
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **September 19, 2019**

PETIQ, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38163
(Commission
File Number)

35-2554312
(I.R.S. Employer
Identification No.)

923 S. Bridgeway Place
Eagle, Idaho
(Address of principal executive offices)

83616
(Zip Code)

(208) 939-8900
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act (17 CFR 240.12b-2)

Indicate by check mark if the registrant has elected not to use the extended transition period for complying with new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act (17 CFR 240.13(a)-1)

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Exchange on Which Registered</u>
Class A common stock, par value \$0.001 per share	PETQ	NYSE



Item 7.01. Regulation FD Disclosure

(a) Financial Statements of Business Acquired

On September 19, 2019, PetIQ, Inc. published to the investor relations section of its website a presentation which will be used by Company management in discussions with investors. A copy of the presentation is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information furnished with this Item 7.01, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation

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 hereunto duly authorized.

PETIQ, INC.

Dated: September 19, 2019

By /s/ John Newland

Name: John Newland

Title: Chief Financial Officer



**PERRIGO ANIMAL HEALTH ACQUISITION
PRO FORMA FINANCIAL INFORMATION
SEPTEMBER 19, 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 potential benefits and synergies of the acquisition of the Perrigo Animal Health business ("PAH") by PetIQ. 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.

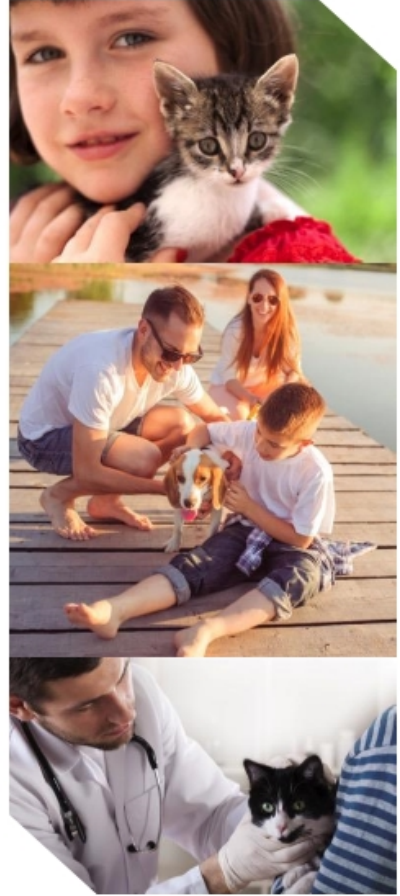
Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or operating results. The forward-looking statements speak only as of the date on which they are made, and, except as required 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.



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SUMMARY OF ACQUISITION AND OPERATIONAL ADJUSTMENTS

ACQUISITION OF PERRIGO ANIMAL HEALTH

- PAH acquisition closed on July 8, 2019
- Purchase price was \$185 Million
- This presentation provides combined company pro forma financial information as well as combined pro forma as adjusted financial information reflecting additional operational adjustments described below.

OPERATIONAL ADJUSTMENTS TO COMBINED PRO FORMA STATEMENT OF OPERATIONS DATA

- Removed sales made under distribution agreement transitioned to PetIQ
- Removed sales of discontinued product lines and lost business
- Adjusted for other non recurring revenue and costs, including overhead differences from historical allocations

ADJUSTED PRO FORMA HIGHLIGHTS

- Pro Forma Net Sales were \$618.7 million, adjusted to \$603.8 million
 - *PAH contributed Product Nets Sales of \$90.1 million, adjusted to \$75.2 million*
- Pro Forma Gross Profit Margin was 21.1%, adjusted to 21.2%
 - *Pro Forma PAH Gross Profit Margin was 52.5%, adjusted to 59.4%*
- Pro Forma Adjusted EBITDA⁽¹⁾ was \$56.3 million, adjusted to \$58.5 million
 - *PAH contributed Adjusted EBITDA⁽¹⁾ of \$14.8 million, adjusted to \$17.0 million*



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

UNAUDITED PRO FORMA STATEMENT OF OPERATIONS DATA FOR THE YEAR ENDED DECEMBER 31, 2018

\$ IN MILLIONS	HISTORICAL		RECLASS	ADJUSTMENTS	PRO FORMA
	PETIQ	PAH			
NET SALES	\$528.6	\$91.9	(\$1.8)		\$618.7
COST OF SALES	\$445.3	\$65.4	(\$1.8)	\$(20.8)	\$488.1
GROSS PROFIT	\$83.3	\$26.5		\$20.8	\$130.6
G&A	\$72.3	\$36.0		\$0.3	\$108.6
OPERATING INCOME	\$7.7	(\$182.0)		\$20.4	(\$153.8)
OTHER INCOME AND TAX	(\$7.7)	\$13.8		(\$7.3)	(\$1.1)
NET INCOME	\$0.1	(\$168.1)		\$13.2	(\$154.9)
ADJ EBITDA**	\$41.5	\$14.8			\$56.3

Notes: * See PetIQ's Form 8-K/A filed with the SEC on September 18, 2019, which include (i) audited combined financial statements of PAH as of and for the years ended December 31, 2018 and 2017 and unaudited condensed combined financial statements as of March 30, 2019 and for the periods ended March 30, 2019 and March 31, 2018 and (ii) unaudited pro forma condensed combined balance sheet as of March 31, 2019 and unaudited pro forma condensed combined statements of operations for the year ended December 31, 2018 and the period ended March 31, 2019

** See the Appendix of this presentation for a reconciliation of pro forma Adjusted EBITDA to pro forma net income for the year ended December 31, 2018

UNAUDITED PRO FORMA STATEMENT OF OPERATIONS DATA, AS ADJUSTED FOR THE YEAR ENDED DECEMBER 31, 2018

\$ IN MILLIONS	PRO FORMA	OPERATIONAL ADJUSTMENTS				AS ADJUSTED
		DISTRIBUTION CONTRACT	LOST DISTRIBUTION	CORPORATE ALLOC	NON-RECURRING LEGAL	PRO FORMA
SALES	\$618.7	(\$6.6)	(\$8.2)			\$603.8
COST OF SALES	\$488.1	(\$4.5)	(\$7.7)			\$475.9
GROSS PROFIT	\$130.6	(\$2.1)	(\$0.5)			\$128.0
G&A	\$108.6	(\$1.2)	(\$0.5)	(\$2.4)	(\$0.7)	\$103.8
OPERATING INCOME	(\$153.8)	(\$0.9)		\$2.4	\$0.7	(\$151.6)
OTHER INCOME	(\$1.1)					(\$1.1)
NET INCOME	(\$154.9)	(\$0.9)		\$2.4	\$0.7	(\$152.7)
ADJ EBITDA**	\$56.3	(\$0.9)		\$2.4	\$0.7	\$58.5

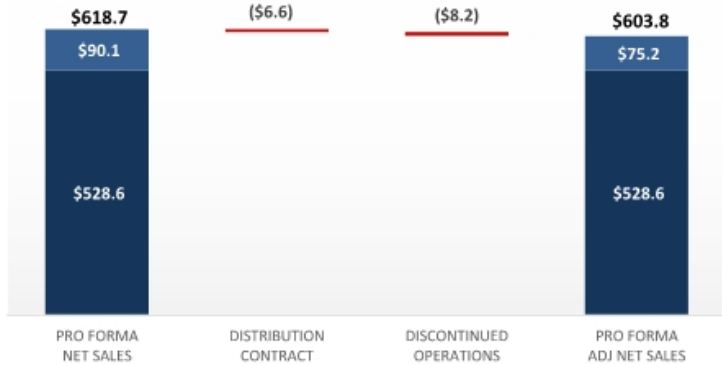
Notes: * See PetIQ's Form 8-K/A filed with the SEC on September 18, 2019, which include (i) audited combined financial statements of PAH as of and for the years ended December 31, 2018 and 2017 and unaudited condensed combined financial statements as of March 30, 2019 and for the periods ended March 30, 2019 and March 31, 2018 and (ii) unaudited pro forma condensed combined balance sheet as of March 31, 2019 and unaudited pro forma condensed combined statements of operations for the year ended December 31, 2018 and the period ended March 31, 2019

** See Appendix of this presentation for a reconciliation of adjusted pro forma Adjusted EBITDA to pro forma net income for the year ended December 31, 2018.

2018 ADJUSTED PRO FORMA NET SALES AND GROSS PROFIT

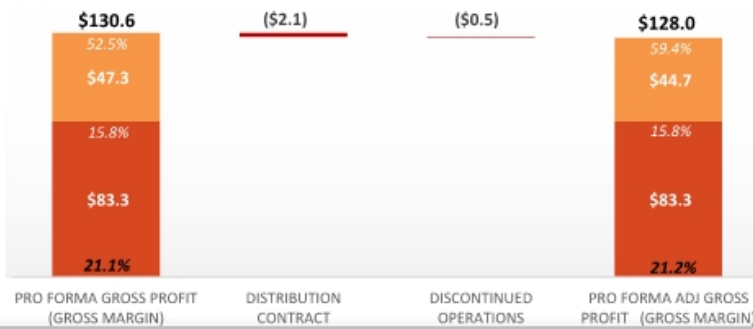
2018 ADJ PRO FORMA NET SALES

(\$'s IN MILLIONS)



2018 ADJ PRO FORMA GROSS PROFIT

(\$'s IN MILLIONS)



PRO FORMA ADJUSTMENTS

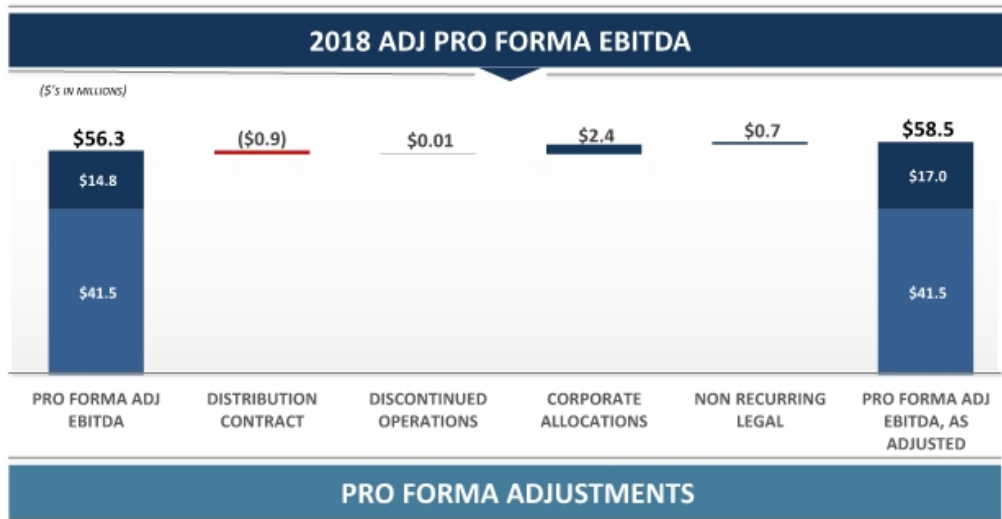
DISTRIBUTION CONTRACT

- Represents the elimination of sales by PAH of products under a distribution agreement that transitioned to PetIQ during 2018. This adjustment resulted in \$8.4 million of net sales removed from pro forma results with a corresponding impact to gross profit of \$2.1 million.

DISCONTINUED OPERATIONS

- Represents the elimination of sales of discontinued products, either resulting from strategic decisions to exit a category or from retailers not renewing specific product programs. This adjustment resulted in \$8.2 million of net sales removed and a corresponding impact to gross profit of \$0.5 million.

2018 ADJUSTED PRO FORMA ADJUSTED EBITDA



DISTRIBUTION CONTRACT

- In addition to gross profit impact of \$2.1 million outlined on the prior slide, stranded costs totaling \$1.2 million in G&A also were removed, resulting in an overall adjustment to earnings of \$.9 million. Examples of these costs include unallocated overhead and marketing spend.

DISCONTINUED OPERATIONS

- In addition to gross profit impact of \$0.5 million outlined on the prior slide, stranded costs totaling \$0.5 million in G&A also were removed, resulting in a minimal impact to earnings.

CORPORATE ALLOCATIONS

- Corporate allocations were adjusted to remove parent company allocations from Perrigo, offset by estimated costs to run the business under a PetIQ ownership.

NON RECURRING LEGAL

- Adjustments represent the removal of expenses associated legal cases, settlements, and other legal matters considered one time or non recurring in nature.



APPENDIX



2018 PRO FORMA ADJUSTED EBITDA RECONCILIATION

HISTORICAL

<i>\$ IN MILLIONS</i>	PETIQ	PAH	RECLASS & ADJUSTMENTS	PRO FORMA
NET INCOME	\$0.1	(\$168.1)	\$13.2	(\$154.8)
INCOME TAXES	(\$0.7)	(\$13.6)	(\$5.1)	(\$19.4)
DEPRECIATION AND AMORTIZATION	\$11.9	\$23.4	(\$20.4)	\$14.9
INTEREST	\$8.0	-	\$12.4	\$20.4
EBITDA	\$19.3	(\$158.3)	-	(\$139.0)
ACQUISITION & STOCK COMP	\$9.7	\$0.6	-	\$10.3
SAME STORE ADJ, INTEGRATION AND LAUNCH EXP	\$8.8	-	-	\$8.8
OTHER**	\$3.7	\$172.5	-	\$176.2
ADJ EBITDA**	\$41.5	\$14.8	-	\$56.3

Notes: ** Other items Non recurring Royalty, Fair value adjustment of contingent note, corporate allocation adjustment, and removal of impairment charges at PAH, Adjustments reflect non recurring legal and the net of corporate allocation adjustment

