lives through convenient access to affordable veterinary products and services

### Competitive Advantage



**Prime Product  
Manufacturing**



**National Brand  
Distribution**



**Veterinarian  
Services**



**Affordable Access  
to Pet Health &  
Wellness**



# AFFORDABLE, INTEGRATED PET WELLNESS PARTNERED WITH RETAIL & E-COMMERCE



## PRODUCTS

- Manufacturing & distribution of leading pet healthcare brands into 60,000+ retail points of distribution

### Manufacturing

- 1,000+ Items Manufactured
- 400,000+ Sq. Ft. manufacturing space
- EPA/FDA Licensed
- SQF Certified



### Distribution

- 500+ Distributed Medications
- 1000+ PetIQ Owned Brands
- 450,000 Sq Ft of PetIQ owned distribution centers
- EPA/FDA/VPD approved



## SERVICES

- Convenient and affordable preventive veterinary care operating with retail partners in 39 states including two distinct operating models: Community Clinics and Wellness Centers
- Upfront pricing and no appointment needed services including vaccinations, nail trims, microchipping, parasite screening, heartworm testing and preventatives
- 2,500 + Veterinarians
- 1.2M+ Pets Served Annually



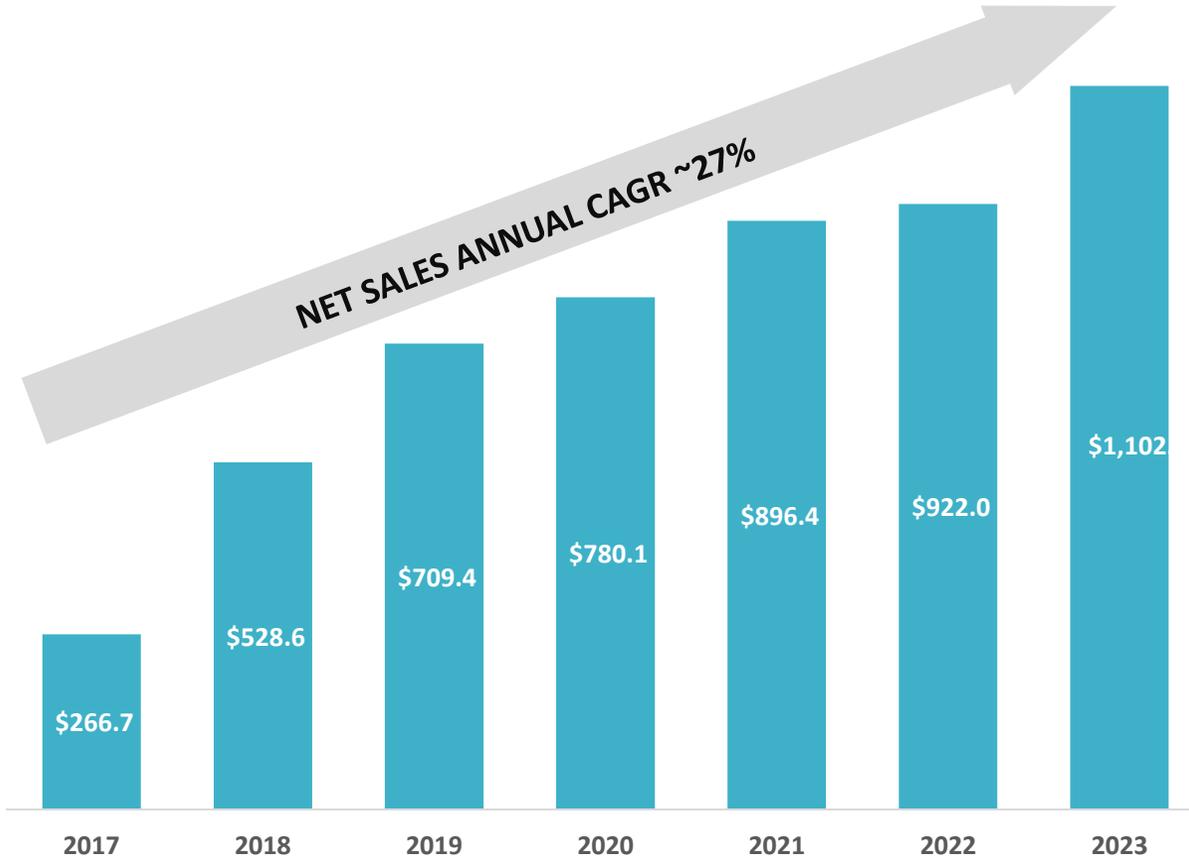
WITH A FOCUS ON RETAIL & E-COMMERCE



## PROVEN MODEL & TEAM WITH CONSISTENT RESULTS

### Net Sales

(\$ IN MILLIONS)



### Adjusted EBITDA

(\$ IN MILLIONS)



## FULL YEAR 2023 HIGHLIGHTS COMPARED TO PRIOR YEAR

- Record net sales of \$1,102 million, an increase of ~20%, above the high-end of the Company's most recent guidance and well-ahead of the Company's original outlook of \$970 million to \$1,030 million
- Product segment net sales of \$968.2 million compared to \$800.3 million, an increase of 21.0%
- Net sales for PetIQ's manufactured products increased 28% and outperformed the Company's growth expectations for the year
- Services segment net revenue of \$133.8 million compared to \$121.2 million, an increase of 10.4%
- Adjusted EBITDA of increased ~35% to \$104.7 million, above the high-end of the Company's most recent guidance and well-ahead of the Company's original outlook of \$86 million to \$92 million
- Highest reported cash from operations and free cash flow in the Company's history of \$61.9 million and \$52.7 million, respectively, for the year ended December 31, 2023
- Net leverage as measured under the Company's credit agreement was a record low 2.9x as of December 31, 2023, compared to 3.7x as of December 31, 2022

# LARGEST PORTFOLIO OF OTC PET HEALTH & WELLNESS PRODUCTS = COMPETITIVE ADVANTAGE

## PETIQ MANUFACTURED BRANDS

## DISTRIBUTED BRANDS

### Flea & Tick

### Supplements

### Behavior

### Treats

### Distributed OTC

### Distributed RX



## PETIQ 12-WEEK KEY CATEGORY HIGHLIGHTS

CATEGORY	TOTAL	PETIQ Brands	DETAILS
FLEA & TICK	+++	++++	<ul style="list-style-type: none"> <li>Continue to see greater than expected category performance with low-single digit growth</li> <li>PetIQ continued to show growth greater than the overall market up high-double digits</li> <li>PetIQ outperformed in 9 of top 10 retailers driven by Pet Armor and Capstar brands</li> </ul>
HEALTH & WELLNESS	+++	++++	<ul style="list-style-type: none"> <li>Healthy category growth driven by continued household expansion of Pet Supplements and the Stain &amp; Odor segments</li> <li>PetIQ maintained growth rates greater than 20% fueled by VetIQ and Rocco &amp; Roxie brands</li> </ul>
DENTAL & TREATS	++	++++	<ul style="list-style-type: none"> <li>Strong high-single digit growth maintained across category in all channels</li> <li>Minties &amp; Pur Luv both grew at 2x the category leading to meaningful share gains</li> </ul>
CHANNEL	TOTAL	PETIQ Brands	DETAILS
E-COMMERCE	++	++++	<ul style="list-style-type: none"> <li>E-commerce within PetIQ categories continued to take market share from brick-and-mortar, especially the Pet Specialty Channel</li> <li>PetIQ brands within e-commerce continued to significantly outpace market growth and gain share vs. the category</li> </ul>
TRADITIONAL BRICK & MORTAR	+	++	<ul style="list-style-type: none"> <li>While returning to growth, food, drug and mass retailers have contracted from &gt;55% to less than 35% market share of OTC Animal Health over last 3 years</li> </ul>
PET SPECIALTY BRICK & MORTAR	+	++	<ul style="list-style-type: none"> <li>Pet specialty continued to concede share gains from back half of '20 and first half of '21 as consumers consolidated trips or shop online</li> <li>PetIQ portfolio of offerings continues to resonate with broader consumer base</li> </ul>

## PETIQ 52-WEEK KEY CATEGORY HIGHLIGHTS

CATEGORY	TOTAL	PETIQ Brands	DETAILS
FLEA & TICK	++	+++	<ul style="list-style-type: none"> <li>• Best performance for category since 2020 with high-single digit growth</li> <li>• PetIQ took meaningful share with mid-double digits growth across its portfolio</li> <li>• PetIQ outperformed across 9 of top 10 retailers driven by Pet Armor, Capstar and Nextstar brands</li> </ul>
HEALTH & WELLNESS	++	++++	<ul style="list-style-type: none"> <li>• Healthy category growth driven by continued household expansion of Pet Supplements and the Stain &amp; Odor segments</li> <li>• PetIQ maintained growth rates greater than 20% fueled by VetIQ and Rocco &amp; Roxie brands</li> </ul>
DENTAL & TREATS	++	++++	<ul style="list-style-type: none"> <li>• Strong high-single digit growth maintained across category in all channels</li> <li>• Minties &amp; Pur Luv both grew at 2x the category leading to meaningful share gains</li> </ul>
CHANNEL	TOTAL	PETIQ Brands	DETAILS
E-COMMERCE	++	++++	<ul style="list-style-type: none"> <li>• E-commerce within PetIQ categories continued to take market share from brick-and-mortar, especially the Pet Specialty Channel</li> <li>• PetIQ brands within e-commerce continued to significantly outpace market growth and gain share vs. the category</li> </ul>
TRADITIONAL BRICK & MORTAR	+	++	<ul style="list-style-type: none"> <li>• While returning to growth, food, drug and mass retailers have contracted from &gt;55% to less than 35% market share of OTC Animal Health over last 3 years</li> </ul>
PET SPECIALTY BRICK & MORTAR	+	++	<ul style="list-style-type: none"> <li>• Pet specialty continued to concede share gains from back half of '20 and first half of '21 as consumers consolidated trips or shop online</li> <li>• PetIQ portfolio of offerings continues to resonate with broader consumer base</li> </ul>

# MACRO CONSUMER TAILWINDS & PETIQ INNOVATION FUEL LONG-TERM GROWTH

## SOURCES OF GROWTH IN 2024 AND BEYOND

### CATEGORY

Increasing Household Penetration of Pets

Premiumization / Humanization

Increasing Pet Population

Channel Migration From Veterinarian



### NEW ITEM INNOVATION

Super Premium Flea & Tick

Health & Wellness Supplements

Distribution Pipeline

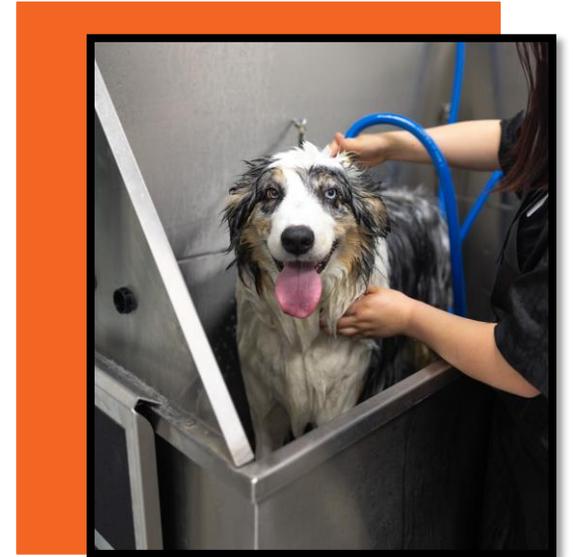
SKU Expansion with Rocco & Roxie



# Services Segment

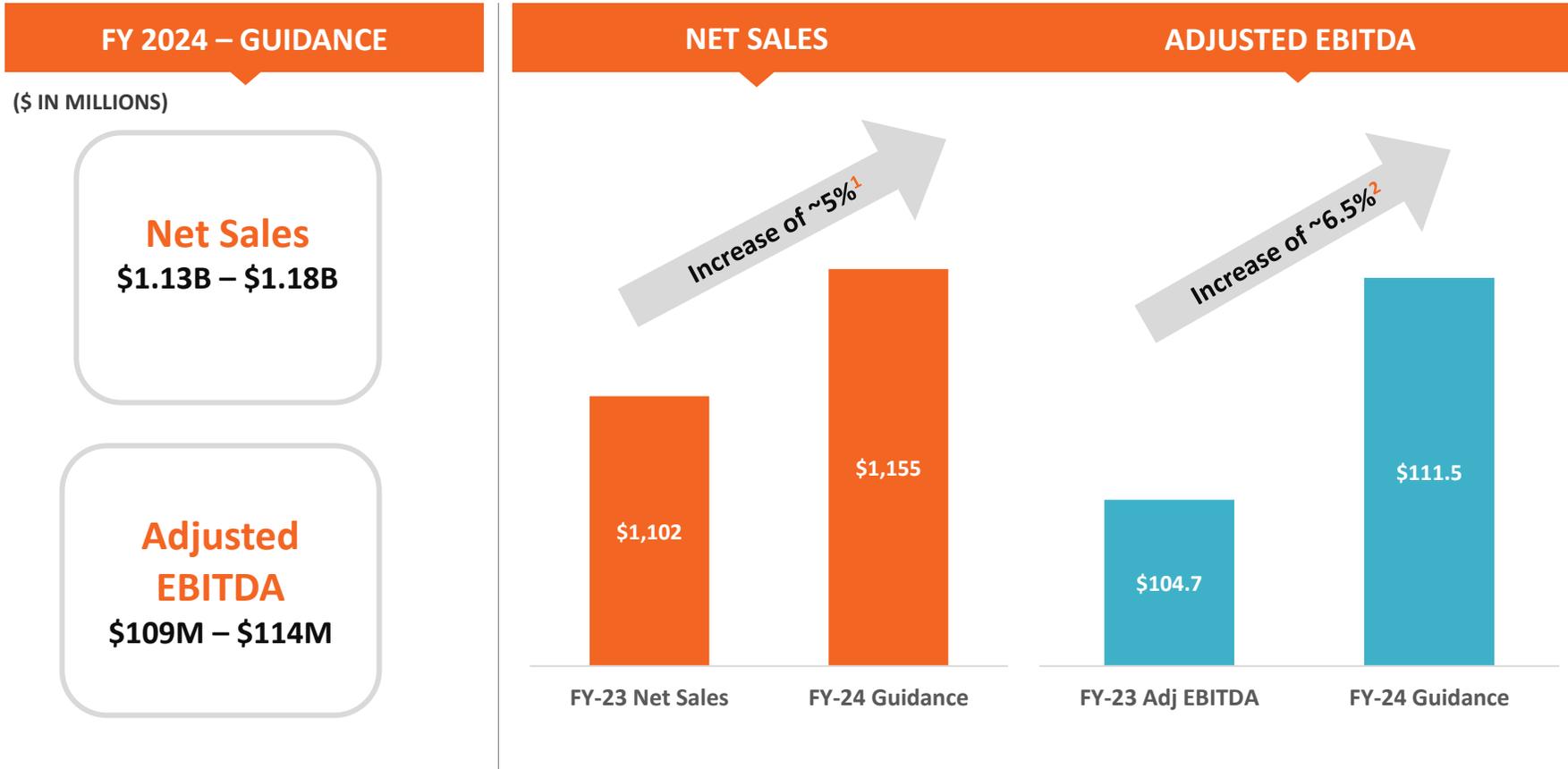
## SERVICES SEGMENT OPTIMIZATION HIGHLIGHTS

- 4Q24 Services segment revenue increased 7% to \$28.6 million from 4Q23
- Continued operational improvements to drive future growth in profitability
- Ended 2023 with 133 wellness centers in operation
- The expected \$6 million in annual cost savings from the optimization in 2024 will be reinvested to support the growth of PetIQ's manufactured brands



# Outlook

## 2024 ANNUAL OUTLOOK



**Items Impacting Year-Over-Year Comparability Equal ~\$52 million of net sales and \$8 million of Adjusted EBITDA in 2023**

*Excluding these items: Mid-point of FY24 Guidance would reflect the following:*

- ~10.0% growth from 2023 Net Sales of \$1,050M
- ~15% growth from 2023 Adj EBITDA of \$97M

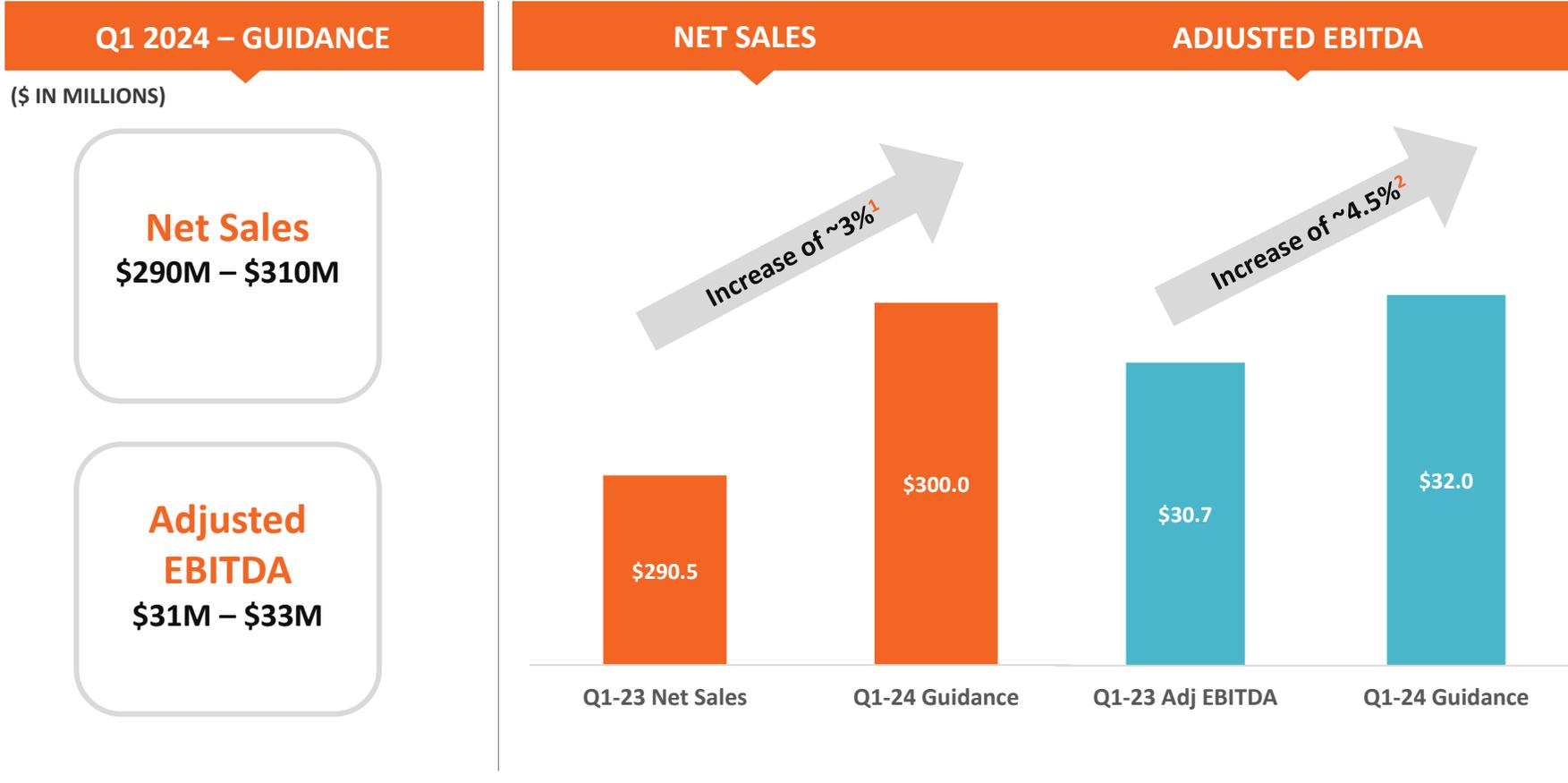
**Breakdown of FY23 Items Impacting Comparability:**

- Seasonality represents ~\$35M net sales and \$7M Adjusted EBITDA
- Services segment optimization represents ~\$10M net sales
- M&C represents ~\$7M net sales and \$0.7M Adjusted EBITDA

1. Percentage based on the midpoint of the range: \$1,155M  
 2. Percentage based on the midpoint of the range: \$111.5M

The 2024 net sales contribution to be weighted to the first half of 2024, with approximately 56% of the Company's projected annual net sales recorded in this period. The Company's annual adjusted EBITDA is also expected to be weighted to the first half of 2024. The Company's annual seasonality can vary based on the timing of shipments, promotional activity, product launches and a number of other factors.

## Q1 2024 OUTLOOK



1. Percentage based on the midpoint of FY24 net sales guidance: \$300M  
 2. Percentage based on the midpoint of FY24 adjusted EBITDA guidance: \$32M



**PETIQ**®

**Smarter Pet Health**

# Appendix

## ANNUAL ADJUSTED EBITDA RECONCILIATION

<i>\$'s in millions's</i>	2017	2018	2019	2020	2021	2022	2023
Net income (loss)	\$7.8	\$0.1	(\$14.3)	(\$85.7)	(\$16.4)	(\$48.6)	\$2.5
Plus:							
Tax expense	4.0	(0.7)	(3.3)	60.4	3.9	1.2	(0.2)
Depreciation	2.4	6.7	9.1	12.1	14.4	14.5	24.8
Amortization	1.1	5.2	6.0	12.8	22.3	18.1	19.8
Impairment and other asset charges	—	—	—	—	—	47.3	7.7
Interest	1.6	8.0	14.5	22.8	24.7	27.4	34.5
EBITDA	\$16.8	\$19.3	\$12.0	\$22.4	\$48.9	\$59.8	\$89.2
Acquisition costs	2.0	3.8	6.1	2.6	0.1	1.5	1.2
Stock based compensation expense	0.4	3.8	7.4	9.2	9.4	11.4	9.5
Integration costs and costs of discontinued clinics	—	1.0	3.8	9.8	(0.1)	1.2	2.3
Restructuring	—	—	—	—	—	—	2.6
Litigation expenses	—	—	0.5	1.0	4.1	3.9	—
Other	3.1	5.8	18.7	6.5	7.3	—	—
Adjusted EBITDA	\$22.3	\$33.8	\$48.5	\$51.4	\$69.7	\$77.7	\$104.7