



# Vital Farms, Inc.

(Nasdaq: VITL)

May 2025 Corporate Presentation

# Reporting Disclaimer

This presentation contains, in addition to historical information, certain “forward-looking statements” (within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended), that are based on our current assumptions, expectations and projections about future performance and events and relate to, among other matters, our future financial performance, our business strategy, industry and market trends, future expectations concerning our market position, future operations and capital expenditures. Statements in this presentation that are forward-looking include, but are not limited to, statements related to the company’s ability to acquire new customers and successfully retain existing customers, the Company’s ability to effectively manage long-term growth, market opportunity, specifications and timing around the planned egg washing and packing facility in Indiana, the effect of such facility on our future revenue, impacts of supply constraints, future growth and development of our farm network, anticipated growth, and future financial performance, including management’s outlook for fiscal year 2025 and management’s long-term outlook.

Forward-looking statements generally contain words such as “anticipates,” “approximately,” “believes,” “estimates,” “expects,” “may,” “plans,” “should,” “will,” and similar expressions. These forward-looking statements are only predictions, not historical fact. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation. Forward-looking statements are based on information available at the time those statements are made and/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 actual results to differ materially from expectations include, among others: Vital Farms’ expectations regarding its revenue, expenses, and other operating results; Vital Farms’ ability to attract new customers, to successfully retain existing customers, to attract and retain its suppliers, distributors, and co-manufacturers, and to maintain its relationships with members of its existing farm network and further expand its farm network and development of its accelerator farms; Vital Farms’ ability to sustain or increase its profitability; Vital Farms’ expectations regarding its future growth in the foodservice channel; Vital Farms’ ability to procure sufficient high-quality eggs, cream for its butter, and other raw materials; real or perceived quality or food safety issues with Vital Farms’ products or other issues that adversely affect Vital Farms’ brand and reputation; changes in the tastes and preferences of consumers; the financial condition of, and Vital Farms’ relationships with, its farmers, suppliers, co-manufacturers, distributors, retailers, and foodservice customers, as well as the health of the foodservice industry generally; the impact of agricultural risks, including avian influenza and egg drop syndrome; the ability of Vital Farms, its farmers, suppliers, and its co-manufacturers to comply with food safety, environmental or other laws or regulations; the effects of a public health pandemic or contagious disease on Vital Farms’ supply chain, the demand for its products, and on overall economic conditions and consumer confidence and spending levels; specifications and timing regarding Vital Farms’ planned egg washing and packing facility in Seymour, Indiana; the impact of such facility on Vital Farms’ future revenue, future investments in its business, anticipated capital expenditures and estimates regarding capital requirements; anticipated changes in Vital Farms’ product offerings and Vital Farms’ ability to innovate to offer successful new products or enter into new product categories; the costs and success of marketing efforts; Vital Farms’ ability to effectively manage its growth and to compete effectively with existing competitors and new market entrants; the impact of adverse economic conditions, international trade restrictions and tariffs, elevated interest rates, and inflation; the sufficiency of Vital Farms’ cash, cash equivalents, marketable securities and availability of credit under its credit facility to meet liquidity needs; seasonality; and the growth rates of the markets in which Vital Farms competes; and other risks and uncertainties detailed in Vital Farms’ Quarterly Report on Form 10-Q for the fiscal quarter ended March 30, 2025, which Vital Farms anticipates filing on May 8, 2025, and in its other filings made from time to time with the Securities and Exchange Commission (“SEC”). We are under no duty to update any of these forward-looking statements after the date of this presentation except as otherwise required by law.

This presentation also contains estimates and other statistical data obtained from independent parties and by us relating to market size and growth and other data about our industry, customers and consumers. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates and data. In addition, projections, assumptions and estimates of our future performance and the future performance of the geographic and other markets in which we operate are necessarily subject to a high degree of uncertainty and risk. Our historical results are not necessarily indicative of the results to be expected for any future periods and our operating results for the 13-week period ended May 8, 2025, are not necessarily indicative of the results that may be expected for any other interim periods or any future year or period.

## Non-GAAP Financial Measures

Adjusted EBITDA and Adjusted EBITDA Margin are financial measures that are not required by or presented in accordance with generally accepted accounting principles in the United States (“GAAP”). We believe that these measures, when taken together with our financial results presented in accordance with GAAP, provide meaningful supplemental information regarding our operating performance and facilitates internal comparisons of our historical operating performance on a more consistent basis by excluding certain items that may not be indicative of our business, results of operations or outlook. Adjusted EBITDA and Adjusted EBITDA Margin should not be considered as an alternative to net income (loss) income, net (loss) income per share, net cash provided by operating activities or any other performance measures derived in accordance with GAAP as measures of operating performance, operating cash flows or liquidity. Our presentation of Adjusted EBITDA should not be construed to imply that our future results will be unaffected by these items. See the appendix to this presentation for a reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin to net (loss) income, the most directly comparable financial measure presented in accordance with GAAP.

“Adjusted EBITDA” is defined as net income, adjusted to exclude: (1) depreciation and amortization; (2) stock-based compensation expense; (3) (benefit) or provision for income taxes as applicable; (4) interest expense; and (5) interest income.

“Adjusted EBITDA Margin” is defined as Adjusted EBITDA divided by net revenue.

Adjusted EBITDA and Adjusted EBITDA Margin are presented for supplemental informational purposes only, have limitations as analytical tools and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. Some of the limitations of Adjusted EBITDA and Adjusted EBITDA Margin include that (1) they do not properly reflect capital commitments to be paid in the future, (2) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect these capital expenditures, (3) they do not consider the impact of stock-based compensation expense, (4) they do not reflect other non-operating expenses, including interest expense; and (5) they do not reflect tax payments that may represent a reduction in cash available to us. In addition, our use of Adjusted EBITDA and Adjusted EBITDA Margin may not be comparable to similarly titled measures of other companies because they may not calculate Adjusted EBITDA and Adjusted EBITDA Margin in the same manner, limiting the usefulness as comparative measures. Because of these limitations, when evaluating our performance, you should consider Adjusted EBITDA and Adjusted EBITDA Margin alongside other financial measures, including our net income and other results stated in accordance with GAAP.

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# BIRD OF THE QUARTER



Bubbly Barbara marches across her paddock, enjoying the sensation of crunchy leaves underfoot.

# Our Values Are Rooted in Conscious Capitalism



We operate a

## **STAKEHOLDER MODEL**

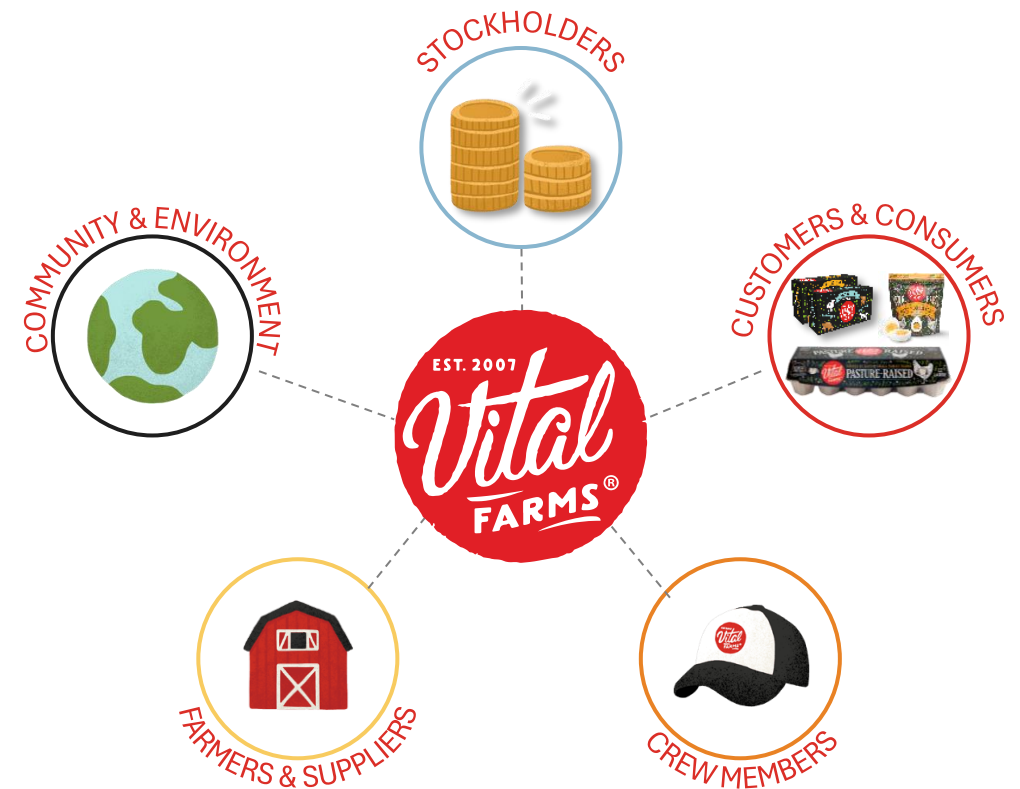
that prioritizes the long-term benefits of each of our stakeholders



Our approach has been validated by our designation as a

## **CERTIFIED B CORPORATION,**

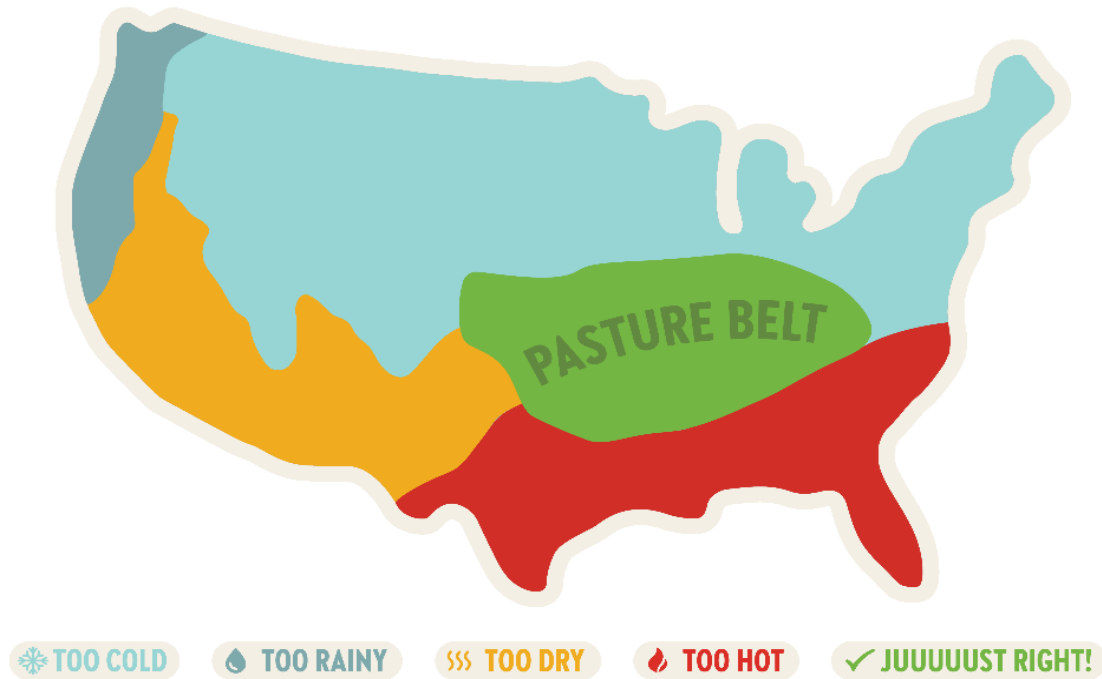
a certification reserved for businesses that balance profit and purpose to meeting the highest verified standards of social and environmental performance, public transparency, and legal accountability



These principles guide our day-to-day operations and, we believe, deliver a more **SUSTAINABLE AND SUCCESSFUL** business

# We have developed an alternative to factory farming practices

## Year-Round Production



## Our Framework

### LIVING CONDITIONS

OPEN AIR, 108 SQUARE FEET PER HEN

### FEED

OMNIVOROUS, INCLUDING GRAIN, PLANTS, INSECTS

### LAND MANAGEMENT

SUSTAINABLE PRACTICES

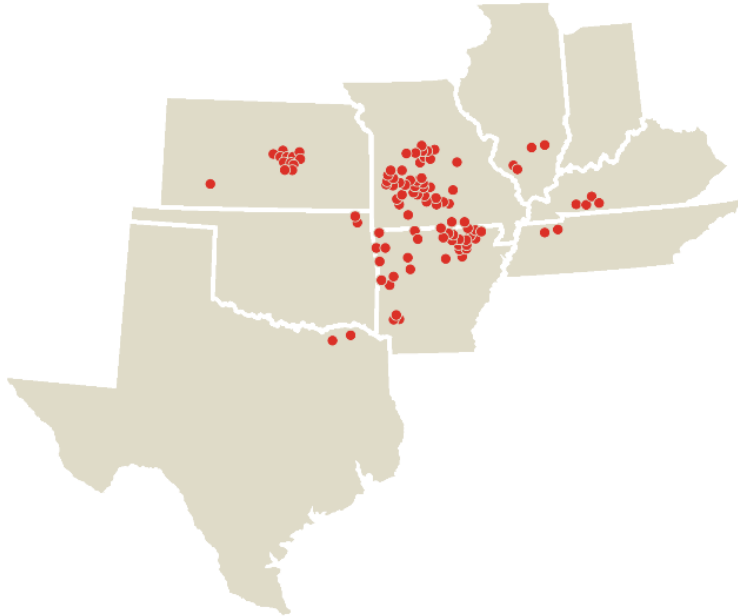
### NETWORK

DIRECT RELATIONSHIPS WITH FAMILY FARMS

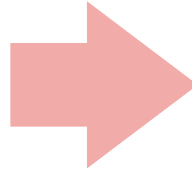


# Our model allows us to deliver quality at scale

Network of more than  
450 + Family Farms



WE  
AGGREGATE  
PRODUCTS  
FROM FARM  
NETWORK



EGG CENTRAL  
STATION

Springfield, MO

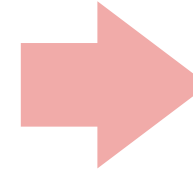
WASH, GRADE, PACK,  
SHIP, QUALITY  
CONTROL

REMOTE  
WORKFORCE

Across the United States

BRANDING, SELLING,  
SUPPORTING

WE DELIVER  
DIRECTLY TO  
CUSTOMERS  
AND THROUGH  
DISTRIBUTORS



National Distribution  
(Products in ~26,000  
Retail Stores)

RETAIL

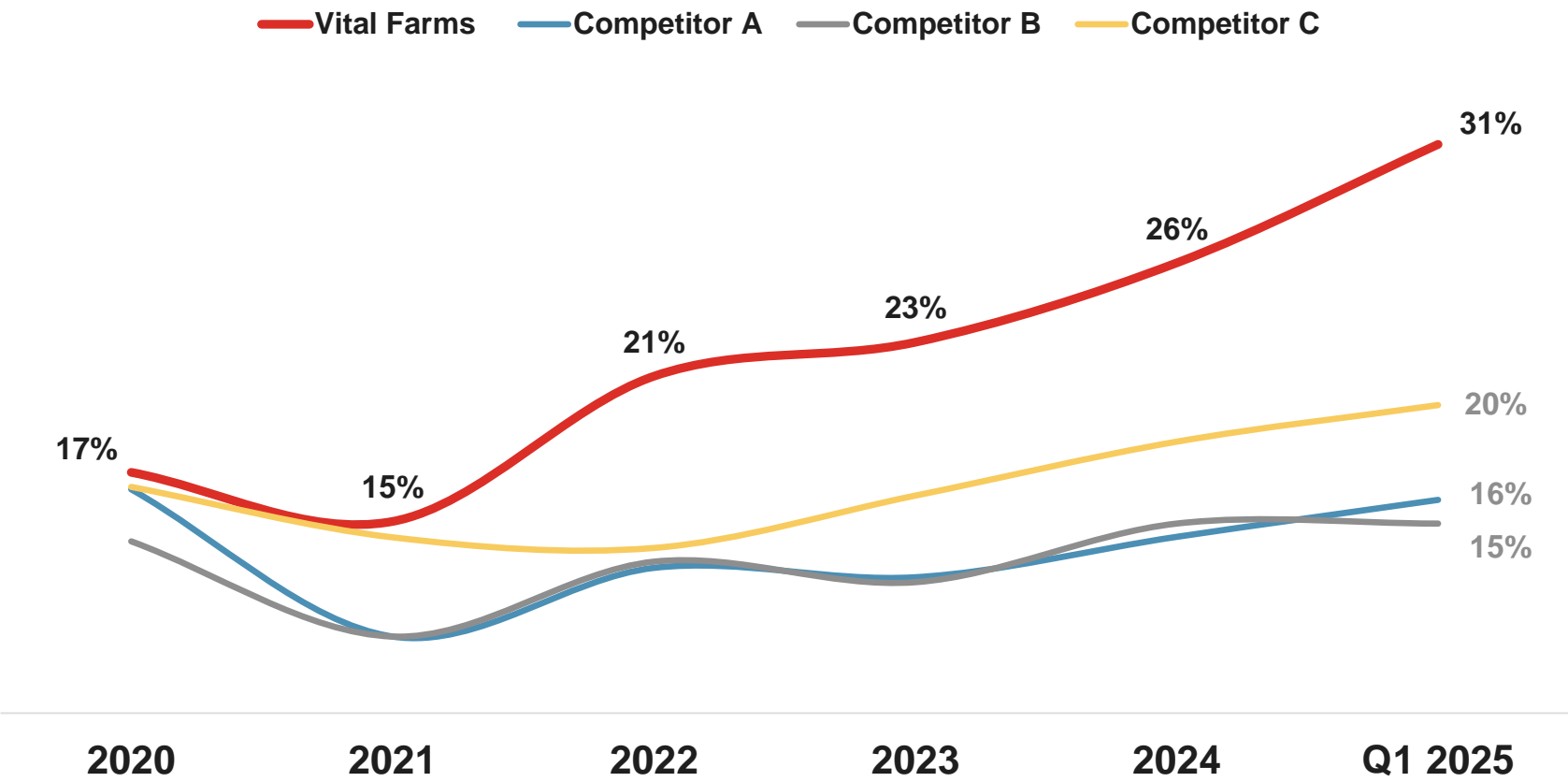
FOODSERVICE

# Performance Charts



# We have continued to grow aided brand awareness faster than our most relevant competitors

Aided Brand Awareness – Vital Farms and most relevant competitors



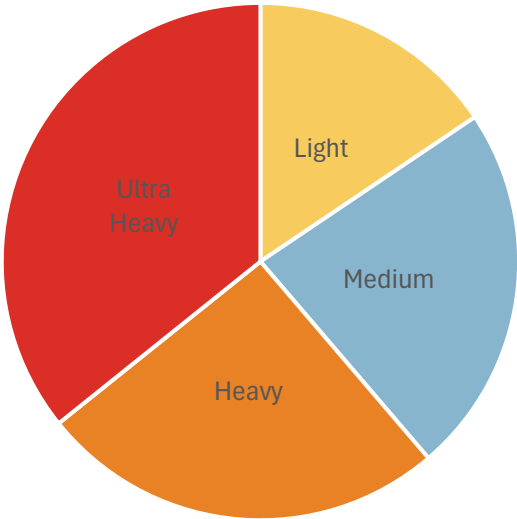
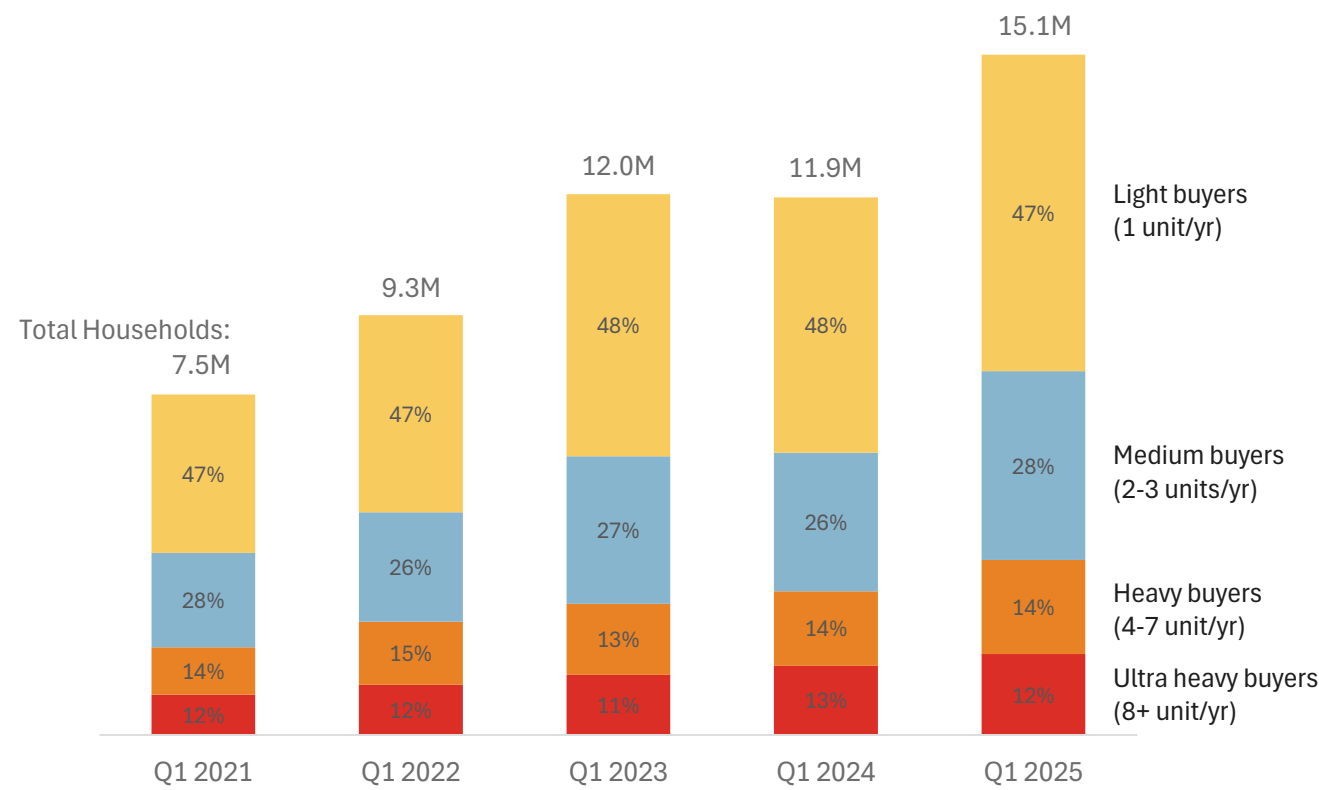
Source: Vital Farms Proprietary Brand Health Tracker



# Vital Farms has doubled its consumer base with in-line growth of heavy and ultra heavy buyers

Vital Farms segmentation of egg buyers by annual frequency of purchase

Total Q1 2025 volume purchased by each buyer segment



Source: Numerator, Total US, VF Shell Egg, 52 weeks ending 3/31/2025 and prior year 52 week periods

# Financial Update





# Q1 2025 KEY FINANCIAL METRICS

Net Revenue

**\$162M**

**+9.6%\***

Gross Margin

**38.5%**

**(127)bps\***

Adj. EBITDA

**\$27M**

**(5.5)%\***

Diluted EPS

**\$0.37**

**(14.7)%\***

\* Compared to prior year period.



# Financial Summary Highlights: Q1 2025 Update

## Highlights

- Net Revenue increased 9.6% to \$162.2 million in Q1 2025 versus Q1 2024. The increase in net revenue was driven by a volume-related and price/mix benefits.
- Volume growth was below trend due to limited egg supply; forecast for improving year-over-year volume growth beginning in Q2 2025.
- Gross profit was \$62.5 million, or 38.5% of net revenue, in Q1 2025 versus Q1 2024; Gross profit growth was driven by higher net revenue, scale and price/mix benefits, and favorable conventional commodity and diesel costs.
- Gross profit margin was down year-over-year due to increased investments in crew members and less efficient operations due to limited egg supply.
- Adj. EBITDA was \$27.5 million, or 16.9% of net revenue, in Q1 2025; the decrease in Adj. EBITDA was driven by higher crew member investments, partially offset by higher sales and gross profit.<sup>(1)</sup>

## Financial Performance

(\$ thousands)	Q1'25	Q1'24	% Change	\$ Change
<b>Net Revenue</b>	<b>\$ 162,189</b>	<b>\$ 147,929</b>	<b>9.6%</b>	<b>14,260</b>
<b>Gross Profit</b>	<b>62,513</b>	<b>58,897</b>	<b>6.1%</b>	<b>3,616</b>
<i>Gross Margin %</i>	<i>38.5%</i>	<i>39.8%</i>	<i>-127 bps</i>	
Income from Operations	21,769	24,169	-9.9%	(2,400)
Net Income	16,901	19,023	-11.2%	(2,122)
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 27,477</b>	<b>\$ 29,085</b>	<b>-5.5%</b>	<b>(1,608)</b>
<i>Adjusted EBITDA Margin<sup>(1)</sup></i>	<i>16.9%</i>	<i>19.7%</i>	<i>-272 bps</i>	



(1) See appendix for reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin

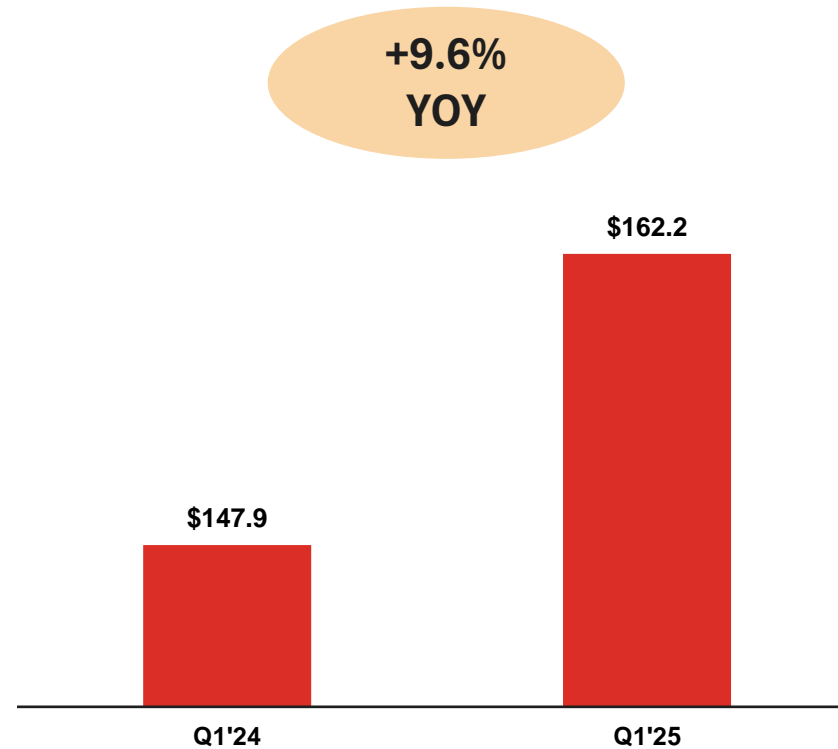


# Financial Summary Highlights: Net Revenue Growth

## Highlights

- Net revenue for Q1 2025 was \$162.2 million, compared to \$147.9 million for Q1 2024, representing growth of 9.6%.
- The increase was primarily driven by price/mix benefits and volume-related revenue growth of \$1.9 million.
- The increases in egg-related sales were driven by:
  - Improving product performance at new and existing customers
  - Price/mix benefits
- The increases in butter-related sales were driven by:
  - Rebound in distribution
  - Demand for the brand

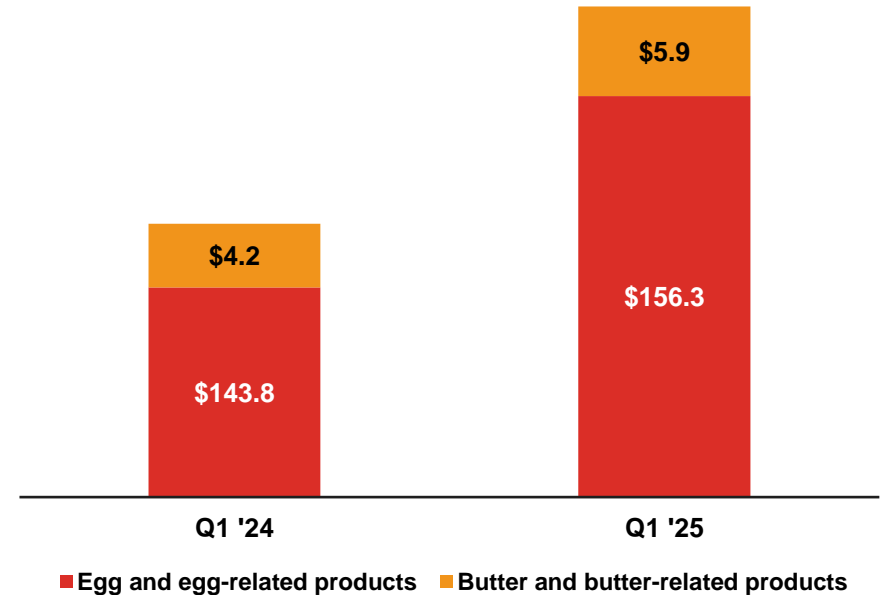
## Q1 '25 Net Revenue Growth (\$ Millions)



## Net Revenue by product segment

Growth Rates		
	Q1 '24	Q1 '25
Eggs	27%	9%
Butter	-35%	41%
Consolidated	24%	10%

## Product Segment Mix (\$ Millions)



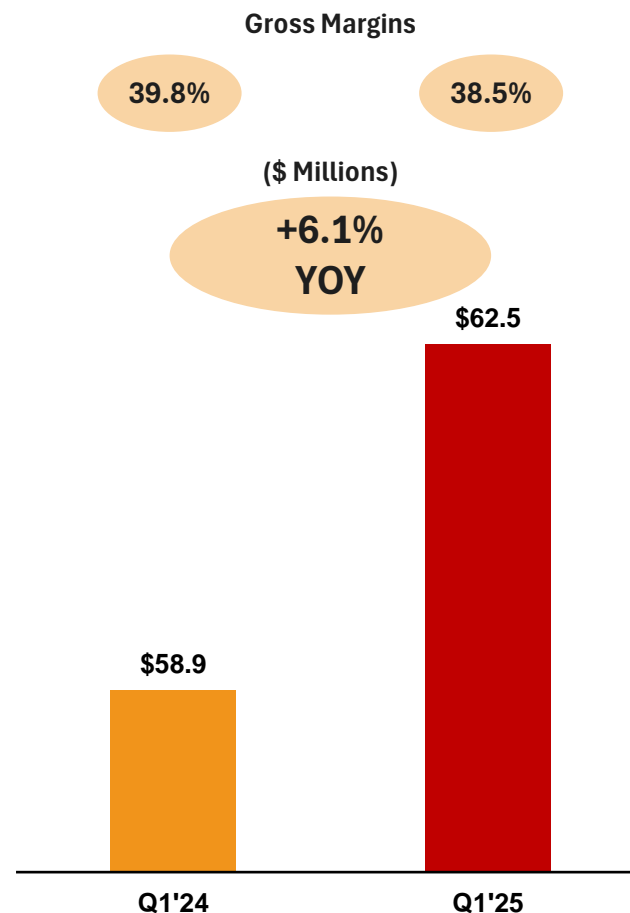
Note: These metrics are management goals only and are subject to a number of risks and uncertainties, including risks described in the "Risk Factors" in our Quarterly Report on Form 10-Q for the period ended March 30, 2025, which Vital Farms anticipates filing on May 8, 2025 and other filings and reports that the Company may file from time to time with the SEC.

# Financial Summary Highlights: Margin Performance

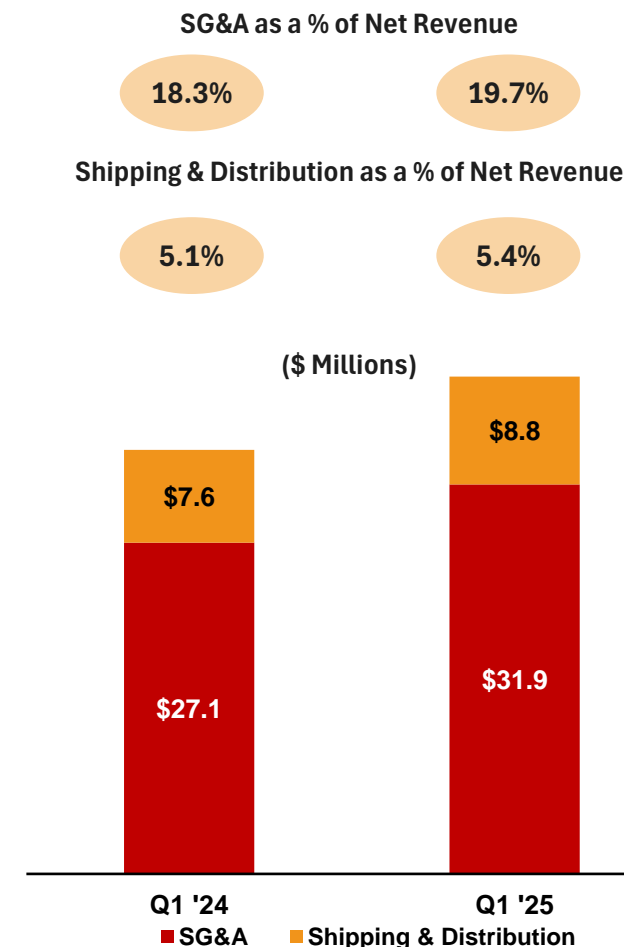
## Highlights

- Gross profit increased \$3.6 million in Q1 2025 versus Q1 2024, driven by greater net revenue, operational scale and price/mix benefits, and favorable conventional commodity and diesel costs.
- Gross margin was 38.5% in Q1 2025 versus 39.8% in Q1 2024, due to increased investment in crew members to keep pace with planned company growth.
- Selling, general, and administrative expenses increased by \$4.8 million. As a percent of net revenue, SG&A grew ~133 basis points in Q1 2025 versus Q1 2024.
- The increase in SG&A was driven by employee-related costs, professional service expenses, and technology and software-related expenses.
- Shipping and distribution increased \$1.2 million to \$8.8 million, or 5.4% of net revenue, in Q1 2025, compared to 5.1% of net revenue in Q1 2024.
- S&D increases were driven by a higher sales volumes and higher line haul and fuel rates.

## Gross profit and margin



## Operating Expenses



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# Our reiterated 2025 guidance keeps us on the path to our 2027 targets

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NET REVENUE

At least \$740 Million

ADJUSTED EBITDA

At least \$100 Million

CAPTIAL  
EXPENDITURES

\$50 to \$60 Million



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Reconciliation of Adjusted EBITDA on a forward-looking basis to net income, the most directly comparable GAAP measure, is not available without unreasonable efforts due to the high variability and complexity and low visibility with respect to certain charges excluded from this non-GAAP measure, including depreciation and amortization, stock-based compensation expense, provision for income tax, interest expense and interest income. Vital Farms expects the variability of these items could have a significant, and potentially unpredictable, impact on its future GAAP financial results.

# We are aiming to deliver \$1 billion in net sales by 2027

NET REVENUE

\$1 Billion

GROSS MARGIN

~35%

ADJUSTED  
EBITDA MARGIN

12% to 14% of Net Revenue



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# APPENDIX

# Adjusted EBITDA reconciliation

(\$ thousands)	13-Weeks Ended	13-Weeks Ended
	30-Mar-25	31-Mar-24
<b>Net income</b>	<b>\$ 16,901</b>	<b>\$ 19,023</b>
Depreciation and amortization	3,259	3,211
Stock-based compensation expense	2,853	1,982
Provision for income tax	5,441	5,702
Interest expense	234	255
Interest income	(1,211)	(1,088)
<b>Adjusted EBITDA</b>	<b>\$ 27,477</b>	<b>\$ 29,085</b>
<i>Net Income as a % of Net Revenue</i>	<i>10.4%</i>	<i>12.9%</i>
<b>Adjusted EBITDA Margin</b>	<b>16.9%</b>	<b>19.7%</b>
<b>Net Revenue</b>	<b>162,189</b>	<b>147,929</b>



Note: These metrics are management goals only and are subject to a number of risks and uncertainties, including risks described in the "Risk Factors" in our Quarterly Report on Form 10-Q for the period ended March 30, 2025, which Vital Farms anticipates filing on May 8, 2025 and other filings and reports that the Company may file from time to time with the SEC.