

TRAEGER

# INVESTOR PRESENTATION

## SECOND QUARTER 2025

# SAFE HARBOR STATEMENT

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our organizational focus, our mitigation efforts to offset the direct impact of tariffs, our Project Gravity initiative and its impact on our business including anticipated cost savings, our projected sales, our anticipated full year Fiscal 2025 results, and the release of updates to our outlook as we better understand macroeconomic dynamics. These statements are neither promises nor guarantees, are based on current expectations, estimates and assumptions, and involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, our history of operating losses; our ability to manage or future growth effectively; our growth depending in part on our continued penetration and expansion into additional markets; our dependence on maintaining and strengthening our brand to generate and maintain ongoing demand for our products; our ability to cost-effectively attract new customers or retain our existing customers; our failure to maintain product quality and product performance at an acceptable cost; United States trade policies that restrict imports or increase import tariffs, including the impact of recently implemented and proposed tariffs; product liability and warranty claims and product recalls; the highly competitive market in which we operate; use of social media and community ambassadors affecting our reputation or subjecting us to fines or other penalties; issues in relation to environmental, social and governance matters; any decline in demand from certain retailers; risks associated with our significant international operations; our reliance on limited number of third-party manufacturers; and the other factors discussed under the caption "Risk Factors" in our periodic and current reports filed with the Securities and Exchange Commission from time to time, including our Annual Report on Form 10-K for the year ended December 31, 2024. Any such forward-looking statements represent management's estimates as of the date of this presentation. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change.


THE FUTURE OF FLAVOR
40 YEARS IN THE MAKING

## CEO COMMENTARY

**Our second quarter results reflect tariff related dynamics which impacted both sales and Adjusted EBITDA performance in the quarter. During the quarter, our team worked diligently to implement measures to mitigate our exposure to tariffs. These actions are expected to drive improvement to second half 2025 Adjusted EBITDA performance as compared to what we experienced in the second quarter.**

**Given the uncertain macroeconomic backdrop, our focus this year is to protect profitability and cash flow. Our outlook for the Fiscal Year demonstrates our efforts in these areas, as we are expecting to offset approximately 80% of our $60 million of unmitigated tariff exposure.**

**Today, we are sharing details on our multi-step streamlining effort, Project Gravity, which I believe will unlock significant efficiencies and value at Traeger over time. The first phase of Project Gravity is expected to drive $30 million of annualized cost savings once fully implemented, with additional savings anticipated as we continue to develop and execute Phase 2 of the plan. I look forward to providing more details on Project Gravity in future updates.**

**- Jeremy Andrus, CEO of Traeger**

# Our Mission is to Create a More Flavorful World

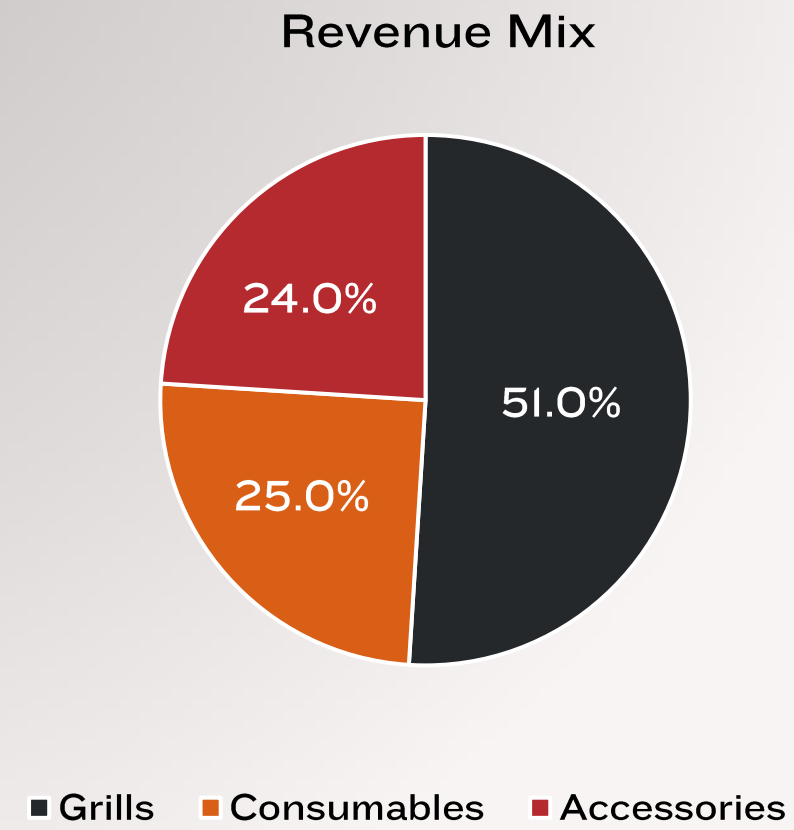
# 2Q 2025 AT A GLANCE

**$145MM**
Revenue

**39.2%**
Gross Margin

**$14MM**
Adj. EBITDA (1)

**9.8%**
Adj. EBITDA Margin (1)



# GROWTH PILLARS: QUARTERLY HIGHLIGHTS

## 1 Accelerate Brand Awareness

- Continued growth in follower count across social channels, up 7% versus 2Q 2024
- Launched partnerships with Budweiser/Bud Light for their "Grill Like a Pro" campaign featuring content integration, retail displays, and cross-merchandising
- Formed collaboration with Pepsi/Frito Lay highlighting outdoor cooking and featuring Traeger products in retail displays and a media campaign

## 2 Disrupt Outdoor Cooking with Product Innovation

- Launched Meat Church pellets, a new pellet blend, in collaboration with BBQ influencer Matt Pittman
- Successfully launched Flatrock Two Zone at retail in 2Q 2025

## 3 Drive Recurring Revenues

- Experienced ~7% growth in consumables in 2Q 2025 driven by healthy sell-through of pellets and expanded distribution
- Recently revamped Traeger-branded Accessories line seeing healthy consumer demand with positive growth in 2Q 2025

## 4 Expand Traeger Brand Globally

- Strong sell-through across grill assortment in Canada in 2Q 2025, with particular strength in the new Woodridge line
- Successful launch of the Flatrock griddle in Canada in 2Q 2025



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# TARIFF MITIGATION UPDATE

*The Company's tariff mitigation efforts are expected to offset ~80% of the $60 million FY 2025 unmitigated tariff impact*

| | |
|---|---|
| **SUPPLY CHAIN** | • Cost negotiations with contract manufacturers<br>• Implementing First Sale or similar processes for direct import customer purchases as well as for Traeger-owned inventory<br>• Working to diversify production further outside of China into regions where it expects tariffs and costs to be lower<br>• Expecting a meaningful reduction in the portion of production occurring in China by the end of 2026 |
| **COST MANAGEMENT** | • Project Gravity streamlining effort to unlock material efficiencies and savings<br>• Reduction/deferral of non-essential expenditures<br>• Material reduction in hiring activity |
| **PRICING** | • Implementation of strategic pricing increases across the assortment<br>• Robust analysis of features and market positioning on a SKU-by-SKU basis to arrive at pricing changes |
| **INVENTORY MANAGEMENT** | • Strong management of balance sheet and channel inventories driven by robust Sales and Operations Planning process<br>• Inventory management process informed by analysis of real-time sell-through data |

# PROJECT GRAVITY

*Project Gravity is a strategic enterprise initiative designed to streamline operations, enhance organizational efficiency, and simplify the business. Project Gravity will be largely implemented through the end of 2026 and is structured in two phases.*

## Phase 1

- Implemented reduction in force in 2Q 2025
- Centralizing MEATER's business operations into Traeger's Salt Lake City infrastructure
- Closing MEATER's UK office and substantially reducing UK-based MEATER personnel
- MEATER will more directly benefit post integration from Traeger's sales and marketing expertise

Reduction in force + MEATER centralization yield approximately **$30MM** of annualized cost savings once fully implemented

Realized savings expected to be up to **$13MM** in FY 2025

## Phase 2

- Initiatives will be identified through an ongoing and broad-based review of Traeger's operations
- The core principle is to drive efficiency and simplification to the Company's operations
- Updates will be shared as the strategic plan evolves

Savings target to be determined

*Project Gravity is expected to **unlock meaningful value** and supports continued investment in Traeger's core growth pillars*

# BALANCE SHEET HIGHLIGHTS

## SUMMARY SNAPSHOT
$MM

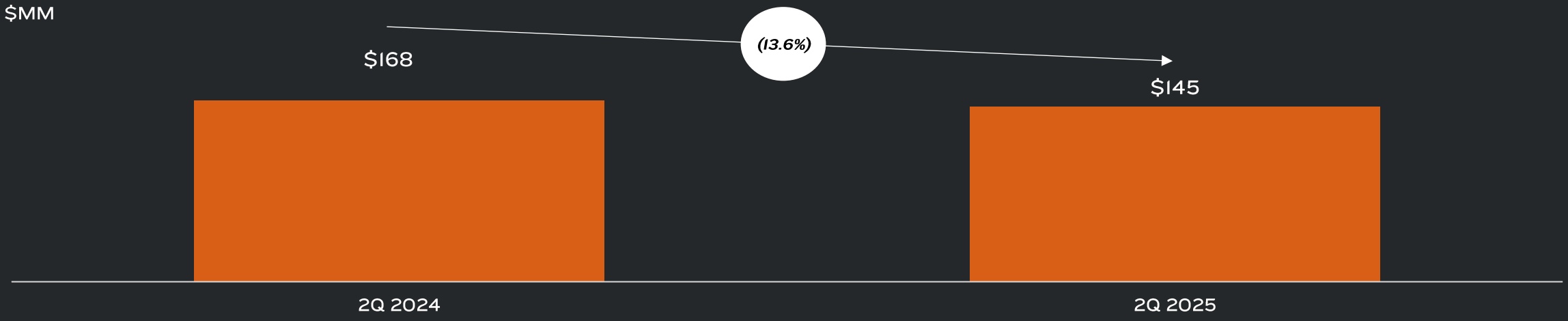
| | |
|---|---|
| **QUARTER-END LIQUIDITY** | **$180MM** vs. **$175MM** in 2Q 2024 |
| **NET DEBT (3)** | **$402MM** vs. **$409MM** in 2Q 2024 |

- Ample liquidity exiting 2Q25
- Amendment to the Revolving Credit Facility extending the maturity date of an $82.5 million tranche to December 29, 2027 ensures continued access to credit availability
- Balance sheet health is a key priority for management and is supported by ongoing profitability measures

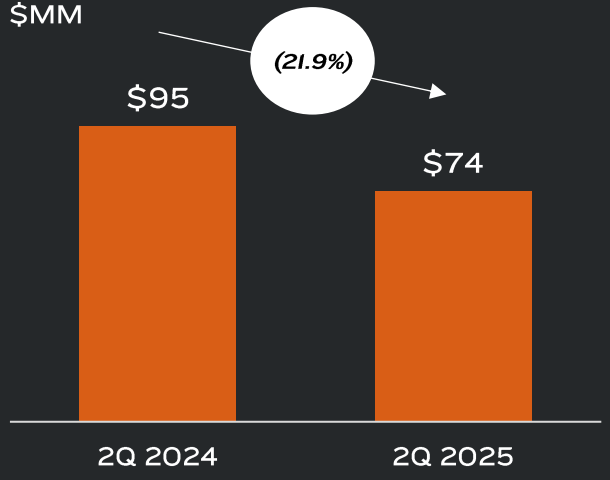
# FINANCIALS

# 2nd QUARTER 2025 REVENUE RESULTS

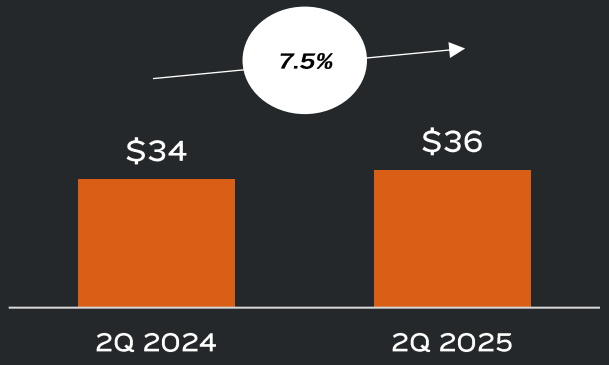
TOTAL REVENUE
$MM



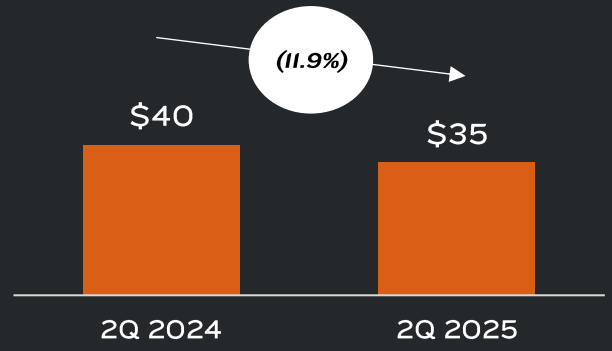

GRILLS REVENUE
$MM




CONSUMABLES REVENUE
$MM




ACCESSORIES REVENUE
$MM

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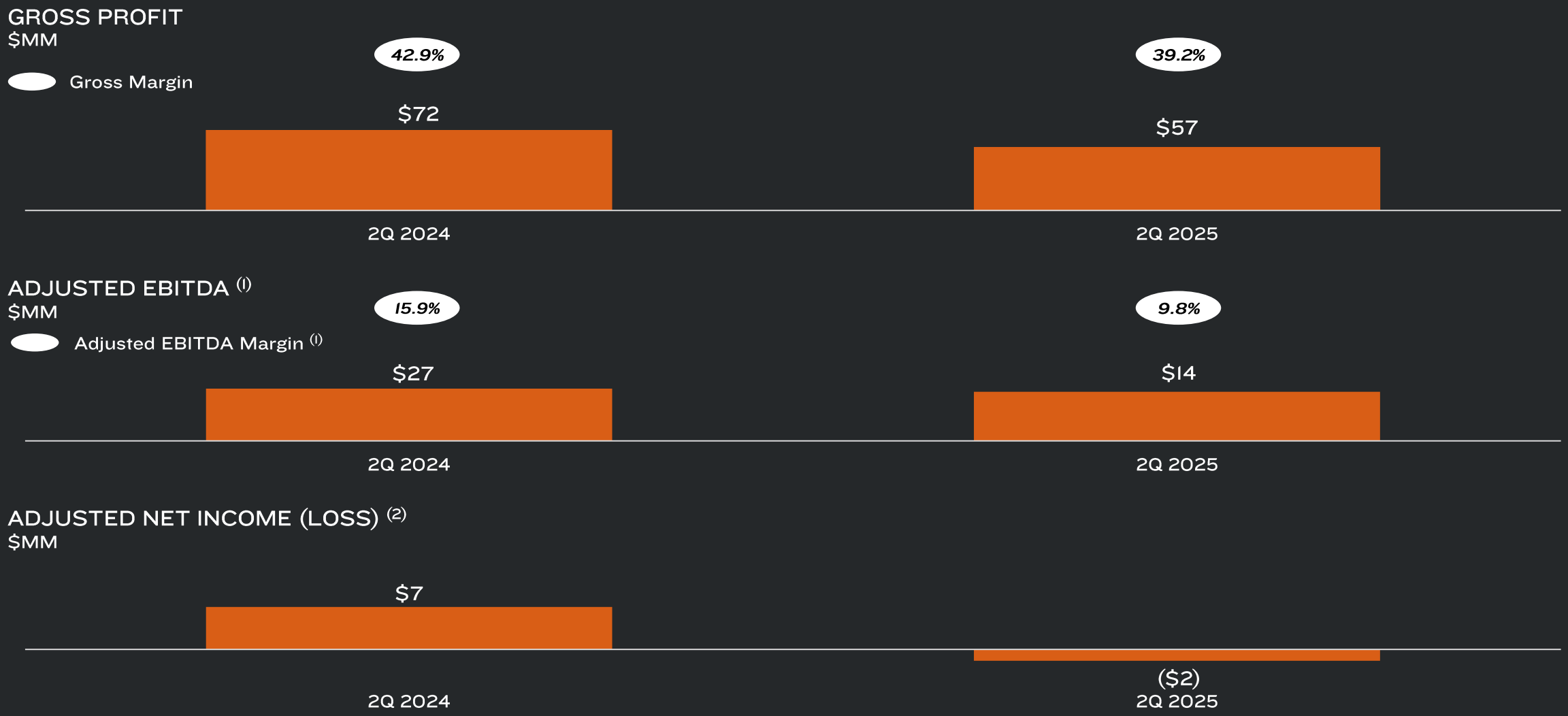
# 2nd QUARTER 2025 PROFITABILITY RESULTS



# GUIDANCE FOR FULL YEAR FISCAL 2025

## FISCAL 2025 GUIDANCE

| METRIC | LOW | HIGH |
|---|---|---|
| Total Revenue | $540MM | $555MM |
| Gross Margin | 40.5% | 41.5% |
| Adj. EBITDA (1) | $66MM | $73MM |

## KEY ASSUMPTIONS:

- Grill revenues expected to decline in the high-single digit percentage range, driven by the expected impact on volumes related to recent pricing increases
- Consumables revenues are expected to increase
- Accessories revenues are expected to decline due to MEATER softness

# APPENDIX

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# FOOTNOTES

1. Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP measures. See the appendix to this presentation for a presentation of, and a reconciliation of these measures to, the nearest comparable GAAP measures, including Net Loss, and Net Loss Margin, respectively. A reconciliation of Adjusted EBITDA guidance to Net Loss on a forward-looking basis cannot be provided without unreasonable efforts, as the Company is unable to provide reconciling information with respect to provision (benefit) for income taxes, interest expense, depreciation and amortization, other income, stock-based compensation, non-routine legal expenses, restructuring costs, and employee retention tax credit, all of which are adjustments to Adjusted EBITDA.

2. Adjusted Net Income (Loss) and Adjusted Net Income (Loss) Margin are non-GAAP measures. See the appendix to this presentation for a presentation of, and a reconciliation of this measure to, the nearest comparable GAAP measures, Net Loss and Net Loss Margin.

3. Net Debt is a non-GAAP measure. See the appendix to this presentation for a presentation of, and a reconciliation of this measure to, the nearest comparable GAAP measure.

# INFORMATION REGARDING NON-GAAP FINANCIAL MEASURES

In addition to our results and measures of performance determined in accordance with U.S. GAAP, we believe that certain non-GAAP financial measures are useful in evaluating and comparing our financial and operational performance over multiple periods, identifying trends affecting our business, formulating business plans and making strategic decisions.

Each of Adjusted EBITDA, Adjusted Net Income (Loss), Adjusted Net Income (Loss) per share, Adjusted EBITDA Margin, and Adjusted Net Income (Loss) Margin are key performance measures that our management uses to assess our financial performance and are also used for internal planning and forecasting purposes. We believe that these non-GAAP financial measures are useful to investors and other interested parties in analyzing our financial performance because they provide a comparable overview of our operations across historical periods. In addition, we believe that providing each of Adjusted EBITDA and Adjusted Net Income (Loss), together with a reconciliation of Net Loss to each such measure, and providing Adjusted Net Income (Loss) per share, together with a reconciliation of Net Loss per share to such measure, Adjusted EBITDA Margin, and Adjusted Net Income (Loss) Margin, together with a reconciliation of Net Loss Margin to such measures, helps investors make comparisons between our company and other companies that may have different capital structures, different tax rates, and/or different forms of employee compensation. For example, due to finite-lived intangible assets included on our balance sheet following our corporate reorganization in 2017, we have significant non-cash amortization expense attributable to the nature of our capital structure.

Each of Adjusted EBITDA, Adjusted Net Income (Loss), and Adjusted Net Income (Loss) per share are used by our management team as an additional measure of our performance for purposes of business decision-making, including managing expenditures, and evaluating potential acquisitions. Period-to-period comparisons of Adjusted EBITDA, Adjusted Net Income (Loss), and Adjusted Net Income (Loss) per share help our management identify additional trends in our financial results that may not be shown solely by period-to-period comparisons of Net Loss or Loss from Operations or Net Loss per share. In addition, we may use Adjusted EBITDA in the incentive compensation programs applicable to some of our employees. Each of Adjusted EBITDA, Adjusted Net Income (Loss), and Adjusted Net Income (Loss) per share has inherent limitations because of the excluded items, and may not be directly comparable to similarly titled metrics used by other companies.

Our management uses Net Debt to monitor the Company's outstanding debt obligations that could not be satisfied by its cash and cash equivalents on hand.

# PRESENTATION OF COMPARABLE GAAP MEASURES AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

## RECONCILIATION OF DEBT TO NET DEBT

| *(dollars in thousands)* | June 30, 2025 |
|---|---|
| **Line of credit** | $9,000 |
| **Current portion of notes payable** | 250 |
| **Notes payable, net of current portion** | 399,018 |
| Add: Debt issuance costs | 4,182 |
| Less: Cash and cash equivalents | (10,301) |
| **Total net debt** | $402,149 |

# PRESENTATION OF COMPARABLE GAAP MEASURES AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| | *(dollars in thousands, except share and per share amounts)* | | | |
| Net loss | $ (7,384) | $ (2,578) | $ (8,162) | $ (7,261) |
| Adjustments: | | | | |
| Other income [1] | (2,685) | (3,688) | (6,102) | (9,550) |
| Stock-based compensation | 3,969 | 7,065 | 9,145 | 17,163 |
| Non-routine legal expenses [2] | 10 | 1,600 | 18 | 1,702 |
| Amortization of acquisition intangibles [3] | 8,111 | 8,255 | 16,222 | 16,510 |
| Restructuring costs [4] | 3,468 | — | 3,468 | — |
| Employee retention tax credit [5] | (5,067) | — | (5,067) | — |
| Tax impact of adjusting items [6] | (2,358) | (3,385) | (4,892) | (6,612) |
| Adjusted net income (loss) | $ (1,936) | $ 7,269 | $ 4,630 | $ 11,952 |
| | | | | |
| Net loss | $ (7,384) | $ (2,578) | $ (8,162) | $ (7,261) |
| Adjustments: | | | | |
| Provision (benefit) for income taxes | (391) | (24) | (1,991) | 166 |
| Interest expense | 8,091 | 8,678 | 15,984 | 16,774 |
| Depreciation and amortization | 13,308 | 13,944 | 27,550 | 28,191 |
| Other income [7] | (1,747) | (1,863) | (4,158) | (5,500) |
| Stock-based compensation | 3,969 | 7,065 | 9,145 | 17,163 |
| Non-routine legal expenses [2] | 10 | 1,600 | 18 | 1,702 |
| Restructuring costs [4] | 3,468 | — | 3,468 | — |
| Employee retention tax credit [5] | (5,067) | — | (5,067) | — |
| Adjusted EBITDA | $ 14,257 | $ 26,822 | $ 36,787 | $ 51,235 |
| | | | | |
| Revenue | $ 145,483 | $ 168,471 | $ 288,766 | $ 313,385 |
| Net loss margin | (5.1) % | (1.5) % | (2.8) % | (2.3) % |
| Adjusted net income (loss) margin | (1.3) % | 4.3 % | 1.6 % | 3.8 % |
| Adjusted EBITDA margin | 9.8 % | 15.9 % | 12.7 % | 16.3 % |
| | | | | |
| Net loss per diluted share | $ (0.06) | $ (0.02) | $ (0.06) | $ (0.06) |
| Adjusted net income (loss) per diluted share | $ (0.01) | $ 0.06 | $ 0.04 | $ 0.09 |
| Weighted average common shares outstanding - diluted | 133,289,523 | 127,138,825 | 131,311,862 | 126,175,888 |

Notes:
1. Represents realized and unrealized (gains) losses on the interest rate swap, including amortization of dedesignated cash flow hedge, losses on the disposal of property, plant, and equipment, and unrealized (gains) losses from foreign currency transactions and derivatives.
2. Represents external legal expenses incurred in connection with the defense of a class action lawsuit and intellectual property litigation.
3. Represents the amortization expense associated with intangible assets recorded in connection with the 2017 acquisition of Traeger Pellet Grills Holdings LLC.
4. Represents costs incurred in connection with Project Gravity primarily related to severance and other personnel costs.
5. Represents the total benefit recorded associated with the refund from the Internal Revenue Service in connection with the Employee Retention Tax Credit.
6. Represents the tax effect of non-GAAP adjustments calculated at an estimated blended statutory tax rate of 25.7% for the three and six months ended June 30, 2025, and 25.6% and 25.2% for the three and six months ended June 30, 2024, respectively.
7. Represents realized and unrealized (gains) losses on the interest rate swap, losses on the disposal of property, plant, and equipment, and unrealized (gains) losses from foreign currency transactions and derivatives.

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