

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____.

Commission File Number: 001-31573

Medifast, Inc.

(Exact name of registrant as specified in its charter)

Delaware

13-3714405

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

**1501 S. Clinton Street
Baltimore, Maryland 21224
Telephone Number: (410) 581-8042**

(Address of Principal Executive Offices, Zip Code and Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	MED	New York Stock Exchange

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☒
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by checkmark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

The number of shares of the registrant’s common stock outstanding at April 27, 2026 was 11,119,115.

Medifast, Inc. and Subsidiaries

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MEDIFAST, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(U.S. dollars in thousands, except per share amounts)

	Three months ended March 31,	
	2026	2025
Revenue	\$ 76,044	\$ 115,728
Cost of sales	24,288	31,483
Gross profit	51,756	84,245
Selling, general, and administrative	55,051	85,507
Loss from operations	(3,295)	(1,262)
Other income		
Interest income	1,379	1,301
Other income (expense)	(25)	487
	1,354	1,788
Income (loss) before provision for income taxes	(1,941)	526
Provision for income taxes	181	1,298
Net loss	\$ (2,122)	\$ (772)
Loss per share - basic	\$ (0.19)	\$ (0.07)
Loss per share - diluted	\$ (0.19)	\$ (0.07)
Weighted average shares outstanding		
Basic	11,006	10,948
Diluted	11,006	10,948

The accompanying notes are an integral part of these condensed consolidated financial statements.

MEDIFAST, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)
(U.S. dollars in thousands)

	Three months ended March 31,	
	2026	2025
Net loss	\$ (2,122)	\$ (772)
Other comprehensive income (loss), net of tax:		
Unrealized gains (losses) on investment securities	(201)	59
Comprehensive loss	<u>\$ (2,323)</u>	<u>\$ (713)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

MEDIFAST, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(U.S. dollars in thousands, except par value)

	March 31, 2026	December 31, 2025
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 71,529	\$ 89,303
Inventories, net	21,403	20,228
Investments	97,417	77,970
Income taxes, prepaid	5,316	5,116
Prepaid expenses and other current assets	6,965	9,066
Total current assets	202,630	201,683
Property, plant and equipment, net of accumulated depreciation	29,643	31,230
Right-of-use assets	12,921	7,232
Other assets	6,852	7,828
TOTAL ASSETS	\$ 252,046	\$ 247,973
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	\$ 38,264	\$ 38,359
Current lease obligations	3,920	4,603
Total current liabilities	42,184	42,962
Lease obligations, net of current lease obligations	12,181	6,091
Total liabilities	54,365	49,053
Stockholders' Equity		
Common stock, par value \$0.001 per share: 20,000 shares authorized; 11,119 and 10,991 issued and outstanding at March 31, 2026 and December 31, 2025, respectively	11	11
Additional paid-in capital	41,488	40,406
Accumulated other comprehensive income	33	234
Retained earnings	156,149	158,269
Total stockholders' equity	197,681	198,920
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 252,046	\$ 247,973

The accompanying notes are an integral part of these condensed consolidated financial statements.

MEDIFAST, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(U.S. dollars in thousands)

	Three months ended March 31,	
	2026	2025
Operating Activities		
Net loss	\$ (2,122)	\$ (772)
Adjustments to reconcile net loss to cash provided by operating activities		
Depreciation and amortization	3,483	3,280
Non-cash lease expense	1,160	1,145
Share-based compensation	1,896	1,930
Gain on sale of assets held for sale	(2,184)	—
Loss on sale or disposal of property, plant and equipment	63	387
Realized gain on sale of investment securities	(25)	(7)
Amortization of discount on investment securities	(164)	(190)
Deferred income taxes	—	20
Unrealized loss (gain) on equity investment securities	66	(620)
Change in operating assets and liabilities:		
Inventories	(1,175)	3,057
Prepaid expenses and other current assets	649	73
Other assets	262	(41)
Accounts payable and accrued expenses	(1,449)	(5,997)
Income taxes	(200)	1,141
Net cash flow provided by operating activities	260	3,406
Investing Activities		
Purchase of investment securities	(49,320)	(14,991)
Proceeds from sale and maturities of investment securities	29,646	14,459
Proceeds from sale of assets held for sale, net of costs to sell	3,637	—
Purchase of property and equipment	(1,096)	(1,522)
Net cash flow used in investing activities	(17,133)	(2,054)
Financing Activities		
Net shares repurchased for employee taxes	(814)	(369)
Cash dividends paid to stockholders	(87)	(194)
Net cash flow used in financing activities	(901)	(563)
Increase in cash and cash equivalents	(17,774)	789
Cash and cash equivalents - beginning of the period	89,303	90,928
Cash and cash equivalents - end of period	<u>\$ 71,529</u>	<u>\$ 91,717</u>
Supplemental disclosure of cash flow information:		
Income taxes paid	<u>\$ 241</u>	<u>\$ 2,914</u>
Dividends included in accounts payable and accrued expenses	<u>\$ 206</u>	<u>\$ 453</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

MEDIFAST, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)
(U.S. dollars in thousands)

Three months ended March 31, 2026							
	Number of Shares Issued	Common Stock	Additional Paid- In Capital	Accumulated Other Comprehensive Income	Retained Earnings	Total	
Balance, December 31, 2025	10,991	\$ 11	\$ 40,406	\$ 234	\$ 158,269	\$ 198,920	
Net loss	—	—	—	—	(2,122)	(2,122)	
Share-based compensation	212	—	1,896	—	—	1,896	
Net shares repurchased for employee taxes	(84)	—	(814)	—	—	(814)	
Other comprehensive loss	—	—	—	(201)	—	(201)	
Forfeiture of dividends on unvested awards	—	—	—	—	2	2	
Balance, March 31, 2026	11,119	\$ 11	\$ 41,488	\$ 33	\$ 156,149	\$ 197,681	

Three months ended March 31, 2025							
	Number of Shares Issued	Common Stock	Additional Paid- In Capital	Accumulated Other Comprehensive Income	Retained Earnings	Total	
Balance, December 31, 2024	10,938	\$ 11	\$ 33,136	\$ 180	\$ 176,782	\$ 210,109	
Net loss	—	—	—	—	(772)	(772)	
Share-based compensation	80	—	1,930	—	—	1,930	
Net shares repurchased for employee taxes	(27)	—	(369)	—	—	(369)	
Other comprehensive income	—	—	—	59	—	59	
Forfeiture of dividends on unvested awards	—	—	—	—	2	2	
Balance, March 31, 2025	10,991	\$ 11	\$ 34,697	\$ 239	\$ 176,012	\$ 210,959	

The accompanying notes are an integral part of these condensed consolidated financial statements.

MEDIFAST, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying unaudited condensed consolidated financial statements of Medifast, Inc. and its wholly-owned subsidiaries ("Medifast," the "Company," "we," "us," or "our") included herein have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") for interim reporting and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, certain information and notes that are normally required by GAAP have been condensed or omitted. However, in the opinion of management, all adjustments consisting of normal, recurring adjustments considered necessary for a fair presentation of the financial position and results of operations have been included and management believes the disclosures that are made are adequate to make the information presented not misleading. The condensed consolidated balance sheet at December 31, 2025 has been derived from the 2025 audited consolidated financial statements at that date included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025 ("2025 Form 10-K").

The results of operations for the three months ended March 31, 2026 are not necessarily indicative of results that may be expected for the fiscal year ending December 31, 2026. The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto, which are included in the 2025 Form 10-K.

Presentation of Financial Statements - The unaudited condensed consolidated financial statements included herein include the accounts of the Company. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ materially from those estimates.

The Company is, from time to time, subject to a variety of litigation and similar proceedings that arise out of the ordinary course of its business. Based upon the Company's experience, current information and applicable law, it does not believe that these proceedings and claims will have a material adverse effect on its results of operations, financial position or liquidity. However, the results of legal actions cannot be predicted with certainty. Therefore, it is possible that the Company's results of operations, financial condition or cash flows could be materially adversely affected in any particular period by the unfavorable resolution of one or more legal actions.

Advertising Expense - The costs of advertising efforts are expensed as incurred. They are recorded in selling, general, and administrative expense in the accompanying Condensed Consolidated Statements of Operations (Unaudited). Advertising expense, excluding agency fees, for the three months ended March 31, 2026 and 2025, amounted to \$0.2 million and \$4.6 million, respectively.

Assets Held for Sale - During the year ended December 31, 2024, the Company completed a supply chain optimization initiative with the goal of aligning the Company's distribution footprint with current demand levels. On June 28, 2024, the Company closed its Maryland Distribution Center located in Ridgely, Maryland. The Company listed the Maryland Distribution Center building and land for sale, and categorized those assets as held for sale. The net book value of the building and land was \$1.4 million. The assets were recorded within prepaid expenses and other current assets on the consolidated balance sheets included in the 2025 Form 10-K. The Company closed on the sale of the land and building in February 2026, receiving \$3.6 million in proceeds, net of costs to sell, and recognizing a gain on sale of \$2.2 million presented within selling, general, and administrative on the Condensed Consolidated Statements of Operations (Unaudited).

Provision for Income Taxes - The Company computes its income tax provision for interim periods in accordance with ASC 740. For interim periods during the year ended December 31, 2025, the Company calculated an annual effective tax rate and applied that rate to year-to-date ordinary income or loss to calculate its quarterly income tax provision ("AETR Approach"). Due to the existence of a full valuation allowance against its deferred tax assets recorded as of December 31, 2025, the Company did not apply the AETR Approach for the period ended March 31, 2026. Instead, the Company calculated income tax expense for the interim period based on actual results for the quarter. As a result, the Company's income tax provision for the three months ended March 31, 2026 reflects discrete items, primarily state income taxes. Income tax expense for the three months ended March 31, 2026 was \$0.2 million, an effective rate of negative (9.3)%, as compared to \$1.3 million for the three

months ended March 31, 2025, an effective rate of 246.8%. The decrease in the effective tax rate was primarily driven by the increased loss incurred in the March 31, 2026 period and the valuation allowance on the net deferred tax assets. The Company will continue to assess the realizability of its deferred tax assets and the need for a valuation allowance on a quarterly basis. Should the valuation allowance be released in whole or in part, the Company expects to return to applying an estimated annual effective tax rate in future interim periods.

Accounting Pronouncements - Adopted in 2026

The Company has not adopted any new accounting standards during the three months ended March 31, 2026.

Recently Issued Accounting Pronouncements - Pending Adoption

In November 2024, the FASB issued Accounting Standards Update 2024-03—Disaggregation of Income Statement Expenses (“ASU 2024-03”) to improve the disclosures about a public business entity’s expenses and address requests from investors for more detailed information about the types of expenses in commonly presented expense captions. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of adopting ASU 2024-03 on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06 Internal-Use Software (Subtopic 250-40): Targeted Improvements to the Accounting for Internal-Use Software to increase the operability of the recognition guidance considering different methods of software development. The ASU 2025-06 is effective for public business entities for annual periods beginning after December 15, 2026. The amendments can be adopted on a prospective, modified, or retrospective basis. Entities are permitted to early adopt the standard. The Company did not early adopt for the 2025 reporting period. The Company is currently evaluating the impact of adopting the ASU on its consolidated financial statements.

2. INVENTORIES

Inventories consist principally of raw materials, non-food finished goods and packaged meal replacements, protein powder, and supplements held in the Company’s warehouses and outsourced distribution centers. Inventories are stated at the lower of cost or net realizable value, utilizing the first-in, first-out method. The cost of finished goods includes the cost of raw materials, packaging supplies, direct and indirect labor, and other indirect manufacturing costs. On a quarterly basis, management reviews inventories for unsalable or obsolete inventories.

Inventories consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Raw materials	\$ 6,473	\$ 4,915
Packaging	1,160	1,654
Non-food finished goods	1,025	1,216
Finished goods	16,486	16,785
Reserve for obsolete inventory	(3,741)	(4,342)
Total	<u>\$ 21,403</u>	<u>\$ 20,228</u>

3. EARNINGS PER SHARE

Basic earnings per share (“EPS”) computations are calculated utilizing the weighted average number of shares of the Company’s common stock outstanding during the periods presented. Diluted EPS is calculated utilizing the weighted average number of shares of the Company’s common stock outstanding adjusted for the effect of dilutive common stock equivalents.

The following table sets forth the computation of basic and diluted EPS (in thousands, except per share data):

	Three months ended March 31,	
	2026	2025
Numerator:		
Net loss	\$ (2,122)	\$ (772)
Denominator:		
Weighted average shares of common stock outstanding	11,006	10,948
Effect of dilutive common stock equivalents	—	—
Weighted average shares of common stock outstanding	11,006	10,948
Loss per share - basic	\$ (0.19)	\$ (0.07)
Loss per share - diluted	\$ (0.19)	\$ (0.07)

The Company was in a loss position for the three months ended March 31, 2026 and 2025, and as such all awards were anti-dilutive. If the Company was not in a loss position, the calculation of diluted EPS would have included the effect of dilutive common stock equivalents of 188 thousand and 57 thousand, and would have excluded 164 thousand and 396 thousand antidilutive restricted stock awards for the three months ended March 31, 2026 and 2025, respectively.

4. SHARE-BASED COMPENSATION

Stock Options

The Company has granted non-qualified and incentive stock options to employees and non-employee directors under the Amended and Restated 2012 Share Incentive Program (the “2012 Plan”). The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model, which required estimates of the expected term of the option, the risk-free interest rate, the expected volatility of the price of the Company’s common stock, and dividend yield. Options outstanding as of March 31, 2026 generally vested over a period of 3 years and expire 10 years from the date of grant. The exercise price of these options is \$66.68. Due to the Company’s lack of option exercise history on the date of grant, the expected term was calculated using the simplified method defined as the midpoint between the vesting period and the contractual term of each option. The risk-free interest rate was based on the U.S. Treasury yield curve in effect on the date of grant that most closely corresponded to the expected term of the option. The expected volatility was based on the historical volatility of the Company’s common stock over the period of time equivalent to the expected term for each award. The dividend yield was computed as the annualized dividend rate at the grant date divided by the strike price of the stock option. For the three months ended March 31, 2026 and 2025, the Company did not grant stock options.

The following table is a summary of our stock option activity (in thousands, except per share data):

	Three months ended March 31,			
	2026		2025	
	Awards	Weighted-Average Exercise Price	Awards	Weighted-Average Exercise Price
Outstanding at beginning of period	22	\$ 66.68	22	\$ 66.68
Exercised	—	—	—	—
Forfeited	—	—	—	—
Outstanding at end of the period	22	\$ 66.68	22	\$ 66.68
Exercisable at end of the period	22	\$ 66.68	22	\$ 66.68

As of March 31, 2026, the weighted-average remaining contractual life for both the outstanding stock options and exercisable stock options was 1.9 years with an aggregate intrinsic value of \$0. There was no unrecognized compensation on the awards for the period ended March 31, 2026. For the three months ended March 31, 2026 and 2025, the Company received no cash proceeds from the exercise of stock options. The total intrinsic value for stock options exercised was \$0 for the three months ended March 31, 2026 and 2025.

Restricted Stock

The Company has issued restricted stock under the 2012 Plan to employees and non-employee directors generally with vesting terms up to 3 years after the date of grant. The fair value of the restricted stock is equal to the market price of the Company's common stock on the date of grant. Expense for restricted stock is amortized ratably over the vesting period.

The following table summarizes our restricted stock activity (in thousands, except per share data):

	Three months ended March 31,			
	2026		2025	
	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
Outstanding at beginning of period	677	\$ 24.76	279	\$ 57.21
Granted	406	9.59	451	13.86
Vested	(195)	26.85	(80)	67.24
Forfeited	(22)	19.10	(1)	54.78
Outstanding at end of the period	866	\$ 17.32	649	\$ 25.87

The Company withheld approximately 76 thousand shares and 27 thousand shares of the Company's common stock to cover minimum tax liability withholding obligations upon the vesting of shares of restricted stock for the three months ended March 31, 2026 and 2025, respectively. The total fair value of restricted stock awards vested during the three months ended March 31, 2026 and 2025 was \$1.9 million and \$1.1 million, respectively.

Market and Performance-based Share Awards

The Company has granted market and performance-based share awards in 2023 and 2025, and performance-based share awards in 2024 and 2026 under the 2012 Plan to certain key executives who were granted deferred shares and may earn between 0% and 210% of the target number depending upon both the Company's total stockholder return ("TSR"), for those with market conditions, and the Company's performance against predetermined performance goals over a three-year performance period after the date of grant. Market and performance-based share awards that are tied to the Company's TSR are valued using the Monte Carlo method and are recognized ratably as expense over the award's performance period. The fair value of the performance-based share awards is equal to the market price of the Company's common stock on the date of grant adjusted by expected level of achievement over the performance period. Expense for performance-based share awards is amortized ratably over the performance period. In the event that management determines that the Company will not reach the lower threshold of the predetermined performance goals established in the grant agreement, any previously recognized expense is reversed in the period in which such a determination is made.

The total fair value of market and performance-based share awards issued during the three months ended March 31, 2026 was \$0.2 million. The Company withheld approximately 8 thousand shares for the quarter ended March 31, 2026 to cover minimum tax liability withholding obligations upon the issuance of shares of market and performance-based share awards. No market and performance-based share awards were issued during the three months ended March 31, 2025, as a result of the market and performance-based share awards granted in March of 2022 not reaching the lower threshold of the predetermined performance goals.

Share-based compensation expense is recorded in selling, general, and administrative expense in the accompanying Condensed Consolidated Statements of Income. The total expense during the three months ended March 31, 2026 and 2025 are as follows (in thousands):

	Three months ended March 31,			
	2026		2025	
	Shares	Share-Based Compensation Expense	Shares	Share-Based Compensation Expense
Options and restricted stock	888	\$ 1,364	671	\$ 1,353
Performance-based share awards granted in 2026	197	13	—	—
Market and performance-based share awards granted in 2025	295	405	319	34
Performance-based share awards granted in 2024	37	114	117	367
Market and performance-based share awards granted in 2023	—	—	47	176
Total share-based compensation	1,417	\$ 1,896	1,154	\$ 1,930

The total income tax expense recognized in the accompanying Unaudited Condensed Consolidated Statements of Operations for restricted stock awards was \$0.5 million for the three months ended March 31, 2026 and \$0.4 million for the three months ended March 31, 2025.

There was \$9.1 million of total unrecognized compensation cost related to restricted stock awards as of March 31, 2026, which is expected to be recognized over a weighted-average period of 2.19 years. There was \$5.0 million of unrecognized compensation costs related to the 234 thousand performance-based shares and 295 thousand market and performance-based shares presented in the table above as of March 31, 2026, which is expected to be recognized over a weighted-average period of 2.19 years.

5. LEASES

Operating Leases

The Company has operating leases for office and warehouse space and certain equipment. In certain of the Company's lease agreements, the rental payments are adjusted periodically based on defined terms within the lease. The Company held no finance leases during the three-month periods ended as of March 31, 2026 and 2025.

The Company's leases relating to office and warehouse space have lease terms of 65 months to 103 months. Equipment leases carry 36 month terms with some including automatic renewal clauses.

The Company's warehouse agreements also contain non-lease components, in the form of payments towards variable logistics services and labor charges, which the Company is obligated to pay based on the services consumed by it. Such amounts are not included in the measurement of the lease liability but are recognized as expenses when they are incurred.

The operating lease expense was \$1.3 million and \$1.2 million for the three months ended March 31, 2026 and 2025, respectively.

Supplemental cash flow information related to the Company's operating leases was as follows (in thousands):

	Three months ended March 31,	
	2026	2025
Cash paid for amounts included in the measurements of lease liabilities		
Operating cash flow used in operating leases	\$ 1,536	\$ 1,600
Right-of-use assets obtained in exchange for lease obligations		
Operating leases	\$ 6,850	\$ —

As of March 31, 2026, the weighted average remaining lease term was 5 years, 2 months and the weighted average discount rate was 3.50%.

The following table presents the maturity of the Company's operating lease liabilities as of March 31, 2026 (in thousands):

2026 (excluding the three months ended March 31, 2026)	\$ 3,513
2027	3,779
2028	3,910
2029	1,565
2030	1,116
Thereafter	4,245
Total lease payments	\$ 18,128
Less: imputed interest	(2,027)
Total	\$ 16,101

During the three months ended September 30, 2025, the Company entered into a lease agreement for new headquarters office space in 1501 South Clinton Street, Baltimore, Maryland 21224, with a lease term of 8 years and 7 months. The lease commenced during the three months ended March 31, 2026. The Company recorded an initial right-of-use asset and corresponding lease liability of \$6.8 million. The Company did not renew its office space lease in 100 International Drive, Baltimore, Maryland 21202 which expired in February 2026. The future minimum lease commitments related to this lease are included in the tables above.

6. ACCUMULATED OTHER COMPREHENSIVE INCOME

The following table sets forth the components of accumulated other comprehensive income, net of tax where applicable (in thousands):

	March 31, 2026	December 31, 2025
Foreign currency translation	\$ 3	\$ 3
Unrealized gains on investments	31	231
Accumulated other comprehensive income	<u>\$ 33</u>	<u>\$ 234</u>

7. INVESTMENTS

Certain financial assets and liabilities are accounted for at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following fair value hierarchy prioritizes the inputs used to measure fair value:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value from the perspective of a market participant.

The following tables present the Company's cash and financial assets that are measured at fair value on a recurring basis for each of the hierarchy levels (in thousands):

March 31, 2026						
	Cost	Unrealized Gains (Losses)	Accrued Interest	Estimated Fair Value	Cash & Cash Equivalents	Investment Securities
Cash and cash equivalents, excluding money market accounts	\$ 50,961	\$ —	\$ —	\$ 50,961	\$ 50,961	\$ —
Level 1:						
Money market accounts	20,568	—	—	20,568	20,568	—
Government & agency securities	45,398	95	83	45,576	—	45,576
	65,966	95	83	66,144	20,568	45,576
Level 2:						
Corporate bonds	51,513	(54)	382	51,841	—	51,841
Total	\$ 168,440	\$ 41	\$ 465	\$ 168,946	\$ 71,529	\$ 97,417
December 31, 2025						
	Cost	Unrealized Gains (Losses)	Accrued Interest	Estimated Fair Value	Cash & Cash Equivalents	Investment Securities
Cash and cash equivalents, excluding money market accounts	\$ 50,187	\$ —	\$ —	\$ 50,187	\$ 50,187	\$ —
Level 1:						
Money market accounts	39,116	—	—	39,116	39,116	—
Government & agency securities	23,247	111	80	23,438	—	23,438
	62,363	111	80	62,554	39,116	23,438
Level 2:						
Corporate bonds	53,801	198	533	54,532	—	54,532
Total	\$ 166,351	\$ 309	\$ 613	\$ 167,273	\$ 89,303	\$ 77,970

The Company had \$25 thousand of realized gains for the three months ended March 31, 2026 and \$7 thousand of realized gains for the three months ended March 31, 2025.

During the fourth quarter of 2023, the Company entered into an agreement with LifeMD (Nasdaq: LFMD), a leading provider of virtual primary care, to purchase shares of common stock of LifeMD for \$10 million. The 180-day lock-up period expired on June 8, 2024, and the registration process was completed, effective July 18, 2024. During the second quarter of 2025, the Company sold all of its holdings in LifeMD common stock. Prior to the sale, the fair value of the investment was recorded within an equity securities caption in the tables above. The net proceeds received from the sale were recorded within cash and

cash equivalents of the Unaudited Consolidated Balance Sheets. The gains related to the Company's LifeMD investment for the three months ended March 31, 2026 and 2025 are summarized in the table below (in thousands):

	March 31, 2026	March 31, 2025
Net gains recognized during the period on equity securities	\$ —	\$ 600
Less: Net gains recognized on equity securities sold	—	—
Unrealized gains recognized during the reporting period on equity securities still held at the reporting date	\$ —	\$ 600

8. SEGMENT REPORTING

The Company has one reportable segment: **OPTAVIA**. The segment derives revenues from clients through the sale of products which are shipped directly to clients. Our coaches help clients adopt healthy habits and learn the benefits of our products. The accounting policies of the Company's single segment are the same as those described in the Company's Significant Accounting Policies.

The Company's chief operating decision maker ("CODM") is the chief executive officer. The CODM assesses performance for the segment and decides how to allocate resources based on net income (loss) that also is reported on the accompanying Unaudited Condensed Consolidated Statements of Operations as net income (loss). The measure of segment assets is reported on the Consolidated Balance Sheets as total assets. The CODM uses net income (loss) to evaluate the income (loss) generated from segment assets in deciding whether to reinvest profits into the segment or into other parts of the entity, such as for share buybacks. Net income (loss) is used to monitor budget versus actual results. The CODM also uses net income (loss) in competitive analysis by benchmarking to the Company's competitors. The competitive analysis along with the monitoring of budgeted versus actual results are used in assessing performance of the segment and in establishing management's compensation. The Company does not have significant intra-entity sales or transfers.

The **OPTAVIA** segment recognizes revenue when control of the products is transferred to the customer. The segment pays commissions on the sale of products to coaches. The Company derives all of its revenue from sales within the United States and manages the business activities on a consolidated basis.

The following table presents the **OPTAVIA** segment's revenue, significant segment expenses, and segment net income for the three months ended March 31, 2026 and 2025, respectively:

	March 31, 2026	March 31, 2025
Revenue	\$ 76,044	\$ 115,728
Less:		
Cost of sales	24,288	31,483
Selling, marketing, and after sales support	34,681	59,855
Distribution	3,452	4,526
Technology	9,311	11,042
Administrative and corporate support functions	5,711	8,154
Equity compensation	1,896	1,930
Other income ⁽¹⁾	(1,354)	(1,788)
Provision for income taxes	181	1,298
Segment net income (loss)	\$ (2,122)	\$ (772)
Reconciliation of profit or loss		
Adjustments and reconciling items	—	—
Consolidated net income (loss)	\$ (2,122)	\$ (772)

(1) Other income included within Segment net income includes interest income, realized gains and losses on investment securities, and unrealized gains and losses on LifeMD common stock.

Segment depreciation expense of property, plant, and equipment for the three months ended March 31, 2026 and 2025 was \$2.6 million and \$2.3 million, respectively. Segment additions of property, plant, and equipment for the three months ended March 31, 2026, and 2025 were \$1.1 million and \$1.5 million, respectively.

Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Note Regarding Forward-Looking Statements

Certain information in this report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Act”). Forward-looking statements generally can be identified by use of phrases or terminology such as “intend,” “anticipate,” “expect” or other similar words or the negative of such terminology. Similarly, descriptions of Medifast's objectives, strategies, plans, goals, or targets contained herein are also considered forward-looking statements. These statements are based on the current expectations of our management and are subject to certain events, risks, uncertainties, and other factors. These risks and uncertainties include, but are not limited to, those described in our 2025 Form 10-K and those described from time to time in our future reports filed with the SEC. Although Medifast believes that the expectations, statements, and assumptions reflected in these forward-looking statements are reasonable, it cautions readers to always consider all of the risk factors and any other cautionary statements carefully in evaluating each forward-looking statement in this report. All of the forward-looking statements contained herein speak only as of the date of this report. We undertake no obligation to update any information contained in this report or to publicly release the results of any revisions to forward-looking statements to reflect events or circumstances of which we may become aware after the date of this report.

The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and related notes appearing elsewhere herein.

Overview

Medifast, Inc. (“Medifast,” the “Company,” “we” or “us”) is the 40+ year old metabolic health and wellness company known for its science-backed, coach-guided lifestyle system. In October 2025, Medifast announced its strategic transformation, unveiling its focus on holistic metabolic health. The Company started 2026 by moving from transformation to execution, leveraging its extensive experience in structured weight loss coupled with recent scientific research and enhanced product offerings to address the needs of a broader metabolic health market. Medifast’s approach focuses on addressing the root cause of metabolic dysfunction. This strategic shift targets a larger and what is believed to be a more sustainable market, focusing on a long-term growth strategy designed to guide the Company over the next decade by aligning science, products, and coaching with increasing demand for new solutions as awareness of metabolic dysfunction grows.

This growth strategy is fueled by improving coach productivity and expanding our coach network. We operate a well-capitalized business with strong effective leadership, a powerful lifestyle solution, and a business model that has impacted over 3 million lives and, for the quarter ended March 31, 2026, had a network of approximately 14,000 active earning independent coaches. Medifast stands at the forefront of evidence-based wellness solutions, and its coach-first model creates significant opportunities for coaches’ individual businesses. This is designed to create a “flywheel effect” as new clients join, driving coach productivity, which in turn attracts new active earning coaches, leading to even more new clients and further productivity.

The Company offers a simple, yet comprehensive approach to achieving optimal metabolic health and well-being by empowering individuals to make lasting changes. Through the dedicated support of our coaches, approximately 90% of whom were clients first, our clients are guided through every step of their wellness journey.

Our scientifically developed products and habit creation framework, reinforced by coaches and community support, provide proven health benefits and serve as a promising foundation to develop a comprehensive metabolic health system. We continuously innovate and build upon our scientific and clinical heritage to fulfill our mission of Lifelong Transformation, Making a Healthy Lifestyle Second Nature®. Coaches provide unparalleled support along with community, nutrition, and healthy habits. In a world where health and well-being can often be a difficult and solitary journey, our comprehensive system offers intensely personalized support to individuals seeking to transform their health. The goal of this holistic approach is to empower people to master their metabolic health and improve body composition, beginning with a quality weight loss journey and offering the flexibility to achieve it on their own terms. The metabolic health system is designed for real life and built around four key components:

Independent Coaches: Coaches provide individualized support and guidance to clients on their path to optimal health and well-being.

Community: A community of like-minded individuals offers real-time connection and support.

The Habits of Health Transformational System: A proprietary system that provides easy steps toward a sustainable healthy lifestyle.

Products & Plans: Clinically proven plans and scientifically developed products, backed by dietitians, scientists, and physicians.

In October 2025, the Company introduced Metabolic Synchronization® — a breakthrough science that reverses metabolic dysfunction through a targeted reset of the body’s metabolism. Research demonstrates that the Company’s comprehensive system improves metabolic health by activating strong and targeted fat burn, (i.e., by reducing bad visceral fat), preserving lean mass, and protecting muscle.¹ This approach results in healthy, quality weight loss that extends beyond the scale, ultimately empowering individuals to achieve their health goals.

Metabolic health, often misunderstood or overlooked, refers to the body’s ability to efficiently convert food into energy and regulate critical bodily functions. Metabolic dysfunction is a state that can often go unnoticed, placing strain on the body’s metabolic processes and potentially leading to serious health challenges.

Science has always been integral to Medifast’s identity. Through ongoing research and compelling data that elevate the science behind the Company’s plans and innovative products, the Company is energizing its coach community to empower individuals to take control of their metabolic health. Looking ahead, Medifast plans to launch significant product innovations, incorporating next-generation ingredients for metabolic enhancement. We expect to bring an updated product line to market this year. These upcoming innovations are designed to further strengthen the Company’s offerings to help clients achieve optimal metabolic health.

While GLP-1 medication usage continues to accelerate, medication alone may not be adequate. Recent research indicates that approximately one-third of users discontinue the medication after six months, and up to 74% stop after a year.² Furthermore, studies show that two-thirds of weight lost on GLP-1 medications is typically regained within 12 months of stopping treatment, with cardiometabolic benefits often reversing as well.³ GLP-1 medications can be effective tools, but lasting results require more than just medication—they demand holistic behavior change.

The need for change extends beyond the obesity epidemic, as over 90% of Americans are metabolically unhealthy,⁴ impacting biomarkers of poor health, energy regulation, and weight management. Healthy quality weight loss that prioritizes burning fat while preserving muscle is essential for improving metabolic health but it demands commitment, consistency, and support. Given that GLP-1 medications are shown to be most effective when combined with lifestyle changes, we see strong alignment with our expertise in helping people create durable habits through coach-supported, behavior-based systems. Our experience in guiding individuals towards change through habit-based systems, supported by a coach, is highly compatible with the demonstrated effectiveness of these medications when paired with lifestyle modifications. Coaches remain central to everything we do, fostering a continuous cycle of growth by attracting and activating new clients, some of whom go on to become coaches themselves.

In addition to coach support, by focusing on the root causes of metabolic dysfunction, Medifast is seeking to unlock new opportunities to reach and empower individuals at every stage of their health journey. For those utilizing weight loss medications, Medifast’s programs are intended to provide complementary solutions to enhance metabolic function and overall health.

Regardless of their need states, our integrated, coach-supported, lifestyle-based approach helps clients achieve their health goals. Coaches introduce clients to a set of healthy habits, often beginning with healthy eating, alongside exclusive products and plans. These offerings are a key component that supports the Company’s mission and helps clients to build and sustain healthy habits in their lives.

Finding new clients and reactivating former clients remains an important area of focus for our business and our coaches. Our popular Essentials line as well as innovative product lines like OPTAVIA ASCEND and OPTAVIA ACTIVE continue to address the needs of our clients. We also continue to enhance our digital tools and improve client experience, which we anticipate will have the effect of improving coach productivity and expanding our coach network, helping us achieve our goals.

¹ In a clinical study, individuals on the Company’s 5 & 1 Plan experienced a reduction of 14% visceral fat and 98% of lean mass was retained at 16 weeks. Arterburn, L.M., C.D. Coleman, J. Kiel, et al. Randomized controlled trial assessing two commercial weight loss programs in adults with overweight or obesity. *Obes Sci Pract* 2019; 5/1: 3-14.

² Grosicki et al. *Diabetes Obes Metab*. 2025; <https://pubmed.ncbi.nlm.nih.gov/39743934/>

³ Wilding, et al; STEP 1 Study Group. *Diabetes Obes Metab*. 2022; <https://pubmed.ncbi.nlm.nih.gov/35441470/>

⁴ O’Hearn M et al. Trends and Disparities in Cardiometabolic Health Among U.S. Adults, 1999-2018. *J Am Coll Cardiol*. 2022; 80(2):138-151. doi:10.1016/j.jacc.2022.04.046

We believe our coach-based model is scalable, drives both client success and growth, and represents a key competitive advantage.

In all cases, the coaching model is anchored on clients' needs, helping place them into supportive and energized health and wellness communities that share similar challenges and goals. With a coach, clients successfully lost 10 times more weight and 17 times more fat than those attempting to lose weight on their own.⁵ Coaches deliver highly tailored and personalized support and motivation, sharing their passion for healthy living and lifestyle transformation. Despite their diverse geographies and backgrounds, our coaches form a tight-knit community that supports, encourages, and inspires one another.

Our coaches are independent contractors, not employees, who support clients and market our products and services to friends, family, and other people in their communities, primarily through word-of-mouth, email, and social media channels including Facebook, Instagram, TikTok, X (formerly known as Twitter), and video conferencing platforms. Products are shipped directly to clients; coaches do not handle or deliver products. This model enables our coaches to focus on client support and encouragement without having to manage inventory and allows them to maintain an arms-length transactional relationship. We provide economic incentives designed to support long-term coach success, which we believe contributes to their financial wellness, and offers the opportunity to improve their personal finances while elevating the health trajectories of those they support.⁶

In 2025, the Company launched new programs that offer a clear roadmap, incentives, and recognition to help coaches grow their businesses. One such initiative is the new EDGE program that emphasizes progressive business building behaviors and rewards, designed to be easily adoptable by new and experienced coaches alike. It prioritizes leading indicators of success, not just outcomes or ranking. While the main goals of the program are to provide a structured approach for coaches to maximize their potential, improve their leadership skills, expand their reach, and achieve recognition for their progress, we also expect it to increase client acquisition and the conversion of clients into new coaches.

Medifast continues to invest strategically in tools, programs, and digital resources to support our coaches - the Company's most effective client acquisition engine. In July 2025, we rolled out Premier+, a refreshed auto-ship program that offers a new tiered pricing discount on monthly orders, reduces list pricing on several popular products, and provides a more reliable and predictable compensation structure for coaches. These enhancements were designed to make client acquisition and retention easier for our coaches. Medifast also remains focused on providing enhanced digital tools to support the business management of coaches, helping streamline administrative tasks, and allowing coaches to focus their efforts on what matters most: supporting their clients.

We believe Medifast is uniquely positioned to serve a broader range of clients and lead the advancement of metabolic health through its personalized coaching, community support, and science-backed nutrition solutions. By addressing the underserved crisis of metabolic dysfunction with our innovative products, enhanced client experiences, and unmatched support system, we have created and are continuing to enhance a differentiated and compelling offer. Our financial strength, operational flexibility, and client-centric philosophy position us to navigate the changing weight loss market and drive sustainable growth.

Macroeconomic Conditions

Certain global economic challenges, including the impact of inflation and tariffs, have caused macroeconomic uncertainty and volatility in markets where we, our suppliers, and our independent coaches operate.

Like many product-focused companies, we are exposed to market risks from changes in commodity, or other raw material prices. An inflationary economy could impact our cost structure and put pressure on consumer spending. Increases in commodity prices, food costs, or tariffs, could affect the global and U.S. economies and could also adversely impact our business, financial condition, or results of operations. Additionally, changes in tariff regulations, particularly those involving trade between the United States and key global markets, may affect the cost and availability of certain raw materials. While the full impact of potential tariff policy changes remains uncertain, we remain attentive to policy developments, and we may reassess our supply chain and investment strategies in response to further volatility in the trade environment.

Our variable cost structure can be utilized to adapt to changing market conditions with potential actions including adjustments to our manufacturing, distribution, and client support infrastructure. As a response, we may periodically take incremental pricing actions to offset supply chain costs, increases in tariff-related costs, and inflationary pressures. In addition, prolonged tariff uncertainty may influence consumer sentiment and purchasing behavior, particularly in discretionary spending categories.

⁵ In a clinical study, the group on the OPTAVIA 5 & 1 Plan using a coach lost 17x more fat than the self-directed control group

⁶ OPTAVIA makes no guarantee of financial success. Success with OPTAVIA results from successful sales efforts, which require hard work, diligence, skill, persistence, competence, and leadership. Please see the OPTAVIA Income Disclosure Statement (<http://bit.ly/4IFIPRP>) for statistics on actual earnings of Coaches.

Fluctuations in consumer confidence, driven by economic concerns or anticipated price increases, could further reduce demand for our products.

In response to changing macroeconomic conditions, the Company may take further actions that alter its business operations as may be required by governmental authorities, or that are determined to be in the best interests of employees, coaches, clients, and stockholders. Our ability to effectively navigate these developments is critical to maintaining operational resilience and achieving our long-term strategic objectives. These macroeconomic uncertainties make it challenging for our management to estimate our future business performance. However, we intend to continue to actively monitor the impact of these developments on our business and will update our practices accordingly.

Competition

The metabolic health and weight loss industry is very competitive and encompasses a multitude of metabolic health and weight loss products and programs. These include a wide variety of commercial metabolic health and weight loss programs, medications, pharmaceutical products, surgical interventions, books, self-help diets, dietary meal replacements, and appetite suppressants as well as digital tools, app-based health and wellness monitoring solutions, and wearable trackers. The metabolic health and weight loss market is served by a diverse array of competitors. Potential clients seeking to manage their metabolic health or weight can turn to traditional center-based competitors, online diet-oriented sites, self-directed dieting and self-administered products such as prescription medications, over-the-counter medications and supplements, as well as medically supervised programs. Recently, it became clear that medical weight loss solutions, such as GLP-1 medications, have become an increasingly key component of the overall health and wellness ecosystem, and the recent surging acceptance and popularity of these weight loss medications serve as another major competitor, as these products have prompted a huge change in the way that consumers think about weight loss and lifestyle modification solutions in general. We recognize that these weight loss medications have attracted significant attention from the market and pose a threat to our interactions with our traditional client base. Importantly, the efficacy claims of GLP-1 medications for weight loss are based specifically on their incorporation of lifestyle changes that include a reduced calorie diet and increased physical activity. As a result, under Medifast's offerings, weight loss medications can be an important element that fits into the overall tailored lifestyle plans that also include coaching, community support, nutritionally balanced meals, and exercise.

We believe we have a competitive advantage over traditional diet companies as our model:

- Offers a solution that focuses on metabolic health powered by a breakthrough approach and human coaching and has impacted more than 3 million lives;
- Provides advanced science and comprehensive behavioral support, with its breakthrough approach, Metabolic Synchronization, that reverses metabolic dysfunction through targeted metabolic reset;
- Provides personalized, empathetic support from coaches who have been in their clients' shoes;
- Promotes lifelong habit development supported by a proprietary integrated approach to behavior change, the Habits of Health Transformational System; and
- Encompasses a vibrant health and wellness community.

We also compete with other direct-selling organizations, some of which have a longer operating history and greater visibility, name recognition and financial resources than we do. We also believe we have advantages over traditional direct selling companies. Our model:

- Is client-centric, with one sales price for both coaches and clients. There is no tiered pricing.
- Incorporates personalized coach support serving as a key differentiator to our model.
- Is comprehensive, including nutritional products and support.
- Boasts a health and wellness community, which promotes a holistic health and wellness program and is not focused solely on product sales.
- Offers a differentiated direct-to-consumer model, with 100% of products shipped directly to clients.
- Promotes a unified Habits of Health training system that aligns its coach leaders around a common mission of Lifelong Transformation, Making a Healthy Lifestyle Second Nature.

We believe our scientific and clinical heritage combined with our commitment to evaluating programs, plans, and products through clinical research are primary differentiators that allow us to compete in these markets. Our scientifically designed products were originally developed by a physician, and we have been on the cutting edge in the development of nutrition and weight-management products since our founding.

Medifast has perfected our model over the last 40+ years, with habits, coaches, and community at the core, and we will continue to innovate as the industry evolves.

Critical Accounting Policies and Estimates

The preparation of our financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Management develops, and changes periodically, these estimates and assumptions based on historical experience and on various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. Our unaudited condensed consolidated financial statements are prepared in accordance with GAAP. Our significant accounting policies are described in Note 2 to the audited consolidated financial statements included in the 2025 Form 10-K. There were no significant changes in our critical estimates or policies during the first three months of 2026.

Overview of Results of Operations

Our product sales accounted for approximately 98% of our revenues for each of the three months ended March 31, 2026 and 2025.

The following tables reflect our statements of operations (in thousands, except percentages):

	Three months ended March 31,			
	2026	2025	\$ Change	% Change
Revenue	\$ 76,044	\$ 115,728	\$ (39,684)	(34.3) %
Cost of sales	24,288	31,483	(7,195)	(22.9) %
Gross profit	51,756	84,245	(32,489)	(38.6)%
Selling, general, and administrative	55,051	85,507	(30,456)	(35.6) %
Loss from operations	(3,295)	(1,262)	(2,033)	(161.1)%
Other income				
Interest income	1,379	1,301	78	6.0 %
Other income (expense)	(25)	487	(512)	(105.1) %
	1,354	1,788	(434)	(24.3) %
Income (loss) before provision for income taxes	(1,941)	526	(2,467)	(469.0)%
Provision for income taxes	181	1,298	(1,117)	(86.1) %
Net loss	\$ (2,122)	\$ (772)	\$ (1,350)	(174.9)%
% of revenue				
Gross profit	68.1 %	72.8 %		
Selling, general, and administrative costs	72.4 %	73.9 %		
Loss from operations	(4.3)%	(1.1)%		

Revenue: Revenue decreased \$39.7 million, or 34.3%, to \$76.0 million for the three months ended March 31, 2026 from \$115.7 million for the three months ended March 31, 2025. The decline in revenue for the three months ended March 31, 2026 was primarily driven by a decrease in the number of active earning coaches to 14,000 as of March 31, 2026 from 25,400 as of March 31, 2025. The decrease in active earning coaches for the quarter, which has been trending downward year-over-year since the first quarter of 2023, was driven by continued pressure with client acquisition reflecting broader challenges in the operating environment, including rapid adoption of GLP-1 medications for weight loss. While the Company continues its transformation to focus on metabolic health, we expect the number of active earning coaches to continue to decline in 2026. The average revenue per active earning **OPTAVIA** coach was \$5,432 for the three months ended March 31, 2026 compared to \$4,556 for the three months ended March 31, 2025. The increase in revenue per active earning coach was driven by greater alignment of our network of coaches, prioritizing productive coaches and efficient coach network structures.

Cost of sales: Cost of sales decreased \$7.2 million, or 22.9%, to \$24.3 million from \$31.5 million for the three months ended March 31, 2026 from the corresponding period in 2025. The decrease in cost of sales for the three months ended March 31, 2026 was primarily due to \$10.4 million of lower sales volumes, partially offset by \$3.2 million of loss of leverage on fixed costs.

Gross profit: For the three months ended March 31, 2026, gross profit decreased \$32.5 million, or 38.6%, to \$51.8 million from \$84.2 million for the three months ended March 31, 2025. The decrease in gross profit for the three months ended March 31, 2026 was primarily attributable to lower revenue. As a percentage of revenue, gross profit was 68.1% for the three months ended March 31, 2026 compared to 72.8% for the three months ended March 31, 2025. The decrease in gross profit is primarily attributable to the loss of leverage on fixed costs.

Selling, general, and administrative (“SG&A”): SG&A expenses were \$55.1 million for the three months ended March 31, 2026, a decrease of \$30.5 million, or 35.6%, as compared to \$85.5 million from the corresponding period in 2025. The decrease in SG&A expenses for the three months ended March 31, 2026 was primarily due to a \$16.2 million decrease in coach compensation on lower volume and fewer active earnings coaches, a \$5.6 million decrease in company-led marketing related expenses, a one-time \$2.2 million gain on the sale of our Maryland Distribution Center building and land previously classified as held for sale, and a \$2.0 million decrease in employee compensation resulting from the realignment of the employee base to lower revenue levels. As a percentage of revenue, SG&A expenses were 72.4% for the three months ended March 31, 2026 as compared to 73.9% for the corresponding period in 2025. The decrease in SG&A expenses as a percentage of revenue for the three months ended March 31, 2026 was primarily due to approximately 470 basis points of decreased company-led marketing related expenses and 240 basis points of one-time gain on the sale of our Maryland Distribution Center building and land previously classified as held for sale, partially offset by 620 basis points of loss of leverage on fixed costs due to lower sales volume. SG&A expenses included research and development costs of \$1.1 million for both the three months ended March 31, 2026 and 2025, in connection with the development of new products, programs and clinical research activities.

Loss from operations: The Company’s loss from operations for the three months ended March 31, 2026 was \$3.3 million, a decrease of \$2.0 million as compared to loss from operations of \$1.3 million for the corresponding period in 2025, primarily as a result of decreased gross profit partially offset by decreased SG&A expenses. Loss from operations as a percentage of revenue for the three months ended March 31, 2026 was 4.3% as compared to loss from operations as a percentage of revenue of 1.1% for the corresponding period in 2025 due to the factors described above impacting revenue and SG&A expenses.

Other income: Other income for the three months ended March 31, 2026 was \$1.4 million, a decrease of \$0.4 million, or 24.3%, as compared to \$1.8 million for the corresponding period in 2025. The decrease in other income for the three months ended March 31, 2026 was primarily due to unrealized gains on our investment in LifeMD common stock in the prior year period. The Company sold its investment in LifeMD during the quarter ended June 30, 2025.

Provision for income taxes: The Company computes its income tax provision for interim periods in accordance with ASC 740. For interim periods during the year ended December 31, 2025, the Company calculated an annual effective tax rate and applied that rate to year-to-date ordinary income or loss to calculate its quarterly income tax provision (“AETR Approach”). Due to the existence of a full valuation allowance against its deferred tax assets recorded as of December 31, 2025, the Company did not apply the AETR Approach for the period ended March 31, 2026. Instead, the Company calculated income tax expense for the interim period based on actual results for the quarter. As a result, the Company’s income tax provision for the three months ended March 31, 2026 reflects discrete items, primarily state income taxes. Income tax expense for the three months ended March 31, 2026 was \$0.2 million, an effective rate of negative 9.3%, as compared to \$1.3 million for the three months ended March 31, 2025, an effective rate of 246.8%. The decrease in the effective tax rate was primarily driven by the increased loss incurred in the March 31, 2026 period and the valuation allowance on the net deferred tax assets. The Company will continue to assess the realizability of its deferred tax assets and the need for a valuation allowance on a quarterly basis. Should the

valuation allowance be released in whole or in part, the Company expects to return to applying an estimated annual effective tax rate in future interim periods.

Net loss: Net loss was \$2.1 million, or \$0.19 per share for the three months ended March 31, 2026 as compared to net loss of \$0.8 million, or \$0.07 per diluted share, for the three months ended March 31, 2025. The period-over-period changes were driven by the factors described above in the section titled “Loss from operations.”

Liquidity and Capital Resources

The Company had stockholders’ equity of \$197.7 million and working capital of \$160.4 million at March 31, 2026 as compared with \$198.9 million and \$158.7 million at December 31, 2025, respectively. The \$1.2 million net decrease in stockholders’ equity was primarily driven by a net loss of \$2.1 million for the three months ended March 31, 2026 partially offset by \$1.9 million for share-based compensation. The Company’s cash, cash equivalents, and investments increased from \$167.3 million at December 31, 2025 to \$168.9 million at March 31, 2026.

Net cash provided by operating activities decreased by \$3.1 million to \$0.3 million for the three months ended March 31, 2026 from \$3.4 million for the three months ended March 31, 2025 primarily driven by a \$4.2 million decrease related to changes in inventory balances, a \$2.2 million gain on sale of assets held for sale, and a \$1.4 million decrease in net income, partially offset by a \$4.5 million decrease in accounts payable and accrued expenses.

Net cash used in investing activities was \$17.1 million for the three months ended March 31, 2026 as compared to \$2.1 million for the three months ended March 31, 2025. The increase in net cash used in investment activities was primarily driven by \$19.1 million net increase in investments resulting from the use of proceeds from debt securities previously classified as cash to purchase debt securities classified as investments, partially offset by \$3.6 million of proceeds from the sale of the Company’s Maryland Distribution Center building and land.

Net cash used in financing activities increased by \$0.3 million to \$0.9 million for the three months ended March 31, 2026 from \$0.6 million for the three months ended March 31, 2025. This increase was primarily due to a \$0.4 million increase in net shares repurchased for employee taxes, partially offset by a \$0.1 million decrease in cash dividends paid to stockholders.

In pursuing its business strategy, the Company may require additional cash for operating and investing activities. The Company expects future cash requirements, if any, to be funded from operating cash flow and financing activities.

From time to time, the Company evaluates potential acquisitions that complement our business. If consummated, any such transactions may use a portion of our working capital or require the issuance of equity or debt. We have no present understandings, commitments, or agreements with respect to any material acquisitions.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest rates and a decline in the stock market. The Company does not enter into derivatives, foreign exchange transactions or other financial instruments for trading or speculative purposes other than strategic investments.

The Company is exposed to market risk related to changes in interest rates and market pricing impacting our investment in money market securities, government and agency securities, and corporate bonds. Other than for strategic investments, its current investment policy is to maintain an investment portfolio consisting of corporate bonds and U.S. money market securities directly or through managed funds. Its cash is deposited in and invested through highly rated financial institutions in North America. Its marketable securities are subject to interest rate risk and market pricing risk and will fall in value if market interest rates increase or if market pricing decreases. If market interest rates were to increase and market pricing were to decrease immediately and uniformly by 10% from levels at March 31, 2026, the Company estimates that the fair value of its investment portfolio would decline by an immaterial amount and therefore it would not expect its operating results or cash flows to be affected to any significant degree by the effect of a change in market conditions on our investments. There were no material changes in the Company's market risk exposure related to changes in interest rates and market pricing impacting our investments from the year ended December 31, 2025.

Item 4. Controls and Procedures

Management, including our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Act, as of March 31, 2026. Our disclosure controls and procedures are designed to ensure that information required to be

disclosed by us in the reports that we file or submit under the Act is recorded, processed, summarized, and reported accurately and on a timely basis. Based on this evaluation performed in accordance with the criteria established in the 2013 Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, our management concluded that the Company’s disclosure controls and procedures are effective at the reasonable assurance level as of the end of the period covered by this report.

Changes in Internal Control over Financial Reporting

There have been no material changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Act) during the fiscal quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II Other Information

Item 1. Legal Proceedings

The Company is, from time to time, subject to a variety of litigation and similar proceedings that arise out of the ordinary course of its business. Based upon the Company's experience, current information, and applicable law, it does not believe that these proceedings and claims will have a material adverse effect on its results of operations, financial position, or liquidity. However, the results of legal actions cannot be predicted with certainty. Therefore, it is possible that the Company's results of operations, financial condition or cash flows could be materially adversely affected in any particular period by the unfavorable resolution of one or more legal actions.

Item 1A. Risk Factors

There have been no material changes to the risk factors set forth in Part I, Item 1A of the 2025 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

2026	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of a Publicly Announced Plan or Program	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs ⁽²⁾
January 1 - January 31	—	—	—	1,323,568
February 1 - February 28	34	10.82	—	1,323,568
March 1 - March 31	84,498	9.63	—	1,323,568

- (1) This column includes shares of the Company's common stock that were surrendered by employees and directors to the Company to cover minimum tax liability withholding obligations upon the exercise of stock options or the vesting of shares of restricted stock and performance-based share awards previously granted to such employees and directors, when such transactions occur.
- (2) At the outset of the quarter ended March 31, 2026, there were 1,323,568 shares of the Company's common stock eligible for repurchase under the stock repurchase authorization dated September 16, 2014 (the "Stock Repurchase Plan").

As of March 31, 2026, there were 1,323,568 shares of the Company's common stock eligible for repurchase under the Stock Repurchase Plan. There can be no assurances as to the amount, timing, or prices of repurchases, which may vary based on market conditions and other factors. The Stock Repurchase Plan does not have an expiration date and can be modified or terminated by the Board of Directors at any time.

Item 5. Other Information

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the three months ended March 31, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Description of Exhibit
3.1	Restated and Amended Certificate of Incorporation of Medifast, Inc. (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K (File No. 001-31573) filed February 27, 2015).
3.2	Amended and Restated Bylaws of Medifast, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Amendment No. 1 Current Report on Form 8-K (File No. 001-31573) filed on December 4, 2019).
10.1	Amended and Restated 2012 Share Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-31573) filed on June 20, 2025).
10.2	Cooperation Agreement, dated as of March 19, 2026, by and among Medifast, Inc., Steamboat Capital Partners LLC, and each of the other related persons set forth on the signature pages thereto. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-31573) filed on March 20, 2026).
10.3	Medifast, Inc. Directors' Deferred Compensation Plan (Amended and Restated) (filed herewith).
10.4	Medifast, Inc. Amended and Restated 2012 Share Incentive Plan Performance Share Units Award Agreement (CEO and CEO Direct Reports) (filed herewith).
10.5	Medifast, Inc. Amended and Restated 2012 Share Incentive Plan Performance Share Units Award Agreement (Standard) (filed herewith).
10.6	Medifast, Inc. Amended and Restated 2012 Share Incentive Plan Deferred Share Employee Award Agreement (CEO and CEO Direct Reports) (filed herewith).
10.7	Medifast, Inc. Amended and Restated 2012 Share Incentive Plan Deferred Share Employee Award Agreement (Standard) (filed herewith).
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
101	The following financial statements from Medifast, Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2026 filed May 4, 2026, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Statements of Operations, (ii) Condensed Consolidated Statements of Comprehensive Income, (iii) Condensed Consolidated Balance Sheets, (iv) Condensed Consolidated Statements of Cash Flows, (v) Condensed Consolidated Statements of Changes in Stockholders' Equity, and (vi) Notes to the Condensed Consolidated Financial Statements (filed herewith).
104	Cover Page Interactive Data File - The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

In accordance with SEC Release No. 33-8238, Exhibit 32.1 is being furnished and not filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Medifast, Inc.

By: /s/ DANIEL R. CHARD
Daniel R. Chard
Chief Executive Officer
(Principal Executive Officer)

Dated: May 4, 2026

/s/ JAMES P. MALONEY
James P. Maloney
Chief Financial Officer
(Principal Financial Officer)

Dated: May 4, 2026

**MEDIFAST, INC.
DIRECTORS' DEFERRED COMPENSATION PLAN
(AMENDED AND RESTATED)**

**EFFECTIVE AS OF March 18, 2021
AMENDED AS OF March 12, 2026**

Article I. Introduction

Section 1.01 Purpose. This Plan is being established by Medifast, Inc. (the "Company") to assist the Company in attracting and retaining well-qualified directors who are not officers or employees of the Company or any subsidiary ("Directors") and to align the interests of Directors with those of the stockholders of the Company. The purpose of this Plan is to establish a program whereby the Directors of the Company may elect to defer certain cash amounts paid and equity-based grants awarded to Directors as fees in connection with their services to the Board of Directors.

Article II. Definitions

As used in this Plan, the following capitalized terms shall have the following meanings:

Section 2.01 "Account" shall mean the Participant's Account established pursuant to Section 5.01 herein, which Account shall be comprised of the Cash Deferral Subaccount, the Equity Deferral Subaccount, and/or the Premium Subaccount, as applicable.

Section 2.02 "Administrator" shall mean any administrator appointed by the Committee pursuant to Section 3.01 herein or, in the absence of any such appointment or as required to ensure that any transactions pursuant to this Plan do not result in liability under Section 16(b) of the Securities Exchange Act of 1934, the Committee.

Section 2.03 "Board" shall mean the Board of Directors of the Company.

Section 2.04 "Board Appointment" shall have the meaning ascribed to such term in Section 4.03 herein.

Section 2.05 "Cash Compensation" shall mean the annual retainer fees paid in cash to a Director for his or her services as a Director and any fees for service on a committee of the Board.

Section 2.06 "Cash Deferral" shall mean the portion of the Cash Compensation that a Participant has elected to defer with respect to a Director Compensation Cycle.

Section 2.07 "Cash Deferral Subaccount" shall mean the subaccount established for a Director's Cash Deferral pursuant to Section 5.02(a) of the Plan and credited with Restricted Share Units and Plan Earnings pursuant to the terms of the Plan.

Section 2.08 "Code" shall mean the Internal Revenue Code of 1986, as amended, and applicable Treasury regulations promulgated thereunder.

Section 2.09 "Committee" shall mean the Compensation Committee of the Board of Directors.

Section 2.10 "Common Stock" shall mean the common stock of the Company, \$0.001 par value per share.

Section 2.11 "Compensation" shall mean a Participant's compensation for services as a Director, which as of the Effective Date, consists of Cash Compensation and Equity Awards.

Section 2.12 "Director Compensation Cycle" shall mean the period beginning on the date of the Company's annual meeting of stockholders with respect to a calendar year and ending on the date of the following annual meeting of stockholders.

Section 2.13 "Deferred Share" shall mean a unit of measurement that is equivalent to one share of Common Stock but with none of the attendant rights of a holder of a share of Common Stock and which is payable in cash when distributed to the Participant. Deferred Shares shall constitute "Deferred Shares" under the Share Incentive Plan and shall be subject to the terms and conditions therein.

Section 2.14 “Earned” as used herein with respect to a Cash Deferral shall mean the first day of the applicable Director Compensation Cycle, and with respect to an Equity Award Deferral shall mean the date on which the Equity Award would otherwise be granted to the Director, provided that no Cash Compensation or Equity Award shall be “Earned” if such amount would otherwise be payable or granted to the Director on or after the Director’s Payment Date.

Section 2.15 “Effective Date” shall mean March 18, 2021.

Section 2.16 “Equity Award” shall mean an equity-based award granted by the Company under the Share Incentive Plan to a Director with respect to his or her services as a Director.

Section 2.17 “Equity Award Deferral” shall mean the portion of the Equity Award that a Participant has elected to defer with respect to a Director Compensation Cycle. To the extent the Equity Award is to be granted in the form of Restricted Shares (as defined in the Share Incentive Plan), the portion of the Equity Award that is deferred shall instead be granted in the form of Restricted Share Units.

Section 2.18 “Equity Deferral Subaccount” shall mean the account established for a Director’s Equity Award Deferral pursuant to Section 5.02(b) of the Plan and credited with Restricted Share Units and Plan Earnings pursuant to the terms of the Plan.

Section 2.19 “Initial Election Deadline” shall have the meaning ascribed to such term in Section 4.01 herein.

Section 2.20 “New Director Election” shall have the meaning ascribed to such term in Section 4.03 herein.

Section 2.21 “New Director” shall mean any Director who is first elected or appointed to the Board after the Effective Date of this Plan.

Section 2.22 “Participant” shall mean any Director of the Company who has elected to have all or a part of his or her Compensation deferred pursuant to the Plan.

Section 2.23 “Payment Date” shall mean the earliest of the date the Participant has a separation from service from the Company within the meaning Section 409A or the Participant’s death.

Section 2.24 “Plan” shall mean this Medifast, Inc. Directors’ Deferred Compensation Plan (as it may be amended and restated from time to time).

Section 2.25 “Plan Earnings” shall mean the amounts credited to a Participant’s Account pursuant to Article VI herein.

Section 2.26 “Premium Award” shall mean an amount credited under Section 4.04 of the Plan. For the avoidance of doubt, no Premium Award shall be credited to a Participant’s Account following March 12, 2026.

Section 2.27 “Premium Award Subaccount” shall mean the subaccount established for a Director’s Premium Award pursuant to Section 5.02(c) of the Plan and credited with Restricted Share Units and Plan Earnings pursuant to the terms of the Plan.

Section 2.28 “Restricted Share Unit” shall mean a unit of measurement equivalent to one share of Common Stock but with none of the attendant rights of a holder of a share of Common Stock until a share of Common Stock is ultimately distributed in payment of the obligation (other than the right to receive dividend equivalent amounts in accordance with Article VI herein), that is credited to a Participant’s Account and, subject to the vesting provisions set forth in Section 7.01 hereof, payable pursuant to the terms of the Plan in the form of Common Stock pursuant to the terms of Section 7.02 herein. Restricted Share Units shall constitute “Deferred Shares” under the Share Incentive Plan, and shall be subject to the terms and conditions therein.

Section 2.29 “Section 409A” shall mean Section 409A of the Code and the regulations promulgated thereunder.

Section 2.30 “Share Incentive Plan” shall mean the Medifast, Inc. Amended and Restated 2012 Share Incentive Plan, and any successor plan, in each case, as amended from time to time.

Section 2.31 “Subsequent Election Deadline” shall mean December 31 of the applicable year, as set forth in Section 4.02 herein.

Section 2.32 “Vested” shall mean the Restricted Share Units that are vested and non-forfeitable pursuant to Section 7.01 of the Plan.

Article III. Administration of the Plan

Section 3.01 Administrator. The Committee may designate an Administrator to aid the Committee in its administration of the Plan. Such Administrator shall maintain complete and adequate records pertaining to the Plan, including but not limited to Participants' Accounts, and shall serve at the pleasure of the Committee.

Section 3.02 Administration. The Plan shall be administered by the Administrator, who shall have complete discretionary authority to interpret and administer the Plan, to determine all amounts that are payable under the Plan, correct errors in administration and otherwise to implement the Plan, in each case consistent with the Plan's purposes and intent. All actions of the Administrator with respect to this Plan shall be final and binding on all persons for such Plan purposes.

Article IV. Deferred Compensation

Section 4.01 Initial Elections by Existing Directors.

(a) Any Director of the Company as of the Effective Date may make an initial election within 30 days following the Effective Date (the "Initial Election Deadline"), to participate in the Plan and defer all, or such percentage as he or she may specify, of Cash Compensation first Earned with respect to the Director Compensation Cycle that begins in 2021 and Equity Awards first Earned in 2021 beginning on the first day immediately following the Initial Election Deadline, in accordance with, and subject to, the terms and conditions of the Plan. Such deferral election shall be made by completing and executing an election form prescribed by the Administrator and delivering such election form to the Administrator on or before the Initial Election Deadline. Such election shall become irrevocable as of the close of business on the Initial Election Deadline.

(b) A separate election shall be made with respect to each of the Cash Compensation and the Equity Award that a Participant wishes to defer under the Plan pursuant to this Section 4.01. A Participant's initial deferral election, whether with respect to an Equity Award or Cash Compensation, shall only apply to compensation paid for services performed with respect to the Director Compensation Cycle that begins in 2021 and shall not stay in effect for any subsequent Director Compensation Cycles.

Section 4.02 Subsequent Elections by Participants.

(a) Subsequent to the Initial Election by a Participant provided for in Section 4.01 or a New Director Election by a Participant provided for in Section 4.03, a Participant may elect by December 31 of each calendar year (the "Subsequent Election Deadline") to defer all, or such percentage as he or she may specify, of the Cash Compensation and/or Equity Award to be Earned in the Director Compensation Cycle that begins in the following calendar year, in accordance with, and subject to, the terms and conditions of the Plan.

(b) Such deferral election shall be made by completing and executing an election form prescribed by the Administrator and delivering such election form to the Administrator on or before the Subsequent Election Deadline. A separate election shall be made with respect to each of the Cash Compensation and the Equity Award that a Participant wishes to defer under the Plan pursuant to this Section 4.02. Any such election shall become irrevocable as of the close of business on the date of the Subsequent Election Deadline. A Subsequent Election shall only apply to the Director Compensation Cycle immediately following the Subsequent Election Deadline and shall not stay in effect for any subsequent Director Compensation Cycle.

Section 4.03 Elections by New Directors.

(a) Any New Director may make an initial election (the "New Director Election"), within thirty (30) days following his or her election or appointment to the Board, whichever occurs earlier ("Board Appointment"), but effective as of such Board Appointment, to participate in the Plan and defer all, or such percentage as he or she may specify, of (i) the Cash Compensation and/or Equity Award to be Earned by him or her for the Director Compensation Cycle in effect as of such Board Appointment, and/or (ii) his or her Equity Award to be Earned with respect to such Board Appointment and/ or (iii) his or her Cash Compensation and/or Equity Award to be Earned at the Director Compensation Cycle that begins in the calendar year in which the Board Appointment takes place, if applicable, in accordance with, and subject to, the terms and conditions of the Plan.

(b) Such deferral election shall be made by completing and executing an election form prescribed by the Administrator and delivering such election form to the Administrator within thirty (30) days following such Director's Board Appointment. A separate election shall be made with respect to each of the Cash Compensation

and the Equity Award that a Participant wishes to defer under the Plan pursuant to this Section 4.03. Such election shall become irrevocable as of the close of business on the thirtieth (30th) day following the Participant's Board Appointment.

(c) A Participant's deferral election, whether with respect to an Equity Award or Cash Compensation, shall only apply to compensation paid for services performed during the applicable Director Compensation Cycle(s) and shall not stay in effect for any subsequent Director Compensation Cycle.

Section 4.04 Premium Awards. With respect to deferrals prior to March 12, 2026, a Participant shall be credited with Premium Awards calculated pursuant to Section 5.03 based on the Cash Deferrals and Equity Award Deferrals Earned by the Participant during a Director Compensation Cycle. Beginning on March 12, 2026, no Premium Awards shall be credited to a Participant's Account.

Article V. Accounts

Section 5.01 Establishment of Accounts. There shall be established for each Participant an account to be designated as such Participant's Account. The Account of each Participant shall consist, to the extent applicable to the Participant, of a Cash Deferral Subaccount, an Equity Deferral Subaccount, and a Premium Award Subaccount.

Section 5.02 Allocations to Accounts.

(a) Any Cash Deferral shall be credited to the Cash Deferral Subaccount of such Participant in the form of Restricted Share Units, on the date such amount is otherwise Earned, and any Plan Earnings or other distributions referred to in Article VI shall be credited in accordance with the provisions of Article VI, as applicable.

(b) Any Equity Award Deferral shall be credited to the Equity Deferral Subaccount of such Participant in the form of Restricted Share Units, on the date such amount is otherwise Earned, and any Plan Earnings or other distributions referred to in Article VI shall be credited in accordance with the provisions of Article VI, as applicable.

(c) Any Premium Award shall be credited to the Premium Award Subaccount of such Participant in the form of Restricted Share Units, on the date the Cash Deferral or Equity Award Deferral that such Premium Award is related to is otherwise Earned, and any Plan Earnings or other distributions referred to in Article VI shall be credited in accordance with the provisions of Article VI, as applicable.

(d) Separate records shall be kept with respect to each Director of the Cash Deferral, Equity Award Deferral, and Premium Award that is deferred under Article IV. Each Equity Award Deferral and Premium Award shall be subject to a separate vesting schedule under Section 7.01.

Section 5.03 Accounts. The number of Restricted Share Units to be credited to a Participant's Account that relate to Equity Award Deferrals shall be equal to the percentage elected to be deferred times the number of Equity Awards granted in such calendar year. The number of Restricted Share Units to be credited to a Participant's Account that relate to the Cash Deferral shall be based on the 20-day moving average price of Common Stock as of the date that the Compensation is granted. Premium Awards shall be credited to a Participant's Account as Restricted Share Units equal to (a) 15% of the Restricted Share Units subject to the applicable Equity Award Deferral and (b) 15% of the Restricted Share Units subject to the applicable Cash Deferral.

Article VI. Plan Earnings

Section 6.01 Dividend Credits. Additional credits shall be made to a Participant's Account throughout the period of such Participant's participation in the Plan, and thereafter until all distributions to which the Participant is entitled under Section 7.02 or Article VIII shall have been made. Such credits shall be made in amounts equal to the Plan Earnings, consisting of the value of any dividends declared and made with respect to the Company's Common Stock which the Participant would have received from time to time had he or she been the owner on the record dates for the payment of such dividends of the number of shares of the Company's Common Stock equal to the number of Restricted Share Units in his or her Account on such dates. Each such credit shall be applied as of the payment date for such dividend. Each dividend shall be converted into Restricted Share Units based on the closing price of a share of Common Stock on the day prior to the date of such dividend.

Article VII. Vesting and Distributions

Section 7.01 Vesting. A Participant's Cash Deferral Subaccount, Equity Deferral Subaccount, and Premium Award Subaccount shall vest with respect to each Restricted Share Unit on the date that is one year following the date such Restricted Share Unit is credited to the Account. All Plan Earnings shall vest with respect to such Restricted Share Unit on the date that the applicable Cash Deferral, Equity Award, or Premium Award vests.

Section 7.02 Distributions from Accounts. When a Participant's Payment Date occurs, the Company shall become obligated to make the distributions prescribed in paragraphs (a), (b), (c), (d), (e), and (f) below.

(a) Vested Restricted Share Units. At the time of any distribution, each Vested Restricted Share Unit under the Participant's Account shall be converted into one share of the Company's Common Stock and such share shall be distributed to the Participant. Any fraction of a Vested Restricted Share Unit to be distributed shall be converted into an amount in cash equal to the closing price of one share of the Company's Common Stock on the trading day preceding the date of distribution multiplied by such fraction and such cash shall be distributed to the Participant. Any Restricted Share Unit which is not Vested shall be forfeited as of the date of distribution.

(b) Except as otherwise provided in this Section 7.02, distribution of a Participant's Account shall be made within 30 days following a Participant's Payment Date.

(c) Notwithstanding the foregoing, in the case of a Participant who is a specified employee, within the meaning of Section 409A, unless the distribution is due to the Participant's death prior to such Participant's separation from service, within the meaning of Section 409A, distribution of his or her Account shall be made within 30 days following the date which is six (6) calendar months after such Participant's separation from service, within the meaning of Section 409A.

(d) If a Participant's Payment Date shall occur by reason of his or her death or if he or she shall die after his or her Payment Date but prior to receipt of all distributions provided for in this Section, the Participant's Account shall be distributed in the following order: to such Participant's beneficiary selected by the Participant on a form provided by the Administrator; if there is no such beneficiary designation effective at the Participant's death, to the Participant's surviving spouse; and if there is no such beneficiary designation effective or surviving spouse at the Participant's death, to the Participant's estate or personal representative, as soon as administratively feasible following such Participant's death, but in no event later than 90 days following the Participant's death, provided the recipient shall not have a right to designate the taxable year of the payment.

(e) The distributions provisions of this Section 7.02 of the Plan shall be in lieu of, and shall supersede, the distribution provisions of the Equity Award agreements issued pursuant to the Share Incentive Plan for any Equity Awards that a Director has elected to defer under this Plan.

(f) Any Common Stock issued pursuant to Plan distributions shall be made from the previously authorized and registered share pool under the Share Incentive Plan.

Article VIII. Termination of the Plan

Section 8.01 The Board may terminate the Plan at any time. Upon termination of the Plan, distributions in respect of credits to Participants' Accounts as of the date of termination shall be made in the manner and at the time prescribed in the Plan, except as otherwise permitted under Section 409A.

Article IX. Amendment of the Plan

Section 9.01 The Board may, without the consent of Participants or their beneficiaries, amend the Plan at any time and from time to time; provided, however, that no amendment may deprive a Participant of the amounts allocated to his or her Account as of the date of such amendment without such Participant's consent.

Article X. General Provisions

Section 10.01 No Rights as Stockholder. No Restricted Share Unit shall confer on any Participant any of the rights of a stockholder of the Company unless and until shares of Common Stock are duly issued or transferred and delivered to the Participant in accordance with the terms of the Plan.

Section 10.02 Funding. Benefits payable under the Plan to any person shall be paid directly by the Company. The Company shall not be required to fund or otherwise segregate assets to be used for payment of benefits under the Plan. Notwithstanding the foregoing, the Company, in its discretion, may maintain one or more trusts to hold assets to be used for payment of benefits under the Plan; provided that the assets of such trust shall be

subject to the creditors of the Company in the event that the Company becomes insolvent or is subject to bankruptcy or insolvency proceedings. Any payments by such a trust of benefits provided hereunder shall be considered payment by the Company and shall discharge the Company of any further liability for the payments made by such trust.

Section 10.03 Retention Rights. Establishment of the Plan shall not be construed to give a Director the right to be retained on the Board or to any benefits not specifically provided by the Plan.

Section 10.04 Authorized Payments. If the Committee receives evidence satisfactory to it that any person entitled to receive a payment hereunder is, at the time the benefit is payable, physically, mentally or legally incompetent to receive such payment and to give a valid receipt therefor, and that an individual or institution is then maintaining or has custody of such person and that no guardian, committee or other representative of the estate of such person has been duly appointed, the Committee may direct that such payment be paid to such individual or institution maintaining or having custody of such person, and the receipt of such individual or institution shall be valid and a complete discharge for the payment of such benefit.

Section 10.05 Section 409A. Although the Company makes no guarantee with respect to the tax treatment of payments and benefits hereunder, the Plan is intended to comply with the applicable requirements of Section 409A and shall be limited, construed, administered, and interpreted in accordance with such intent. Accordingly, and notwithstanding Article IX, the Company reserves the right to amend the provisions of the Plan at any time in order to avoid the imposition of any tax or penalty under Section 409A on any payments to be made hereunder. In no event whatsoever shall the Company or any of its affiliates be liable for any additional tax, interest or penalties that may be imposed on a Participant by Section 409A or any damages for failing to comply with Section 409A, other than for withholding or other obligations applicable to employers, if any, under Section 409A.

Section 10.06 Gender; Words. Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

Section 10.07 Assignment of Benefits. Benefits provided under the Plan may not be assigned or alienated, either voluntarily or involuntarily, other than by will or the applicable laws of descent and distribution.

Section 10.08 Conflicts of Laws. The laws of the State of Delaware shall control the interpretation and performance of the terms of the Plan. The Plan is not intended to qualify under Section 401(a) of the Code or the Employee Retirement Income Security Act of 1974, as amended.

Section 10.09 Share Incentive Plan. Restricted Share Units credited to a Participant's Account under the Plan shall be considered "Deferred Shares" granted under the Share Incentive Plan and shall be subject to the provisions of the Share Incentive Plan, which provisions are incorporated herein by reference, including without limitation, the provisions Section 4(b) of the Share Incentive Plan providing for the adjustment of Awards (as defined in the Share Incentive Plan) upon certain events.

Article XI. Effective Date

Section 11.01 This Plan shall be effective as of the Effective Date, and shall continue in force during subsequent years unless amended or revoked by action of the Board.

Medifast, Inc. Amended and Restated 2012 Share Incentive Plan
PERFORMANCE SHARE UNITS AWARD AGREEMENT (CEO AND CEO DIRECT REPORTS)

Pursuant to your Performance Share Units Grant Notice (“Grant Notice”) and this Award Agreement, Medifast, Inc. (the “Company”) has granted to you performance-based Deferred Shares (“Performance Share Units”, “PSUs” or “Award”) under the Plan covering the number of PSUs indicated in your Grant Notice, which vest in accordance with the Vesting Schedule indicated in your Grant Notice and this Award Agreement.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan or your Grant Notice.

The details of your Performance Share Units are as follows:

1. **Eligibility for Payment or Distribution of Vested PSUs.** You must be continuously employed by the Company or any of its subsidiaries from the Grant Date through and up to the last day of the Performance Period specified in your Grant Notice to be eligible for a payment or distribution of your PSUs that vest and become nonforfeitable in accordance with Section 2 of this Award Agreement. If you incur a Termination of Service prior to the last day of the Performance Period for any reason other than (a) Retirement as defined in section 2 of this Award Agreement or (b) a Qualifying Termination as defined in the Executive Severance Plan, you will forfeit any nonvested PSUs that you then hold and you shall not be entitled to any distribution or payout with respect to such forfeited PSUs, except as otherwise provided in Section 4 of this Award Agreement. Notwithstanding the foregoing, this award of PSUs is contingent on the Plan obtaining approval by the Company’s stockholders at the 2026 Annual Meeting of Stockholders. In the event stockholder approval is not obtained, this award of PSUs shall be forfeited.
2. **Retirement or Qualifying Termination.** If your employment with the Company is terminated by virtue of a Retirement, the PSUs shall continue to vest and be settled as they would have absent an employment termination and shall be eligible to vest at the conclusion of the Performance Period on a pro-rata basis, as set forth in Section 2 below.

“Retirement” means your termination of employment from the Company and its subsidiaries other than for cause, provided that you (i) have attained age 55, (ii) the numerical sum of your age and years of service with the Company or its subsidiaries is equal to at least 70, (iii) you are performing your job duties to the Company’s satisfaction at the time of notice and until your termination of employment, and (iv) you have given notice to the Company, in form satisfactory to the Company, of your intent to retire specifying the exact intended date of retirement to the Company that is at least 12 months following such notice date (provided that prior to such notice the Company had not already given you notice that you would be terminated), and remained employed by the Company until the earlier of (a) the one year anniversary of the date of such notice or (b) the date on which you are terminated by the Company without Cause. The Chief Executive Officer of the Company (or the Compensation Committee (“Committee”) of the Board of Directors of the Company, in the event that you are at the time of notice either of the Chief Executive Officer (“CEO”), or the CEO’s direct report at the Executive Vice President-level or above, or one of the Company’s “Named Executive Officers” in the Company’s most recent Proxy filing pursuant to Item 402 of Regulation S-K) may, in his or her discretion, waive the requirement that you remain employed until the one year anniversary of the date of such notice.

If your employment with the Company is terminated by virtue of a Qualified Termination as defined in the Executive Severance Plan, the PSUs shall vest and be settled in accordance with Exhibit A of the Executive Severance Plan.

3. **Determination of Number of Vested PSUs.** Subject to the requirements of Section 1 of this Agreement, at the conclusion of the Performance Period the Committee shall determine whether and to what extent you have become vested in your Award in accordance with Appendix A to this Agreement.

In the event of your Retirement prior to the conclusion of the Performance Period, you shall be eligible to vest in a number of PSUs equal to the number of PSUs that would have vested if you had remained

employed until the end of the Performance Period times a fraction, the numerator of which is the number of full months during the Performance Period that you were employed prior to your Retirement and the denominator of which is the number of months during the Performance Period.

In the event of your Qualified Termination prior to the conclusion of the Performance Period, you shall be eligible to vest in a number of PSUs as described in Exhibit A of the Executive Severance Plan.

4. **Effect of a Change in Control Prior to a Vesting Date.** For a Qualified Termination as defined under the Executive Severance Plan, the treatment of any nonvested PSUs that you hold upon or after a Change in Control will be determined under Exhibit A of the Executive Severance Plan. Except for a Qualified Termination under the Executive Severance Plan, the treatment of any nonvested PSUs that you hold upon or after a Change in Control will be determined under Section 8 of the Plan.
 5. **Form and Timing of Settlement of PSUs.** As provided for under Section 6(e)(ii) of the Plan, within two and one-half months after the close of the calendar year in which your shares vest, the Company will issue and deliver to you (at the Company's sole discretion) the number of shares of Stock equal to the number of your PSUs that vested on such Vesting Date, subject to satisfaction of applicable tax and/or other obligations as described in Section 11 of this Award Agreement.
 6. **Dividend Equivalents.** In the event that the Company declares and pays a dividend in respect of its outstanding Shares and, on the record date for such dividend, you hold PSUs granted pursuant to this Award Agreement that have not been settled, the Company shall credit to an account maintained by the Company for your benefit an amount equal to the cash dividends you would have received if you were the holder of record, as of such record date, of the number of Shares related to the portion of the PSUs that have not been settled or forfeited as of such record date (the "Dividend Equivalent" or "DER"). Such account is intended to constitute an "unfunded" account, and neither this Section 6 nor any action taken pursuant to or in accordance with this Section 6 shall be construed to create a trust of any kind. Amounts credited to such account with respect to PSUs that vest in accordance with Sections 2 or 3 of this Award Agreement will become vested DERs and will be paid to you in cash, Shares, or a combination thereof, as determined by the Committee in its sole discretion, at the same time as your vested PSUs are settled. You shall not be entitled to receive any interest with respect to the timing of payment of DERs. In the event all or any portion of the PSUs granted to you pursuant to this Award Agreement fail to become vested under Sections 2 or 3 of this Award Agreement, the unvested DERs accumulated in your account with respect to such PSUs shall be forfeited.
 7. **Delivery of Shares.** The Company shall deliver Shares in settlement of your vested PSUs to you in accordance with this Section 7; provided, however, the Company shall not be obligated to deliver Shares to you if (i) you have not satisfied all applicable tax withholding obligations, (ii) Shares are not properly registered or subject to an applicable exemption therefrom, (iii) Shares are not listed on the stock exchanges on which Company Shares are otherwise listed, or (iv) the Company determines that the delivery of Shares would violate any federal or state securities or other applicable laws. At the discretion of the Company, Shares may be delivered to you by book-entry credit to an account in your name established by the Company with the Company's transfer agent, or upon written request from you (or your personal representative, beneficiary or estate, as the case may be) in certificates in your name (or your personal representative, beneficiary or estate). You shall not acquire or have any rights as a stockholder of the Company until Shares issuable hereunder are actually issued and delivered to you in accordance with the Award Agreement.
 8. **Restrictive Covenants.** Without limiting any other non-competition, non-solicitation, non-disparagement or non-disclosure or other similar agreement to which you may be a party, you shall be subject to the confidentiality and restrictive covenants set forth on Exhibit A attached hereto, which Exhibit A is incorporated herein and forms part of this Award Agreement. In the event that you violate any of the restrictive covenants referred to in this Section 8, in addition to any other remedy that may be available at law or in equity, the PSUs shall be automatically forfeited effective as of the date on which such violation first occurs and any payment or delivery with respect to the PSUs during the 6 months prior to such violation shall be rescinded. The Company shall notify you in writing of any such rescission within two years after such payment or delivery. Within ten days after receiving such a notice from the Company, you
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shall return the Shares to the Company or pay to the Company any profit or gain your realized in connection with sale of such Shares. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and you shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of your breach of such restrictive covenants.

9. **Forfeiture and Recoupment.** Notwithstanding any provision of this Award Agreement or the Plan to the contrary, you agree that your right to retain your Award, to retain any amount received pursuant to your Award and to retain any profit or gain your realized in connection with sale of such Shares, shall be subject to any recoupment or “clawback” policy or forfeiture policy adopted by the Company.
 10. **Restrictions on Resales of Shares.** The Company may impose such restrictions, conditions, and limitations as it determines appropriate as to the timing and manner of any resales by you or other subsequent transfers by you of any Shares issued as a result of the settlement of your PSUs, including (i) restrictions under an insider trading policy, (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by you and other PSU holders, and (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers.
 11. **Tax Withholding Obligations.**
 - a. At the time your PSUs are settled, you hereby authorize withholding from payroll and any other amounts payable to you by the Company, and otherwise agree to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax withholding obligations (“Withholding Obligations”) of the Company, if any, which arise in connection with the settlement of your PSUs.
 - b. In its sole discretion, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested Shares otherwise issuable to you upon the settlement of your PSUs a number of whole Shares having a Fair Market Value, determined by the Company as of the date of settlement, at least equal to the minimum statutory amount of tax required to be withheld by law but in no event in excess of the maximum statutory amount of tax that is permitted to be withheld by law.
 12. **Tax Consequences.** You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your PSUs or your other compensation.
 13. **Applicability of Section 409A of the Internal Revenue Code.**
 - a. Your PSUs granted hereunder are not intended to provide for a “deferral of compensation” within the meaning of Section 409A of the U.S. Internal Revenue Code (“Section 409A”) and shall be interpreted and construed in a manner consistent with that intent. If any provision of this Award Agreement, your Grant Notice or the Plan causes your PSUs to be subject to the requirements of Section 409A, or could otherwise cause you to recognize income or be subject to the interest and penalties under Section 409A, then the provision shall have no effect or, to the extent practicable, the Committee may, in its sole discretion and without the Participant’s consent, modify the provision to (i) comply with, or avoid being subject to Section 409A, or to avoid the incurrence of any taxes, interest and penalties under Section 409A, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to you of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A. This Section 13 does not create an obligation of the Company to modify this Award Agreement, your Grant Notice or the Plan and does not guarantee that your PSUs will not be subject to taxes, interest and penalties under Section 409A.
 - b. If you are a “specified employee” as defined under Code Section 409A and your PSUs are to be settled on account of your separation from service (for reasons other than death) and such PSUs
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constitutes “deferred compensation” as defined under Code Section 409A, then any portion of your PSUs that would otherwise be settled during the six-month period commencing on your separation from service shall be settled as soon as practicable following the conclusion of the six-month period (or following your death if it occurs during such six-month period).

- c. Your Termination of Service shall not be deemed to have occurred for purposes of any provision of the Award Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Section 409A upon or following a Termination of Service, unless such termination is also a “separation from service” within the meaning of Section 409A and the payment thereof prior to a “separation from service” could otherwise cause you to recognize income or be subject to the interest and penalties under Section 409A.
14. **Restrictions on Transferability.** Your PSUs may not be sold, transferred, pledged, assigned, exchanged, encumbered, or otherwise alienated or hypothecated, except (i) by will or by the laws of descent and distribution; (ii) to the extent permitted by the Plan and allowed under applicable law and approved by the Committee in its sole discretion; or (iii) pursuant to a domestic relations order.
15. **Beneficiary Designation.** You may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Award Agreement is to be paid in case of your death before you receive any or all of such benefit. Each such designation shall revoke all prior designations by you, shall be in a form prescribed by the Company, and will be effective only when filed by you in writing with the Secretary of the Company during your lifetime. In the absence of any such designation, benefits remaining unpaid at the time of your death shall be paid to your estate.
16. **Securities Laws.** This Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required, or the Committee determines are advisable. You agree to take all steps that the Company determines are necessary to comply with all applicable provisions of federal and state securities law in exercising your rights under this Award Agreement. The Committee may impose such restrictions on any Shares acquired by you under the Award Agreement as it may deem necessary or advisable, under applicable federal securities laws, the requirements of any stock exchange or market upon which such Shares are then listed or traded or any blue sky or state securities laws applicable to such Shares. In addition, the Shares shall be subject to any trading restrictions, stock holding requirements or other policies in effect from time to time as determined by the Committee.
17. **Data Privacy.** To administer the Plan, the Company may process personal data about you. Such data includes the information provided in this Award Agreement, other appropriate personal and financial data about you such as home address and business addresses and other contact information, payroll information and any other information deemed appropriate by the Company to facilitate the administration of the Plan. By accepting this award, you consent to the Company’s processing of such personal data and the transfer of such data outside the country in which you work or are employed, including, with respect to non-U.S. residents, to the United States, to transferees who shall include the Company and other persons designated by the Company to administer the Plan.
18. **No Right to Continued Employment or Further Awards.**
- a. Neither the Plan nor this Award Agreement shall (i) alter your status as an “at-will” employee of the Company; (ii) be construed as giving you any right to continue in the employ of the Company; or (iii) be construed as giving you any right to be reemployed by the Company following any Termination of Service. The Termination of Service provisions in this Award Agreement shall solely apply to the treatment of your PSUs as specified herein and shall not otherwise affect your employment relationship with the Company.
 - b. The Company has granted your PSUs in its sole discretion. Your Grant Notice, this Award Agreement and the Plan do not confer to you any right or entitlement to receive another grant of PSUs, or any other similar award at any time in the future or in respect of any future period. Your PSU grant does not confer on you any right or entitlement to receive compensation in any specific
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amount for any future fiscal year and does not diminish in any way the Company's discretion to determine the amount, if any, of your compensation.

19. **Notices.** Any notice required or permitted to be given under this Award Agreement, or Grant Notice or the Plan shall be in writing and shall be deemed to have been given when delivered personally or by courier, or sent by certified or registered United States mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently by similar process give notice of:

If to the Company:

Medifast, Inc. 1501 S Clinton St
Suite 500
Baltimore, Maryland 21224 Attn.: General Counsel

If to the Employee:

To the last address delivered to the Company by the Employee in the manner set forth herein.

20. **General Provisions.**

- a. **Headings.** The headings preceding the text of the sections in this Award Agreement are inserted solely for convenience of reference and shall not constitute a part of this Award Agreement, nor shall they affect its meaning, construction, or effect.
 - b. **Severability.** If any provision of this Award Agreement is declared to be illegal, invalid, or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid, and enforceable, or otherwise deleted, and the remainder of the provisions of this Award Agreement shall not be affected except to the extent necessary to reform or delete such illegal, invalid, or unenforceable provision.
 - c. **Governing Documents.** This Award Agreement is subject to all of the terms and conditions as set forth in your Grant Notice and the Plan, all of which are incorporated herein in their entirety. Your Grant Notice, this Award Agreement, the Plan, and any employment or change in control agreement between you and the Company constitute the entire understanding between you and the Company regarding the PSUs. Any prior Award Agreements, commitments or negotiations concerning the PSUs are superseded. In the event of any conflict between the provisions of your Grant Notice and this Award Agreement and those of the Plan, the provisions of the Plan shall control.
 - d. **Binding on Parties.** The provisions of this Award Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.
 - e. **Applicable Law.** Your Grant Notice and this Award Agreement shall be governed, construed, interpreted, and administered solely in accordance with the laws of the state of Delaware, without regard to principles of conflicts of law, with consent of jurisdiction by you in the State of Maryland.
 - f. **Rescission of Award Agreement and PSU Grant.** Your PSUs granted under this Award Agreement may be rescinded if necessary to ensure compliance with federal, state or other applicable laws.
 - g. **Administration of PSUs.** All questions arising under your Grant Notice, this Award Agreement and the Plan shall be decided by the Committee in its total and absolute discretion. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of your Grant Notice, this Award Agreement and the Plan; all such determinations shall be binding upon you and your successors.
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- h. **No Stockholder Rights.** The PSUs granted to you under pursuant this Award Agreement do not and shall not entitle you to any rights of a holder of a Share of Company common stock prior to the date Shares are issued to you in settlement of the PSUs, if at all (or an appropriate book entry has been made). Except as described in the Plan, no adjustments are made for dividends or other rights if the applicable record date occurs prior to the date Shares are issued to you in settlement of the PSUs (or an appropriate book entry has been made).
- i. **Unfunded Arrangement.** The PSUs create a contractual obligation on the part of the Company to distribute to you Shares in connection with the vesting of the PSUs at the time provided for in this Award Agreement. Neither you nor any other party claiming an interest under this Agreement shall have any interest whatsoever in any specific assets of the Company. Your right to receive Shares under this Agreement is that of an unsecured general creditor of Company.
- j. **Consent to Electronic Delivery.** Certain statutory materials relating to the Plan may be delivered to you in electronic form. By accepting this grant, you consent to electronic delivery and acknowledge receipt of these materials, including the Plan.

This Award Agreement is not a stock certificate or a negotiable instrument.

Appendix A

Unless otherwise provided in the Award Agreement or Plan, set forth below are the Performance Goals applicable to your Award and the method for calculating the number of your PSUs that vest at the conclusion of the Performance Period ending on _____, 20__.

**Medifast, Inc. Amended and Restated 2012 Share Incentive Plan
PERFORMANCE SHARE UNITS AWARD AGREEMENT (STANDARD)**

Pursuant to your Performance Share Units Grant Notice (“Grant Notice”) and this Award Agreement, Medifast, Inc. (the “Company”) has granted to you performance-based Deferred Shares (“Performance Share Units”, “PSUs” or “Award”) under the Plan covering the number of PSUs indicated in your Grant Notice, which vest in accordance with the Vesting Schedule indicated in your Grant Notice and this Award Agreement.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan or your Grant Notice.

The details of your Performance Share Units are as follows:

1. **Eligibility for Payment or Distribution of Vested PSUs.** You must be continuously employed by the Company or any of its subsidiaries from the Grant Date through and up to the last day of the Performance Period specified in your Grant Notice to be eligible for a payment or distribution of your PSUs that vest and become nonforfeitable in accordance with Section 2 of this Award Agreement. If you incur a Termination of Service for any reason other than Retirement prior the last day of the Performance Period, you will forfeit any nonvested PSUs that you then hold and you shall not be entitled to any distribution or payout with respect to such forfeited PSUs, except as otherwise provided in Section 3 of this Award Agreement.
2. **Retirement.** If your employment with the Company is terminated by virtue of a Retirement, the PSUs shall continue to vest and be settled as they would have absent an employment termination and shall be eligible to vest at the conclusion of the Performance Period on a pro-rata basis, as set forth in Section 2 below.

“Retirement” means your termination of employment from the Company and its subsidiaries other than for cause, provided that you (i) have attained age 55, (ii) the numerical sum of your age and years of service with the Company or its subsidiaries is equal to at least 70, (iii) you are performing your job duties to the Company’s satisfaction at the time of notice and until your termination of employment, and (iv) you have given notice to the Company, in form satisfactory to the Company, of your intent to retire specifying the exact intended date of retirement to the Company that is at least 12 months following such notice date (provided that prior to such notice the Company had not already given you notice that you would be terminated), and remained employed by the Company until the earlier of (a) the one year anniversary of the date of such notice or (b) the date on which you are terminated by the Company without Cause. The Chief Executive Officer of the Company (or the Compensation Committee (“Committee”) of the Board of Directors of the Company, in the event that you are at the time of notice either of the Chief Executive Officer (“CEO”), or the CEO’s direct report at the Executive Vice President-level or above, or one of the Company’s “Named Executive Officers” in the Company’s most recent Proxy filing pursuant to Item 402 of Regulation S-K) may, in his or her discretion, waive the requirement that you remain employed until the one year anniversary of the date of such notice.
3. **Determination of Number of Vested PSUs.** Subject to the requirements of Section 1 of this Agreement, at the conclusion of the Performance Period the Committee shall determine whether and to what extent you have become vested in your Award in accordance with Appendix A to this Agreement. In the event of your Retirement prior to the conclusion of the Performance Period, you shall be eligible to vest in a number of PSUs equal to the number of PSUs that would have vested if you had remained employed until the end of the Performance Period times a fraction, the numerator of which is the number of full months during the Performance Period that you were employed prior to your Retirement and the denominator of which is the number of months during the Performance Period.
4. **Effect of a Change in Control Prior to a Vesting Date.** The treatment of any nonvested PSUs that you hold upon or after a Change in Control will be determined under Section 8 of the Plan.
5. **Form and Timing of Settlement of PSUs.** As provided for under Section 6(e)(ii) of the Plan, within two and one-half months after the close of the calendar year in which your shares vest, the Company will issue

and deliver to you (at the Company's sole discretion) the number of shares of Stock equal to the number of your PSUs that vested on such Vesting Date, subject to satisfaction of applicable tax and/or other obligations as described in Section 11 of this Award Agreement.

6. **Dividend Equivalents.** In the event that the Company declares and pays a dividend in respect of its outstanding Shares and, on the record date for such dividend, you hold PSUs granted pursuant to this Award Agreement that have not been settled, the Company shall credit to an account maintained by the Company for your benefit an amount equal to the cash dividends you would have received if you were the holder of record, as of such record date, of the number of Shares related to the portion of the PSUs that have not been settled or forfeited as of such record date (the "Dividend Equivalent" or "DER"). Such account is intended to constitute an "unfunded" account, and neither this Section 6 nor any action taken pursuant to or in accordance with this Section 6 shall be construed to create a trust of any kind. Amounts credited to such account with respect to PSUs that vest in accordance with Sections 2 or 3 of this Award Agreement will become vested DERs and will be paid to you in cash, Shares, or a combination thereof, as determined by the Committee in its sole discretion, at the same time as your vested PSUs are settled. You shall not be entitled to receive any interest with respect to the timing of payment of DERs. In the event all or any portion of the PSUs granted to you pursuant to this Award Agreement fail to become vested under Sections 2 or 3 of this Award Agreement, the unvested DERs accumulated in your account with respect to such PSUs shall be forfeited.
 7. **Delivery of Shares.** The Company shall deliver Shares in settlement of your vested PSUs to you in accordance with this Section 7; provided, however, the Company shall not be obligated to deliver Shares to you if (i) you have not satisfied all applicable tax withholding obligations, (ii) Shares are not properly registered or subject to an applicable exemption therefrom, (iii) Shares are not listed on the stock exchanges on which Company Shares are otherwise listed, or (iv) the Company determines that the delivery of Shares would violate any federal or state securities or other applicable laws. At the discretion of the Company, Shares may be delivered to you by book-entry credit to an account in your name established by the Company with the Company's transfer agent, or upon written request from you (or your personal representative, beneficiary or estate, as the case may be) in certificates in your name (or your personal representative, beneficiary or estate). You shall not acquire or have any rights as a stockholder of the Company until Shares issuable hereunder are actually issued and delivered to you in accordance with the Award Agreement.
 8. **Restrictive Covenants.** Without limiting any other non-competition, non-solicitation, non-disparagement or non-disclosure or other similar agreement to which you may be a party, you shall be subject to the confidentiality and restrictive covenants set forth on Exhibit A attached hereto, which Exhibit A is incorporated herein and forms part of this Award Agreement. In the event that you violate any of the restrictive covenants referred to in this Section 8, in addition to any other remedy that may be available at law or in equity, the PSUs shall be automatically forfeited effective as of the date on which such violation first occurs and any payment or delivery with respect to the PSUs during the 6 months prior to such violation shall be rescinded. The Company shall notify you in writing of any such rescission within two years after such payment or delivery. Within ten days after receiving such a notice from the Company, you shall return the Shares to the Company or pay to the Company any profit or gain your realized in connection with sale of such Shares. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and you shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of your breach of such restrictive covenants.
 9. **Forfeiture and Recoupment.** Notwithstanding any provision of this Award Agreement or the Plan to the contrary, you agree that your right to retain your Award, to retain any amount received pursuant to your Award and to retain any profit or gain your realized in connection with sale of such Shares, shall be subject to any recoupment or "clawback" policy or forfeiture policy adopted by the Company.
 10. **Restrictions on Resales of Shares.** The Company may impose such restrictions, conditions, and limitations as it determines appropriate as to the timing and manner of any resales by you or other subsequent transfers by you of any Shares issued as a result of the settlement of your PSUs, including (i) restrictions under an insider trading policy, (ii) restrictions designed to delay and/or coordinate the timing
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and manner of sales by you and other PSU holders, and (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers.

11. Tax Withholding Obligations.

- a. At the time your PSUs are settled, you hereby authorize withholding from payroll and any other amounts payable to you by the Company, and otherwise agree to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax withholding obligations ("Withholding Obligations") of the Company, if any, which arise in connection with the settlement of your PSUs.
- b. In its sole discretion, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested Shares otherwise issuable to you upon the settlement of your PSUs a number of whole Shares having a Fair Market Value, determined by the Company as of the date of settlement, at least equal to the minimum statutory amount of tax required to be withheld by law but in no event in excess of the maximum statutory amount of tax that is permitted to be withheld by law.

12. Tax Consequences. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your PSUs or your other compensation.

13. Applicability of Section 409A of the Internal Revenue Code.

- a. Your PSUs granted hereunder are not intended to provide for a "deferral of compensation" within the meaning of Section 409A of the U.S. Internal Revenue Code ("Section 409A") and shall be interpreted and construed in a manner consistent with that intent. If any provision of this Award Agreement, your Grant Notice or the Plan causes your PSUs to be subject to the requirements of Section 409A, or could otherwise cause you to recognize income or be subject to the interest and penalties under Section 409A, then the provision shall have no effect or, to the extent practicable, the Committee may, in its sole discretion and without the Participant's consent, modify the provision to (i) comply with, or avoid being subject to Section 409A, or to avoid the incurrence of any taxes, interest and penalties under Section 409A, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to you of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A. This Section 13 does not create an obligation of the Company to modify this Award Agreement, your Grant Notice or the Plan and does not guarantee that your PSUs will not be subject to taxes, interest and penalties under Section 409A.
- b. If you are a "specified employee" as defined under Code Section 409A and your PSUs are to be settled on account of your separation from service (for reasons other than death) and such PSUs constitutes "deferred compensation" as defined under Code Section 409A, then any portion of your PSUs that would otherwise be settled during the six-month period commencing on your separation from service shall be settled as soon as practicable following the conclusion of the six-month period (or following your death if it occurs during such six-month period).
- c. Your Termination of Service shall not be deemed to have occurred for purposes of any provision of the Award Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Section 409A upon or following a Termination of Service, unless such termination is also a "separation from service" within the meaning of Section 409A and the payment thereof prior to a "separation from service" could otherwise cause you to recognize income or be subject to the interest and penalties under Section 409A.

14. Restrictions on Transferability. Your PSUs may not be sold, transferred, pledged, assigned, exchanged, encumbered, or otherwise alienated or hypothecated, except (i) by will or by the laws of descent and

distribution; (ii) to the extent permitted by the Plan and allowed under applicable law and approved by the Committee in its sole discretion; or (iii) pursuant to a domestic relations order.

15. **Beneficiary Designation.** You may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Award Agreement is to be paid in case of your death before you receive any or all of such benefit. Each such designation shall revoke all prior designations by you, shall be in a form prescribed by the Company, and will be effective only when filed by you in writing with the Secretary of the Company during your lifetime. In the absence of any such designation, benefits remaining unpaid at the time of your death shall be paid to your estate.
16. **Securities Laws.** This Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required, or the Committee determines are advisable. You agree to take all steps that the Company determines are necessary to comply with all applicable provisions of federal and state securities law in exercising your rights under this Award Agreement. The Committee may impose such restrictions on any Shares acquired by you under the Award Agreement as it may deem necessary or advisable, under applicable federal securities laws, the requirements of any stock exchange or market upon which such Shares are then listed or traded or any blue sky or state securities laws applicable to such Shares. In addition, the Shares shall be subject to any trading restrictions, stock holding requirements or other policies in effect from time to time as determined by the Committee.
17. **Data Privacy.** To administer the Plan, the Company may process personal data about you. Such data includes the information provided in this Award Agreement, other appropriate personal and financial data about you such as home address and business addresses and other contact information, payroll information and any other information deemed appropriate by the Company to facilitate the administration of the Plan. By accepting this award, you consent to the Company's processing of such personal data and the transfer of such data outside the country in which you work or are employed, including, with respect to non-U.S. residents, to the United States, to transferees who shall include the Company and other persons designated by the Company to administer the Plan.
18. **No Right to Continued Employment or Further Awards.**
 - a. Neither the Plan nor this Award Agreement shall (i) alter your status as an "at-will" employee of the Company; (ii) be construed as giving you any right to continue in the employ of the Company; or (iii) be construed as giving you any right to be reemployed by the Company following any Termination of Service. The Termination of Service provisions in this Award Agreement shall solely apply to the treatment of your PSUs as specified herein and shall not otherwise affect your employment relationship with the Company.
 - b. The Company has granted your PSUs in its sole discretion. Your Grant Notice, this Award Agreement and the Plan do not confer to you any right or entitlement to receive another grant of PSUs, or any other similar award at any time in the future or in respect of any future period. Your PSU grant does not confer on you any right or entitlement to receive compensation in any specific amount for any future fiscal year and does not diminish in any way the Company's discretion to determine the amount, if any, of your compensation.
19. **Notices.** Any notice required or permitted to be given under this Award Agreement, or Grant Notice or the Plan shall be in writing and shall be deemed to have been given when delivered personally or by courier, or sent by certified or registered United States mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently by similar process give notice of:

If to the Company:

Medifast, Inc. 1501 S Clinton St
Suite 500
Baltimore, Maryland 21224 Attn.: General Counsel

If to the Employee:

To the last address delivered to the Company by the Employee in the manner set forth herein.

20. General Provisions.

- a. **Headings.** The headings preceding the text of the sections in this Award Agreement are inserted solely for convenience of reference and shall not constitute a part of this Award Agreement, nor shall they affect its meaning, construction, or effect.
 - b. **Severability.** If any provision of this Award Agreement is declared to be illegal, invalid, or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid, and enforceable, or otherwise deleted, and the remainder of the provisions of this Award Agreement shall not be affected except to the extent necessary to reform or delete such illegal, invalid, or unenforceable provision.
 - c. **Governing Documents.** This Award Agreement is subject to all of the terms and conditions as set forth in your Grant Notice and the Plan, all of which are incorporated herein in their entirety. Your Grant Notice, this Award Agreement, the Plan, and any employment or change in control agreement between you and the Company constitute the entire understanding between you and the Company regarding the PSUs. Any prior Award Agreements, commitments or negotiations concerning the PSUs are superseded. In the event of any conflict between the provisions of your Grant Notice and this Award Agreement and those of the Plan, the provisions of the Plan shall control.
 - d. **Binding on Parties.** The provisions of this Award Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.
 - e. **Applicable Law.** Your Grant Notice and this Award Agreement shall be governed, construed, interpreted, and administered solely in accordance with the laws of the state of Delaware, without regard to principles of conflicts of law, with consent of jurisdiction by you in the State of Maryland.
 - f. **Rescission of Award Agreement and PSU Grant.** Your PSUs granted under this Award Agreement may be rescinded if necessary to ensure compliance with federal, state or other applicable laws.
 - g. **Administration of PSUs.** All questions arising under your Grant Notice, this Award Agreement and the Plan shall be decided by the Committee in its total and absolute discretion. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of your Grant Notice, this Award Agreement and the Plan; all such determinations shall be binding upon you and your successors.
 - h. **No Stockholder Rights.** The PSUs granted to you under pursuant this Award Agreement do not and shall not entitle you to any rights of a holder of a Share of Company common stock prior to the date Shares are issued to you in settlement of the PSUs, if at all (or an appropriate book entry has been made). Except as described in the Plan, no adjustments are made for dividends or other rights if the applicable record date occurs prior to the date Shares are issued to you in settlement of the PSUs (or an appropriate book entry has been made).
 - i. **Unfunded Arrangement.** The PSUs create a contractual obligation on the part of the Company to distribute to you Shares in connection with the vesting of the PSUs at the time provided for in this Award Agreement. Neither you nor any other party claiming an interest under this Agreement shall have any interest whatsoever in any specific assets of the Company. Your right to receive Shares under this Agreement is that of an unsecured general creditor of Company.
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- j. **Consent to Electronic Delivery.** Certain statutory materials relating to the Plan may be delivered to you in electronic form. By accepting this grant, you consent to electronic delivery and acknowledge receipt of these materials, including the Plan.

This Award Agreement is not a stock certificate or a negotiable instrument.

Appendix A

Unless otherwise provided in the Award Agreement or Plan, set forth below are the Performance Goals applicable to your Award and the method for calculating the number of your PSUs that vest at the conclusion of the Performance Period ending on _____, 20__.

**Medifast, Inc. Amended and Restated 2012 Share Incentive Plan
DEFERRED SHARE EMPLOYEE AWARD AGREEMENT (CEO AND CEO DIRECT REPORTS)**

Pursuant to your Deferred Share Grant Notice (“Grant Notice”) and this Award Agreement, Medifast, Inc. (the “Company”) has granted to you Deferred Shares (“RSUs” or “Award”) under the Plan covering the number of RSUs indicated in your Grant Notice, which vest in accordance with the Vesting Schedule indicated in your Grant Notice and this Award Agreement.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan or your Grant Notice.

The details of your RSUs are as follows:

1. **Determination of Number of Vested RSUs.** Your RSUs are subject to the Vesting Schedule set forth in your Grant Notice. On each vesting date (“Vesting Date”) set forth in the Vesting Schedule, you will vest in the specified percentage of your RSUs, and your vested RSUs shall be settled in accordance with the terms of this Award Agreement; provided that you satisfy the requirements of Section 2 or 3 of this Agreement or vest in your RSUs in accordance with Section 4 of this Award Agreement.
2. **Eligibility for Payment or Distribution.** You must be continuously employed by the Company or any of its subsidiaries from the Grant Date through and up to a Vesting Date specified in your Grant Notice to be eligible for a payment or distribution of your RSUs that vest and become nonforfeitable on such Vesting Date. If you incur a Termination of Service prior to the a Vesting Date for any reason other than (a) Retirement as defined in Section 3 of this Award Agreement or (b) a Qualifying Termination as defined in the Executive Severance Plan, you will forfeit any non-vested RSUs that you then hold on the date of such Termination of Service and you shall not be entitled to any distribution or payout with respect to such forfeited RSUs, except as otherwise expressly provided in Section 4 of this Award Agreement. Notwithstanding the foregoing, this award of RSUs is contingent on the Plan obtaining approval by the Company’s stockholders at the 2026 Annual Meeting of Stockholders. In the event stockholder approval is not obtained, this award of RSUs shall be forfeited.
3. **Retirement or Qualified Termination.** If your employment with the Company is terminated by virtue of a Retirement, a number of the RSUs shall vest and be settled on the date of your Retirement equal to the total number of RSUs granted pursuant to this Award that remain unvested on the date of your Retirement times a fraction, the numerator of which is the number of full months between the prior Vesting Date (or the Grant Date, if there has been no Vesting Date) and the date of your Retirement and the denominator of which is the number of months between the prior Vesting Date (or the Grant Date, if there has been no Vesting Date) and the final Vesting Date.

“Retirement” means your termination of employment from the Company and its subsidiaries other than for cause, provided that you (i) have attained age 55, (ii) the numerical sum of your age and years of service with the Company or its subsidiaries is equal to at least 70, (iii) you are performing your job duties to the Company’s satisfaction at the time of notice and until your termination of employment, and (iv) you have given notice to the Company, in form satisfactory to the Company, of your intent to retire specifying the exact intended date of retirement to the Company that is at least 12 months following such notice date (provided that prior to such notice the Company had not already given you notice that you would be terminated), and remained employed by the Company until the earlier of (a) the one year anniversary of the date of such notice or (b) the date on which you are terminated by the Company without Cause. The Chief Executive Officer of the Company (or the Compensation Committee (“Committee”) of the Board of Directors of the Company, in the event that you are at the time of notice either of the Chief Executive Officer (“CEO”) of the CEO’s direct reports at the Executive Vice President-level or above, or one of the Company’s “Named Executive Officers” in the Company’s most recent Proxy filing pursuant to Item 402 of Regulation S-K) may, in his or her discretion, waive the requirement that you remain employed until the one year anniversary of the date of such notice.

If your employment with the Company is terminated by virtue of a Qualified Termination as defined in the Executive Severance Plan, the RSUs shall vest and be settled in accordance with Exhibit A of the Executive Severance Plan.

4. **Effect of a Change in Control Prior to a Vesting Date.** For a Qualified Termination as defined under the Executive Severance Plan, the treatment of any nonvested RSUs that you hold upon or after a Change in Control will be determined under Exhibit A of the Executive Severance Plan. Except for a Qualified Termination under the Executive Severance Plan, the treatment of any nonvested RSUs that you hold upon or after a Change in Control will be determined under Section 8 of the Plan.
 5. **Form and Timing of Settlement of RSUs.** Within thirty (30) days of a Vesting Date (or, if applicable, the date of your Retirement), the Company will issue and deliver to you the number of shares of Stock equal to the number of your RSUs that vested on such Vesting Date, subject to satisfaction of applicable tax and/or other obligations as described in Section 11 of this Award Agreement.
 6. **Dividend Equivalents.** In the event that the Company declares and pays a dividend in respect of its outstanding Shares and, on the record date for such dividend, you hold RSUs granted pursuant to this Award Agreement that have not been settled, the Company shall credit to an account maintained by the Company for your benefit an amount equal to the cash dividends you would have received if you were the holder of record, as of such record date, of the number of Shares related to the portion of the RSUs that have not been settled or forfeited as of such record date (the "Dividend Equivalent" or "DER"). Such account is intended to constitute an "unfunded" account, and neither this Section 6 nor any action taken pursuant to or in accordance with this Section 6 shall be construed to create a trust of any kind. Amounts credited to such account with respect to RSUs that vest in accordance with Sections 2, 3, or 4 of this Award Agreement will become vested DERs and will be paid to you in cash, Shares, or a combination thereof, as determined by the Committee in its sole discretion, at the same time as your vested RSUs are settled. You shall not be entitled to receive any interest with respect to the timing of payment of DERs. In the event all or any portion of the RSUs granted to you pursuant to this Award Agreement fail to become vested under Sections 2, 3, or 4 of this Award Agreement, the unvested DERs accumulated in your account with respect to such RSUs shall be forfeited.
 7. **Delivery of Shares.** The Company shall deliver such Shares in settlement of your vested RSUs to you in accordance with this Section 7; provided, however, the Company shall not be obligated to deliver Shares to you if (i) you have not satisfied all applicable tax withholding obligations, (ii) Shares are not properly registered or subject to an applicable exemption therefrom, (iii) Shares are not listed on the stock exchanges on which Company Shares are otherwise listed, or (iv) the Company determines that the delivery of Shares would violate any federal or state securities or other applicable laws. At the discretion of the Company, Shares may be delivered to you by book-entry credit to an account in your name established by the Company with the Company's transfer agent, or upon written request from you (or your personal representative, beneficiary or estate, as the case may be) in certificates in your name (or your personal representative, beneficiary or estate). You shall not acquire or have any rights as a stockholder of the Company until Shares issuable hereunder are actually issued and delivered to you in accordance with the Award Agreement.
 8. **Restrictive Covenants.** Without limiting any other non-competition, non-solicitation, non-disparagement or non-disclosure or other similar agreement to which you may be a party, you shall be subject to the confidentiality and restrictive covenants set forth on Exhibit A attached hereto, which Exhibit A is incorporated herein and forms part of this Award Agreement. In the event that you violate any of the restrictive covenants referred to in this Section 8, in addition to any other remedy that may be available at law or in equity, the RSUs shall be automatically forfeited effective as of the date on which such violation first occurs and any payment or delivery with respect to the RSUs during the 6 months prior to such violation shall be rescinded. The Company shall notify you in writing of any such rescission within two years after such payment or delivery. Within ten days after receiving such a notice from the Company, you shall return the Shares to the Company or pay to the Company any profit or gain your realized in connection with sale of such Shares. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and you shall not assert that they
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shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of your breach of such restrictive covenants.

9. **Forfeiture and Recoupment.** Notwithstanding any provision of this Award Agreement or the Plan to the contrary, you agree that your right to retain your Award, to retain any amount received pursuant to your Award and to retain any profit or gain your realized in connection with sale of such Shares, shall be subject to any recoupment or “clawback” policy or forfeiture policy adopted by the Company.
 10. **Restrictions on Resales of Shares.** The Company may impose such restrictions, conditions, and limitations as it determines appropriate as to the timing and manner of any resales by you or other subsequent transfers by you of any Shares issued as a result of the settlement of your RSUs, including (i) restrictions under an insider trading policy, (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by you and other RSU holders, and (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers.
 11. **Tax Withholding Obligations.**
 - a. At the time your RSUs are settled, you hereby authorize withholding from payroll and any other amounts payable to you by the Company, and otherwise agree to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax withholding obligations (“Withholding Obligations”) of the Company, if any, which arise in connection with the settlement of your RSUs.
 - b. In its sole discretion, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested Shares otherwise issuable to you upon the settlement of your RSUs a number of whole Shares having a Fair Market Value, determined by the Company as of the date of settlement, at least equal to the minimum statutory amount of tax required to be withheld by law but in no event in excess of the maximum statutory amount of tax that is permitted to be withheld by law.
 12. **Tax Consequences.** You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your RSUs or your other compensation.
 13. **Applicability of Section 409A of the Internal Revenue Code.**
 - a. Your RSUs granted hereunder are not intended to provide for a “deferral of compensation” within the meaning of Section 409A of the U.S. Internal Revenue Code (“Section 409A”) and shall be interpreted and construed in a manner consistent with that intent. If any provision of this Award Agreement, your Grant Notice or the Plan causes your RSUs to be subject to the requirements of Section 409A, or could otherwise cause you to recognize income or be subject to the interest and penalties under Section 409A, then the provision shall have no effect or, to the extent practicable, the Committee may, in its sole discretion and without the Participant’s consent, modify the provision to (i) comply with, or avoid being subject to Section 409A, or to avoid the incurrence of any taxes, interest and penalties under Section 409A, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to you of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A. This Section 13 does not create an obligation of the Company to modify this Award Agreement, your Grant Notice or the Plan and does not guarantee that your RSUs will not be subject to taxes, interest and penalties under Section 409A.
 - b. If you are a “specified employee” as defined under Code Section 409A and your RSUs are to be settled on account of your separation from service (for reasons other than death) and such RSUs constitutes “deferred compensation” as defined under Code Section 409A, then any portion of your RSUs that would otherwise be settled during the six-month period commencing on your
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separation from service shall be settled as soon as practicable following the conclusion of the six-month period (or following your death if it occurs during such six-month period).

- c. Your Termination of Service shall not be deemed to have occurred for purposes of any provision of the Award Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Section 409A upon or following a Termination of Service, unless such termination is also a “separation from service” within the meaning of Section 409A and the payment thereof prior to a “separation from service” could otherwise cause you to recognize income or be subject to the interest and penalties under Section 409A.
 14. **Restrictions on Transferability.** Your RSUs may not be sold, transferred, pledged, assigned, exchanged, encumbered, or otherwise alienated or hypothecated, except (i) by will or by the laws of descent and distribution; (ii) to the extent permitted by the Plan and allowed under applicable law and approved by the Committee in its sole discretion; or (iii) pursuant to a domestic relations order.
 15. **Beneficiary Designation.** You may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Award Agreement is to be paid in case of your death before you receive any or all of such benefit. Each such designation shall revoke all prior designations by you, shall be in a form prescribed by the Company, and will be effective only when filed by you in writing with the Secretary of the Company during your lifetime. In the absence of any such designation, benefits remaining unpaid at the time of your death shall be paid to your estate.
 16. **Securities Laws.** This Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required, or the Committee determines are advisable. You agree to take all steps that the Company determines are necessary to comply with all applicable provisions of federal and state securities law in exercising your rights under this Award Agreement. The Committee may impose such restrictions on any Shares acquired by you under the Award Agreement as it may deem necessary or advisable, under applicable federal securities laws, the requirements of any stock exchange or market upon which such Shares are then listed or traded or any blue sky or state securities laws applicable to such Shares. In addition, the Shares shall be subject to any trading restrictions, stock holding requirements or other policies in effect from time to time as determined by the Committee.
 17. **Data Privacy.** To administer the Plan, the Company may process personal data about you. Such data includes the information provided in this Award Agreement, other appropriate personal and financial data about you such as home address and business addresses and other contact information, payroll information and any other information deemed appropriate by the Company to facilitate the administration of the Plan. By accepting this award, you consent to the Company’s processing of such personal data and the transfer of such data outside the country in which you work or are employed, including, with respect to non-U.S. residents, to the United States, to transferees who shall include the Company and other persons designated by the Company to administer the Plan.
 18. **No Right to Continued Employment or Further Awards.**
 - a. Neither the Plan nor this Award Agreement shall (i) alter your status as an “at-will” employee of the Company; (ii) be construed as giving you any right to continue in the employ of the Company; or (iii) be construed as giving you any right to be reemployed by the Company following any Termination of Service. The Termination of Service provisions in this Award Agreement shall solely apply to the treatment of your RSUs as specified herein and shall not otherwise affect your employment relationship with the Company.
 - b. The Company has granted your RSUs in its sole discretion. Your Grant Notice, this Award Agreement and the Plan do not confer to you any right or entitlement to receive another grant of RSUs, or any other similar award at any time in the future or in respect of any future period. Your RSU grant does not confer on you any right or entitlement to receive compensation in any specific amount for any future fiscal year and does not diminish in any way the Company’s discretion to determine the amount, if any, of your compensation.
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19. **Notices.** Any notice required or permitted to be given under this Award Agreement, or Grant Notice or the Plan shall be in writing and shall be deemed to have been given when delivered personally or by courier, or sent by certified or registered United States mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently by similar process give notice of:

If to the Company:

Medifast, Inc. 1501 S Clinton St
Suite 500
Baltimore, Maryland 21224 Attn.: General Counsel

If to the Employee:

To the last address delivered to the Company by the Employee in the manner set forth herein.

20. **General Provisions.**

- a. **Headings.** The headings preceding the text of the sections in this Award Agreement are inserted solely for convenience of reference and shall not constitute a part of this Award Agreement, nor shall they affect its meaning, construction, or effect.
 - b. **Severability.** If any provision of this Award Agreement is declared to be illegal, invalid, or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid, and enforceable, or otherwise deleted, and the remainder of the provisions of this Award Agreement shall not be affected except to the extent necessary to reform or delete such illegal, invalid, or unenforceable provision.
 - c. **Governing Documents.** This Award Agreement is subject to all of the terms and conditions as set forth in your Grant Notice and the Plan, all of which are incorporated herein in their entirety. Your Grant Notice, this Award Agreement, the Plan, and any employment or change in control agreement between you and the Company constitute the entire understanding between you and the Company regarding the RSUs. Any prior Award Agreements, commitments or negotiations concerning the RSUs are superseded. In the event of any conflict between the provisions of your Grant Notice and this Award Agreement and those of the Plan, the provisions of the Plan shall control.
 - d. **Binding on Parties.** The provisions of this Award Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.
 - e. **Applicable Law.** Your Grant Notice and this Award Agreement shall be governed, construed, interpreted, and administered solely in accordance with the laws of the state of Delaware, without regard to principles of conflicts of law, with consent of jurisdiction by you in the State of Maryland.
 - f. **Rescission of Award Agreement and RSU Grant.** Your RSUs granted under this Award Agreement may be rescinded if necessary to ensure compliance with federal, state or other applicable laws.
 - g. **Administration of RSUs.** All questions arising under your Grant Notice, this Award Agreement and the Plan shall be decided by the Committee in its total and absolute discretion. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of your Grant Notice, this Award Agreement and the Plan; all such determinations shall be binding upon you and your successors.
 - h. **No Stockholder Rights.** The RSUs granted to you under pursuant this Award Agreement do not and shall not entitle you to any rights of a holder of a Share of Company common stock prior to
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the date Shares are issued to you in settlement of the RSUs, if at all (or an appropriate book entry has been made). Except as described in the Plan, no adjustments are made for dividends or other rights if the applicable record date occurs prior to the date Shares are issued to you in settlement of the RSUs (or an appropriate book entry has been made).

- i. **Unfunded Arrangement.** The RSUs create a contractual obligation on the part of the Company to distribute to you Shares in connection with the vesting of the RSUs at the time provided for in this Award Agreement. Neither you nor any other party claiming an interest under this Agreement shall have any interest whatsoever in any specific assets of the Company. Your right to receive Shares under this Agreement is that of an unsecured general creditor of Company.
- j. **Consent to Electronic Delivery.** Certain statutory materials relating to the Plan may be delivered to you in electronic form. By accepting this grant, you consent to electronic delivery and acknowledge receipt of these materials, including the Plan.

This Award Agreement is not a stock certificate or a negotiable instrument.

Medifast, Inc. Amended and Restated 2012 Share Incentive Plan
DEFERRED SHARE EMPLOYEE AWARD AGREEMENT (STANDARD)

Pursuant to your Deferred Share Grant Notice (“Grant Notice”) and this Award Agreement, Medifast, Inc. (the “Company”) has granted to you Deferred Shares (“RSUs” or “Award”) under the Plan covering the number of RSUs indicated in your Grant Notice, which vest in accordance with the Vesting Schedule indicated in your Grant Notice and this Award Agreement.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan or your Grant Notice.

The details of your RSUs are as follows:

1. **Determination of Number of Vested RSUs.** Your RSUs are subject to the Vesting Schedule set forth in your Grant Notice. On each vesting date (“Vesting Date”) set forth in the Vesting Schedule, you will vest in the specified percentage of your RSUs, and your vested RSUs shall be settled in accordance with the terms of this Award Agreement; provided that you satisfy the requirements of Section 2 or 3 of this Agreement or vest in your RSUs in accordance with Section 4 of this Award Agreement.
 2. **Eligibility for Payment or Distribution.** You must be continuously employed by the Company or any of its subsidiaries from the Grant Date through and up to a Vesting Date specified in your Grant Notice to be eligible for a payment or distribution of your RSUs that vest and become nonforfeitable on such Vesting Date. If you incur a Termination of Service for any reason other than Retirement prior to a Vesting Date, you will forfeit any non-vested RSUs that you then hold on the date of such Termination of Service and you shall not be entitled to any distribution or payout with respect to such forfeited RSUs, except as otherwise expressly provided in Section 4 of this Award Agreement.
 3. **Retirement.** If your employment with the Company is terminated by virtue of a Retirement, a number of the RSUs shall vest and be settled on the date of your Retirement equal to the total number of RSUs granted pursuant to this Award that remain unvested on the date of your Retirement times a fraction, the numerator of which is the number of full months between the prior Vesting Date (or the Grant Date, if there has been no Vesting Date) and the date of your Retirement and the denominator of which is the number of months between the prior Vesting Date (or the Grant Date, if there has been no Vesting Date) and the final Vesting Date.

“Retirement” means your termination of employment from the Company and its subsidiaries other than for cause, provided that you (i) have attained age 55, (ii) the numerical sum of your age and years of service with the Company or its subsidiaries is equal to at least 70, (iii) you are performing your job duties to the Company’s satisfaction at the time of notice and until your termination of employment, and (iv) you have given notice to the Company, in form satisfactory to the Company, of your intent to retire specifying the exact intended date of retirement to the Company that is at least 12 months following such notice date (provided that prior to such notice the Company had not already given you notice that you would be terminated), and remained employed by the Company until the earlier of (a) the one year anniversary of the date of such notice or (b) the date on which you are terminated by the Company without Cause. The Chief Executive Officer of the Company (or the Compensation Committee (“Committee”) of the Board of Directors of the Company, in the event that you are at the time of notice either of the Chief Executive Officer (“CEO”) of the CEO’s direct reports at the Executive Vice President-level or above, or one of the Company’s “Named Executive Officers” in the Company’s most recent Proxy filing pursuant to Item 402 of Regulation S-K) may, in his or her discretion, waive the requirement that you remain employed until the one year anniversary of the date of such notice.
 4. **Effect of a Change in Control Prior to a Vesting Date.** The treatment of any nonvested RSUs that you hold upon or after a Change in Control will be determined under Section 8 of the Plan.
 5. **Form and Timing of Settlement of RSUs.** Within thirty (30) days of a Vesting Date (or, if applicable, the date of your Retirement), the Company will issue and deliver to you the number of shares of Stock equal to
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the number of your RSUs that vested on such Vesting Date, subject to satisfaction of applicable tax and/or other obligations as described in Section 11 of this Award Agreement.

6. **Dividend Equivalents.** In the event that the Company declares and pays a dividend in respect of its outstanding Shares and, on the record date for such dividend, you hold RSUs granted pursuant to this Award Agreement that have not been settled, the Company shall credit to an account maintained by the Company for your benefit an amount equal to the cash dividends you would have received if you were the holder of record, as of such record date, of the number of Shares related to the portion of the RSUs that have not been settled or forfeited as of such record date (the “Dividend Equivalent” or “DER”). Such account is intended to constitute an “unfunded” account, and neither this Section 6 nor any action taken pursuant to or in accordance with this Section 6 shall be construed to create a trust of any kind. Amounts credited to such account with respect to RSUs that vest in accordance with Sections 2, 3, or 4 of this Award Agreement will become vested DERs and will be paid to you in cash, Shares, or a combination thereof, as determined by the Committee in its sole discretion, at the same time as your vested RSUs are settled. You shall not be entitled to receive any interest with respect to the timing of payment of DERs. In the event all or any portion of the RSUs granted to you pursuant to this Award Agreement fail to become vested under Sections 2, 3, or 4 of this Award Agreement, the unvested DERs accumulated in your account with respect to such RSUs shall be forfeited.
 7. **Delivery of Shares.** The Company shall deliver such Shares in settlement of your vested RSUs to you in accordance with this Section 7; provided, however, the Company shall not be obligated to deliver Shares to you if (i) you have not satisfied all applicable tax withholding obligations, (ii) Shares are not properly registered or subject to an applicable exemption therefrom, (iii) Shares are not listed on the stock exchanges on which Company Shares are otherwise listed, or (iv) the Company determines that the delivery of Shares would violate any federal or state securities or other applicable laws. At the discretion of the Company, Shares may be delivered to you by book-entry credit to an account in your name established by the Company with the Company’s transfer agent, or upon written request from you (or your personal representative, beneficiary or estate, as the case may be) in certificates in your name (or your personal representative, beneficiary or estate). You shall not acquire or have any rights as a stockholder of the Company until Shares issuable hereunder are actually issued and delivered to you in accordance with the Award Agreement.
 8. **Restrictive Covenants.** Without limiting any other non-competition, non-solicitation, non-disparagement or non-disclosure or other similar agreement to which you may be a party, you shall be subject to the confidentiality and restrictive covenants set forth on Exhibit A attached hereto, which Exhibit A is incorporated herein and forms part of this Award Agreement. In the event that you violate any of the restrictive covenants referred to in this Section 8, in addition to any other remedy that may be available at law or in equity, the RSUs shall be automatically forfeited effective as of the date on which such violation first occurs and any payment or delivery with respect to the RSUs during the 6 months prior to such violation shall be rescinded. The Company shall notify you in writing of any such rescission within two years after such payment or delivery. Within ten days after receiving such a notice from the Company, you shall return the Shares to the Company or pay to the Company any profit or gain your realized in connection with sale of such Shares. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and you shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of your breach of such restrictive covenants.
 9. **Forfeiture and Recoupment.** Notwithstanding any provision of this Award Agreement or the Plan to the contrary, you agree that your right to retain your Award, to retain any amount received pursuant to your Award and to retain any profit or gain your realized in connection with sale of such Shares, shall be subject to any recoupment or “clawback” policy or forfeiture policy adopted by the Company.
 10. **Restrictions on Resales of Shares.** The Company may impose such restrictions, conditions, and limitations as it determines appropriate as to the timing and manner of any resales by you or other subsequent transfers by you of any Shares issued as a result of the settlement of your RSUs, including (i) restrictions under an insider trading policy, (ii) restrictions designed to delay and/or coordinate the timing
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and manner of sales by you and other RSU holders, and (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers.

11. Tax Withholding Obligations.

- a. At the time your RSUs are settled, you hereby authorize withholding from payroll and any other amounts payable to you by the Company, and otherwise agree to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax withholding obligations (“Withholding Obligations”) of the Company, if any, which arise in connection with the settlement of your RSUs.
- b. In its sole discretion, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested Shares otherwise issuable to you upon the settlement of your RSUs a number of whole Shares having a Fair Market Value, determined by the Company as of the date of settlement, at least equal to the minimum statutory amount of tax required to be withheld by law but in no event in excess of the maximum statutory amount of tax that is permitted to be withheld by law.

12. Tax Consequences. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your RSUs or your other compensation.

13. Applicability of Section 409A of the Internal Revenue Code.

- a. Your RSUs granted hereunder are not intended to provide for a “deferral of compensation” within the meaning of Section 409A of the U.S. Internal Revenue Code (“Section 409A”) and shall be interpreted and construed in a manner consistent with that intent. If any provision of this Award Agreement, your Grant Notice or the Plan causes your RSUs to be subject to the requirements of Section 409A, or could otherwise cause you to recognize income or be subject to the interest and penalties under Section 409A, then the provision shall have no effect or, to the extent practicable, the Committee may, in its sole discretion and without the Participant’s consent, modify the provision to (i) comply with, or avoid being subject to Section 409A, or to avoid the incurrence of any taxes, interest and penalties under Section 409A, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to you of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A. This Section 13 does not create an obligation of the Company to modify this Award Agreement, your Grant Notice or the Plan and does not guarantee that your RSUs will not be subject to taxes, interest and penalties under Section 409A.
- b. If you are a “specified employee” as defined under Code Section 409A and your RSUs are to be settled on account of your separation from service (for reasons other than death) and such RSUs constitutes “deferred compensation” as defined under Code Section 409A, then any portion of your RSUs that would otherwise be settled during the six-month period commencing on your separation from service shall be settled as soon as practicable following the conclusion of the six-month period (or following your death if it occurs during such six-month period).
- c. Your Termination of Service shall not be deemed to have occurred for purposes of any provision of the Award Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Section 409A upon or following a Termination of Service, unless such termination is also a “separation from service” within the meaning of Section 409A and the payment thereof prior to a “separation from service” could otherwise cause you to recognize income or be subject to the interest and penalties under Section 409A.

14. Restrictions on Transferability. Your RSUs may not be sold, transferred, pledged, assigned, exchanged, encumbered, or otherwise alienated or hypothecated, except (i) by will or by the laws of descent and

distribution; (ii) to the extent permitted by the Plan and allowed under applicable law and approved by the Committee in its sole discretion; or (iii) pursuant to a domestic relations order.

15. **Beneficiary Designation.** You may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Award Agreement is to be paid in case of your death before you receive any or all of such benefit. Each such designation shall revoke all prior designations by you, shall be in a form prescribed by the Company, and will be effective only when filed by you in writing with the Secretary of the Company during your lifetime. In the absence of any such designation, benefits remaining unpaid at the time of your death shall be paid to your estate.
16. **Securities Laws.** This Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required, or the Committee determines are advisable. You agree to take all steps that the Company determines are necessary to comply with all applicable provisions of federal and state securities law in exercising your rights under this Award Agreement. The Committee may impose such restrictions on any Shares acquired by you under the Award Agreement as it may deem necessary or advisable, under applicable federal securities laws, the requirements of any stock exchange or market upon which such Shares are then listed or traded or any blue sky or state securities laws applicable to such Shares. In addition, the Shares shall be subject to any trading restrictions, stock holding requirements or other policies in effect from time to time as determined by the Committee.
17. **Data Privacy.** To administer the Plan, the Company may process personal data about you. Such data includes the information provided in this Award Agreement, other appropriate personal and financial data about you such as home address and business addresses and other contact information, payroll information and any other information deemed appropriate by the Company to facilitate the administration of the Plan. By accepting this award, you consent to the Company's processing of such personal data and the transfer of such data outside the country in which you work or are employed, including, with respect to non-U.S. residents, to the United States, to transferees who shall include the Company and other persons designated by the Company to administer the Plan.
18. **No Right to Continued Employment or Further Awards.**
 - a. Neither the Plan nor this Award Agreement shall (i) alter your status as an "at-will" employee of the Company; (ii) be construed as giving you any right to continue in the employ of the Company; or (iii) be construed as giving you any right to be reemployed by the Company following any Termination of Service. The Termination of Service provisions in this Award Agreement shall solely apply to the treatment of your RSUs as specified herein and shall not otherwise affect your employment relationship with the Company.
 - b. The Company has granted your RSUs in its sole discretion. Your Grant Notice, this Award Agreement and the Plan do not confer to you any right or entitlement to receive another grant of RSUs, or any other similar award at any time in the future or in respect of any future period. Your RSU grant does not confer on you any right or entitlement to receive compensation in any specific amount for any future fiscal year and does not diminish in any way the Company's discretion to determine the amount, if any, of your compensation.
19. **Notices.** Any notice required or permitted to be given under this Award Agreement, or Grant Notice or the Plan shall be in writing and shall be deemed to have been given when delivered personally or by courier, or sent by certified or registered United States mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently by similar process give notice of:

If to the Company:

Medifast, Inc. 1501 S Clinton St
Suite 500
Baltimore, Maryland 21224 Attn.: General Counsel

If to the Employee:

To the last address delivered to the Company by the Employee in the manner set forth herein.

20. General Provisions.

- a. **Headings.** The headings preceding the text of the sections in this Award Agreement are inserted solely for convenience of reference and shall not constitute a part of this Award Agreement, nor shall they affect its meaning, construction, or effect.
 - b. **Severability.** If any provision of this Award Agreement is declared to be illegal, invalid, or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid, and enforceable, or otherwise deleted, and the remainder of the provisions of this Award Agreement shall not be affected except to the extent necessary to reform or delete such illegal, invalid, or unenforceable provision.
 - c. **Governing Documents.** This Award Agreement is subject to all of the terms and conditions as set forth in your Grant Notice and the Plan, all of which are incorporated herein in their entirety. Your Grant Notice, this Award Agreement, the Plan, and any employment or change in control agreement between you and the Company constitute the entire understanding between you and the Company regarding the RSUs. Any prior Award Agreements, commitments or negotiations concerning the RSUs are superseded. In the event of any conflict between the provisions of your Grant Notice and this Award Agreement and those of the Plan, the provisions of the Plan shall control.
 - d. **Binding on Parties.** The provisions of this Award Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.
 - e. **Applicable Law.** Your Grant Notice and this Award Agreement shall be governed, construed, interpreted, and administered solely in accordance with the laws of the state of Delaware, without regard to principles of conflicts of law, with consent of jurisdiction by you in the State of Maryland.
 - f. **Rescission of Award Agreement and RSU Grant.** Your RSUs granted under this Award Agreement may be rescinded if necessary to ensure compliance with federal, state or other applicable laws.
 - g. **Administration of RSUs.** All questions arising under your Grant Notice, this Award Agreement and the Plan shall be decided by the Committee in its total and absolute discretion. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of your Grant Notice, this Award Agreement and the Plan; all such determinations shall be binding upon you and your successors.
 - h. **No Stockholder Rights.** The RSUs granted to you under pursuant this Award Agreement do not and shall not entitle you to any rights of a holder of a Share of Company common stock prior to the date Shares are issued to you in settlement of the RSUs, if at all (or an appropriate book entry has been made). Except as described in the Plan, no adjustments are made for dividends or other rights if the applicable record date occurs prior to the date Shares are issued to you in settlement of the RSUs (or an appropriate book entry has been made).
 - i. **Unfunded Arrangement.** The RSUs create a contractual obligation on the part of the Company to distribute to you Shares in connection with the vesting of the RSUs at the time provided for in this Award Agreement. Neither you nor any other party claiming an interest under this Agreement shall have any interest whatsoever in any specific assets of the Company. Your right to receive Shares under this Agreement is that of an unsecured general creditor of Company.
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- j. **Consent to Electronic Delivery.** Certain statutory materials relating to the Plan may be delivered to you in electronic form. By accepting this grant, you consent to electronic delivery and acknowledge receipt of these materials, including the Plan.

This Award Agreement is not a stock certificate or a negotiable instrument.

RULE 13a-14(a) CERTIFICATION

I, Daniel R. Chard, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Medifast, Inc. (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: May 4, 2026

/s/ Daniel R. Chard

Daniel R. Chard

Chief Executive Officer

RULE 13a-14(a) CERTIFICATION

I, James P. Maloney, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Medifast, Inc. (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: May 4, 2026

/s/ James P. Maloney

James P. Maloney
Chief Financial Officer

MEDIFAST, INC.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q (the "Report") for the quarter ended March 31, 2026 of Medifast, Inc. (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel R. Chard, Chief Executive Officer and I, James P. Maloney, Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of the Company.

By: /s/ DANIEL R. CHARD

Daniel R. Chard
Chief Executive Officer
May 4, 2026

/s/ JAMES P. MALONEY

James P. Maloney
Chief Financial Officer
May 4, 2026