

WHIRL • CLASS® BLENDED DRINKS

# **Investor Presentation**

September 2024

Premeasured I Prepackaged I Perfection

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# Real. Fresh. Deliciousness.

Barfresh is a leader in **ready-to drink** and **ready-to-blend** frozen beverages for high-volume operations.

It's no secret that people are more obsessed than ever with living a healthier lifestyle and feeding their bodies with fresh and simple foods. Barfresh founder, Riccardo Delle Coste recognized the growing "better for you" trend early in 2005 and developed a **proprietary, patented "whirl class" system** that made serving freshly blended frozen beverages **quick, easy and cost efficient.** 

Our **Twist & Go, Pop & Go, Single-Serve and Easy-Pour Bulk products** have transformed the blended beverage industry for smoothies, shakes and frappes made with fresh fruit and other natural ingredients.



# The Company

- Headquarters: Los Angeles, CA
- NASDAQ: BRFH

## **Experienced Management Team**

Executive	Position	Yrs.	Select Prior Expe	erience
Riccardo Delle Coste	Founder & Chief Executive Officer	25	barfresh	zoopňjuice
Lisa Roger	Chief Financial Officer	29	FreshRealm	FOX FACTORY
Tony Grossi	Vice President of Sales	25	BAKEMARK	PERFORMANCE FOODSERVICE
Marko Matla	Vice President Supply Chain and Co- Manufacturing	27	FOODS.®	afa foods AUWAYS THE BEST



# Total Addressable Market & Product Portfolio

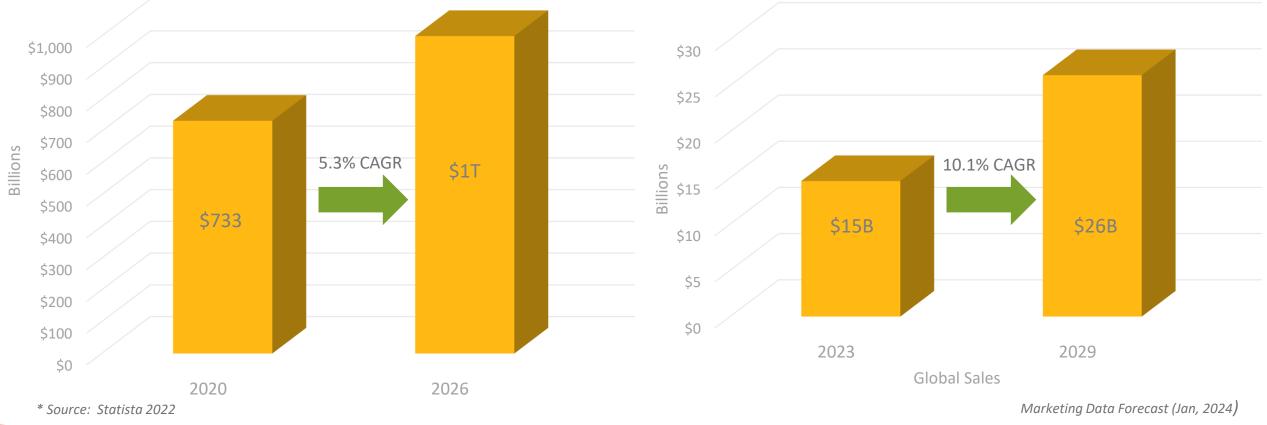


# Market Opportunity

Smoothie market growing almost double rate of already strong healthy foods category!

Global Healthy Food & Beverage Market

Global Smoothie Market





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# **Barfresh's Product Offerings**





# Barfresh's 100% Juice Freeze Pops for Schools



# 100% JUICE FREEZE POPS!

4 oz serving Credits as ½ cup of fruit juice Compliant with USDA reimbursable meal programs Smart Snack compliant Good source of Vitamin C

🍯 No sugar added	J
🌠 No artificial colors,	1
flavors or preservatives	
🍯 100% juice	ł
🍯 Gluten free	1
🎸 112 units per case	

Product Number	
PGSK112	
PGCH112	
PGBR112	
PGSA112	
PGGW112	



### <sup>1</sup>/<sub>2</sub> Cup of Fruit Juice; 100% Juice

### **No Preservatives**

### **No Artificial Flavors or Colors**

**No Sugar Added** 

**Good Source of Vitamin C** 

**Gluten Free** 

Compliant with USDA Reimbursable Meal Programs and Smart Snack compliant

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



## 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 Differentiated Single Serve Product & Process

whirl

### **Operational Simplicity**

wate

- Perfect consistency every time
- Makes a smoothie in approx. 1 minute
- Only equipment needed: Blender

barfresh

blend

- No waste, no spoilage
- Reduces labor
- No complicated installation

In Less Than a Minute!

Portion controlled

- No artificial colors or flavors
- Premium taste
- Clean labeling

- Real fruit
- Gluten free
- Kosher certified





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# Barfresh's "Easy Pour" Bulk Format Solution

Response to customers requiring rapid speed of service

## **The Barfresh Process**

Flexible Solution Can Fit with Customer's Existing Equipment

barfresh.

## Barfresh's 100% Juice Refreshers for Schools



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

**No Preservatives** 

Cherry Smoo

**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

# Business Network: Customers, Distributors & Manufacturers



# Barfresh's Diverse Sales Channels



Education



Recreation, Amusement & Tourism



Military



**Business & Industry** 



National Quick Service Restaurants ("QSRs")



Third Party Operators



# Elementary and Secondary School Accounts

Massive market potential<sup>1</sup>

School students in the United States

<b>13K</b>	 131K+
districts	schools

Twist & Go, Pop & Go and WHIRLZ offerings dramatically increase growth opportunities. REAL FRUIT

No Preservatives
No Artificial Flavors or Colors
No Sugar Added

#### Non-GMO

### **Gluten-Free**

# Meets school nutrition regulations

 Source: Research.com and National Center for Education Statistics, Department of Education, Table 105.20. Edweek.org

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

# **Education - Opportunity**

- Enormous amount of runway with Twist & Go and Pop & Go offerings
- Emphasis of healthy options.....especially in underprivileged areas
  - Importance of breakfast in academic performance is frequently documented
  - Twist & Go is the first chance to try a smoothie for some kids
  - Continued bi-partisan political momentum for free meals in schools
  - Twist & Go increases breakfast participation rate by as much as 40%\*
- Pop & Go targets lunch menu, which can be up to 5x more in volume than the breakfast menu where BRFH's other products are offered
- Great feedback from parents, students and administrators alike
  - Twist & Go and Pop & Go are products that kids, parents, administrators and Nutritional Directors are excited about

harfrech.

- All are thrilled to see the kids happy to eat healthy products!
- Company has begun to turn the corner after navigating supply challenges over the past couple of years
- \* Bellingham, WA, Public Schools

## What Our Education Customers Say.....

Dear Mrs. Shore wrestler and a football player, I need most energizing delicious healthy +0 my performance top of On Wednesday, January heard Many comments 96047 absolutely amazing the new LATE ought one thought touch usually don't because breakfast school own breakfast: MY fruit and milk. However. next day Tried "Twist and Go Strawberry and Banana Smoothie." speak on behalf think 900d portion of when I say that these school energizing, nutritious, delicious to be included in the smoothies need school breakfast every single day. Thank

I haven't heard from our high school yet, but Pulaski County Middle -----YES with rave reviews, especially the strawberry/banana and mango pineapple..... It is very exciting that there is a product we don't have to mix ourselves and tastes so delicious!!

- Elaine, Pulaski County Schools

The 4<sup>th</sup> grade, especially my entire class, would like to let you know we are in complete love with the smoothies and hope we get it more often!

- Janie, Anne Arundel County Schools

Excited to be launching Twist & Go! A big thank you to Barfresh for making such a nutritious product that both the dieticians and students are sure to love!

- Stephanie, Pasco County Schools

I literally just had a call from our middle school and she reported that she sold 40% more breakfast today because of the smoothies!!!

- Mataio, Bellingham, WA, Schools



# 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
- Was awarded a five-year contract to supply the AAFES School Meal Program!
  - To service 76 Army & Air Force school installations



## High Profile Restaurants, Colleges and Recreational Sites Are Also Targets For Our Ready-to-Blend Products



















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## **Strong Distribution Relationships in Place**



# Scalable Manufacturing Capabilities & Relationships

**Flexible Operating Model Provides Opportunity to Scale Quickly** 

Strategy	Recent Updat

- 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 for certain locations positioned on manufacturing line to work seamlessly with contract manufacturer's equipment and infrastructure
- Procurement-related synergies

- Recently added 3 new third-party contract manufacturer locations strategically located in the Mid-West and the East Coast
- New capacity adds 25M annual bottling units for Twist & Go
- 1 location primarily dedicated to manufacturing Pop & Go; adds 50M units annually with ability for further expansion
- Overall, Barfresh now has ability to produce over 120M units annually (400% increase)
- Scalability of new locations aligns with Barfresh' projected customer acquisition growth

# Supply Chain In Place To Meet Increased Demand

Alignment with major freight partner enhances Barfresh's ability to service customers across North America

- Inventory strategically located at centralized warehouse managed with major freight consolidation partner
- 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 on multiproduct line orders as our business gains scale with distribution partners





# **Financial Targets**

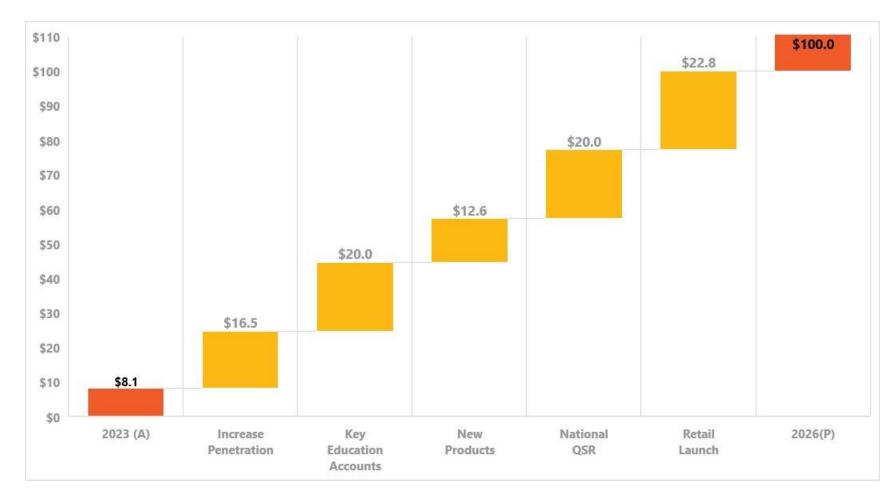


# Medium-Term Financial Targets

Net Revenue	Forseable path to \$100M over 3-5 year term
Gross Margin	>35%
SG&A (ex D&A, Stock Comp)	13-15% of Net Sales at \$100M
	22.22%
EBITDA Margin	20-22%



# Path to \$100M Revenue



Increase Penetration – Before product issues, we were in 20 states with a significant penetration in only 4; situation changed due to increased production capacity and broadened network of K-12 brokers covering 42 states

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- Key Education Accounts Land 2 of 10 top school districts, each representing opportunity of \$10-15M annually
- New Products Develop or acquire new products to put through education channel such as Pop & Go, launched in Q3 '24
- National QSR Place Single Serve in a national restaurant chain; prior projections of \$25-50M
- Retail Launch \$20-25M opportunity; plan to dovetail off K-12 brand recognition to minimize promotion expense



# Key Takeaways



Record quarterly revenue and positive Adjusted EBITDA expected for Q3 '24 and record annual revenue and YoY margin improvement expected for '24.

Production capacity expanded by 400% to over 120M units annually with addition of 3 new comanufacturing locations.

Well positioned to increase penetration in the education channel - currently minimal. A huge opportunity remains in front of the Company!

An expanded, on-trend product portfolio.

A clean balance sheet with no debt and strong cash position.



