



TRAEGER

INVESTOR PRESENTATION

FIRST QUARTER 2022

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 anticipated full year fiscal 2022 results. These statements are neither promises nor guarantees, but 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 our future growth effectively, our ability to expand into additional markets, our ability to maintain and strengthen our brand to generate and maintain ongoing demand for our products, our ability to cost-effectively attract new customers and retain our existing customers, our failure to maintain product quality and product performance at an acceptable cost, the impact of product liability and warranty claims and product recalls, the highly competitive market in which we operate, the use of social media and community ambassadors, a decline in sales of our grills, our dependence on three major retailers, the impact of the COVID-19 pandemic on certain aspects of our business, risks associated with our international operations, our reliance on a limited number of third-party manufacturers and problems with (or loss of) our suppliers or an inability to obtain raw materials, and the ability of our stockholders to influence corporate matters and the other important 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, 2021. 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.

This presentation also includes estimates regarding market and industry data that we prepared based on our management's knowledge and experience in the markets in which we operate, together with information obtained from various sources, including publicly available information, industry reports and publications, surveys, our customers, distributors, suppliers, trade and business organizations and other contacts in the markets in which we operate. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of such industry and markets which we believe to be reasonable. This market and industry data is subject to change and may be limited by the availability of raw data, the voluntary nature of the data gathering process and other limitations inherent in any statistical survey. In addition, customer preferences are subject to change. Accordingly, you are cautioned not to place undue reliance on such market and industry data.

MAXIM
HOME • GEAR

TAEGER'S NEW TIMBERLINE GRILL UPGRADES WOOD PELLET COOKING WITH TOUCHSCREENS AND A 'FREEFLOW' FIREPOT

Get cookin'.



Forbes Subscribe

CONSUMER TECH

Traeger's All-New Timberline Provides The Ultimate Outdoor Cooking Experience

So fun to get to be IRL w/ the bbq community again // kudos to @traegergrills for bringing everyone together this week // @kendrick_bbq and i have been friends on the gram for years and he's been rocking @hedlevandbennett for even longer and we finally got to meet today 🥰👏👏

POPULAR SCIENCE

Traeger's new Timberline series grills can cook pretty much anything outside

Traeger's new high-end pellet grill is easier to clean and more versatile than a typical grill.

GEAR PATROL Newsletter Sign In

Buying Guides Deals Today in Gear

Traeger's New Pellet Grill Is a Smarter Pitmaster Than You

758k

The revamped line of Traeger's Timberline pellet grills let you set it and forget it.



HICONSUMPTION

Traeger's New Timberline Grill Has Built-In Touchscreen Controls

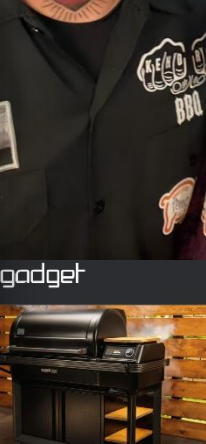
thrillist

EAT DRINK TRAVEL CANNABIS WATCH SHOP

NEWS • NEW PRODUCTS

Traeger's New, Feature-Packed Timberline Sets the Stage for Its Future Grills

Here's what to expect before the all-new Timberline hits stores later this spring.



March 30 9:48 AM

WELCOME TO THE TRIPLE

@CHEFJOB IS HYPED FOR TAEGER SUMMIT 2022, ARE YOU?

@chefdorianhunter was the first person I met at this @traegergrills summit and we are gonna be lifelong friends (she doesn't know it yet but it's gonna happen). An incredibly wonderful woman here and such an amazing chef!!!

YETI

280k

TRAERGER

Boost Highlight More



Traeger Timberline (2022) Traeger Grills

Traeger's redesigned Timberline is full of smart grilling tech

Touchscreen controls, induction side burner and wireless meat probes.

CEO Commentary

"Despite the headwinds that we faced in the first quarter, we are pleased to report better than expected revenue and adjusted EBITDA for the quarter. During the first quarter, we continued to execute on our strategic growth pillars. We successfully introduced our new platform of innovation with the launch of our new Timberline and Timberline XL grills. In addition, we expanded our assortment in 350 doors with one of our largest retail partners. In consumables, we expanded our offering of rubs and sauces in over 2,200 doors at Kroger and further expanded grocery door growth for our pellets as well. Our brand health remains strong and we are well positioned for the upcoming summer grilling season. Given that our first quarter revenues benefited from a shift in the timing of grill shipments, as well as our belief that the macro backdrop will remain volatile for the balance of the year, we are reiterating our prior 2022 outlook despite reporting first quarter results ahead of our prior guidance. Looking ahead, we are confident in our model and remain very excited about our long-term potential as disruptors in the industry. I want to thank the Traeger team for their hard work and passion as we continue our journey forward."

– Jeremy Andrus, CEO of Traeger



Our Mission is to Create a More Flavorful World



TRAERGER 1st QUARTER AT A GLANCE

\$224MM

Revenue

37.4%

Gross Margin

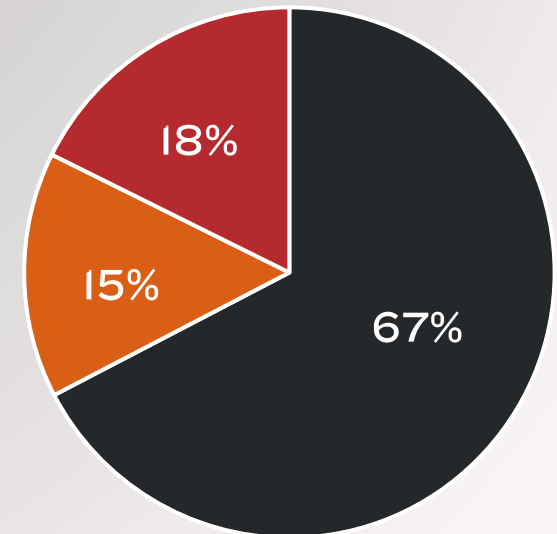
\$31MM

Adj. EBITDA ⁽¹⁾

13.8%

Adj. EBITDA
Margin ⁽¹⁾

Revenue Mix



■ Grills ■ Accessories ■ Consumables

GROWTH PILLARS: QUARTERLY HIGHLIGHTS

1 Accelerate Brand Awareness and Penetration

- Expanded assortment of Traeger products at ~350 Home Depot doors
- Launched a new brand campaign, Traegerhood Tales, with TV spots and digital ads
- Traeger.com US saw strong topline growth in Q1 22

2 Disrupt Outdoor Cooking with Product Innovation

- Launched new Timberline in March 2022 bringing significant innovation to the marketplace
- Timberline launch was the largest product launch in company history, generating in its first week:
 - 1.2 billion press coverage impressions
 - 70 million influencer-driven impressions
- Timberline “hero moment” fixtures in over 1000 retail doors

3 Drive Recurring Revenue

- Added 2200 grocery doors for rubs and sauces, led by Kroger roll-out
- Added 600 additional grocery doors where pellets are sold
- Launched two new rubs, The Anything Rub and the Perfect Pork Rub, and two new sauces, Liquid Gold and Show Me the Honey

4 Expand Traeger Brand Globally

- Healthy quarter of growth both in Canada and in Europe
- Strong pre-book and early season load-ins



INVESTMENT HIGHLIGHTS

- 1. DISRUPTOR IN THE OUTDOOR COOKING CATEGORY** as the market leader in the share-gaining Wood Pellet Grill segment
- 2. AUTHENTIC AND INVITING BRAND** driving an emotional and visceral passion, embodied in our diverse community of advocates: **THE TRAEGERHOOD**
- 3. RECURRING REVENUE MODEL** driven by Traeger's leadership in the pellets market and its growing sauces and rubs business
- 4. LARGE U.S. TAM OF 76MM** grill-owning households with 80% of consumers planning to spend the same or more on their next grill
- 5. EARLY STAGES OF U.S. GROWTH** at 3.5% penetration ⁽²⁾ vs. mid-teens penetration in strongest markets
- 6. INTERNATIONAL EXPANSION OPPORTUNITY** at 6% of FY21 revenues vs. 40%+ for larger competitor

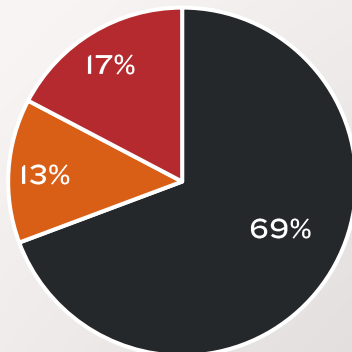
BRAND, PRODUCT AND INDUSTRY





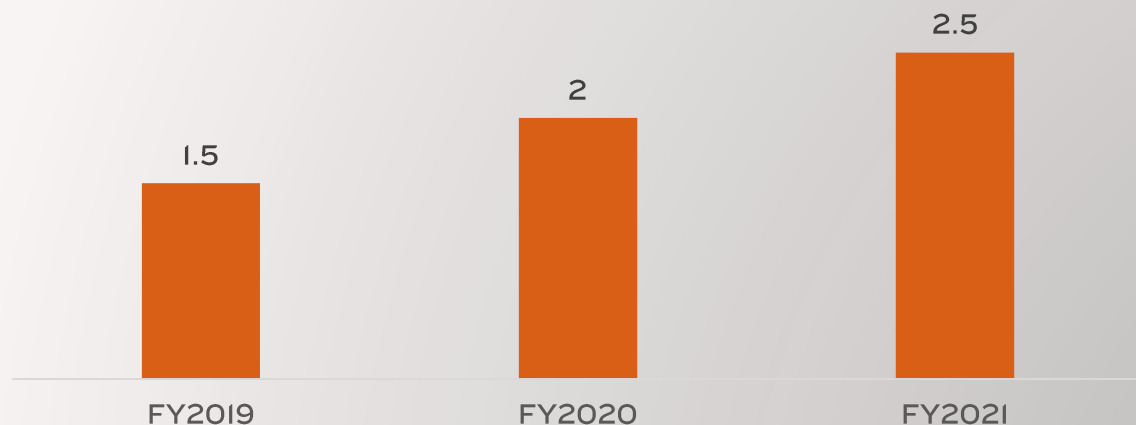
TRAEGER AT A GLANCE

FY 2021 Revenue Mix



■ Grills ■ Accessories ■ Consumables

Grills Installed Base (MM)



\$786MM

FY 2021
Revenue

44%

FY 2021
Revenue Growth

\$109MM

FY 2021
Adj. EBITDA ⁽¹⁾

14%

FY 2021
Adj. EBITDA
Margin ⁽¹⁾

110MM
Cooks in 2021

1.7MM
Instagram &
Facebook
Followers

TRAEGER'S U.S. MARKET OPPORTUNITY

130 MM

76 MM

45 MM



TOTAL U.S. HOUSEHOLDS

Current Penetration

2%

TRAEGER U.S. TAM

Total U.S. Households that own a grill as of 2021

Current Penetration

3.5%

TRAEGER U.S. SAM

Total U.S. Households that value Traeger's differentiated quality, technology and convenience, according to management survey analysis as of 2021 ⁽³⁾

Current Penetration

6%

Sources: U.S. Census Bureau (2021), Market Survey (2021)

Note: All market figures as of 2021, and all penetration figures as of 2021 and based on an installed base of approximately 2.5 million Traegers sold in the U.S. from 2017 to 2021

OUR MARKET OPPORTUNITY

\$1.3 Trillion

total U.S. spend on food at home
in 2021

~80%

of consumers plan to spend the same
or more on their next grill purchase

6 in 10

U.S. households own a grill, with
second grill purchases rising in
popularity

5 years

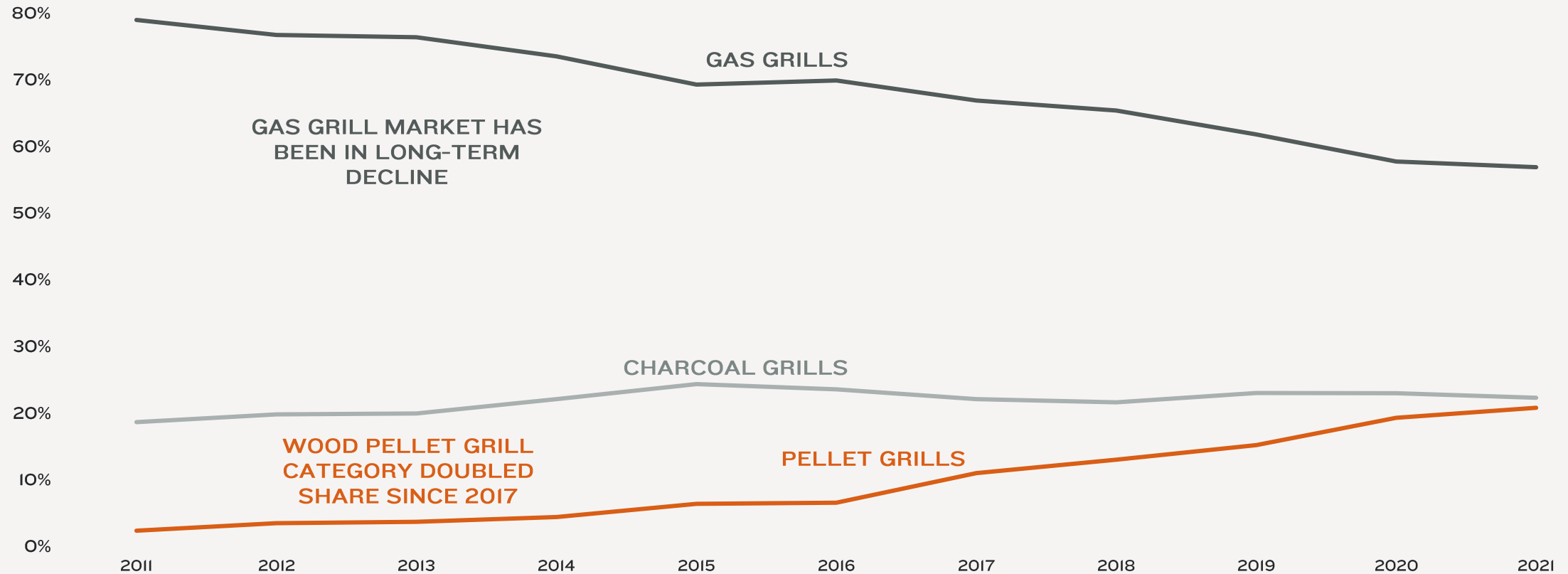
grill replacement rate, on average

Sources: US Census Bureau (2021), US Bureau of Economic Analysis (2021), Market Survey (2021)



WOOD PELLET GRILLS ARE DISRUPTING THE MARKET WITH TRAEGER AS THE CATEGORY LEADER

Barbecue Grill – Dollar Share by Fuel Type



Source: Traqline survey (2021); internal estimates

Note: Graph excludes electric and dual fuel. For pellet grill data, 2011-2016 reflects Traqline survey results and Company's internal estimates, and 2017-2021 reflects Traqline survey results through Q4 2021

THE TRAEGERHOOD

47

number of cooks for the average owner on their Traeger in 2021

5

number of people the average Traeger owner recommends the brand to, as compared to 2 for non-wood pellet grills

75%

estimated percent of Traeger owners that believe the brand reflects who they are as people



Source: Internal Surveys

THE LARGEST SOCIAL MEDIA COMMUNITY OF ANY GRILLING BRAND



1.7 MILLION
FOLLOWERS ACROSS
FACEBOOK AND INSTAGRAM

IN 2021, OUR FACEBOOK AND
INSTAGRAM FOLLOWING **GREW**
20%, AND ORGANIC IMPRESSIONS
GREW 29%

400 THOUSAND POSTS
RECORD USER GENERATED
CONTENT IN 2021

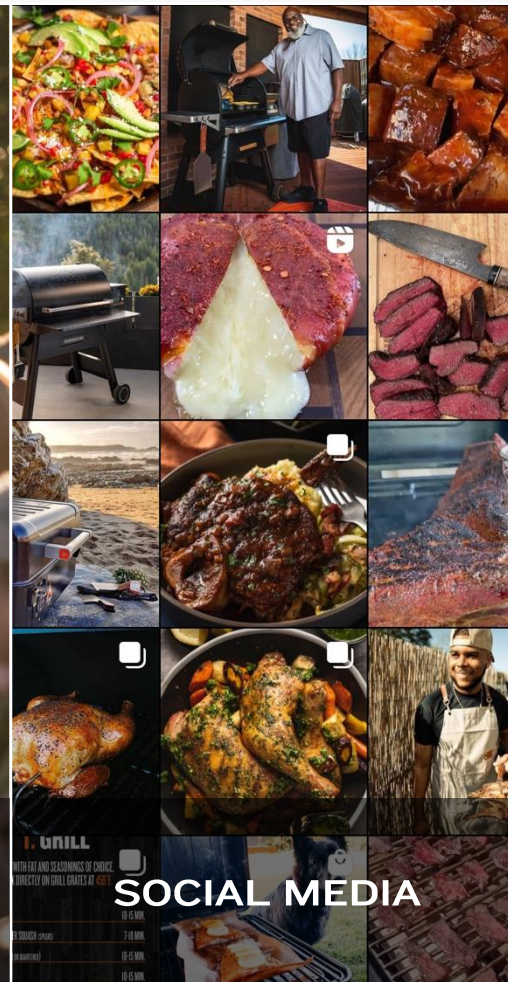
OUR SECRET SAUCE: WE HAVE AN ORGANIC AND AUTHENTIC BRAND POSITION



RETAIL



COMMUNITY



SOCIAL MEDIA



COMMUNITY
AMBASSADORS



CONTENT

GROWTH THESIS



GROWTH PILLARS

- 1 Accelerate Brand Awareness and Penetration
- 2 Disrupt Outdoor Cooking with Product Innovation
- 3 Drive Recurring Revenue
- 4 Expand Traeger Brand Globally

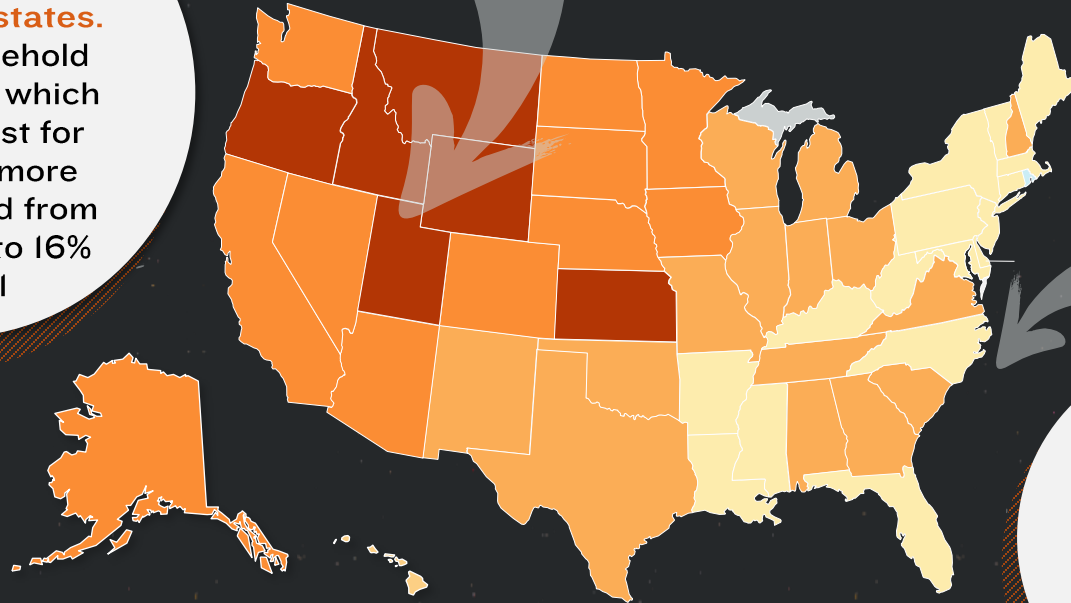


ACCELERATE BRAND AWARENESS...

Traeger Household Penetration by State

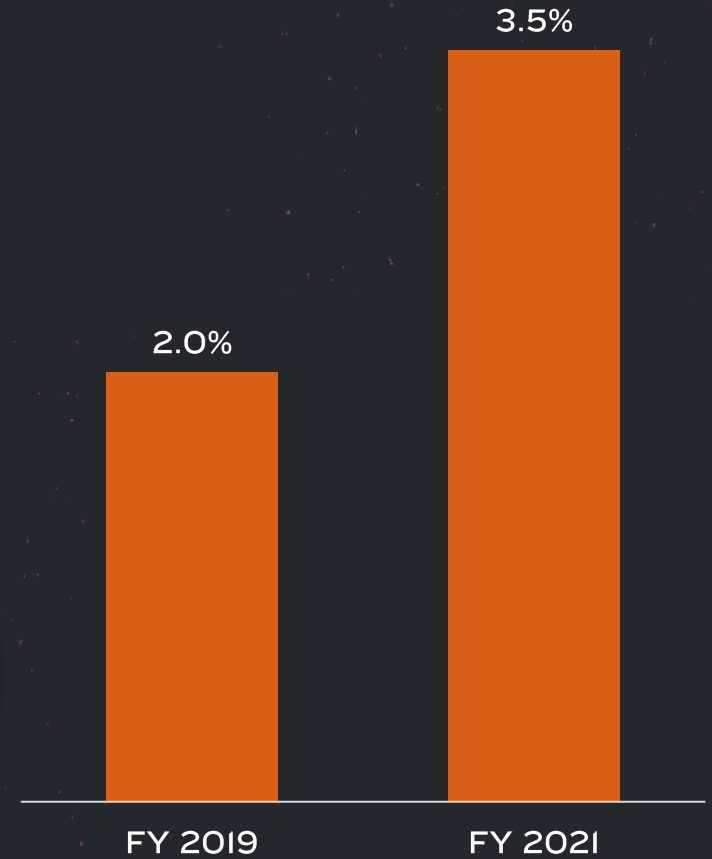
Business has **continued to grow even in most penetrated states.** Utah's household penetration, which is the highest for the brand, more than doubled from 7% in 2018 to 16% in 2021

- = > 10%
- = 5%-10%
- = 2%-5%
- = 0%-2%



Increasing awareness in under penetrated markets represents **opportunity for continued growth**

U.S. Grill Household Penetration



Source: Company Estimates
 Note: Traeger household penetration as of 2021 and defined as U.S. five year installed grill base

1 AND PENETRATION

Invest to Maximize Retail Productivity

- Partner with retailers willing to invest in Traeger footprint
- Investing alongside retail partners into premium merchandise and expansive product assortment
- Deliver authentic in-store merchandising experiences that are optimized for conversion

Premium Merchandising at The Home Depot Proves Out Thesis



1x

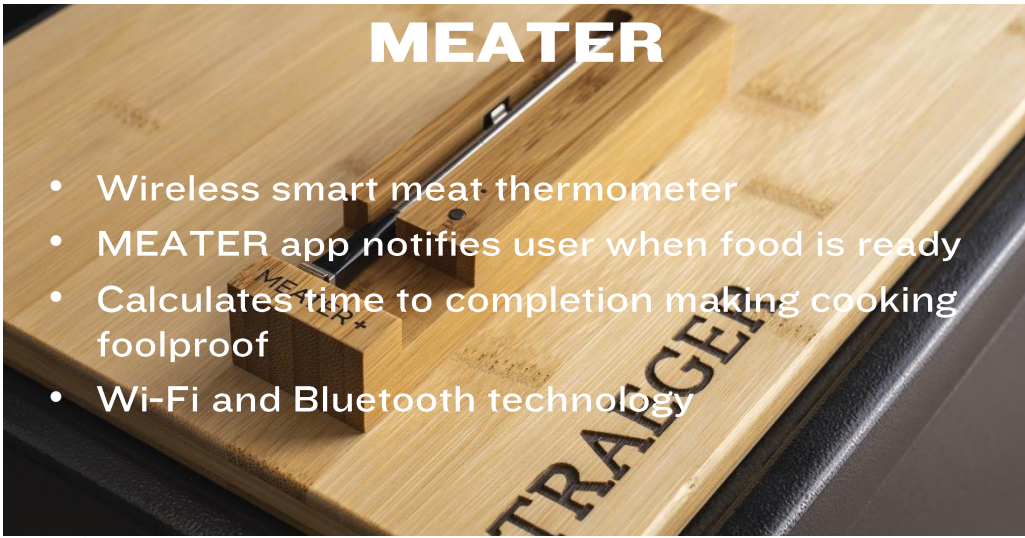
3x+

Traeger Sales Volume at Standard Location

Traeger Sales Volume in Locations with Expanded Offering



2 DISRUPT OUTDOOR COOKING WITH NEW INNOVATIONS



3

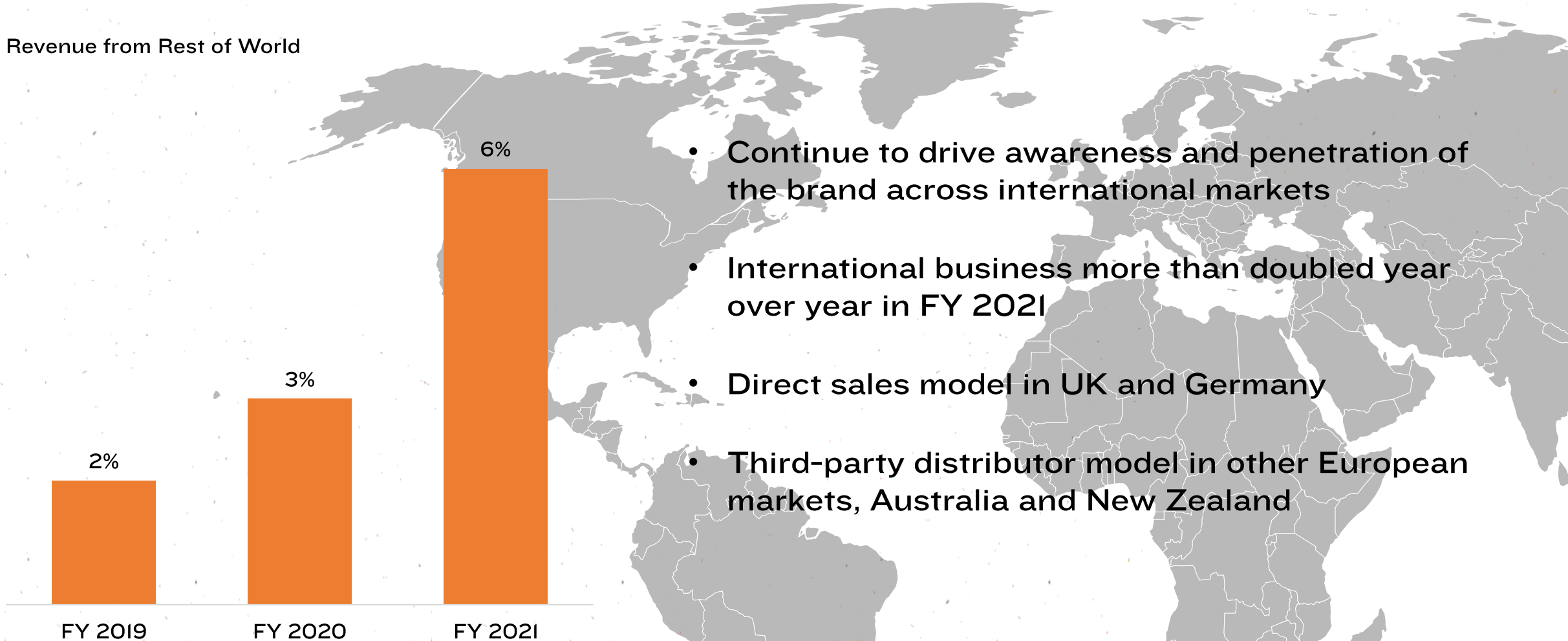
DRIVE RECURRING REVENUE THROUGH CONSUMABLES BUSINESS



- 17% of sales in 2021
- Driving consumables revenue through expanded distribution and new product launches
- Strengthening portfolio margins and driving excitement through a recurring Limited Edition Pellets strategy
- In Q1 2022, we added 2,200 grocery doors where Traeger rubs and sauces are now sold
- In Q1 2022, pellets gained 600 additional doors as we continue to expand into grocery
- Provisions: Launched DTC meal kits of high-quality proteins and sides in Q4 2021, offering a complete meal solution to consumers and driving a large opportunity to grow LTV

4 EXPAND INTERNATIONALLY

Revenue from Rest of World



- Continue to drive awareness and penetration of the brand across international markets
- International business more than doubled year over year in FY 2021
- Direct sales model in UK and Germany
- Third-party distributor model in other European markets, Australia and New Zealand

Note: Rest of World excludes North America

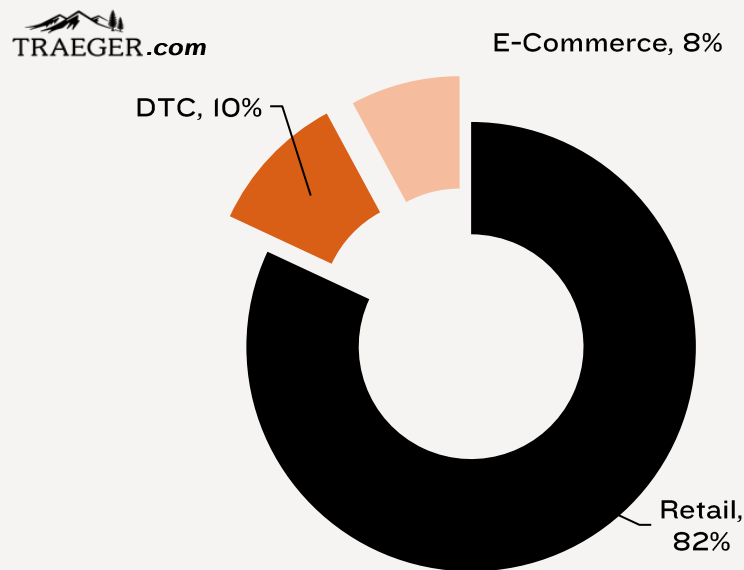
CHANNELS AND SUPPLY CHAIN



OUR OMNICHANNEL SALES STRATEGY CREATES AN AUTHENTIC EXPERIENCE FOR NEW CUSTOMERS AND THE TRAEGERHOOD

CHANNEL BREAKDOWN

FY 2021



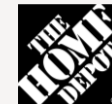
Note: Channel breakdown based on % of revenue



WE METHODICALLY BUILD RELATIONSHIPS WITH OUR DISTRIBUTION PARTNERS:

- Best of breed retailers across categories
- Designed to minimize channel conflicts
- Aligned with highest levels of the organization
- Building advocates out of sales associates
- Allowing Traeger to be merchandised well in-store
- Enhancing productivity and sell through

National Retail



Specialty Retail



WILLIAMS-SONOMA

OUR DIVERSE GRILL SUPPLY CHAIN CONTINUES TO GROW

Manufacturing and Supply Chain Update

- Mexico facility planned to open for mass production in 2022
- Evaluating other opportunities to bring manufacturing closer to the US
- Product team maximizing efficiency in design to drive margin
- Internal task force driving cost savings, exploring each stage of the supply chain to enhance margin

Manufacturing Mix (as measured by grill unit volume)

2015

CHINA 100%

2021

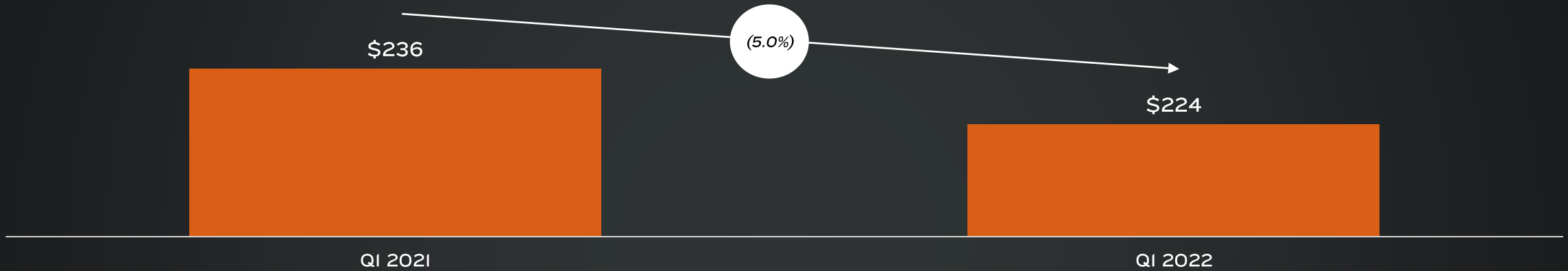
CHINA 72%

VIETNAM 28%

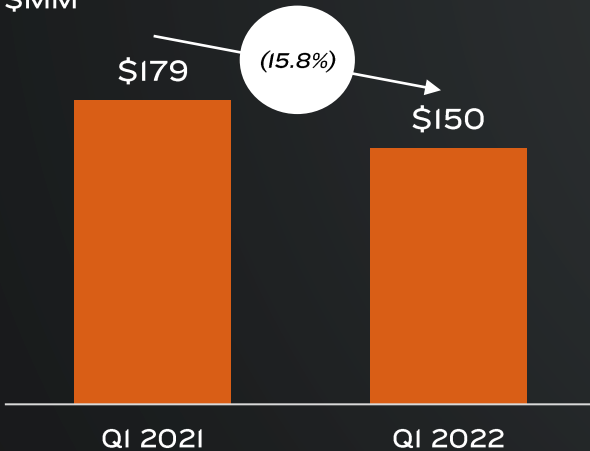
FINANCIALS

Q1 2022 REVENUE HIGHLIGHTS

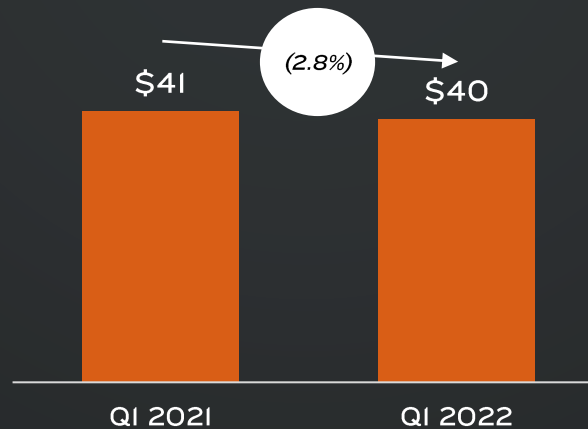
TOTAL REVENUE
\$MM



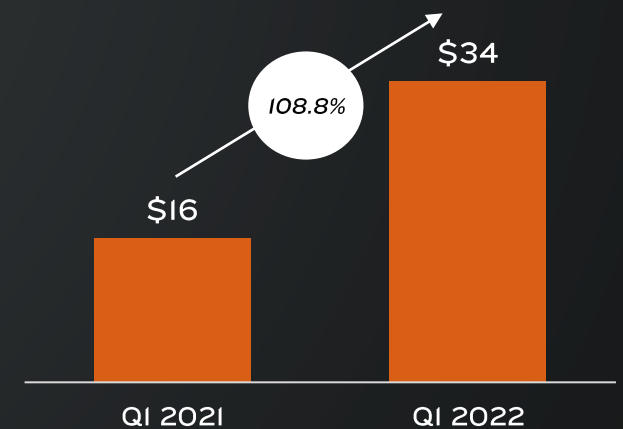
GRILL REVENUE
\$MM



CONSUMABLES REVENUE
\$MM



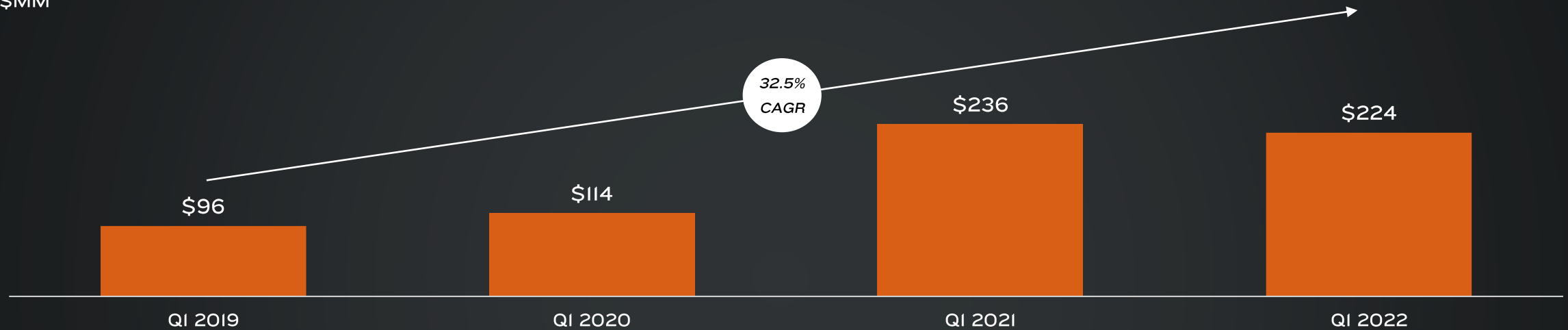
ACCESSORIES REVENUE
\$MM



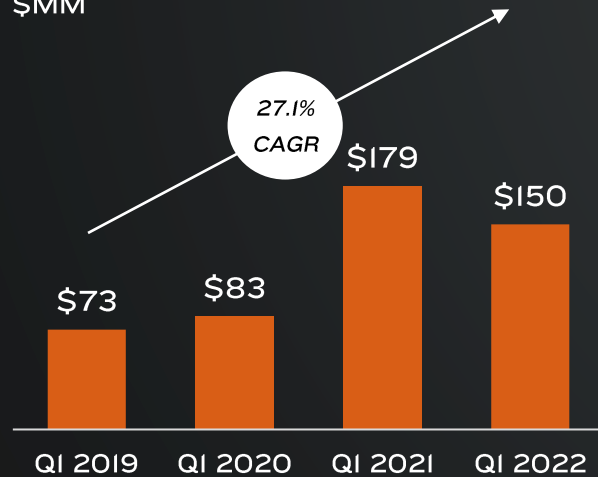
Note: Q1 2022 Total Revenue and Accessories Revenue includes MEATER

1st QUARTER MULTI-YEAR REVENUE RESULTS: ABOVE TREND GROWTH

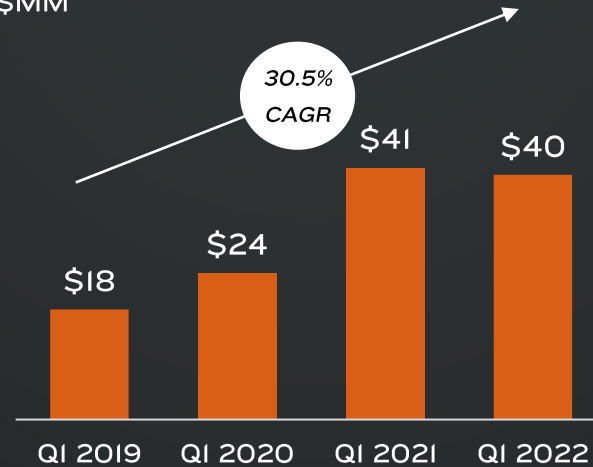
TOTAL REVENUE
\$MM



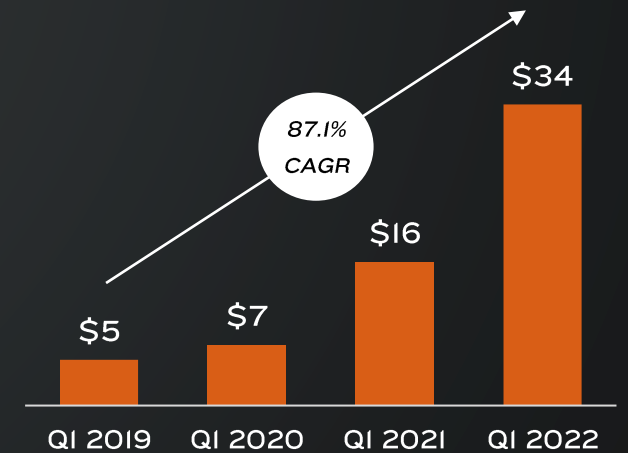
GRILL REVENUE
\$MM



CONSUMABLES REVENUE
\$MM



ACCESSORIES REVENUE
\$MM



Note: Q1 2022 Total Revenue and Accessories Revenue includes MEATER

Q1 2022 PROFITABILITY HIGHLIGHTS

GROSS MARGIN
\$MM

● Gross Margin

42.7%

\$101

37.4%

\$84

Q1 2021

Q1 2022

ADJUSTED EBITDA ⁽¹⁾

\$MM

● Adjusted EBITDA Margin ⁽¹⁾

27.2%

\$64

13.8%

\$31

Q1 2021

Q1 2022

ADJUSTED NET INCOME ⁽⁴⁾

\$MM

\$45

\$20

Q1 2021

Q1 2022



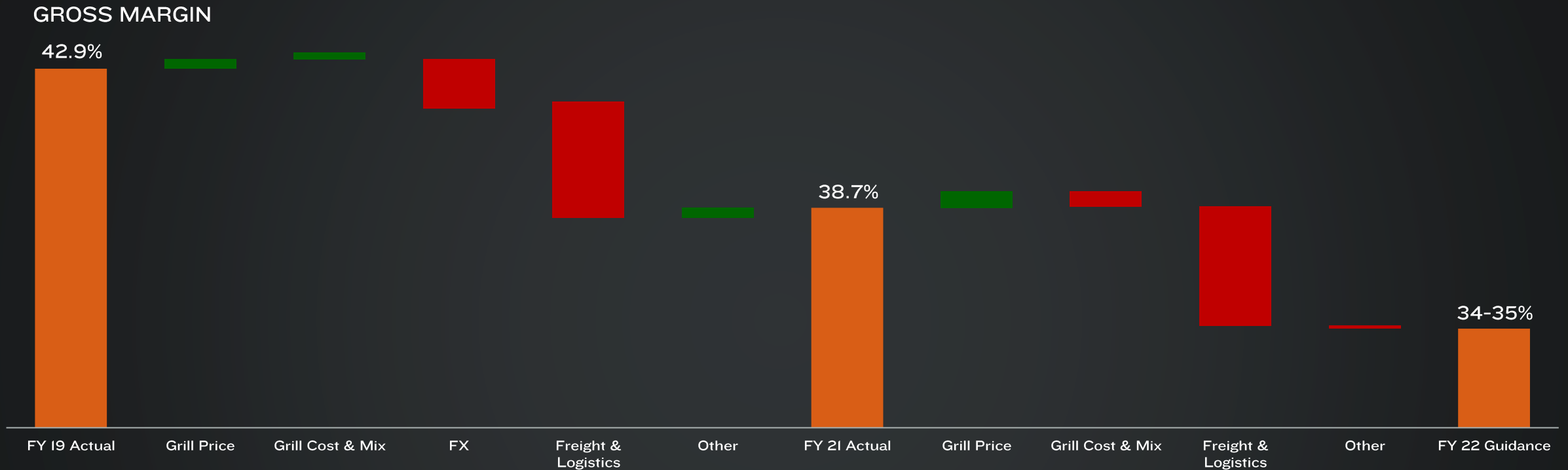
Note: Q1 2022 results include MEATER

FY 2022 GUIDANCE

GIVEN THAT OUR FIRST QUARTER REVENUES BENEFITED FROM A SHIFT IN THE TIMING OF GRILL SHIPMENTS, AS WELL AS OUR BELIEF THAT THE MACRO BACKDROP WILL REMAIN VOLATILE FOR THE BALANCE OF THE YEAR, WE ARE REITERATING OUR PRIOR 2022 OUTLOOK DESPITE REPORTING FIRST QUARTER RESULTS AHEAD OF OUR PRIOR GUIDANCE

METRIC	OUTLOOK
Total Revenue	\$800MM - \$850MM
Gross Margin	34% - 35%
Adjusted EBITDA	\$70MM - \$80MM

Gross Margin Bridge: FY 2019 vs. FY 2021 vs. FY 2022 Guidance



FACTORS IMPACTING FY 22 GROSS MARGIN GUIDANCE

- SIGNIFICANT INCREASE IN FREIGHT AND LOGISTICS COSTS IN SECOND HALF OF 2021 TO ANNUALIZE IN FY 22
- INPUT COST PRESSURES FOR GRILLS IS ALSO EXPECTED TO BE A NEGATIVE PRESSURE IN FY 22
- PRICE INCREASES IMPLEMENTED IN THE SECOND HALF OF FY 21 AND Q1 22 EXPECTED TO PARTIALLY OFFSET COST INCREASES
- GROSS MARGIN TASK FORCE FOCUSED ON IDENTIFYING COST SAVINGS OPPORTUNITIES FOR FY 23 AND BEYOND

APPENDIX

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 Income (Loss) and Net Income (Loss) Margin, respectively.
2. Based on total U.S. households that own a grill, as of 2021. See slide 10 and footnote 3 in the appendix to this presentation for more information.
3. In March 2021, we conducted a survey of consumers across the United States, Canada, the United Kingdom, and Germany, with approximately 4,200 consumers in total and 2,600 consumers in the United States, including 157 recent Traeger purchasers. We screened survey responses for respondents (i) between the ages of 25 and 69 years old, (ii) with annual household income of \$25,000 or more, and (iii) who had purchased a grill in the two years prior to the survey. To calculate our U.S. SAM, we measured the percentage of the respondents who expressed attitudinal similarities to our brand and target grill owners, such as willingness to spend more to get the highest quality products, first movers among friends to experiment with new cooking technologies, and/or frustration with current cooking methodologies and requirements for grills.
4. Adjusted Net Income 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 measures, including Net Income (Loss).

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 and Adjusted Net Income is a key performance measure that our management uses to assess our financial performance and is 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 it provides a comparable overview of our operations across historical periods. In addition, we believe that providing each of Adjusted EBITDA and Adjusted Net Income, together with a reconciliation of net income (loss) to each such measure, 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 and Adjusted Net Income is 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 and Adjusted Net Income help our management identify additional trends in our financial results that may not be shown solely by period-to-period comparisons of net income or income from continuing operations. In addition, we may use Adjusted EBITDA in the incentive compensation programs applicable to some of our employees. Each of Adjusted EBITDA and Adjusted Net Income has inherent limitations because of the excluded items, and may not be directly comparable to similarly titled metrics used by other companies. The following table presents a reconciliation of net income (loss), the most directly comparable financial measure calculated in accordance with U.S. GAAP, to Adjusted Net Income and Adjusted EBITDA on a consolidated basis.

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

<i>(amounts in thousands)</i>	Three Months Ended March 31,	
	2022	2021
Net income (loss)	\$(8,432)	\$38,929
Adjustments:		
Other expense (1)	674	3,348
Equity-based compensation	15,483	956
Non-routine legal expenses (2)	1,919	1,242
Amortization of acquisition intangibles (3)	8,253	-
Change in fair value of contingent consideration	1,700	-
Offering related expenses (4)	-	369
Other adjustment items (5)	412	-
Tax impact of adjusting items	-	-
Adjusted net income	\$20,009	\$44,844
Net income (loss)	\$(8,432)	\$38,929
Adjustments:		
Provision for income taxes	152	724
Interest expense	5,837	7,812
Depreciation and amortization	13,177	10,699
Other expense (1)	674	3,348
Equity-based compensation	15,483	956
Non-routine legal expenses (2)	1,919	1,242
Change in fair value of contingent consideration	1,700	-
Offering related expenses (4)	-	369
Other adjustment items (5)	412	-
Adjusted EBITDA	\$30,922	\$64,079
Revenue	\$223,710	\$235,573
<i>Net income (loss) margin</i>	<i>(3.8)%</i>	<i>16.5%</i>
<i>Adjusted net income margin</i>	<i>8.9%</i>	<i>19.0%</i>
<i>Adjusted EBITDA margin</i>	<i>13.8%</i>	<i>27.2%</i>

Notes:

1. Represents gains (losses) on disposal of property, plant, and equipment, impairments of long-term assets, and unrealized gains (losses) from derivatives
2. Represents external legal expenses for litigation, patent and trademark defense, and legal costs related to the acquisition of Apption Labs
3. Represents amortization of acquisition intangibles includes amortization expense associated with intangible assets recorded in connection with the 2017 acquisition of Traeger Pellet Grills Holdings LLC
4. Represents expenses for legal and consulting costs incurred in connection with our IPO process
5. Represents inventory write-offs and restoration costs at our wood pellet production facility due to flood damage sustained as a result of a tropical storm, costs to establish our China warehouse, and non-cash ground lease expense associated with our build-to-suit lease

