

Medifast[®] Q3 2023 Earnings Presentation

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Safe Harbor Statement

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Medifast[®] Q3 2023 Highlights

- 1 Q3 2023 Revenue within guidance range and EPS above high-end of range
- 2 Fuel for the Future (F4F) expense reductions and a lower-than-expected tax rate benefited results vs. guidance
- 3 Debt free as of September 30, 2023
- 4 YTD through September 30, 2023 operating cash flows of \$137.1 million

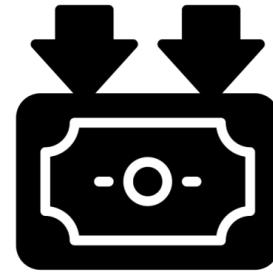


Medifast® By The Numbers: Q3 2023



\$236M

REVENUE



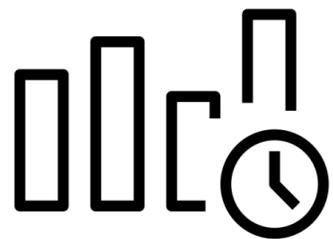
\$26M

OPERATING INCOME



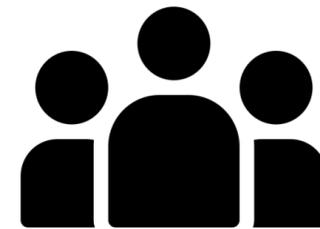
\$2.12

DILUTED EPS



\$5,008

REVENUE PER ACTIVE
EARNING COACH



47,100

ACTIVE EARNING
COACHES



\$158M

CASH & CASH EQUIVALENTS
AND INVESTMENTS

Medifast® Outlook for Q4 2023

- 1 Q4 guidance reflects continued customer acquisition challenges related to macroeconomic headwinds and disruption caused by GLP-1 medications
- 2 Continue to reduce expenses through Fuel for the Future (4F4) initiative – optimization of business and field operations
- 3 Continue to actively explore the medical weight loss market, analyzing initial pilot results and moving to next phase of exploration
- 4 Continue to invest in growth initiatives that are expected to benefit results in 2024 and beyond

Transforming The Company For Future Growth

Moving <u>M</u> edically Supported <u>W</u> eight <u>L</u> oss to Next Phase	Completing the Lifestyle Product Offer	Expanding OPTAVIA Digital Marketing Capabilities	Broadening Customer Base
<p>Develop approach for Customers who seek MSWL solutions.</p> <p>Pilots with 3 telehealth providers offer key insight into Coach supported model for MSWL.</p> <p>Lifestyle modifications are a key part of MSWL.</p>	<p>OPTAVIA ACTIVE™ launched Sept '23.</p> <p>Total addressable market of \$30B, which is over 3X the size of structured weight loss market.</p> <p>Extends average Customer LTV*.</p> <p>Expect to add additional products next year.</p>	<p>3-month pilot to build lead generation.</p> <p>Conduct attribution, analytics, and path-to-purchase optimizations.</p> <p>Marketing program expansion expected in '24.</p>	<p>Increased engagement of Hispanic Coaches & Customers.</p> <p>Digital assets translated, and pilot social media campaign launched.</p> <p>Coach-led training of Hispanic Coaches.</p> <p>Hispanic Coach base in US to be springboard for Latin American expansion.</p>

*Lifetime Value

Medically-Supported Weight Loss

Growing Size and Interest	<ul style="list-style-type: none">• \$9B market in 2022*, estimated to grow by a multiple of up to 10X by 2030**• 60% of adults trying to lose weight interested in trying a weight-loss prescription drug***
Lifestyle Change Essential to Long-Term Health	<ul style="list-style-type: none">• MSWL alone is not the answer – typically prescribed with lifestyle modifications, which continue to be the cornerstone of long-term health and wellbeing• OPTAVIA® focuses on habit changes that support a healthy lifestyle
Programs, Pilots and Partnerships	<ul style="list-style-type: none">• Leverage existing products to support needs of patients on MSWL<ul style="list-style-type: none">○ Prevent muscle loss○ Lean and Green™ recipes to educate on healthy eating• Partnerships, acquisitions and organic solutions under consideration• Executed pilot with telemedicine providers to evaluate role of OPTAVIA in MSWL environment

*MarketData -The U.S. Weight Loss and Diet Control Market, 17th Edition

**Morgan Stanley: Why Obesity Drugs May Be a New Blockbuster Pharma Category

***CBS News – Nearly half of US adults interested in using weight-loss drugs, new KFF poll

OPTAVIA ACTIVE™

Large Market

~\$30B sports nutrition TAM in US* including protein drinks, nutrition bars & gels, sports hydration, and supplements*

Expected to be nearly 50% higher **by 2026** (\$44B+)

Customers Looking for Solutions with Exercise

“Motion” or exercise engrained as key pillar of the Habits of Health® Transformation system

55% of Customers haven't reached their healthy motion goals, and are open to support

Broadens the Company's Offer

Designed to be used with or without existing **OPTAVIA®** plans

Extends average lifetime value of a Customer by offering solutions from initial weight loss through maintenance



*Nutrition Business Journal - 2023 Sports Nutrition and Weight Management Report

Broadening Customer Base

OPPORTUNITY

Significantly expand
beyond historical customer base,
which has been generally homogenous

**Targeting the large and growing
Hispanic population**

~62M people in U.S., up more
than sixfold in last 50 years*, **

High potential to grow share
OPTAVIA® Community has lower
Hispanic share than the wider U.S.
population

Foundational for growth:
Important segment to understand before
entering Latin America

*HHS - Profile: Hispanic/Latino Americans

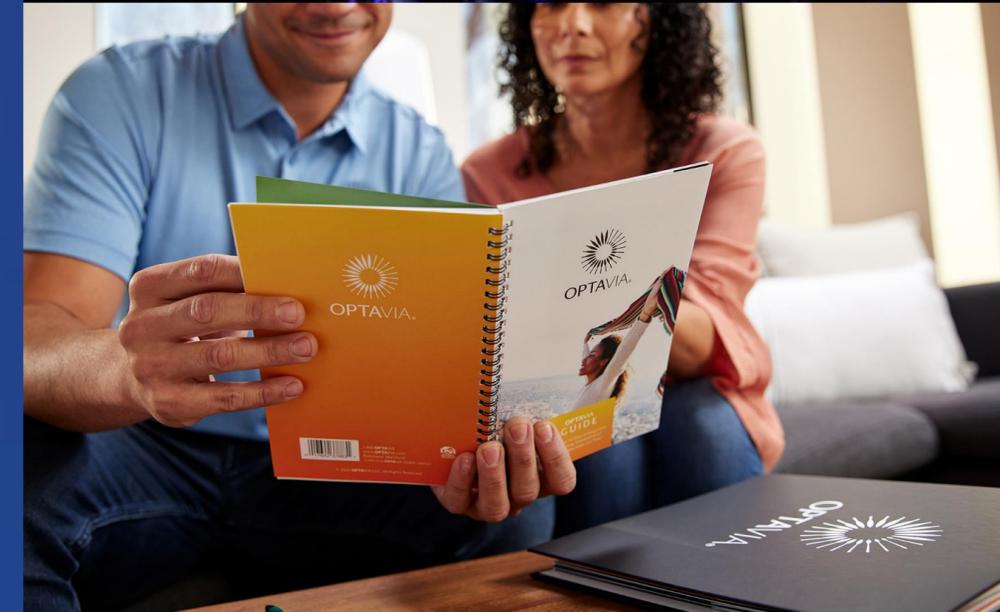
**Pew Research - A brief statistical portrait of U.S. Hispanics

ACTIONS

Securing the digital foundation
Creation of Spanish language website, and
localized Customer app

Building the Community
Coach workgroup to share best practices,
Recurring Habits of Health® tutorial calls

Speaking directly to this audience
Translation of critical collateral, culturally
relevant Lean & Green™ recipes, social
digital pilot



2023 Guidance

REVENUE

EPS

TAX RATE

\$1,050-1,070M

\$8.65-9.55

20.5-21.5%