

Medifast Q4 2022 Earnings Presentation

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Safe Harbor Statement

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Medifast Q4 2022 Highlights

- Q4 2022 Revenue and EPS above high-end of guidance range
- Operating cash flows improved by 106%
- Debt free as of December 31, 2022
- Customer retention levels remained at historical norms even with November 2022 price increase

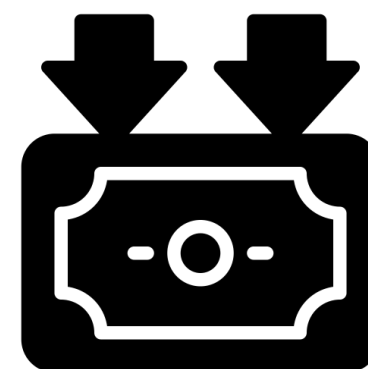
Medifast By The Numbers: Q4 2022

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\$337M

REVENUE



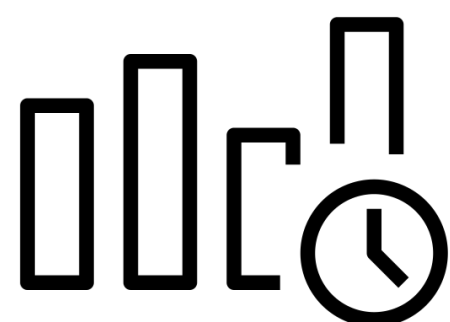
\$33M / \$53M

GAAP / Non-GAAP¹
OPERATING INCOME



\$2.41 / \$3.70

GAAP / Non-GAAP¹ EPS



\$5,538

REVENUE PER COACH



60,900

ACTIVE EARNING
COACHES



\$88M

CASH & CASH EQUIVALENTS

¹ Refer to the Reconciliation of Selected GAAP Measures on the Q4 Earnings Release on the Company's Investor Relations website at <https://ir.medifastinc.com/>

Medifast Key Initiatives & Outlook for 2023

- Customer acquisition remains a key focus
- Guidance reflects difficult comp in H1 2023
- Margin enhancement program will optimize investments to drive further growth over next three years
- Long-term focus on enterprise value investments and return of capital

Q1 2023 Guidance

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REVENUE

EPS

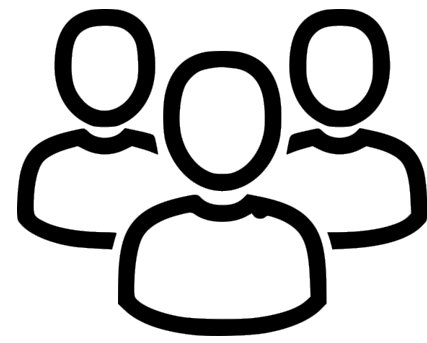
TAX RATE

\$300-320M

\$1.75-2.40

26.00-27.00%

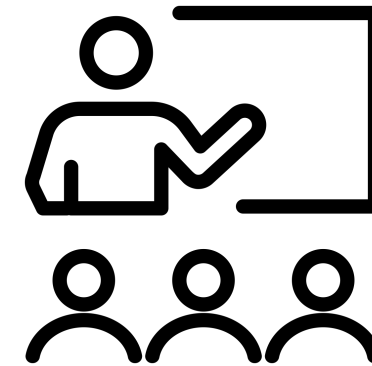
Customer Acquisition Initiatives



Programming

Implement enhanced programs, such as **Commit to Health**, to help:

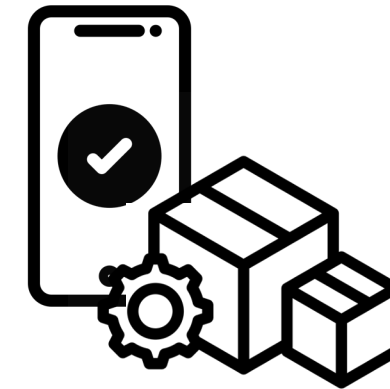
- Coaches attract & engage new Customers
- Incentivize repeat orders
- Increase long-term retention



Coach Support/Training

Offer an enriched training & development curriculum, including **Coach Bootcamps**, to support:

- New/existing Coaches build their business
- Drive engagement & encourage growth



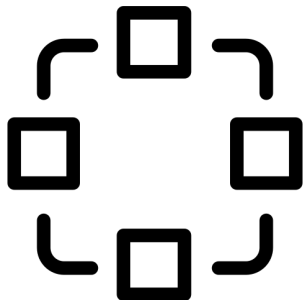
Offer

Innovate/expand digital products & offerings to enhance the **OPTAVIA** experience via:

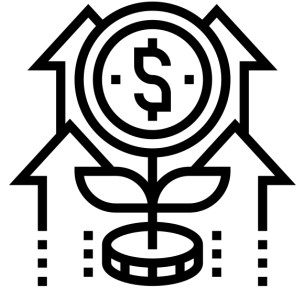
- Enhanced tools that aid Customers on their wellness journey
- Tech support that improves Coach productivity

Capital Allocation

2020 - 2022



\$378M
2020-2022
FREE CASH FLOW



\$189M
2020-2022
DIVIDENDS



\$187M
2020-2022
STOCK BUYBACKS

2023 and Beyond

- 1** Maintain sufficient cash balance for organic growth
- 2** Maintain and continue to grow dividend
- 3** Consistently apply excess funds to stock repurchases
- 4** Maintain a conservative balance sheet with a low amount of leverage