

A couple is sitting on a sandy beach, smiling and talking. A large, fluffy white dog is sitting next to them. In the background, there are green hills and mountains under a bright sky. The scene is peaceful and sunny.

PET IQ®

Smarter Pet Health

November 13, 2019

Credit Suisse Healthcare Conference

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.



PET IQ[®]

Smarter Pet Health

Veterinary Services | National Brand Distribution | Product Manufacturing



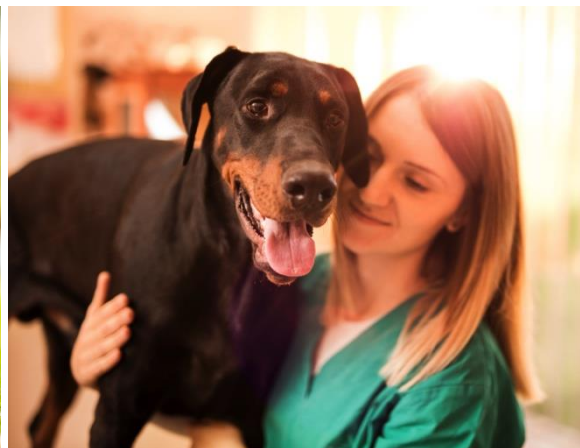


PET IQ[®]

Smarter Pet Health

OUR MISSION:

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



PILLARS FOR SUCCESS

HOW WE WIN



OUR MISSION

WE ARE ADVOCATES FOR PET PARENTS

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

CORE VALUES
How we act



COMMITMENT



QUALITY



INTEGRITY



TEAMWORK

PILLARS FOR SUCCESS
How we win

CONVENIENT

AFFORDABLE

VITAL

COMPASSIONATE

CUSTOMER FACE
How we go to market

Veterinary Services | National Brand Distribution | Product Manufacturing



BRAND PROMISE

SMARTER PET HEALTH



COMPANY OVERVIEW



Animal Health Products

- 500+ DISTRIBUTED MEDICATIONS
- 200+ PRODUCTS MANUFACTURED
- 40+ RETAIL PARTNERS
- 60,000+ POINTS OF DISTRIBUTION
- LEADER IN DRIVING “MASS PREMIUMIZATION” TREND



VALUE TO EVERYONE

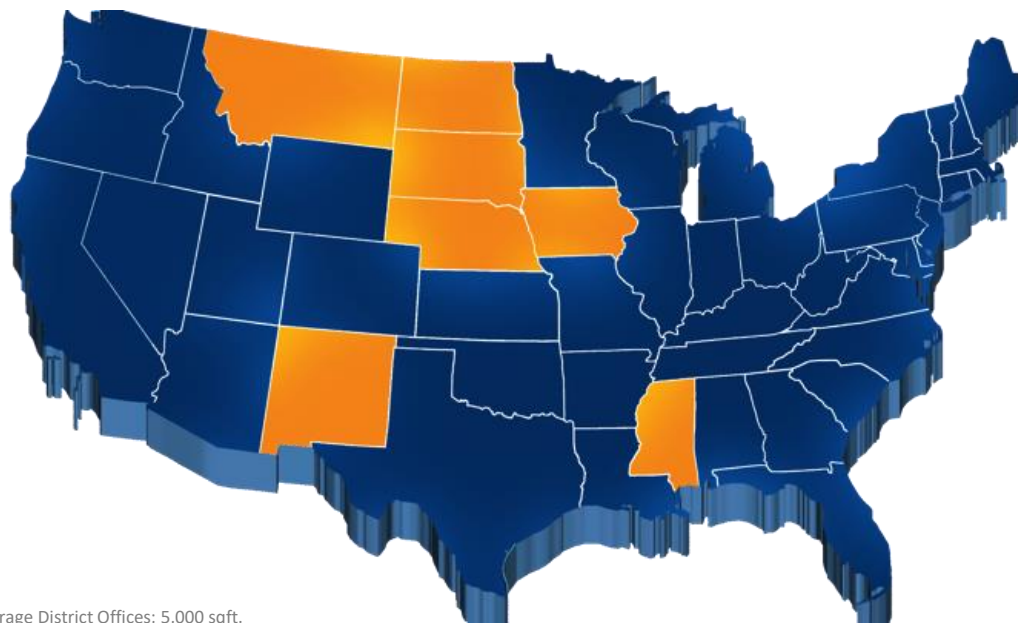
- | | |
|----------------------------------|--|
| ▪ Healthier Pets | ▪ Helping the Animal Health Industry Grow Faster |
| ▪ Saving Pet Owners Time & Money | ▪ Increasing Shareholder Value |
| ▪ Adding Value To Retailers | |



Veterinary Services

- 36 REGIONAL OFFICES
- 3,400 CLINIC LOCATIONS
- CONVENIENT AND AFFORDABLE VET CARE
- MOBILE & FIXED LOCATION CLINICS
- 1,500+ VETERINARIANS
- OVER 900,000+ PETS SERVED IN 2018

NATIONWIDE INFRASTRUCTURE TO OPERATE VETERINARY CLINICS



Average District Offices; 5,000 sqft.

■ CURRENT FOOTPRINT ■ FUTURE EXPANSION

**OPERATING VETERINARY CLINICS
NEAR 90% OF THE U.S. POPULATION**

WE TAKE CARE OF PETS & HELP PET PARENTS SAVE MONEY

VETERINARY PET PRODUCTS

\$ 10.7 Billion in 2018 *



Distributed Product

- Prescription and OTC
- Leading Animal Health Partner to Retailers
- 24 Hour Delivery to Any Pharmacy



Manufactured Product

- 400,000 Square Feet of Our Own Facilities
- Over 200 Items Manufactured
 - Flea & Tick
 - Health & Wellness
 - Prescription Drug
 - Treats
- EPA/FDA Licensed
- SQF Certified



Veterinary Clinics

- Over 900,000 Pets served in 2018
- Retail Partners
- Community Clinics
- Wellness Centers
- **Plan to open 80 Wellness Centers in 2019**
- Plan to Open 1,000 Wellness Centers by 2023



* Package Facts, US Pet Market Outlook, 2018 – 2019

* Package Facts US Pet Medications US 5th Edition

Provide the Best Veterinary Products and Services Available for All Pets at an Affordable Cost and Greater Convenience for Pet Parents

MASS / GROCERY	CLUB	PET SPECIALTY	E-COMMERCE	RETAIL PHARMACY

HEALTH & WELLNESS PRODUCTS • PHARMACEUTICALS • CLINICS • TREATS

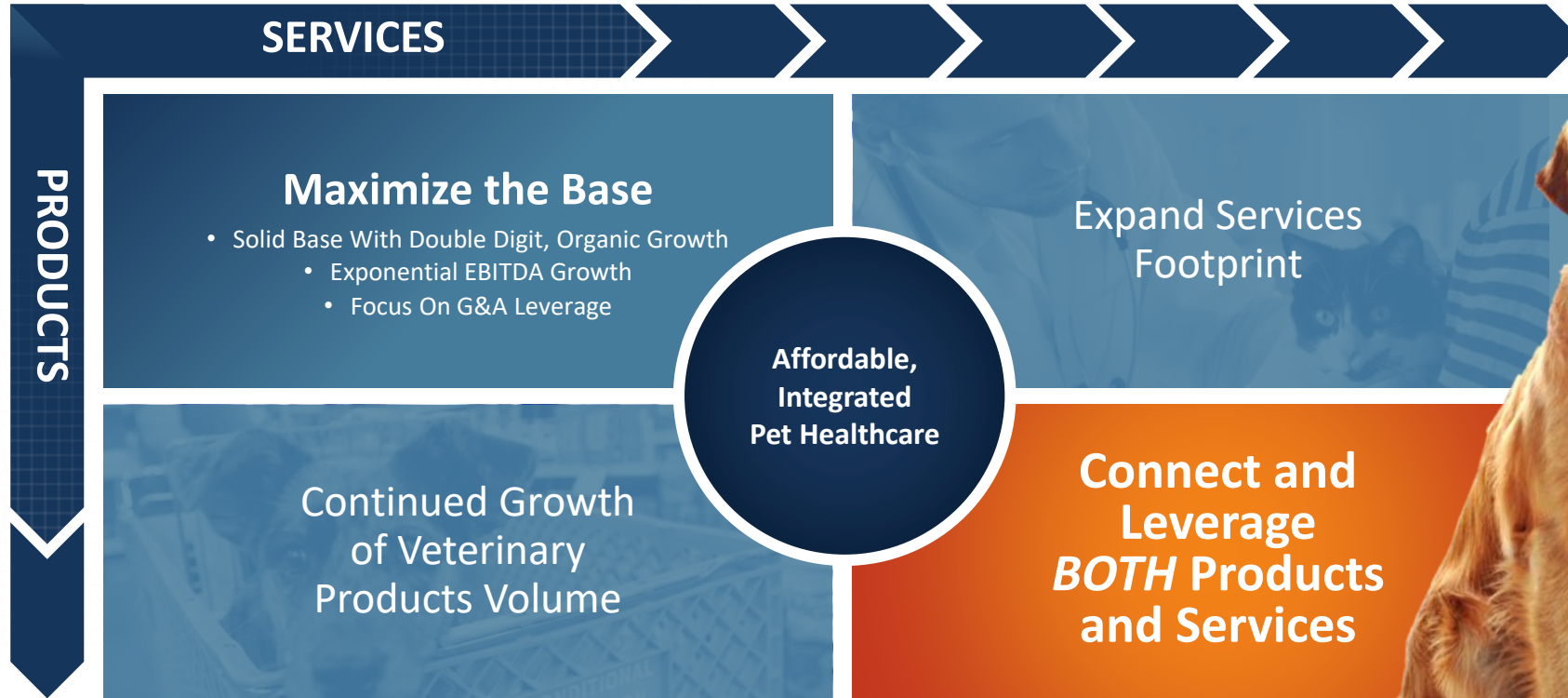


OUR STRATEGY

PETIQ GROWTH STRATEGY

CORE BUSINESS GROWTH OUTPACES THE MARKET TODAY

Further Acceleration Happens with Expansion Beyond the Base



Growth ambition leverages core Product & Services businesses to become an integrated, omni-channel pet healthcare business

EXPANDING VETERINARY SERVICES FOOTPRINT

COMMUNITY CLINICS



- Legacy Business Has Double-Digit Growth
- 74K Clinics Held in 2018
- 20% Adjusted EBITDA Margin Enabler

WELLNESS CENTERS



- Initial Rollout of First 34 Clinics Completed in 2018
- Learnings Being Leveraged With New Clinics
- 80 Wellness Centers Scheduled to Open in 2019

OUR PLAN: BUILD 1000 NEW CLINICS BY 2023

COMMUNITY CLINICS: WELLNESS CENTER INCUBATOR

We Succeed When We Convert Community Clinics To Wellness Centers



The Pet Owner



The Community



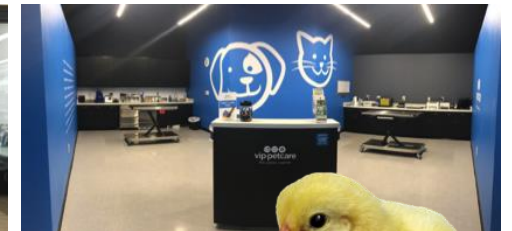
The Location



Services

Learnings Are Captured & Optimized

Learnings Are Used To Customize The Centers To The Community

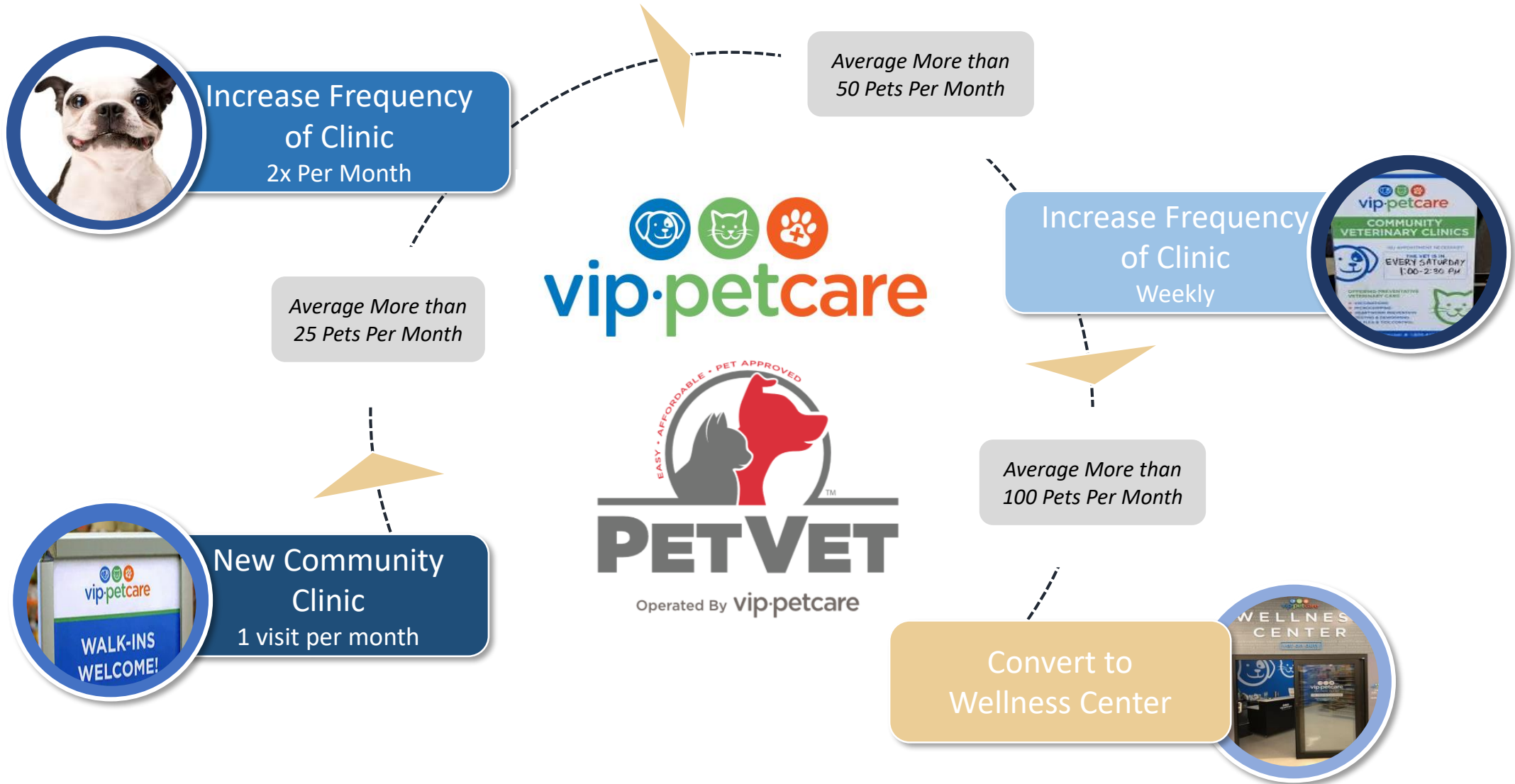


WELLNESS CENTERS



MOBILE CLINICS

GROWTH CYCLE...FROM COMMUNITY CLINIC TO WELLNESS CENTER



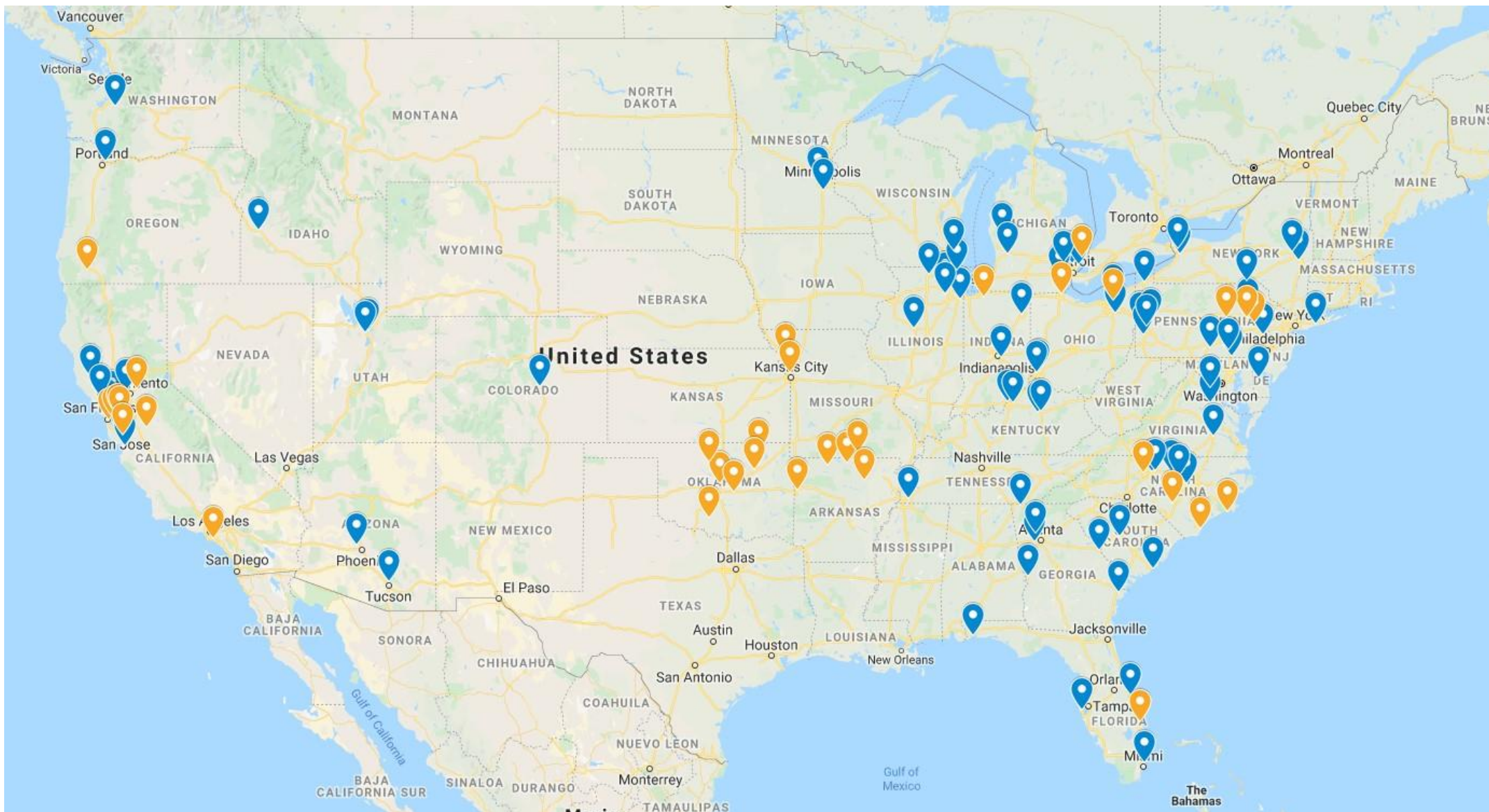
PROGRESS ON NEW WELLNESS CENTERS FOR 2019



TOTALS

	Walmart	meijer	TSC	PET SUPPLIES PLUS	pet food express	TOTALS
Opened Year to Date (October)	17	4	1	0	4	26
Remaining to Open in 2019	18	10	20	6	0	54
Total to Open in 2019	35	14	21	6	4	80
In Operation by End of 2019	55	14	25	9	11	114

2019 WELLNESS CENTER LOCATIONS



Pre-2019

2019

CONTINUED GROWTH OF VETERINARY PRODUCTS VOLUME

SOURCES OF GROWTH



MORE AFFORDABLE OPTIONS FOR PET OWNERS



ACQUISITION OF PERRIGO ANIMAL HEALTH

BUSINESS OVERVIEW



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

TERMS

\$185 million cash transaction closed July 8, 2019. Perrigo Animal Health is now an indirect wholly-owned subsidiary of PetIQ.

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



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:

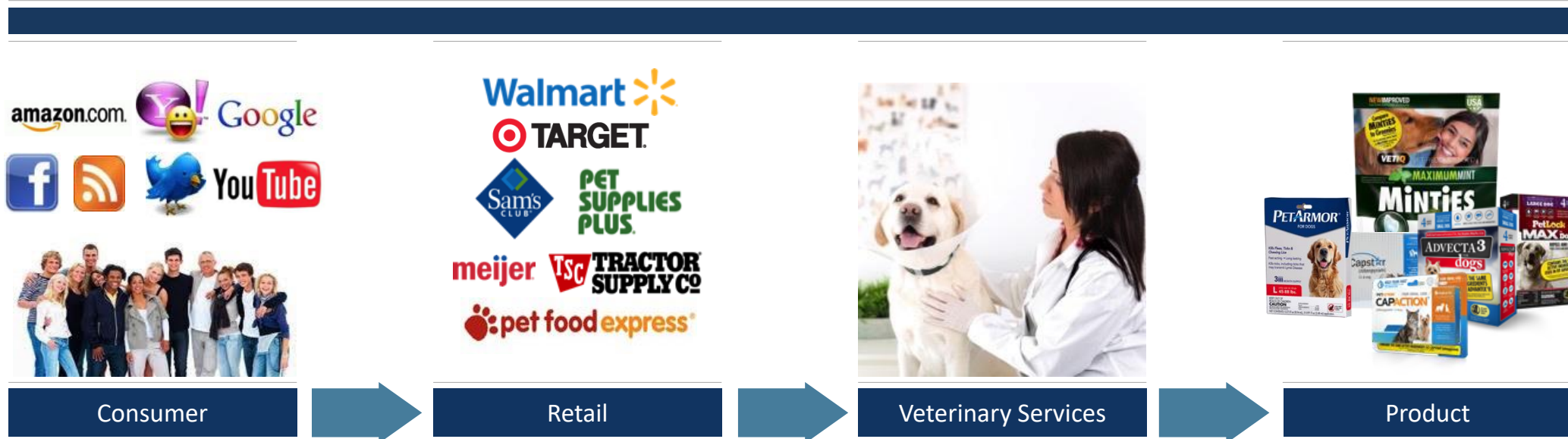
The acquisition allows PetIQ to more rapidly realize the opportunity provided by the macro trends in the pet industry. Complementary distribution channels and sales teams provide actionable whitespace opportunities in new and existing customers representing the potential to accelerate net sales growth 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.



CONNECT AND LEVERAGE PRODUCTS & SERVICES





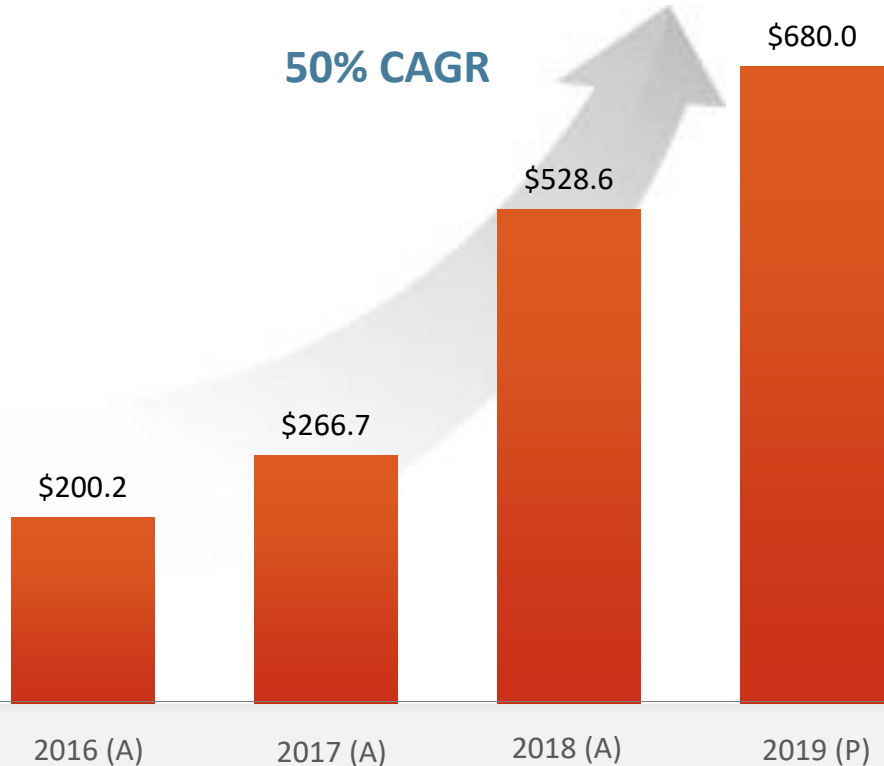
FINANCIAL PERFORMANCE

GROWTH TRAJECTORY REMAINS INTACT

ANNUAL NET SALES

(\$ IN MILLIONS)

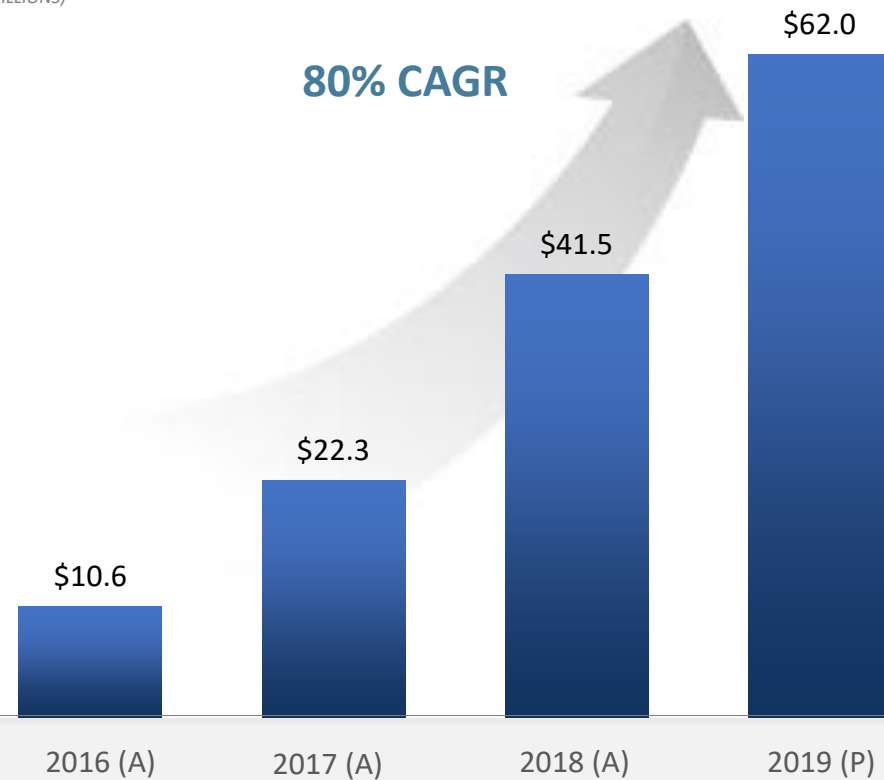
50% CAGR



ANNUAL ADJ EBITDA ¹

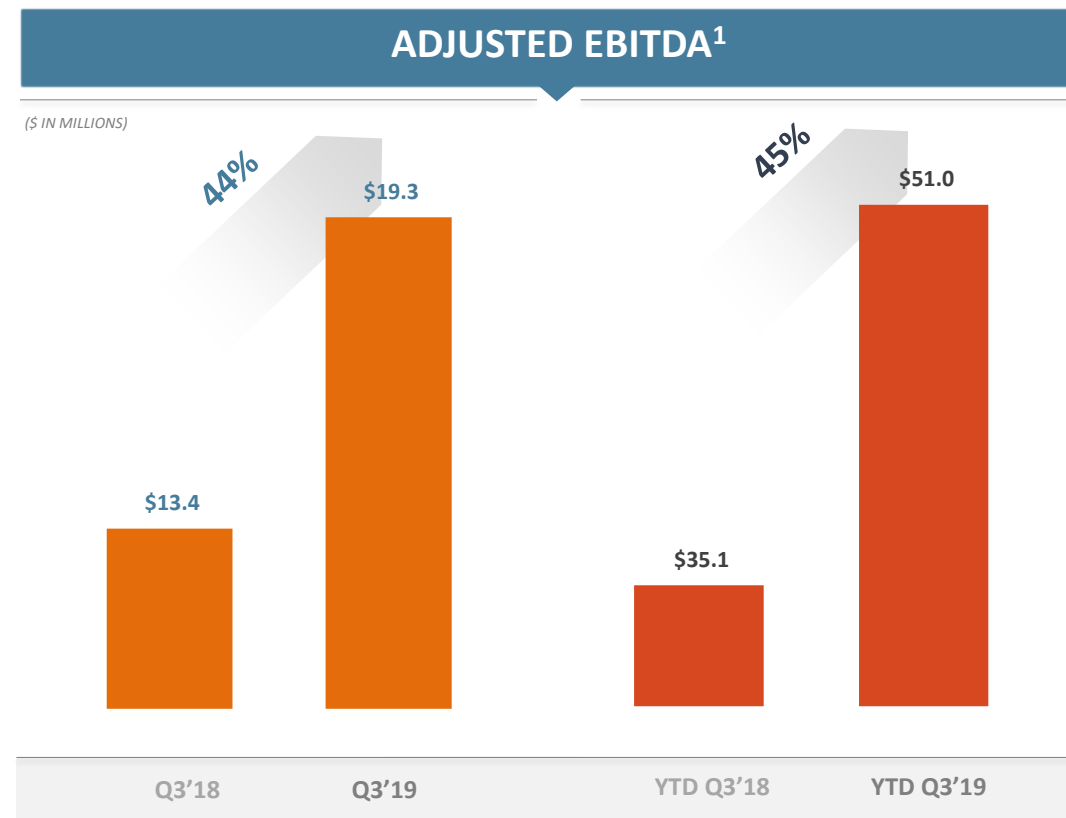
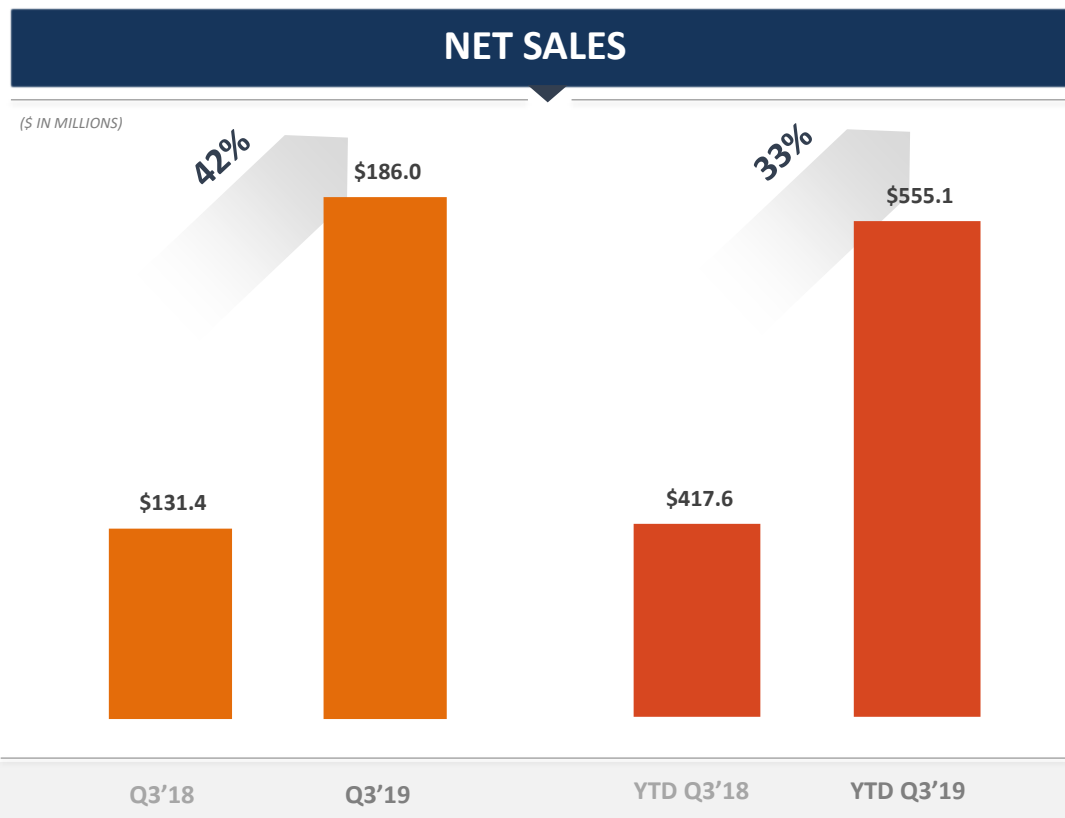
(\$ IN MILLIONS)

80% CAGR



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

THIRD QUARTER 2019 RESULTS



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

THIRD QUARTER 2019 RESULTS COMPARED TO PRIOR YEAR PERIOD

- Net sales were **\$186.0 million**, an increase of **42%** year-over-year
- Net loss was **\$8.8 million** compared to net income of \$3.9 million
 - Net Income includes \$12.0 million of non-recurring acquisition and integration related costs in the current period and \$0.2 million in the prior year period
 - Interest expense was **\$3.6 million** higher versus the third quarter 2018, which was nearly entirely due to debt incurred to finance the transaction.
- Adjusted Net Income was **\$9.3 million¹**, an increase of **14%** year-over-year
- Adjusted EBITDA was **\$19.3 million¹**, an increase of **44%** year-over-year

THIRD QUARTER 2019 SEGMENT RESULTS COMPARED TO PRIOR YEAR PERIOD

- Product sales were **\$161.5 million**, an increase of **49%** year-over-year
- Product adjusted EBITDA of **\$20.5 million**, an increase of **40%** year-over-year
- Service revenue was **\$24.5 million**, an increase of **7%** year-over-year
- Services adjusted EBITDA of **\$7.0 million**, an increase of **36%** year-over-year

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



REITERATED 2019 OUTLOOK IN CONJUNCTION WITH 3Q19 EARNINGS

FY2019 – PetIQ Standalone	FY2019 – PetIQ + Perrigo	2023 Growth Targets
<p>Net Sales ▪ \$650M +</p>	<p>Net Sales ▪ \$680M +</p>	<p>Net Sales Growth ▪ 15% +</p>
<p>Adjusted EBITDA* ▪ \$56M +</p>	<p>Adjusted EBITDA* ▪ \$62M +</p>	<p>Adjusted EBITDA Growth* ▪ 20% +</p>
<p>Wellness Center Locations ▪ 80 Openings</p>		<p>Adjusted EBITDA Margin* ▪ 15%</p>
		<p>Wellness Center Locations ▪ 1,000</p>

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

WE ARE
PET IQ[®]
Smarter Pet Health





APPENDIX

	TWELVE MONTHS ENDING		
\$ IN THOUSANDS	2016	2017	2018
NET INCOME	(3,395)	7,817	87
PLUS:			
TAX EXPENSE (BENEFIT)	—	3,970	(661)
DEPRECIATION	1,915	2,348	6,657
AMORTIZATION	1,067	1,052	5,210
INTEREST	3,058	1,563	8,022
EBITDA	2,645	16,750	19,315
LOSS ON DEBT EXTINGUISHMENT	1,681	—	—
LITIGATION EXPENSE	3,262	—	—
COSTS ASSOCIATED WITH BECOMING A PUBLIC COMPANY	2,180	2,710	—
MANAGEMENT FEES	864	610	—
ACQUISITION COSTS	—	1,965	3,787
SUPPLIER RECEIVABLE WRITE OFF	—	(175)	—
STOCK BASED COMPENSATION EXPENSE	—	447	3,812
PURCHASE ACCOUNTING ADJUSTMENT TO INVENTORY	—	—	2,149
NON SAME-STORE REVENUE	—	—	(3,967)
NON SAME-STORE COSTS	—	—	10,345
FAIR VALUE ADJUSTMENT OF CONTINGENT NOTE	—	—	3,280
INTEGRATION COSTS AND COSTS OF DISCONTINUED CLINICS	—	—	998
NEW WELLNESS CENTER LAUNCH EXPENSES	—	—	1,380
NON-RECURRING ROYALTY SETTLEMENT	—	—	440
ADJUSTED EBITDA	10,632	22,307	41,539

ADJUSTED NET INCOME RECONCILIATION

\$ IN MILLIONS	THREE MONTHS ENDED		NINE MONTHS ENDED	
	9/30/2019	9/30/2018	9/30/2019	9/30/2018
NET INCOME	(8,796)	3,902	(552)	5,343
PLUS:				
ACQUISITION COSTS	1,960	113	5,425	3,479
TAX EXPENSE	(1,304)	801	77	754
STOCK BASED COMPENSATION EXPENSE	1,601	1,224	4,747	2,678
PURCHASE ACCOUNTING ADJUSTMENT TO INVENTORY	2,403	—	2,403	1,502
NON SAME-STORE REVENUE	(2,583)	(1,472)	(6,254)	(2,775)
NON SAME-STORE COSTS	5,394	3,845	12,690	6,667
FAIR VALUE ADJUSTMENT OF CONTINGENT NOTE	2,310	(350)	3,090	250
INTEGRATION COSTS AND COSTS OF DISCONTINUED CLINICS	1,166	57	2,308	813
CLINIC LAUNCH EXPENSES	672	50	672	1,261
SKU RATIONALIZATION	6,482	—	6,482	—
NON-RECURRING ROYALTY SETTLEMENT	—	—	—	440
ADJUSTED NET INCOME	9,305	8,170	31,088	20,412

ADJUSTED EBITDA RECONCILIATION

\$ IN MILLIONS	THREE MONTHS ENDED		NINE MONTHS ENDED	
	9/30/2019	9/30/2018	9/30/2019	9/30/2018
NET INCOME	(8,796)	3,902	(552)	5,343
PLUS:				
TAX EXPENSE (BENEFIT)	(1,304)	801	77	754
DEPRECIATION	2,404	1,786	5,587	4,816
AMORTIZATION	1,807	1,294	4,364	3,691
INTEREST	5,742	2,159	9,921	6,140
EBITDA	(147)	9,942	19,397	20,744
ACQUISITION COSTS	1,960	113	5,425	3,479
STOCK BASED COMPENSATION EXPENSE	1,601	1,224	4,747	2,678
PURCHASE ACCOUNTING ADJUSTMENT TO INVENTORY	2,403	—	2,403	1,502
NON SAME-STORE ADJUSTMENT	2,811	2,373	6,436	3,892
FAIR VALUE ADJUSTMENT OF CONTINGENT NOTE	2,310	(350)	3,090	250
INTEGRATION COSTS AND COSTS OF DISCONTINUED CLINICS	1,166	57	2,308	813
CLINIC LAUNCH EXPENSES	672	50	672	1,261
SKU RATIONALIZATION	6,482	—	6,482	—
NON-RECURRING ROYALTY SETTLEMENT	—	—	—	440
ADJUSTED EBITDA	19,258	13,409	50,960	35,059

SEGMENT ADJUSTED EBITDA RECONCILIATION

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	9/30/2019	9/30/2018	9/30/2019	9/30/2018
<i>\$ IN THOUSANDS</i>				
SERVICES SEGMENT SALES:				
SAME-STORE SALES	21,908	21,386	66,617	59,727
NON SAME-STORE SALES	2,583	1,472	6,254	2,775
NET SERVICES SEGMENT SALES	24,491	22,858	72,871	62,502
PRODUCTS SEGMENT SALES	161,534	108,524	482,224	355,088
TOTAL NET SALES	186,025	131,382	555,095	417,590
ADJUSTED EBITDA				
PRODUCTS	20,506	14,642	56,030	41,337
SERVICES	7,048	5,217	18,147	13,049
UNALLOCATED CORPORATE	(8,296)	(6,450)	(23,217)	(19,327)
TOTAL ADJUSTED EBITDA	19,258	13,409	50,960	35,059