

The logo for 'bar fresh' features the word 'bar' in a red, lowercase, sans-serif font and 'fresh' in a green, lowercase, serif font. A stylized orange ring with a green leaf and small dots is positioned above the 'h' in 'fresh'.

bar
fresh®

WHIRL • CLASS®
BLENDED DRINKS

Investor Presentation

Premeasured | Prepackaged | Perfection

September 2020

Forward Looking Statements

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AGENDA

- I. Introduction
- II. Product Offerings
- III. Sales and Distribution Strategy
- IV. Sales Channels
- V. Operations
- VI. Key Takeaways

INTRODUCTION



Recent Business Highlights

-  *COVID-19 has pressured sales due to the temporary closure of businesses that serve the Company's line of products*
-  *Continued to deliver significant cost savings with a year-to-date reduction in G&A expenses of \$1.5 million, or 39%, compared to the prior year*
-  *In the past 3 weeks, announced 277 new school locations in 15 school districts, which represent a collective student body of over 170,000 students*
-  *Expanded reach in education channel with two new products, Twist & Go and WHIRLZ 100% Juice Concentrates; all products served in school channel compliant with USDA reimbursable meal programs*
-  *Entered into a strategic relationship with Smart Beverage; Smart Beverage will distribute only Barfresh products to its customers and will manage, maintain, store and deliver the required smoothie equipment*
-  *Completed over \$5.87 million financing, including conversion of approximately \$2.0 million in debt*

Barfresh at a Glance



International patents granted



Proprietary portion controlled frozen beverage offerings



Custom flavor development capabilities



Continuous product development and innovation



Distribution partnership (1)



Exclusive sales partnership for North America (2)



Unibel strategic investment & global partnership (3)



Smart Beverage strategic distribution relationship (4)

- (1) Sysco distribution partnership signed on 7/2/14.
- (2) Sales agreement with PepsiCo North America Beverages signed on 10/26/15.
- (3) Unibel strategic investment executed on 11/23/16.
- (4) Smart Beverage strategic distribution relationship executed on 8/6/20.

PRODUCT OFFERINGS



Barfresh's Differentiated Single Serve Product & Process

Operational Simplicity

- Perfect consistency every time
- Makes a smoothie in approx. 1 minute
- Only equipment needed: Blender
- No waste, no spoilage
- Reduces labor
- No complicated installation
- Portion controlled

Ingredients

- No artificial colors or flavors
- Premium taste
- Clean labeling
- Real fruit
- Gluten free
- Kosher certified



In Less Than a Minute!

Barfresh's Single Serve Solution

Channels



National Quick Service
Restaurants (“QSRs”)



Business & Industry

Barfresh's "Easy Pour" Bulk Format Solution

Response to customers requiring rapid speed of service

The Barfresh Process

Barfresh Bulk Solution



Flexible Solution Can Fit with Customer's Existing Equipment

Barfresh's "Easy Pour" Bulk Format Solution

Channels



Education



Military



Recreation,
Amusement & Tourism



High-Volume QSRs



Barfresh's Bottled, Ready-to-Drink Solution for Schools

TWIST & GO by barfresh

SWEET FRUIT AND CREAMY YOGURT SMOOTHIES ARE THE PERFECT START TO ANY DAY OR "ON THE GO" SNACK IN FOUR AMAZING FLAVORS BOTH KIDS AND ADULTS LOVE



STRAWBERRY BANANA SMOOTHIE



PEACH SMOOTHIE

NO ADDED SUGAR

ONLY 125 CALORIES

5g OF PROTEIN



4 Ounces of Yogurt and ½ Cup of Fruit/Fruit Juice

No Preservatives

No Artificial Flavors or Colors

No Sugar Added

125 Calories

5 Grams of Protein

Compliant with USDA Reimbursable Meal Programs and Smart Snack compliant

Barfresh's 100% Juice Concentrates for Schools



NEW!

whirlz™
by barfresh®

**FAST, NUTRITIOUS AND DELICIOUS
FRUIT SMOOTHIES MADE JUST FOR
SCHOOLS**

4g of Protein and 220g of Potassium, including
Vitamin D, Calcium, Iron & Vitamin C

No Preservatives

No Artificial Flavors or Colors

No Sugar Added

Non-GMO and Gluten Free

10 Exciting Flavors

Compliant with USDA
Reimbursable Meal Programs
and Smart Snack compliant

III. SALES AND DISTRIBUTION STRATEGY



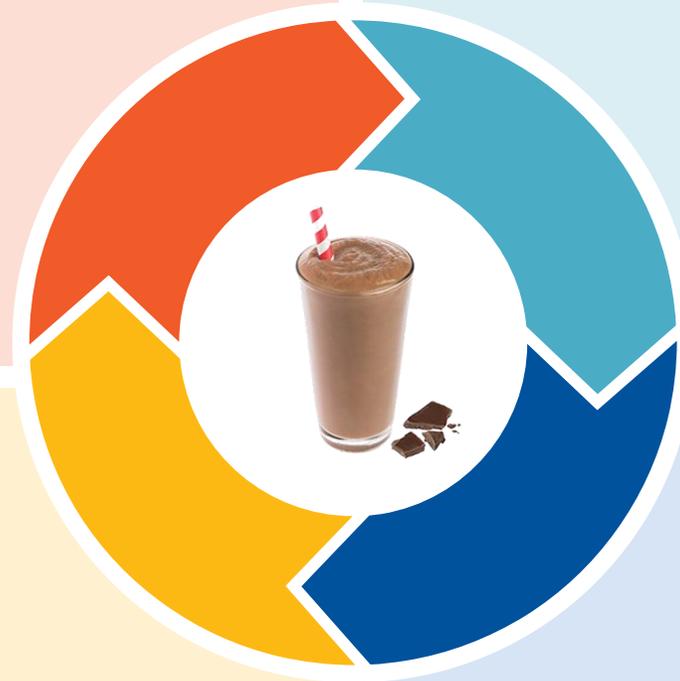
Sales Process Summary

barfresh®

- Product development
- Training
- Partnership with Sysco and PepsiCo

Barfresh Internal Sales Team Focused on Large Accounts

- Restaurants
- Education
- Military
- Healthcare
- Travel and Leisure
- Business and Industry



Good things
come from
Sysco™



- Facilitate new business
- Warehouse and deliver product
- Provide frozen supply chain to end customers



PEPSICO

- Drive distribution with enormous customer base
- Manage and maintain customer relationships
- Provide marketing, PR & trade support
- Full integration into PepsiCo system

barfresh®

Newest Distribution Relationship



- **Strategic relationship** with **beverage distribution company** Smart Beverage
- Smart Beverage will **only sell Barfresh's** full line of products to its existing and new customers
- Barfresh products will be sold to **approximately 1,400 schools** as Smart Beverage replaces its previous frozen beverage offerings and adds new locations with Barfresh's leading suite of healthy beverages
- Smart Beverage has **1,000 existing smoothie beverage dispensing machines in operation** and owns an **additional 3,000 machines ready to be deployed to new customer accounts**
- Smart Beverage will **manage, maintain, store, and deliver the equipment** needed for Barfresh products to their new and replacement accounts
- Relationship expected to initially generate **revenue of \$1 million to \$2 million annually** in current **COVID-19 environment** and **\$2 million to \$3 million annually** in **normal operating environment**, excluding COVID-19

barfresh®

IV. SALES CHANNELS



National Accounts

National QSR Customer Accounts

- Due to COVID-19, the company's rollout of product to previously announced National QSR customers is on hold

QSR Pipeline

- Continued progression with major national account prospects

Foodservice Accounts



Recreation,
Amusement &
Tourism



Third Party
Operators



Casual Dine
Restaurants

Elementary and Secondary School Accounts

Massive market potential¹

School students in the United States

14K districts → **98K+** schools

New **Twist & Go** and **WHIRLZ** offerings **dramatically increase growth** opportunities even if schools do not fully re-open supporting any form of back to school opening this upcoming school year

(1) Source: National Center for Education Statistics, Department of Education, Table 105.20



REAL FRUIT

No Preservatives

No Artificial Flavors or Colors

No Sugar Added

Non-GMO

Gluten-Free

Meets breakfast meal pattern regulations

- Is USDA Smart Snack Compliant
- Meets the "Buy American" requirement

U.S. Armed Forces Accounts



Military

- Received approval from the United States Defense Logistics Agency (DLA) to sell smoothie products into all branches of the U.S. Armed Forces
- Expanded military channel locations domestically and now pouring product internationally in South Korea

Completed stringent
12mos+
military approval
process

Barfresh's Easy Pour Bulk Smoothies available to military food service programs supporting dining facilities

- Smoothies available 365 days a year / 3 meals per day to enlisted personnel as part of their meal service program
- Barfresh is pursuing Global Military bases, which support its **1.3 million active troops**

V. OPERATIONS



Scalable Manufacturing Capabilities & Relationships

Flexible Operating Model Provides Opportunity to Scale Quickly

Utilize multiple contract manufacturers that provide Barfresh efficient national coverage:

- Allows **maximum flexibility** to manage volume fluctuations and start up requirements

Barfresh-owned packaging equipment positioned on manufacturing line to work seamlessly with contract manufacturer's equipment and infrastructure

Procurement-related synergies

Long-term targeted gross margins in excess of **50%**



Supply Chain In Place To Meet Increased Demand

Alignment with multiple forward warehousing partners enhances Barfresh's ability to service customers across North America

- Inventory strategically located at forward warehouses
- System facilitates quicker order fulfillment, and enables customers to order less than full pallet orders on a weekly basis to directly address specific customer requirements
- Ability to achieve full truckload rates to forward warehouses as our business gains scale



Improving Cost Structure

Improving cost structure driven by many factors including improving product cost efficiencies

- Barfresh continued to reduce core operating expenses during the first half of 2020, with a 39% reduction year-to-date in G&A expenses, thanks to quick decisions by management and the Company's variable cost structure
- The Company received \$568,000 under the Paycheck Protection Program (PPP) during the second quarter of 2020 that it expects to be fully forgiven
- The Company ended the first half of 2020 with approximately \$3.4 million of cash on the balance sheet
- Barfresh has taken steps to further reduce overhead and believes it has adequate liquidity to navigate the pandemic and achieve profitability without the need for additional equity capital

Vii. KEY TAKEAWAYS



Experienced Management Team

Executive	Position	Yrs.	Select Prior Experience
Riccardo Delle Coste	Founder & Chief Executive Officer	15	 
Raffi Loussararian	Vice President of Finance	28	 
Joseph Cugine	President	30	  
Erin Fasano	Vice President of Marketing	15	 
Tim Trant	Adviser	25	 
Craig Bennett	Director – Product Manufacturing & Development	30	  

Brings significant operational experience and the drive and passion to grow Barfresh to its full potential

Key Takeaways

- 1 Proprietary frozen beverage product that's on-trend & solves traditional food-service issues: waste, labor and consistency
- 2 Scalable infrastructure in place to generate margin expansion as sales accelerate post-COVID
- 3 Sales channel and distribution include Sysco, PepsiCo, Dot Foods and Smart Beverage contracts, as well as leading 3rd party foodservice relationships
- 4 Expanded sales channels with the Education and Military contracts
- 5 Products in education channel meet USDA reimbursement standards; Twist & Go and WHIRLZ 100% Juice Concentrates provide increased opportunities in new and existing schools
- 6 Growth capital in place