

FIRST QUARTER 2019 EARNINGS PRESENTATION

MAY 8, 2019



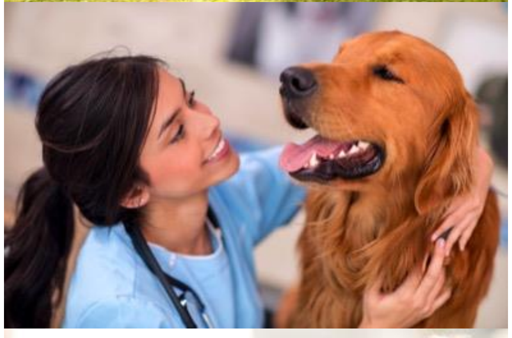
FORWARD-LOOKING STATEMENTS

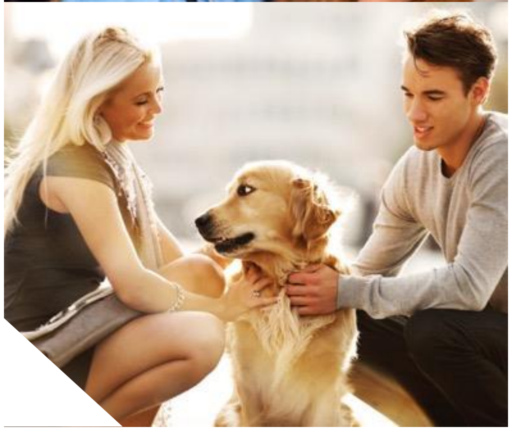
This presentation contains forward-looking statements that involve risks and uncertainties, such as statements about our plans, objectives, expectations, assumptions or future events, including statements regarding the proposed acquisition of VIP Petcare by PetIQ, the expected closing date of the acquisition and the potential benefits and synergies of the acquisition. 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, our ability to successfully grow our business through acquisitions; our dependency on a limited number of customers; our ability to implement our growth strategy effectively; our ability to sustain profitability; competition from veterinarians and others in our industry; reputational damage to our brands; economic trends and spending on pets; the effectiveness of our marketing and trade promotion programs; recalls or withdrawals of our products or product liability claims; our ability to manage our manufacturing and supply chain effectively; disruptions in our manufacturing and distribution chains; our ability to introduce new products and improve existing products; our failure to protect our intellectual property; costs associated with governmental regulation; our ability to keep and retain key employees; and the risks set forth under the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2018 and other filings from 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 also 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.

This presentation includes certain non-GAAP financial measures, including adjusted gross profit, adjusted G&A, adjusted net income and Adjusted EBITDA. These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of these measures to net income, the most directly comparable financial measure prepared in accordance with U.S. GAAP.

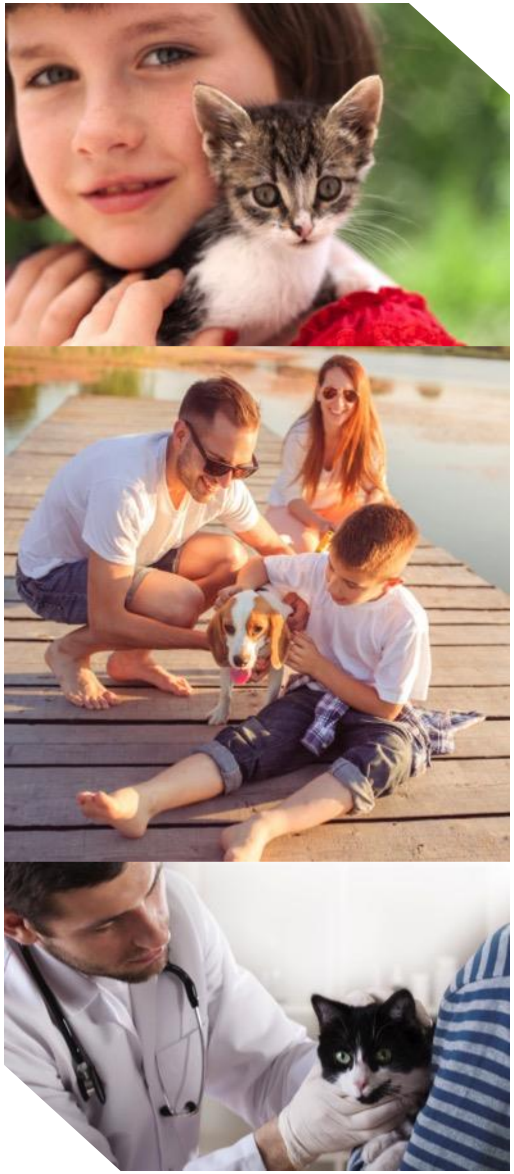
The Company does not provide outlook for net income, and similarly cannot provide a reconciliation between its 2019 adjusted EBITDA outlook and net income without unreasonable effort due to the unavailability of reliable estimates for certain reconciling items. These items are not within the Company's control and may vary greatly between periods and could significantly impact future financial results.





OUTLINE

- RESULTS OVERVIEW
- GAAP FINANCIALS
- GROSS PROFIT ADJUSTMENTS
- G&A ADJUSTMENTS
- ACQUISITION OF PERRIGO ANIMAL HEALTH
- APPENDIX



PRESENTERS

Cord Christensen, CEO
John Newland, CFO

RECENT PETIQ FINANCIAL HIGHLIGHTS

FIRST QUARTER 2019 RESULTS COMPARED TO PRIOR YEAR PERIOD

- Net sales were **$148.4 million**, an increase of **29.0%** year-over-year
- Net Income was **$2.3 million** compared to a loss of $4.0 million
  - Net Income includes a $0.7 million fair value adjustment on a contingent note
- Adjusted Net Income was **$6.0 million**[1] compared to $1.4 million, an increase **329%** year-over-year
- Adjusted EBITDA was **$10.9 million**[1] compared to $5.6 million, an increase of **95%** year-over-year

FIRST QUARTER 2019 SEGMENT RESULTS

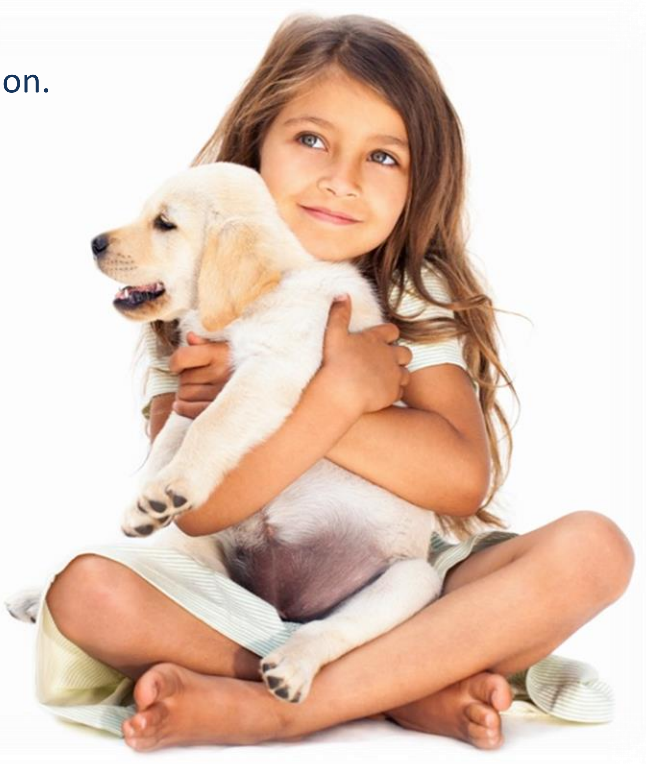
- Product sales were **$126.1 million**, an increase of **28.9%** year-over-year
- Service revenue was **$22.4 million**, compared to $17.2 million in the prior year period
- Product operating income of **$13.0 million**, compared to $8.9 million, an increase of **102%**.
- Services operating income of **$3.0 million**, compared to a loss of $0.4 million
- Corporate G&A flat at **$11.8 million**, representing continued G&A leverage of approximately ~50bps.

Notes: 1 - Non-GAAP financial measure. See the Appendix of this presentation for a reconciliation of the most comparable GAAP measure.

RECENT PETIQ FINANCIAL HIGHLIGHTS

FIRST QUARTER 2019 HIGHLIGHTS

- Opened **2** regional offices for a total of **36** regional offices in operation.
- Continued integration and expansion plans with VIP in Services Segment. Company now well positioned to open an additional **80** wellness centers in 2019.
- Cash and cash equivalents of **$54.4 million** with total liquidity of **$107.3** million.



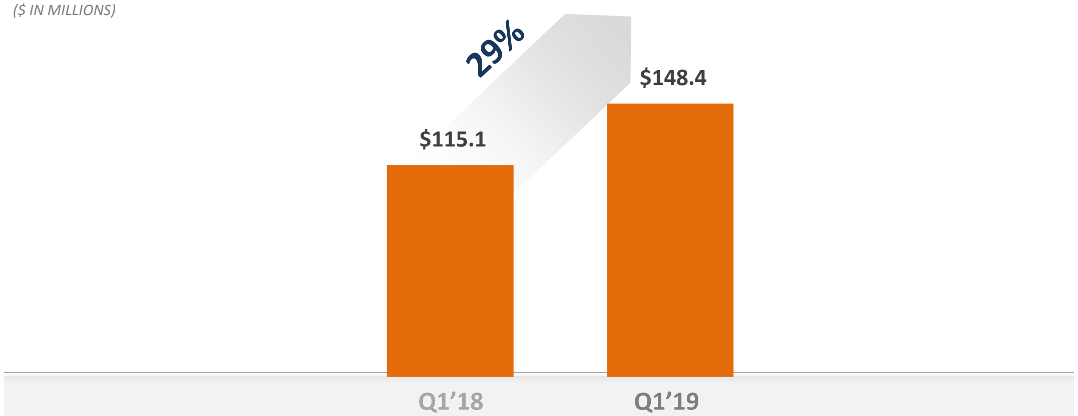
SUBSEQUENT EVENTS

- Entered into definitive agreement to acquire Perrigo Animal Health, a leading manufacturer of vet quality products for pet parents, from Perrigo Company plc (NYSE; TASE: PRGO).
- Expected to close during the third quarter of 2019, subject to customary closing conditions, including U.S. anti-trust approval.

FIRST QUARTER 2019 RESULTS

NET SALES

($ IN MILLIONS)



ADJUSTED EBITDA[1]

($ IN MILLIONS)

Notes: 1 - Non-GAAP financial measure. See the Appendix of this presentation for a reconciliation of the most comparable GAAP measure.

FINANCIAL PERFORMANCE

CONSOLIDATED STATEMENT OF OPERATIONS

$ IN MILLIONS	THREE MONTHS ENDED MARCH 31, 2019	THREE MONTHS ENDED MARCH 31, 2018
PRODUCT SALES	$126.1	$97.9
SERVICE REVENUE	$22.4	$17.2
TOTAL NET SALES	**$148.4**	**$115.1**
COST OF PRODUCT SOLD	$108.1	$84.6
COST OF SERVICES	$15.6	$14.6
TOTAL COST OF SALES	**$123.7**	**$99.2**
GROSS PROFIT	**$24.7**	**$15.9**
GROSS PROFIT AS % OF NET SALES	*16.7%*	*13.8%*
G&A	$20.5	$19.0
G&A AS % OF NET SALES	*13.8%*	*16.5%*
CONTINGENT NOTE	($0.7)	$0.1
OPERATING INCOME	**$4.9**	**($3.2)**
TAX & OTHER EXPENSES	($2.5)	($0.7)
NET INCOME (LOSS)	**$2.3**	**($4.0)**
ADJUSTED EBITDA*	**$10.9**	**$5.6**

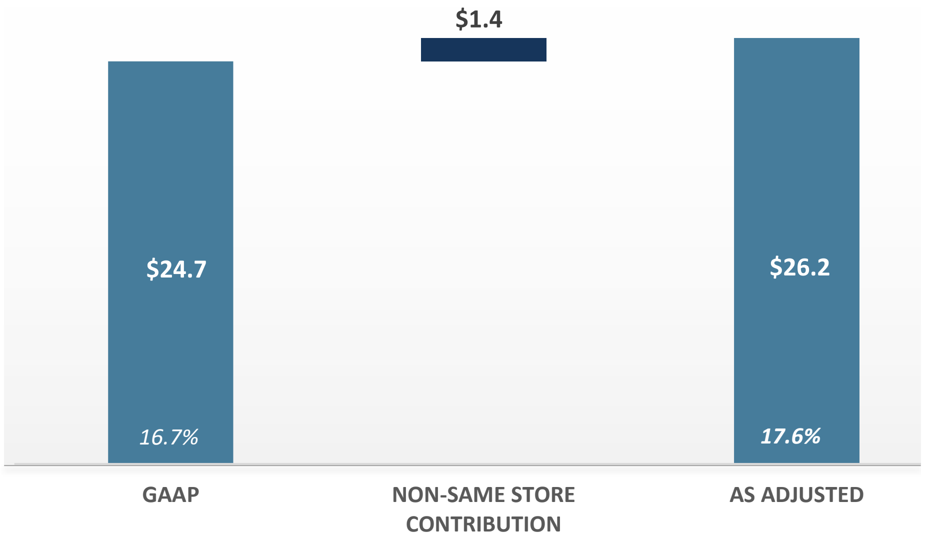
Notes: * Non-GAAP financial measure. See the Appendix of this presentation for a reconciliation of Adjusted EBITDA to net income, the most comparable GAAP measure

ADJUSTED GROSS PROFIT*

FOR THE QUARTER ENDED MARCH 31, 2019

GROSS PROFIT

$ IN MILLIONS



RESULTS PERFORMANCE

The Company reported adjusted Gross Profit of $26.2M, an increase of **$8.2M** compared to 1Q18. Adjustments from GAAP gross profit to adjusted gross profit include:

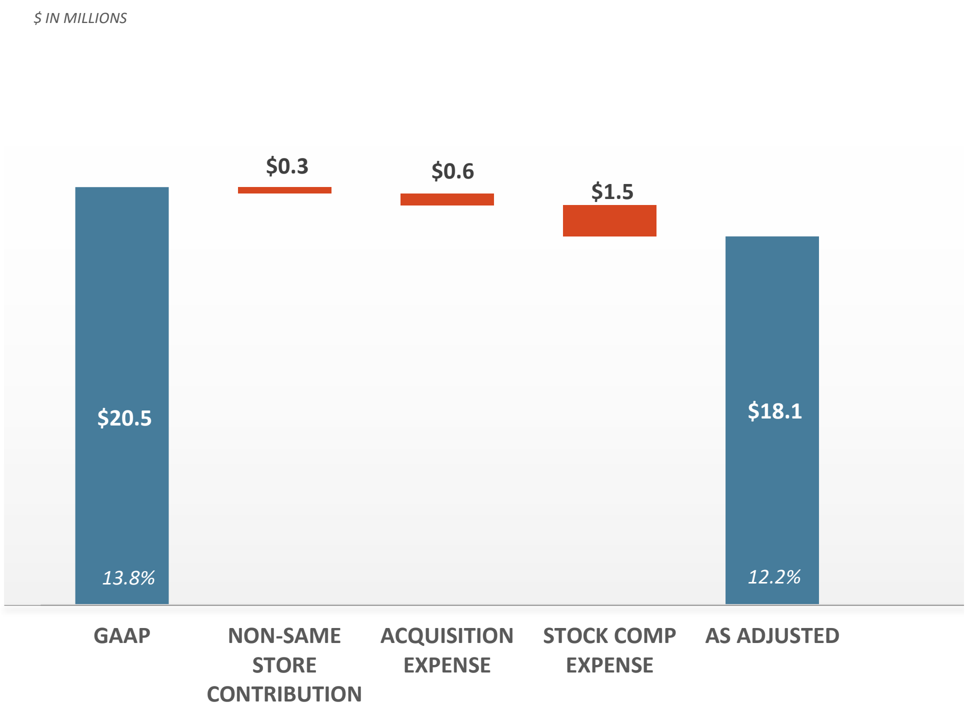
- **NON SAME STORE CONTRIBUTION**
  Adjustment includes net of revenue of $1.5M and costs of $3.0M associated with operating retail service locations that have been open less than 6 full quarters.

Notes: * Non-GAAP financial measure. See the Appendix of this presentation for a reconciliation of adjusted gross profit to gross profit, the most comparable GAAP measure

ADJUSTED G&A*

FOR THE QUARTER ENDED MARCH 31, 2019

G&A



RESULTS PERFORMANCE

Adjusted G&A was **$18.1 million**, representing improvements as a percent of sales of ~**50bps** vs. 1Q18. Amortization expense related to the purchase of VIP was **$1.2 million.** Adjustments from GAAP G&A to Adjusted G&A include:

- **NON-SAME STORE G&A**
  Adjustment outlines expenses associated with operating wellness centers, regional offices, and host partner clinics that have been open less than 6 full quarters.
- **ACQUISITION EXPENSE**
  Adjustment includes expenses associated with the purchase of Perrigo Animal Health including items such legal and tax services
- **STOCK COMPENSATION EXPENSE**
  Expenses associated with employee and director equity awards

Notes: * See the Appendix of this presentation for a reconciliation of Adjusted G&A to General and administrative expenses, the most comparable GAAP measure

ACQUISITION OF PERRIGO ANIMAL HEALTH

BUSINESS OVERVIEW

Perrigo
Animal Health

- Headquartered in Omaha, Nebraska,
- Diversified manufacturer and marketer of over-the-counter pet health and wellness products under brands including
  - **PetArmor®**
  - **Sentry®**
  - **Sergeant's™**
- Perrigo Animal Health has a sales across the flea and tick, de-wormer, behavioral, dental and other pet health and wellness product categories
- State-of-the-art manufacturing facility located in Omaha, NE

TRANSACTION DETAILS

Under the terms of the $185 million cash transaction, Perrigo Animal Health will become an indirect wholly-owned subsidiary of PetIQ.

The Company plans to finance the transaction with $25 million of existing cash on hand, $145 million of new term loan financing committed by Ares Capital Management, with the remaining balance to be financed through PetIQ's existing revolving credit facility with East West Bank.

PETIQ

ACQUISITION OF PERRIGO ANIMAL HEALTH

STRATEGIC AND FINANCIAL BENEFITS

Diversifies and Expands Pet Health and Wellness Branded Product Offerings:

Creates a combined company with approximately $605 million in pro forma 2018 net sales and meaningful product category, brand, and sales channel diversity with a focus on accessible and affordable, high-quality pet preventive and wellness veterinary products.

Accelerates Whitespace Realization and Enhances Customer Relationships:

The acquisition allows PetIQ to more rapidly realize the opportunity provided by the macro trends in the pet industry. Complementary distribution channels and sales teams provide actionable whitespace opportunities in new and existing customers representing the potential to accelerate net sales growth for both PetIQ's and Perrigo Animal Health's current product portfolios.

Increased Operating Scale Provides Significant Future Synergies and Enhances Margin Profile

In addition to benefiting from greater operating scale and increased procurement savings, Perrigo Animal Health adds outstanding manufacturing expertise and marketing capabilities that will provide future cost benefits to PetIQ. Together, the combined company expects to generate more than $3 million in run-rate cost synergies by 2020 and growing to more than $5 million by 2022 primarily from procurement, manufacturing and marketing efficiencies.

2019 OUTLOOK & LONG TERM GROWTH TARGETS

2019

Net Sales	$600M +
Adjusted EBITDA*	$51M +
New Wellness Centers	80+ New Locations

2020

(PetIQ & Perrigo Animal Health)

Net Sales	$780M +
Adjusted EBITDA*	$78M +

2023

Net Sales Growth	15% +
Adjusted EBITDA Growth*	20% +
Adjusted EBITDA Margin*	15%

Notes: * Non-GAAP financial measure. See the Appendix of this presentation for a reconciliation of Adjusted EBITDA to net income, the most comparable GAAP measure

APPENDIX

ADJUSTED GROSS PROFIT RECONCILIATION

$ IN MILLIONS	THREE MONTHS ENDED 3/31/2019	3/31/2018
GROSS PROFIT	**24,730**	15,883
PLUS:		
PURCHASE ACCOUNTING ADJUSTMENT TO INVENTORY	—	1,502
NON SAME-STORE GROSS LOSS	**1,435**	167
ADJUSTED GROSS PROFIT	**26,165**	17,552

ADJUSTED G&A EXPENSE RECONCILIATION

	THREE MONTHS ENDED	
$ IN MILLIONS	3/31/2019	3/31/2018
GENERAL AND ADMINISTRATIVE EXPENSES	**20,538**	18,968
LESS:		
ACQUISITION COSTS	**576**	3,215
STOCK BASED COMPENSATION EXPENSE	**1,544**	698
INTEGRATION COSTS AND COSTS OF DISCONTINUED CLINICS	—	371
NON SAME-STORE GENERAL AND ADMINISTRATIVE EXPENSES	**301**	—
ADJUSTED GENERAL AND ADMINISTRATIVE EXPENSES	**18,117**	14,684

ADJUSTED NET INCOME RECONCILIATION

$ IN MILLIONS	THREE MONTHS ENDED 3/31/2019	3/31/2018
NET INCOME	**2,326**	(3,957)
PLUS:		
ACQUISITION COSTS	**576**	3,215
TAX EXPENSE	**500**	(1,067)
STOCK BASED COMPENSATION EXPENSE	**1,544**	698
PURCHASE ACCOUNTING ADJUSTMENT TO INVENTORY	—	1,502
NON SAME-STORE REVENUE	**(1,516)**	(221)
NON SAME-STORE COSTS	**3,252**	388
FAIR VALUE ADJUSTMENT OF CONTINGENT NOTE	**(680)**	141
INTEGRATION COSTS AND COSTS OF DISCONTINUED CLINICS	—	371
NEW CLINIC LAUNCH EXPENSES	—	365
ADJUSTED NET INCOME	**6,002**	1,435

ADJUSTED EBITDA RECONCILIATION

$ IN MILLIONS	THREE MONTHS ENDED 3/31/2019	THREE MONTHS ENDED 3/31/2018
NET INCOME	**2,326**	(3,957)
PLUS:		
TAX EXPENSE (BENEFIT)	**500**	(1,067)
DEPRECIATION	**1,654**	1,250
AMORTIZATION	**1,279**	1,140
INTEREST	**1,937**	1,765
EBITDA	**7,696**	(869)
ACQUISITION COSTS	**576**	3,215
STOCK BASED COMPENSATION EXPENSE	**1,544**	698
PURCHASE ACCOUNTING ADJUSTMENT TO INVENTORY	—	1,502
NON SAME-STORE REVENUE	**(1,516)**	(221)
NON SAME-STORE COSTS	**3,252**	388
FAIR VALUE ADJUSTMENT OF CONTINGENT NOTE	**(680)**	141
INTEGRATION COSTS AND COSTS OF DISCONTINUED CLINICS	—	371
NEW WELLNESS CENTER LAUNCH EXPENSES	—	365
ADJUSTED EBITDA	**10,872**	5,590

SEGMENT FINANCIAL INFORMATION

$ IN MILLIONS	THREE MONTHS ENDED MARCH 31, 2019			
	PRODUCTS	SERVICES	CORPORATE	CONSOLIDATED
NET SALES	126,084	22,352	-	148,436
OPERATING INCOME (LOSS)	13,003	3,017	(11,148)	4,872
INTEREST EXPENSE	-	-	(1,937)	(1,937)
FOREIGN CURRENCY LOSS, NET	-	-	(122)	(122)
OTHER INCOME, NET	-	-	13	13
DEPRECIATION EXPENSE	553	524	576	1,653
AMORTIZATION EXPENSE	-	-	1,279	1,279

PETIQ™