



CENTRAL

GARDEN & PET

2020

**Investor
Day**

12.03.20



Welcome

Friederike Edelmann

Vice President, Investor Relations



Agenda

Intro to Central and Our *Central to Home* Strategy

Tim Cofer

CHIEF EXECUTIVE OFFICER



Break

Pet Business

John Hanson

PRESIDENT, PET CONSUMER



Garden Business

J.D. Walker

PRESIDENT, GARDEN CONSUMER



Corporate Social Responsibility

Clare Schueren

VP, SUSTAINABILITY & CSR



People & Culture

Marilyn Leahy

SVP, HUMAN RESOURCES



Financial Overview

Niko Lahanas

CHIEF FINANCIAL OFFICER



Wrap Up

Tim Cofer

CHIEF EXECUTIVE OFFICER



Break

Q&A

Executive Panel

Forward Looking Statements

This presentation includes “forward-looking statements.” Forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, plans or intentions relating to acquisitions, our competitive strengths and weaknesses, our business strategy and the trends we anticipate in the industries in which we operate and other information that is not historical information. There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in this presentation, which are described in Central’s filings with the SEC. Central undertakes no obligation to publicly update these forward-looking statements to reflect new information, subsequent events or otherwise, except as required by law.

This presentation contains certain non-GAAP financial measures. For a reconciliation of GAAP to non-GAAP financial measures, please see the Reconciliation of GAAP to non-GAAP in the Appendix of this presentation or in our most recent Form 10-K and Form 10-Q.



Introduction to Central and *Our Central to Home Strategy*

Tim Cofer

Chief Executive Officer



Key Takeaways



Garden & Pet are highly attractive and resilient growth industries



Central is an industry leader with a strong foundation and untapped potential



Our new *Central to Home* strategy sets a bold ambition for the future with encouraging early results



We are confident in our plans to deliver significant long-term shareholder value

Pet is an Attractive Growing Industry

Large Market

\$101B Industry

Growing & Resilient

~4% Growth Rate

Broad Consumer Base

90% Household Penetration

Strong Tailwinds

Aligned with Consumer Trends

Favorable Pet Industry Trends



Humanization

95% of pet owners see pets as family



Health & Wellness

Pet H&W supplies growing 70% faster than 2 years ago



eCommerce

Pet eCommerce has grown 5x in the past 5 years



Convenience

68% of Chewy sales are auto-ship subscription

Encouraging Pet Population Growth

Growth is disproportionately
fueled by young adults

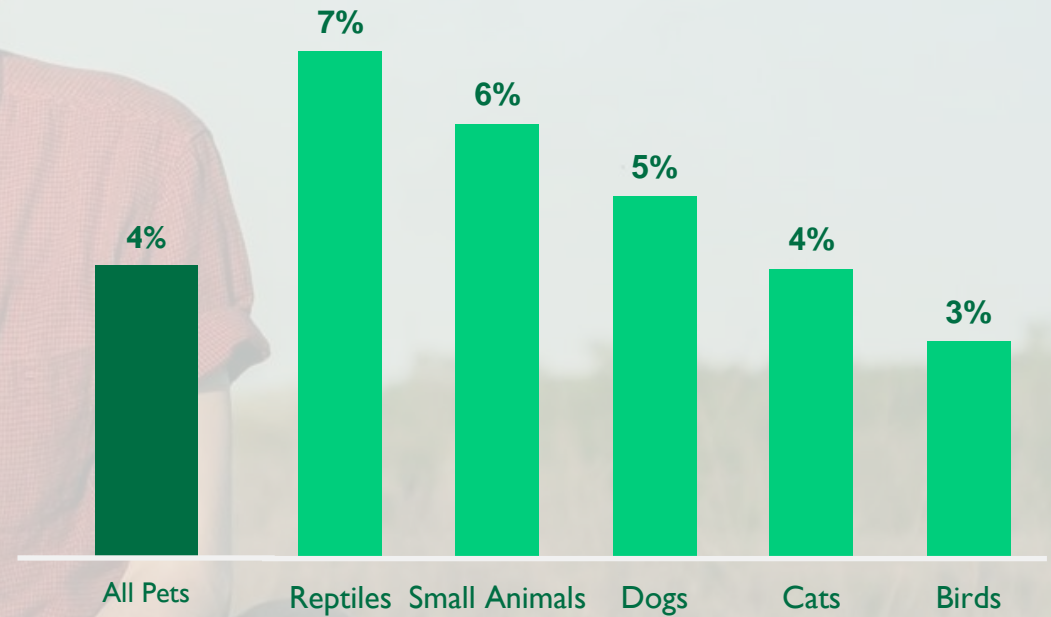
+2.7MM

 New households
with pets in 2020

57%

Of new pet owners are
Millennials and Gen Z

2019-20 Pet Household Growth



Garden is an Attractive Industry

Large Market

\$33B Industry

Resilient Industry

~1% Growth Rate

Broad Consumer Base

73% Household Penetration

High Consumer Engagement

Strong Retention & Loyalty

Strong Garden Industry Trends



Sustainability

82% of gardeners believe they have a responsibility to be environmentally friendly



Homesteading

70% of homeowners are doing more home projects




eCommerce

Emerging Home & Garden eCommerce growing 2x faster than category

Significant Growth in Lawn & Garden Household Penetration



7.1MM

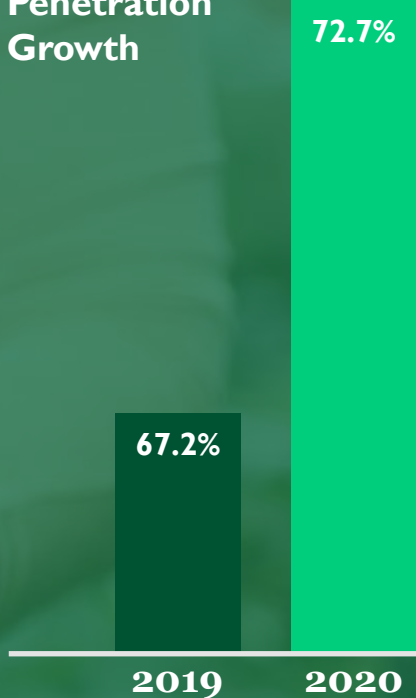
 New households entered the category

75%

Of new buyers are Millennials and Gen Z

+5.5 points

Household Penetration Growth



Central has a Strong Foundation for Sustainable Growth

Proven track record of M&A

Strong relationships with retailers built over 40 years

Robust financial performance

Superior manufacturing and distribution network

Leading brand portfolio across key Garden and Pet segments

Experienced leadership team & entrepreneurial culture

Broad Portfolio Across Garden & Pet

Garden

2



Lawn & Garden Consumables

Pet

2



Pet Supplies (ex- Dog & Cat Food, Cat Litter)

- Major Participant
- Meaningful Participant
- Minor Participant

	CENTRAL GARDEN & PET	Scotts	Spectrum Brands	scJohnson
Controls	Major Participant	Major Participant	Major Participant	Major Participant
Grass Seed	Major Participant	Major Participant	Major Participant	Major Participant
Wild Bird	Major Participant	Major Participant	Minor Participant	Major Participant
Fertilizers	Major Participant	Major Participant	Major Participant	Major Participant
Live Plants	Meaningful Participant	Meaningful Participant	Major Participant	Major Participant
Growing Media & Mulch	Major Participant	Major Participant	Major Participant	Major Participant

	CENTRAL GARDEN & PET	MARS	Spectrum Brands	SMUCKERS
Dog & Cat Supplies	Major Participant	Major Participant	Minor Participant	Major Participant
Dog Treats & Chews	Meaningful Participant	Major Participant	Major Participant	Major Participant
Aquatics Supplies	Major Participant	Meaningful Participant	Major Participant	Major Participant
Small Animal Supplies	Major Participant	Major Participant	Meaningful Participant	Major Participant
Pet Bird Supplies	Major Participant	Major Participant	Meaningful Participant	Major Participant
Reptile Supplies	Meaningful Participant	Minor Participant	Meaningful Participant	Major Participant
Equine Supplies	Major Participant	Major Participant	Major Participant	Major Participant
Professional	Major Participant	Meaningful Participant	Major Participant	Major Participant
Live Pets (ex-Dog & Cat)	Major Participant	Major Participant	Minor Participant	Major Participant
Dog & Cat Food	Major Participant	Major Participant	Major Participant	Major Participant
Cat Treats	Major Participant	Major Participant	Minor Participant	Major Participant
Cat Litter	Major Participant	Minor Participant	Meaningful Participant	Major Participant
Services (Vet/Non-Medical)	Major Participant	Major Participant	Major Participant	Major Participant

Leading Brands Across Attractive Segments



Pet



#1 in Pet Bird



#1 in Small Animal



#1 in Suet



#2 in Aquatics



#2 in Dog Toys



#2 in Dog Pads



#3 in Reptile



#3 in Calming Products

Garden



#1 in Wild Bird



#2 in Grass Seed



#2 in Fertilizer



#3 in Controls



Professional



#1 in Farm
Insect Control



#1 in Municipal
Mosquito Control

Note: Segment ranking includes Central brands and private label partnerships

Outstanding 2020 Results

Net Sales

\$2.7B
+13%

EBIT

\$198MM
+30%

EPS

\$2.20
+37%

Cash & Cash Equiv.

\$653MM
+\$155MM

Proven Track Record of M&A

50
Acquisitions
over the last
25 years

AMDRO IRONITE Nylabone CHEWS BEST ARDEN COMPANIES four paws
KAYTEE PET ins Farnam ESU ENERGY SAVERS UNLIMITED
K&H PET PRODUCTS envincio EARTH JUICE KENT MARINE
CS WILD BIRD SPECIALTY PRODUCTS GENERAL PET SUPPLY Sevin GARDEN TECH BUG KILLER DMC Dallas Manufacturing Company
Segrest Farms™ PENNINGTON THE GRASS SEED PEOPLE
GRANT'S KILLS ANTS AQUEON it's all about the fish. NEW ENGLAND potttery AMERICA'S PLANTER RESOURCE Interpet Bell NURSERY

Long-Standing Deep Relationships with Our Retail Partners



- 40 years of outstanding partnerships with top tier retailers
- Strong joint business planning
- Private label producer for many retailers in key categories
- Emerging eCommerce leadership

Superior Manufacturing & Distribution Network



National footprint with
~100 sales, logistics,
manufacturing sites















Strong distributor
capabilities in
Garden & Pet



Low-cost producer
in several categories

Strong & Experienced Leadership Team

						
	Tim Cofer CEO	Niko Lahanas CFO	John Hanson President, Pet Consumer Products	J.D. Walker President, Garden Consumer Products	Glen Axelrod Senior Vice President, Dog & Cat Brands	Dan Pennington Senior Vice President, Wild Bird, Chemicals & Fertilizers
Consumer	30 years	14 years	29 years	39 years	25 years	42 years
Central	1 year	14 years	1 year	10 years	23 years	42 years

						
	Ken Elsbury Senior Vice President, Central Life Sciences	Mike McGoohan Senior Vice President, Marketing & Strategy	Marilyn Leahy Senior Vice President, Human Resources	Jon Balousek President, Corporate Development	Chris Walter Senior Vice President & Chief Information Officer	George Yuhas General Counsel & Secretary
Consumer	25 years	17 years	25 years	26 years	23 years	10 years
Central	New	New	9 years	New	15 years	10 years

Combination of Deep Central Experience and Relevant Consumer Industry Experience





Thank You
Team
CENTRAL!

Our foundation is strong

and our future is bright



Our New Purpose & Mission

Our Purpose

Nurture happy & healthy homes

Our Mission

Lead the future of the Garden & Pet industries... one blade of grass and one wagging tail at a time

Our New Identity



**Home is central to life,
we are Central to home**



What We Believe

Our Central to Home Strategy



CONSUMER

Build and grow brands
Consumers love



CUSTOMER

Win with winning
Customers and
Channels



CENTRAL

Fortify the Central
Portfolio



COST

Reduce Cost to
improve margins and
fuel growth



CULTURE

Strengthen our
entrepreneurial,
business-unit led
growth Culture



CONSUMER

Build & grow brands
Consumers love



Deeply understand
our consumers



Build distinctive
and winning brands



Invest in demand creation
to accelerate organic growth



Create disruptive
innovation platforms



Innovating for Growth



- Cat Care Product of the Year
- +70% brand growth in 2020
- A leading drug-free calming solution

- Ease of use: multiple treatments in a single application
- Produces a thicker, greener lawn
- +53% POS vs. PY



Investing in Digital Marketing



Digital problem-solution content program

Results

- Website Traffic **+148%**
- D2C Sales **+45% vs PY**



Tips for Biking with Your Bike
Of course, you first want to make sure your dog can safely tag along on your bike ride. Some



Winter Housing for Rabbits
Rabbits prefer temperatures of about 60-65 degrees Fahrenheit, but they are comfortable in



Why Chicks Need Help Staying Warm
Birds are warm-blooded, which means they can maintain a consistent body temperature



Latino consumer content strategy

Results

- Consumer Engagement **+275%**
- Total Sales **+28% vs PY**



How to Plant, Grow and Harvest Tomatoes
Sun-ripened, juicy tomatoes harvested from your home garden offer taste sensations that



Control and Prevent Squash Bugs in Your Garden
If you have cucurbit vegetables such as pumpkins or summer and winter squash on your



Prevent and Control Fungal Disease
Whether you're new to gardening or consider yourself a seasoned pro, the joy



CUSTOMER

Win with winning
Customers & Channels



Build a leading
eCommerce platform



Strengthen relationships
with winning customers



Respond to channel shifts



Improve sales capabilities





CUSTOMER

Build a Leading eCommerce Platform

Developing Winning Capabilities

Activation



Assortment



Content



Availability



eCommerce Flywheel



Search

\$209MM

2020 eCommerce Sales

+55%

2020 Sales growth

~20%

Of business in Pet,
3% of Garden

amazon
chewy

Top 10
Customers for
Central



CENTRAL

Fortify the Central
Portfolio

- Drive a strong portfolio strategy
- Acquire or venture to build scale in core & adjacent categories
- Exit underperforming & non-core business
- Ensure a safe, responsible and sustainable future





CENTRAL

M&A Remains a Growth Driver

Our M&A Priorities

- 1 Build scale in core categories
- 2 Enter priority adjacencies
- 3 Enhance key capabilities
- 4 Pursue portfolio optimization

Preferred Acquirer in our Industries

- Track record of M&A success
- Focused on maintaining entrepreneurial-led culture
- Immediate distribution and supply chain scale benefits
- Merchandising, category management leadership
- Stellar balance sheet and access to capital

Seeking growth and margin accretive, brand-focused companies with talented management teams



CENTRAL



Launching



CENTRAL
VENTURES

Establishing new \$20MM venture fund

Seeking to partner with leading innovators in Garden and Pet and leverage Central's capabilities to accelerate growth

Focused on emerging growth companies in:

- **Sustainability**
- **Health & Wellness**
- **Digitally Connected Products & Services**

Current portfolio examples:

LUCY
PET

 casco pet

**BACK TO THE
ROOTS**



CENTRAL

Strengthen Portfolio with Focus on Social Responsibility



CENTRAL

IMPACT

Community Health

Employee Wellbeing

Sustainability



COST

Reduce Cost to improve margins & fuel growth

- Perform with excellence everyday
- Drive net productivity and continuous improvement
- Capture scale and collaboration benefits across business units
- Improve cash conversion cycle





COST

Generating Fuel for Growth



Scaling Procurement



Investing in Efficient Capacity



Optimizing G&A



Strengthen our entrepreneurial,
business-unit led growth culture



Develop, recruit & retain top talent



Build capabilities and simplify how we work



Cultivate a digital-first business



Make Central a great place to work and embrace diversity and inclusion





CULTURE

Building a Winning Growth Culture



1

Nurture our Entrepreneurial Spirit

2

Invest in Growth Capabilities

6

Leverage our Collective Expertise to Win



5

Refresh our Values to Support our Growth Ambition

3

Promote an Agile and Flexible Approach

4

Increase External Focus and Consumer Orientation

Committed to Driving Results



**Deliver Top-Tier
Financial
Performance**



**Build Strong
Portfolio with
Leading Brands**



**Be the Destination
for Top Talent
in Garden & Pet**

Pet Business

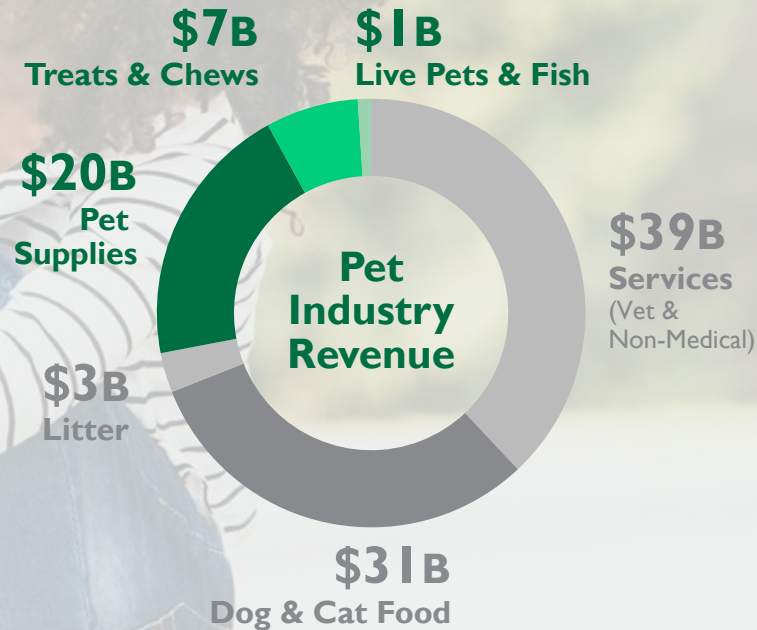
John Hanson

President, Pet Consumer Products



Pet is a Dynamic Growth Industry

Central plays in ~\$28B of \$101B Pet industry



Strong growth dynamics

Fragmented competitive set across categories

Broad distribution across retail channels

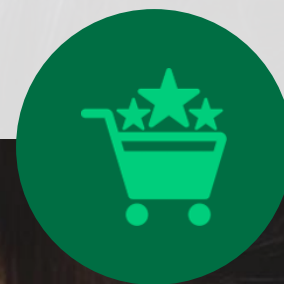
Growing eCommerce channel, accelerated by COVID

Central is a Leader in the Pet Segment

Net Sales of
\$1.6B
in FY 2020



Consumer &
professional
businesses with
leading brands



~65% Branded
~20% Distribution
~15% Private Label



Outstanding 2020 performance
in COVID-challenged environment

+13%

Net Sales

+26%

EBIT













+37%

eCommerce

Leading Portfolio of Brands



Our Leadership Positions

Categories	Leading brands	
Dog & Cat	#2  CHEWS BEST™ Dog Toys	#2  Dog Pads
	#3  Calming Products	
Aquatics	#2  it's all about the fish. Aquatics	
Small Animal	#1  Small Animal	
Bird	#1  Pet Bird	#1  Suet
Reptile	#3  Reptile	
Equine	#2  Fly Spray	
Live Pets (ex-Dog & Cat)	#1  Live Pet (ex Dog & Cat)	
Professional	#1  Farm Insect Control	#1  Municipal Mosquito Control

Innovation Expands our Industry Leadership



Clean & Cozy
Extreme Odor Bedding

+50%
Share gain in
Paper Bedding



Bone Broth
Dog Bones

+\$10MM
Sales in
year one



**Food From
the Wild**

+2.6pp
Share gain in Small Animal
Food at launch customers



CONSUMER

Investing in Demand Creation



Clean & Cozy
Extreme Odor Bedding

Online Display
Of the overall sales

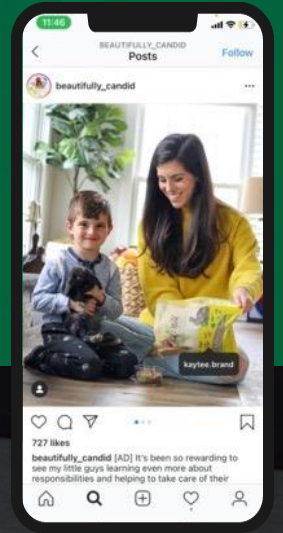
29% | New Brand Buyers



Food From the Wild

Influencer Marketing
Engagement Rate

4x
Norm
13MM
Impressions





Kaytee Video



CUSTOMER

Positioned to Win in Every Channel

- Leading category insights and solutions to drive industry growth
- Strong relationships across customers and channels
- Emerging strength in eCommerce
- Tenured Pet industry sales leadership





CUSTOMER

Winning in eCommerce

Stellar 2020 Results

\$184MM

in Sales

~20%

of Pet Consumer business

+37%

Growth

Gaining Share in majority of categories

We have a **BOLD** ambition



2x

our eCommerce business by 2025



CUSTOMER

Pet Distribution Generates Competitive Advantage



Largest
Assortment of supplies in
Pet distribution

Our Portfolio

Third-Party Brands



~80%

~20%

Who We Serve



9,800+
Retailers



6,400+
Vet clinics

Competitive Advantages

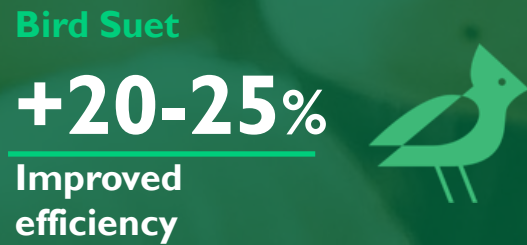
- Insight into leading consumer trends
- Channel leadership in Pet Specialty
- Strengthened category management with top customers
- Access to emerging brands for M&A



COST

Generating Savings to Fuel Growth

Investing in Automation



Expanding Capacity



Optimizing Freight & Logistics



Key Takeaways: Pet Business



Pet is a dynamic industry with strong consumer tailwinds



Central is a leader in Pet with untapped growth potential



We are executing well with outstanding 2020 results

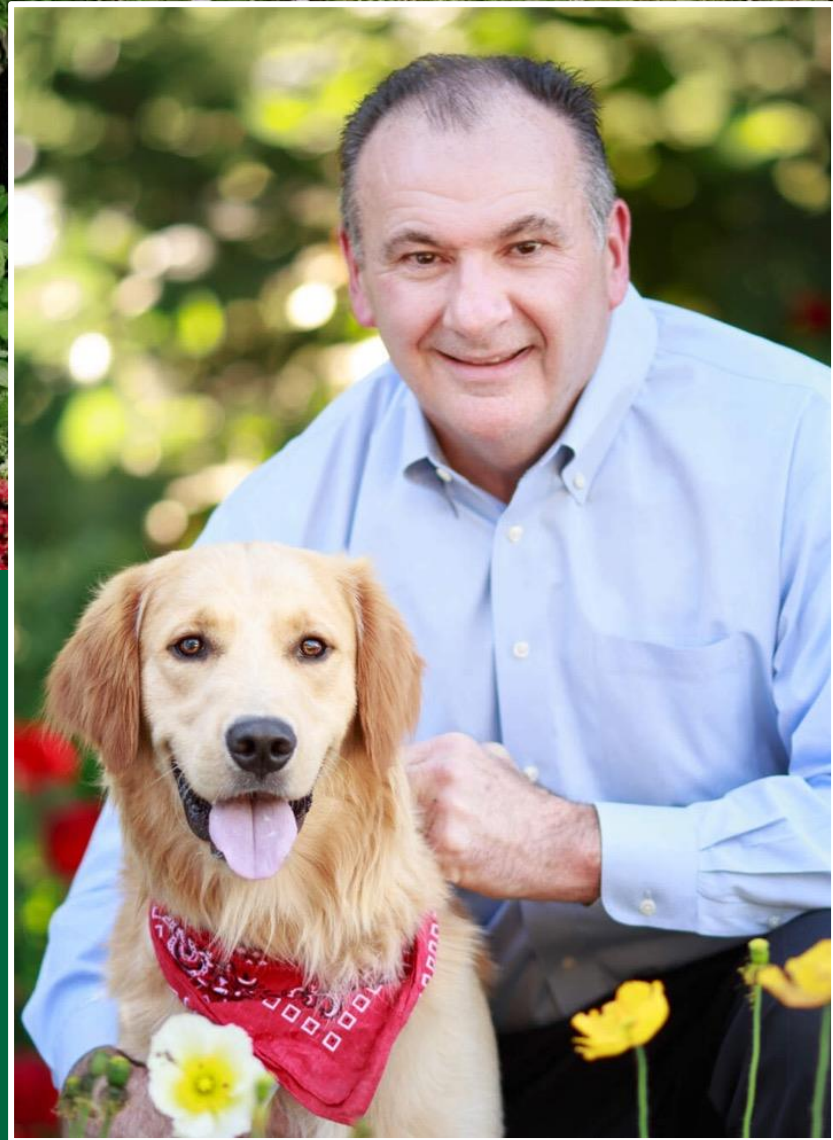


We have a bold consumer-centric growth strategy and are confident in our future

Garden Business

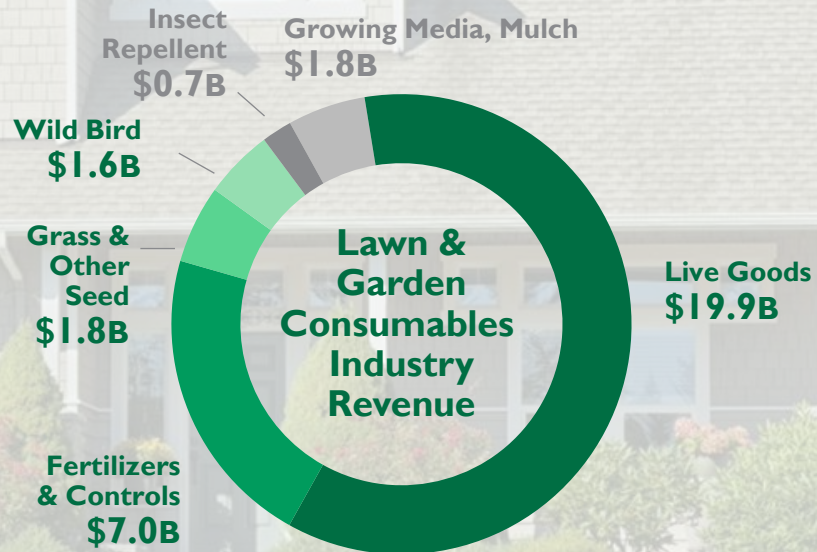
J.D. Walker

President, Garden Consumer Products



Garden is an Attractive Industry

Central plays in ~\$30B of \$33B Lawn & Garden Consumables Industry



Seasonal business

Dominated by home centers and mass merchandisers

Underpenetrated in eCommerce, but accelerating

Central one of few large players in a fragmented industry

Central is a Leader in the Garden Segment

Net Sales of
\$1.1B
in FY 2020



>70%
Sales from
Top 3 customers



~60% Brands
~20% Distribution
~20% Private Label



Outstanding 2020 performance
in **COVID-challenged** environment

+14%
Net Sales

+30%
EBIT

+192%
eCommerce

Leading Portfolio of Brands

Our Leadership Positions

Categories	Segment Position	Leading brands
Wild Bird	#1	
Grass Seed	#2	
Fertilizer	#2	
Controls	#3	
Live Plants	#3	

Note: Segment ranking includes Central brands and private label partnerships; Bell ranking at largest U.S. Live Goods retailer

Building Brands Consumers Love



PENNINGTON
THE BIRD FOOD PEOPLE®

Wild Bird

+26%

Sales at Top 3



PENNINGTON
THE GRASS SEED PEOPLE®

Grass Seed

+12%

Sales at Top 3



PENNINGTON
THE FERTILIZER PEOPLE®

Fertilizer

+27%

Sales at Top 3



Investing Behind Winning Innovation

Pennington Lawn Booster

+\$10MM

Sales in year one



Marketing Campaign

+130%

Conversion rate

+145%

Page views

56%

Of engagement from women





Pennington Video



CUSTOMER

Positioned to Win in Every Channel

Winning at the Big 3

- Outstanding customer relationships
- Tenured Sales team with deep Lawn & Garden expertise
- Leveraging our unique portfolio and consumer insights to tailor category solutions
- Best in class retail activation and execution with 1,000+ merchandisers in store in peak season



Strengthening our Positions in Emerging Channels

+192%

Growth in eCommerce

+67%

Growth in Farm & Ranch

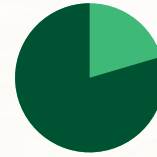
+28%

Growth in Hardware



CUSTOMER

Garden Distribution Generates Competitive Advantage



~20%
of Garden
Sales



+33%
2020 Sales
Growth

Largest

National U.S. Distributor
in Lawn & Garden

Who We Serve

4,200
Customers

38,000
Stores

Competitive Advantages

- Preferred partner for largest retailers in the U.S.
- Strengthened customer partnerships, category management
- Insight into leading consumer trends
- Access to emerging brands for M&A



COST

Generating Savings to Fuel Growth

SG&A Optimization

- Reduce network complexity
- Portfolio management
- Investments to drive net productivity

Improving Efficiency

- Large scale project
- Simplify manufacturing footprint
- Expand capacity
- Enhance automation

SG&A  ~3pp
Over the last 5 years

5-10%

Annual cost savings starting in 2022

Key Takeaways: Garden Business



Garden is a resilient industry with a broad base of loyal consumers



Central is a strong leader in Garden with untapped growth potential



We are executing well with outstanding 2020 results



We have a bold consumer-centric growth strategy and are confident in our future



Corporate Social Responsibility

Clare Schueren

Vice President, Sustainability & CSR



Social Responsibility is Imperative to Our Future



Grounded in our purpose to nurture happy & healthy homes



CSR has been a core part of our DNA for 40 years



Important to our stakeholders



CSR is integrated within our growth strategy



Critical to our mission to lead the future of the garden and pet industries

Comprehensive Assessment to Develop our Impact Strategy



**Standards &
Ratings**



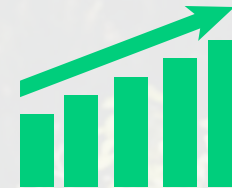
**Consumer
Research**



**Customer
Engagement**



**Expert
Interviews**



**External
Benchmarking**

Our *Central to Home* Impact Strategy



CENTRAL

IMPACT

- Community Health
- Employee Wellbeing
- Sustainability

Key stakeholders

- Investors
- Employees
- Communities
- Consumers
- Customers
- Suppliers
- Government officials



Community Health

Our Commitment

Empowering communities where our consumers, customers and employees live

Our Focus Areas

- Maximize impact where there is the greatest human and pet need
- Make volunteering easier for our employees and their families

2020 Highlights

\$1MM in donations to Habitat for Humanity



\$1MM in product donations to support animal rescues



30,000 masks donated to support COVID healthcare providers



Employee Wellbeing

Our Commitment

Supporting the holistic well-being of our employees

Our Focus Areas

- Embrace diversity and inclusion
- Invest in learning and development
- Make employee safety a top priority

2020 Highlights

Accelerated our **Diversity & Inclusion** strategy

Reduced **safety** incidents by **15% vs PY**

Increased focus on **Individual Development Plans** & succession planning

Corporate-wide rollout of **Leadership Academy** to build management bench strength



Sustainability

Our Commitment

Ensuring long-term sustainable operations while reducing our environmental impact

Our Focus Areas

- Conserve ecosystems imperative to the future
- Take steps towards a full circular economy model
- Source materials that are better for people and planet

2020 Highlights

83MM+ lbs of ocean plastic and recycled materials used in pet & people cushions

Use of solar power to produce **125MM+** dog bones per year

Reduced **1B gallons** of water used through Grass Seed innovation

Over **10 years** of conserving native fish and coral habits

Growing live goods without the use of neonicotinoids since 2014

Activating our Impact Strategy



Embed and activate
our *Central to Home*
Impact strategy



Establish goals
for each focus
area



Begin annual
reporting of our
progress

People & Culture

Marilyn Leahy

Senior Vice President, Human Resources



Our People



Passionate Engaged Employee Base

Over 6,300 employees globally



Broad Domestic Footprint

90+ U.S. offices, manufacturing plants and distribution centers

Emerging global presence in the U.K., Mexico, China and Canada



Deep Experience & Expertise

~6 years Average tenure of Hourly FTEs

~11 years Average tenure of Salaried FTEs



Dedicated & Resilient Through COVID-19

- ✔ Proud and inspired by our employees
- ✔ Prioritizing employee safety and investing in PPE & education
- ✔ All facilities remain operational, managing COVID incident rate
- ✔ Recognizing frontline employees with one-time bonus
- ✔ Majority of non-frontline workers continue to work from home
- ✔ Leveraging technology to stay connected

Building Central as a Great Place to Work



Develop, Recruit &
Retain Top Talent



Build Winning
Capabilities



Embrace Diversity
& Inclusion

Develop, Recruit & Retain Top Talent



Strong succession & talent management planning with focus on critical roles



Healthy mix of promote from within & external hires



Creation of extended leadership community



Robust development & career planning

Healthy Mix of Promotions & New Talent

25+ Promotions to Director and above roles in the last year

General Management

Finance

Marketing

Information Services

Sales

Supply Chain

25+ New hires in Director and above roles in the last year



Developing our Next Generation of Leaders



-  Community of top ~120 leaders
-  Empowering group to lead company priorities
-  Investing in leadership development
-  Leading our company to great results & building a great place to work!

Building Winning Capabilities



Marketing

Consumer Insights
Brand Building
Innovation



eCommerce

Flywheel Management
Omni-Channel Expansion
Supply Chain Fulfillment



Data & Analytics

Business Performance
Marketing, Sales & eCommerce
Supply Chain

Our Approach



Ambition
Setting



External
Benchmarking



Internal Gap
Assessment



Roadmap
Development



Plan
Execution



Embracing Diversity & Inclusion

- Established Diversity and Inclusion Council to advise leadership team
- Activating strategy to advance diversity and inclusion efforts
- Recruiting and developing top female leadership

Key Takeaways: People & Culture



Central has a strong & resilient workforce



We are building Central to be the destination for top talent in Garden & Pet



We are investing in growth capabilities to enable our *Central to Home* strategy



We are committed to diversity & inclusion and building a winning growth culture

Financial Overview

Niko Lahanas

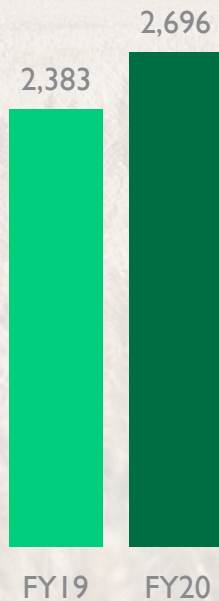
Chief Financial Officer



Building on a Strong Performance in 2020

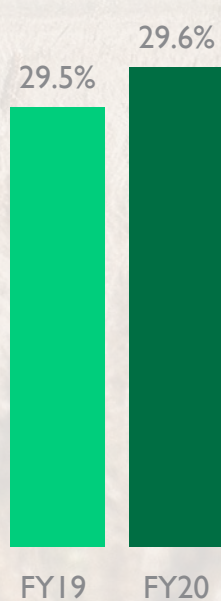
Net Sales (in \$ millions)

+13.1%



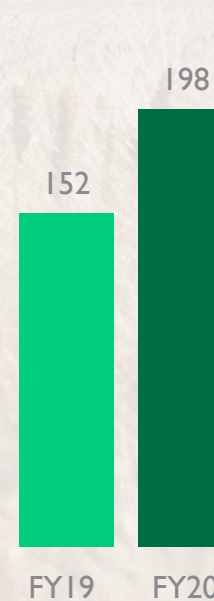
Gross Profit (as a percentage of Net Sales)

+10 bps



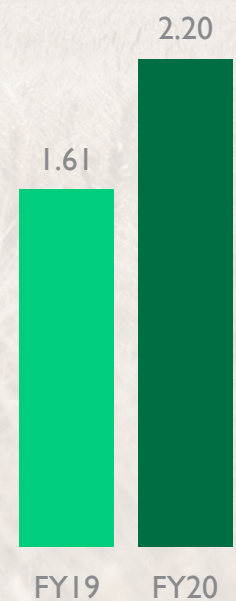
Operating Income (in \$ millions)

+30.2%



Diluted EPS (in \$)

+36.6%

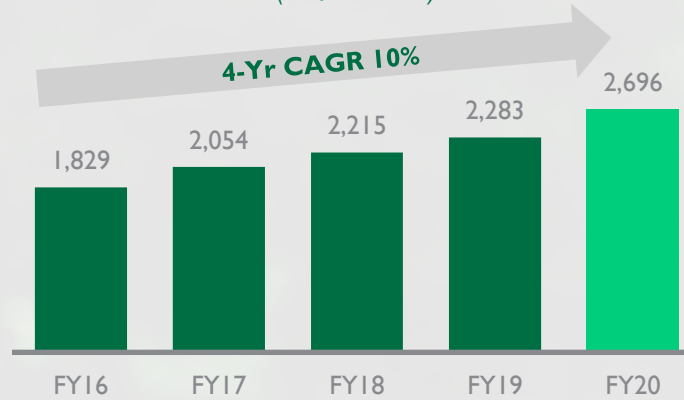


Our Metrics Accelerated Over the Last Five Years



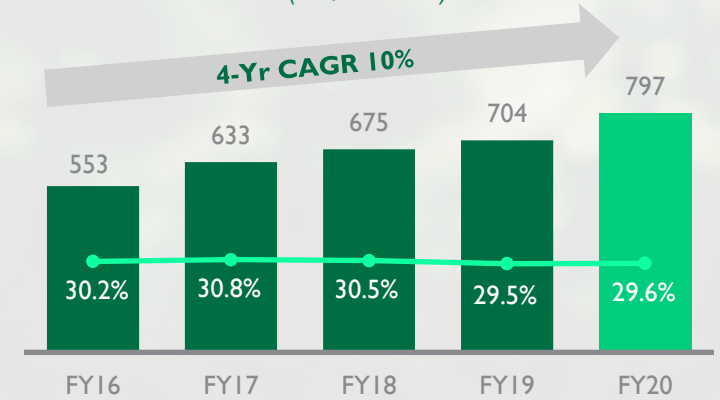
Net Sales

(in \$ millions)



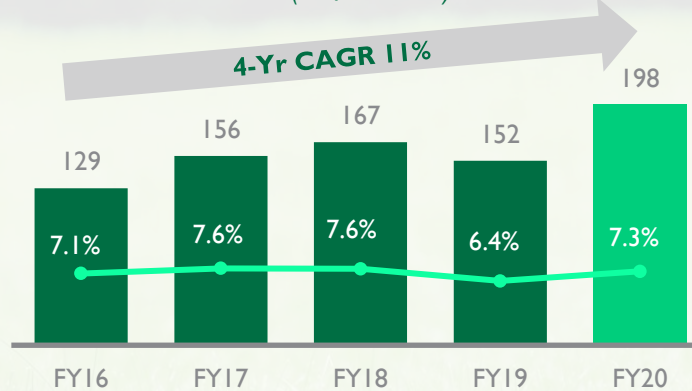
Gross Profit & Margin

(in \$ millions)



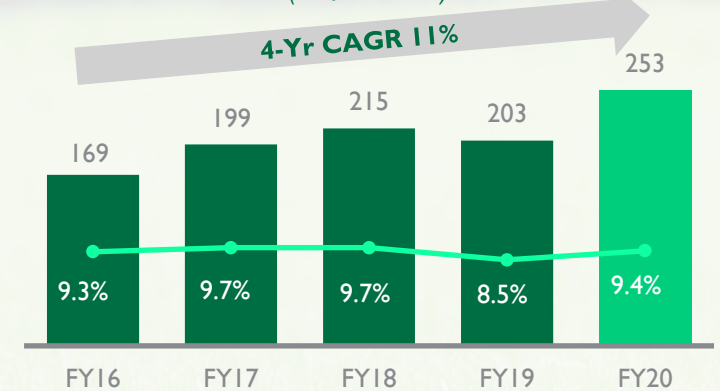
Operating Income & Margin

(in \$ millions)



EBITDA & Margin⁽¹⁾

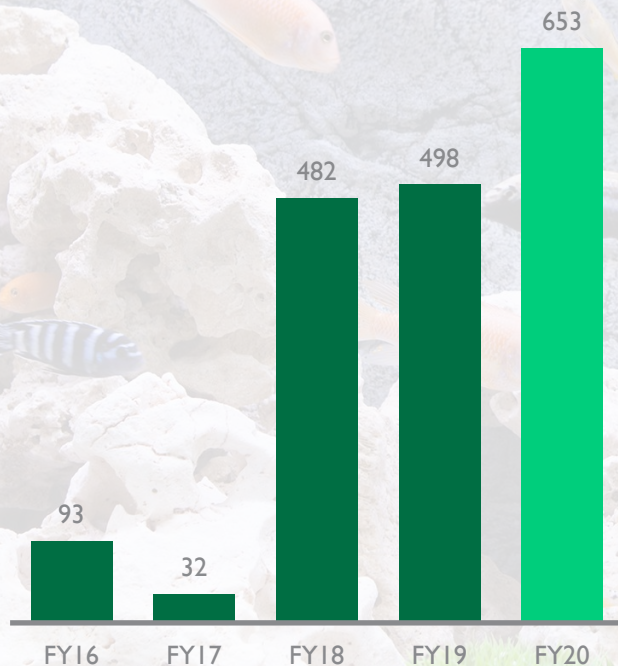
(in \$ millions)



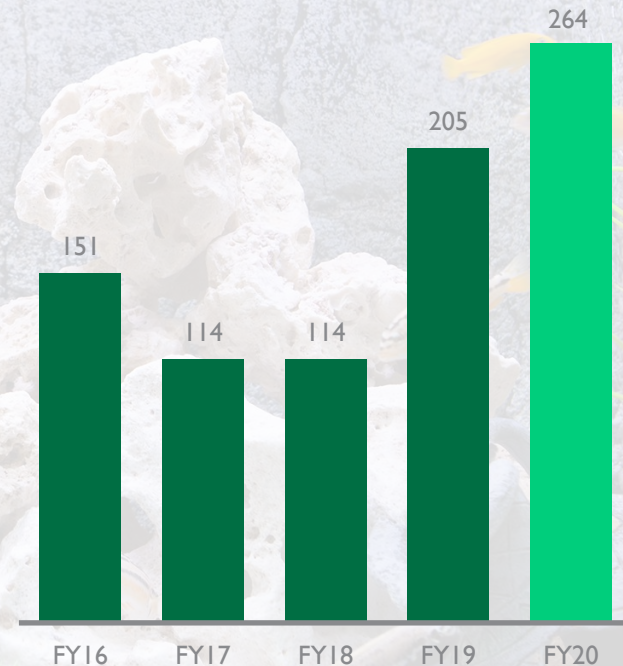
(1) See non-GAAP reconciliations in the Appendix.

Ample Liquidity and Strong Cash Flow Generation

Cash & Cash Equivalents
(in \$ millions)

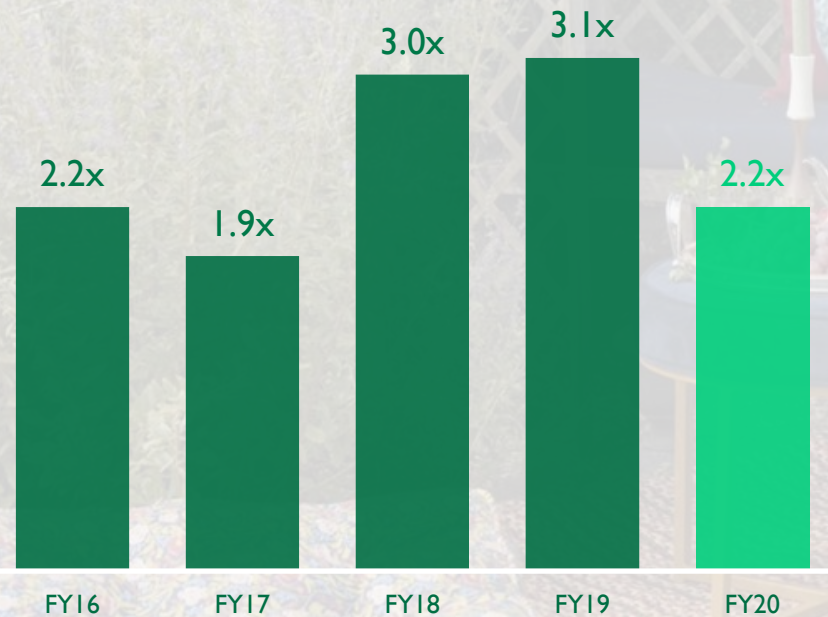


Cash Flow from Operations
(in \$ millions)



Financial Strength and Flexibility

Total Leverage



- Strong balance sheet
- Refinanced debt at lower rates
- Future leverage target of 3-3.5x, willing to go higher for the right target, then quickly de-lever
- Reach investment grade rating

NOTE: Total Leverage calculated as total debt excluding leases divided by EBITDA. See non-GAAP reconciliation of EBITDA in the Appendix.



Capital Allocation Priorities

Targeted M&A

- Build scale, fill white spaces and enter priority adjacencies
- Enhance key capabilities and pursue portfolio optimization

Invest for Growth

- Expand capacity
- Invest in brand building, innovation, eCommerce, consumer insights

Share Repurchases

- Opportunistic and programmatic share repurchases

Debt Repayment

- Maintain flexibility for opportunistic M&A
- Reach investment grade rating

Meaningful Opportunity to Improve Margins

Improve
Operating
Leverage

Drive
Net
Productivity

Capture
Scale
Benefits

Enhance
Profitable
Mix

Maintain
Lean
Overheads

End-to-end continuous improvement mindset

Central to Home Strategy

Long-Term Algorithm for Profitable Growth

Organic Net Sales

Outlook:

LSD

Grow at or above category average

Drivers:

Strengthened capabilities and increased investment in marketing and sales

EBIT

Outlook:

MSD

Grow faster than Net Sales

Drivers:

Operating leverage and cost excellence

EPS

Outlook:

MSD-HSD

Grow faster than EBIT

Drivers:

Leverage improvement

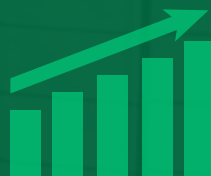
Key Takeaways: Financial Overview



Robust financial performance



Fortress balance sheet and strong cash flow generation



Opportunities to expand margins and fuel growth



Proven track record of M&A



New strategy designed to drive a virtuous cycle and strong shareholder returns



Closing Thoughts

Tim Cofer

Chief Executive Officer





Central to Home Strategy

OUR PURPOSE

Nurture happy and healthy homes

OUR MISSION

Lead the future of the Garden and Pet industries... one blade of grass and one wagging tail at a time

OUR STRATEGIC PILLARS



CONSUMER

Build and grow brands Consumers love



CUSTOMER

Win with winning Customers & Channels



CENTRAL

Fortify the Central Portfolio



COST

Reduce Cost to improve margins & fuel growth



CULTURE

Strengthen our entrepreneurial, business-unit led growth Culture

Recap: Key Takeaways



Garden & Pet are highly attractive and resilient growth industries



Central is an industry leader with a strong foundation and untapped potential



Our new *Central to Home* strategy sets a bold ambition for the future with encouraging early results



We are confident in our plans to deliver significant long-term shareholder value

Q&A



Tim Cofer

Chief Executive Officer



Niko Lahanas

Chief Financial Officer



J.D. Walker

President, Garden Consumer Products



John Hanson

President, Pet Consumer Products



CENTRAL

GARDEN & PET

Please reach out to us with any comments or questions:

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| (925) 948-3657



Appendix

Notes & Disclosures

Use of Non-GAAP Financial Measures

We report our financial results in accordance with accounting principles generally accepted in the United States (GAAP). However, to supplement the financial results prepared in accordance with GAAP, we use non-GAAP financial measures including EBITDA, organic sales, non-GAAP operating income and non-GAAP net income and diluted net income per share. Management believes these non-GAAP financial measures that exclude the impact of specific items (described on the next slide) may be useful to investors in their assessment of our ongoing operating performance and provide additional meaningful comparisons between current and historical results.

The reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are shown in the tables below. We believe that the non-GAAP financial measures provide useful information to investors and other users of our financial statements, by allowing for greater transparency in the review of our financial and operating performance. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating our performance, and we believe these measures similarly may be useful to investors in evaluating our financial and operating performance and the trends in our business from management's point of view. While our management believes that non-GAAP measurements are useful supplemental information, such adjusted results are not intended to replace our GAAP financial results and should be read in conjunction with those GAAP results.

We have not provided a reconciliation of forward-looking non-GAAP guidance measures to the corresponding GAAP measures, because such reconciliation cannot be done without unreasonable efforts due to the potential significant variability and limited visibility of the excluded items discussed below.

Notes & Disclosures

EBITDA: Defined by us as income before income tax, net other expense, net interest expense and depreciation and amortization (or operating income plus depreciation and amortization expense). Other companies may calculate EBITDA differently and it may not be comparable.

Organic net sales: A non-GAAP measure that excludes the impact of businesses purchased or exited in the prior 12 months, because we believe it permits investors to better understand the performance of our historical business without the impact of recent acquisitions or dispositions.

Non-GAAP financial measures reflect adjustments based on the following items:

Gains from the fair value remeasurement of previously held investment interests: We have excluded the impact of the fair value remeasurement of a previously held investment interest as it represents an infrequent transaction that occurs in limited circumstances that impacts the comparability between operating periods. We believe the adjustment of this gain supplements the GAAP information with a measure that may be used to assess the sustainability of our operating performance.

Asset impairment charges: We have excluded the impact of asset impairments on intangible assets and equity method investments as such non-cash amounts are inconsistent in amount and frequency. We believe that the adjustment of these charges supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.

Tax impact: adjustment represents the impact of the tax effect of the pre-tax non-GAAP adjustments excluded from non-GAAP net income. The tax impact of the non-GAAP adjustments is calculated based on the consolidated effective tax rate on a GAAP basis, applied to the non-GAAP adjustments, unless the underlying item has a materially different tax treatment.

GAAP to Non-GAAP Reconciliation for the Fiscal Year Ended

(in thousands, except for per share amounts)

	26-Sep-20	28-Sep-19
Net Income & Diluted Net Income Per Share Reconciliation		
GAAP net income attributable to Central Garden & Pet	120,676	92,786
Previously held investment interest fair value remeasurement	-	(3,215)
Intangible asset impairment	-	2,540
Investment Impairments	3,566	-
Tax effect of remeasurement and impairment	(747)	151
Non-GAAP net income attributable to Central Garden & Pet	123,495	92,262
GAAP diluted net income per share	2.20	1.61
Non-GAAP diluted net income per share	2.26	1.60
Shares used in GAAP and non-GAAP diluted net earnings per share calculation	54,738	57,611

**GAAP to Non-GAAP Reconciliation for
the Fiscal Year Ended September 26, 2020**
(in millions)

	Consolidated		Pet Segment		Garden Segment	
	%Change		%Change		%Change	
Organic Net Sales Reconciliation						
Reported net sales FY 2020 (GAAP)	2,695.5		1,562.2		1,133.3	
Reported net sales FY 2019 (GAAP)	2,383.0		1,384.7		998.3	
Increase in net sales	312.5	13.1%	177.5	12.8%	135.0	13.5%
Effect of acquisitions and dispositions on increase in net sales	58.4		29.6		28.8	
Increase in organic net sales	254.1	10.7%	147.9	10.7%	106.2	10.6%

GAAP to Non-GAAP Reconciliation for the Fiscal Year Ended

(in thousands)

	26-Sep-20	28-Sep-19	29-Sep-18	30-Sep-17	24-Sep-16
EBITDA Reconciliation					
Net income attributable to Central Garden & Pet	120,676	92,786	123,594	78,828	44,514
Interest expense, net	39,989	33,060	36,051	28,062	42,707
Other expense (income), net	4,250	(243)	3,860	1,621	17,013
Income tax expense	32,218	26,604	3,305	46,699	24,053
Net income (loss) attributable to noncontrolling interest	844	(139)	526	902	1,071
Sum of items below operating income	77,301	59,282	43,742	77,284	84,844
Income from Operations	197,977	152,068	167,336	156,112	129,358
Depreciation & Amortization	55,359	50,828	47,199	42,719	40,001
EBITDA	\$253,336	\$202,896	\$214,535	\$198,831	\$169,359