



TURNING POINT™
B R A N D S



INVESTOR PRESENTATION

Q4 2023

| NYSE: TPB | 5201 INTERCHANGE WAY, LOUISVILLE KY | TURNINGPOINTBRANDS.COM |



Turning Point Brands (NYSE: TPB)



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This presentation contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements may generally be identified by the use of words such as "anticipate," "believe," "expect," "intend," "plan" and "will" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. As a result, actual events may differ materially from those expressed in or suggested by the forward-looking statements. Factors that could cause these differences include, but are not limited to, the factors set forth in "Risk Factors" included in Turning Point Brands, Inc. (the "Company", "we", "our", "us", or "TPB") annual report on Form 10-K and other reports filed with the Securities and Exchange Commission from time to time. Any forward-looking statement made by TPB in this presentation has been prepared in good faith and, where applicable, is based on estimates, assumptions and analysis that we believe, as of the date hereof, provide a reasonable basis for the information contained herein. New risks and uncertainties come up from time to time, and it is impossible for TPB to predict these events or how they may affect it. TPB has no obligation, and does not intend, to update any forward-looking statements after the date hereof, except as required by federal securities laws.

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NON-GAAP RECONCILIATION

This presentation includes certain non-U.S. generally accepted accounting principles ("GAAP") financial measures, including EBITDA, Adjusted EBITDA and Net Debt. Such non-GAAP financial measures are not in accordance with, or an alternative to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of EBITDA and Adjusted EBITDA to net income and Net Debt to Debt. To supplement our financial information presented in accordance with generally accepted accounting principles in the United States, or GAAP, we use non GAAP financial measures, including EBITDA, Adjusted EBITDA and Net Debt. We believe EBITDA and Adjusted EBITDA provide useful information to management and investors regarding certain financial and business trends relating to financial condition and results of operations. Adjusted EBITDA and Net Debt are used by management to compare performance to that of prior periods for trend analyses and planning purposes and is presented to our board of directors. We believe that EBITDA and Adjusted EBITDA are appropriate measures of operating performance because they eliminate the impact of expenses that do not relate to business performance.

Non GAAP measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP. EBITDA and Adjusted EBITDA exclude significant expenses that are required by GAAP to be recorded in our financial statements and is subject to inherent limitations. In addition, other companies in our industry may calculate these non GAAP measure differently than we do or may not calculate it at all, limiting its usefulness as a comparative measure.

× Company Overview

TPB: A Unique Consumer Products Growth Company



#1 Premium and Overall Rolling Paper Brand in the U.S. and Canada and #1 in MYO Cigar Wraps¹

Segment Comprises Majority of Profit Pool and Benefits from Secular Growth Trends in Cannabinoid Consumption



#1 Loose Leaf Chew and Leading MST Value Brand¹

9%

4-Yr EBITDA² CAGR

CLIPPER[®]

Significant Opportunity to Expand Distribution of #1 Reusable Lighter in the World

CapEx ~1.5% Sales average 2019-2023

Asset-light Business Model and Recession Resistant Products Drive Stable Cash Flow

1. Per MSAi as of FY2023.



2. For period ending FY2023. See "Non-GAAP Reconciliation" in Disclaimer.

× TPB is a Consumer Products company that markets strong brands

BROAD PORTFOLIO OF ICONIC AND EMERGING BRANDS



TPB Business Segments

	Zig-Zag Products	Stoker's Products
	<i>Rolling papers and Make-Your-Own ("MYO") cigar wraps</i>	<i>Loose leaf chewing tobacco and moist snuff tobacco</i>
LTM Sales ¹	\$180mm	\$145mm
Key Brands		
Strategic Priorities	<ul style="list-style-type: none"> • Continue strong growth trajectory in the near-term • Capture growth in cannabinoid consumption • Drive recently launched product offerings and expand penetration in e-commerce and alternative channels (head shops, dispensaries) • CLIPPER distribution expansion 	<ul style="list-style-type: none"> • Capitalize on strong growth in Moist Snuff Tobacco and stability of tobacco chew • Stoker's: the leading value brand in tobacco chew with a long runway for growth in MST <ul style="list-style-type: none"> ▪ "Great dip at a fair price" • Growth predominantly driven by same store sales with opportunity for further expansion and distribution gains • FRE white nicotine pouch presents attractive opportunity in a large and growing market

1. LTM Period Ended 12/31/23

* Excludes vapor distribution business which was contributed in Q4 2022 to Creative Distribution Services, a new wholly-owned unrestricted subsidiary of TPB.

Efficient Manufacturing, Supply & Distribution Model



ASSET LIGHT APPROACH

Asset-Light approach allows TPB to maintain low overhead costs, maximize operational flexibility, and invest minimal CapEx

THIRD-PARTY SOURCING

A majority of net sales are from products manufactured by third-party manufacturers

NATIONAL DISTRIBUTION

National distribution coupled with national account sales team focused on chains and regional sales teams focused on independents maximizes breadth of reach

BEST-IN-CLASS SUPPLY CHAIN

Sourcing teams in Asia and across North American farm networks source highest quality products

B2C AND B2B CAPABILITIES

Online B2C distribution platforms reach millions of customers, B2B e-commerce platform caters to alternative stores with capabilities to deliver regulated products

TPB Strategic Priorities



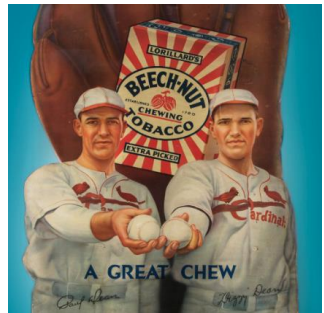
Grow Share of Existing Product Lines, Domestically and Internationally

Increase Zig-Zag's Presence in the Alternative Channel



Expand into Adjacent Categories through Innovation and New Partnerships

Accelerate Growth via National Distribution Network



Maintain Lean, Low-Cost Operating Model

Generate Strong Free Cash Flow

TPB Key Investment Highlights



- 1 Large, Leading Brands with Significant Scale
- 2 Exposure to Growing Cannabinoid Consumption Trends
- 3 Successful Track Record of New Product Launches and Category Expansions
- 4 E-Commerce Capabilities
- 5 Extensive Distribution Network and Data Driven Sales Organization
- 6 Asset-light Business Model that Generates Resilient Free Cash Flow
- 7 Expertise to Succeed in Dynamic Regulatory Environments
- 8 Experienced Management Team



Zig Zag Products: Iconic Brand with Leading Market Share

About Zig-Zag

Embedded into pop culture with a storied history that dates over 120 years

Papers

#1 premium and overall rolling paper brand sold in the U.S.¹ and Canada²

Wraps

Market leader in MYO cigar wraps with a majority share of the market¹

New Product Launches

Continued roll-out of paper cones, unbleached and hemp rolling papers along with new product introductions

#1 Brand

Zig Zag owns ~34%¹ of the rolling paper market in the US and a majority of the cigar wraps market



1. Per MSAi as of FY2023.
2. Management estimates.



Zig Zag Products: Expanding Portfolio and Sales Channels

Classic Zig-Zag Products



Iconic Products with Strong Brand Recognition

“Zig-Zag Orange” and “Zig-Zag White” are long-standing industry staples

Growth Initiatives



New products (paper cones, natural leaf, hemp wraps, cigars, lighters, accessories etc)



Re-vamped e-commerce platform (now double-digit % of US paper sales)



Enhanced brand presence in headshops and dispensaries; Turning Point Brands Canada ramp up

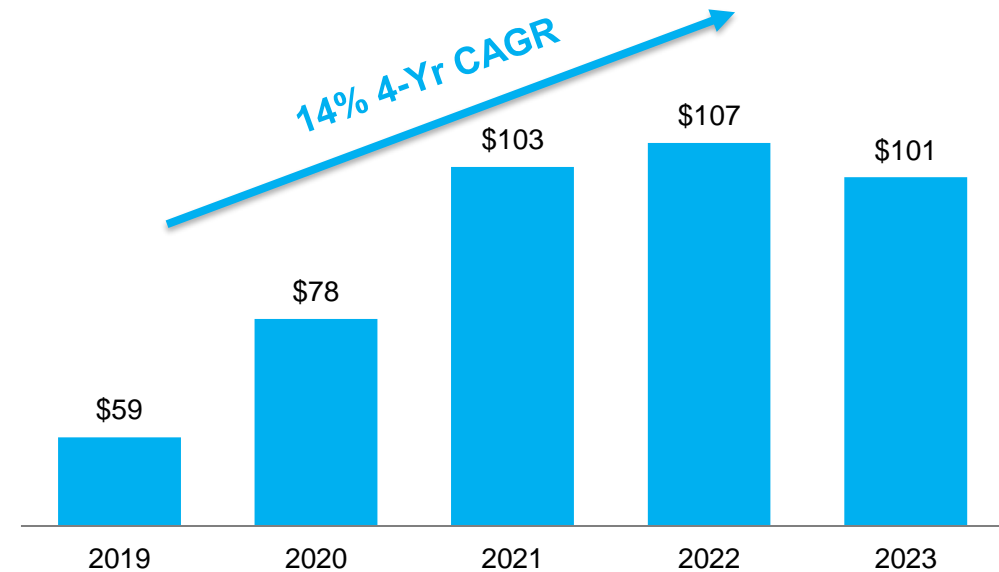
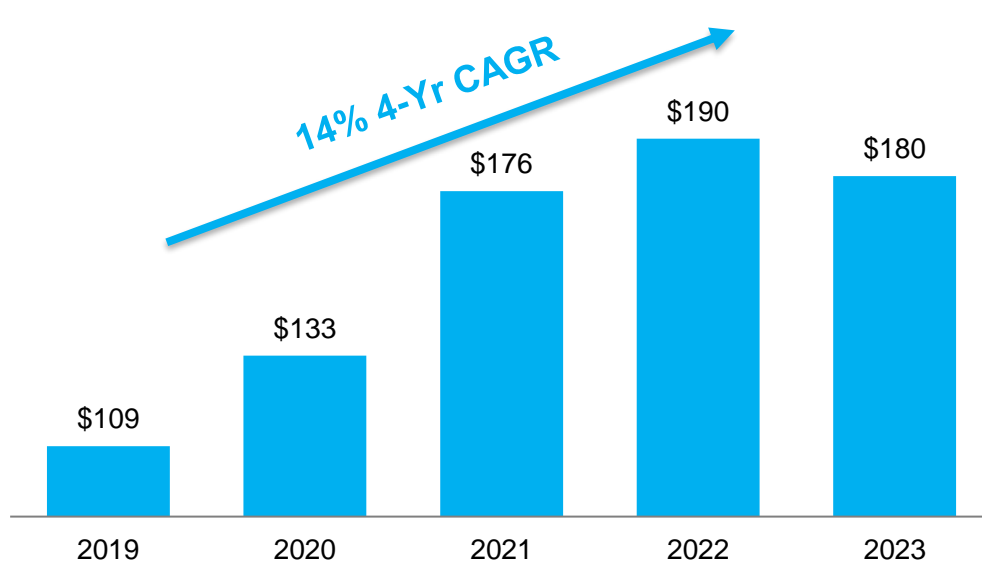


Zig Zag Products: Continued Profit and Margin Growth

Rejuvenated segment with growth initiatives focused on new product introductions and channel expansions aligned with secular market growth trends

Net Sales

Adjusted Gross Profit



Growth initiatives have fundamentally changed the growth profile of the segment over the last four years

Figures are \$ in millions.

• 2023 decline due to anticipated trade inventory reduction

CLIPPER Distribution Agreement

CLIPPER and Zig-Zag are iconic, lifestyle brands with gold standard products and a long, respected history

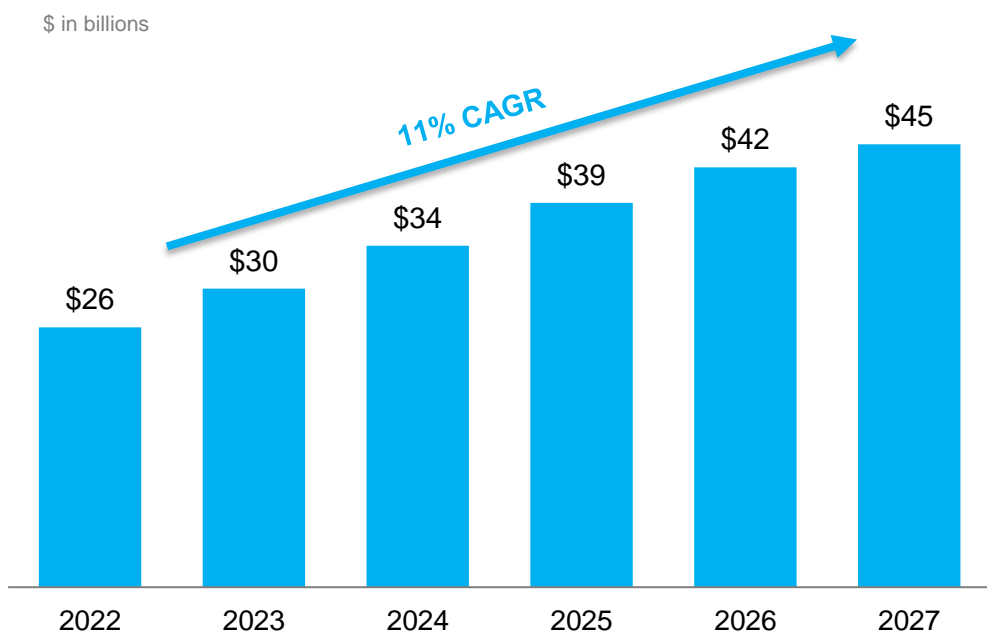
- Entered into agreement with Flamagas for exclusive distribution of CLIPPER® lighters in the U.S. and Canada which started in 2H 2022
- CLIPPER is the #1 reusable lighter and #2 overall lighter in the world with a legacy that dates back to 1971 and a loyal global consumer base
- With its unique cylindrical shape with a flint and trendy collections, it has become the preferred lighter in the “roll-your-own” cannabis market
- Allows TPB to enter a large market benefitting from increased cannabis consumption that leverages its existing distribution infrastructure
- Cross-selling synergies with Zig-Zag’s strong leading position in convenience stores and CLIPPER’s leading position in headshops and dispensaries



Poised to Benefit from Cannabinoid Consumption Growth

Large potential Total Addressable Market with significant opportunity for TPB expansion

US Legal Cannabis Market¹



New Products



Evolving market segment with potential for significant scale; Zig-Zag's recently launched products have a long runway for growth as they gain market share

Hemp Wraps



High growth potential for new products in hemp space due to brand strength and loyalty, and growing demand for natural and organic materials

Cigars / MYO Wraps



Strong brand recognition as the market leader in MYO wraps will be leveraged in re-entry of the cigar market

Strategic Investments



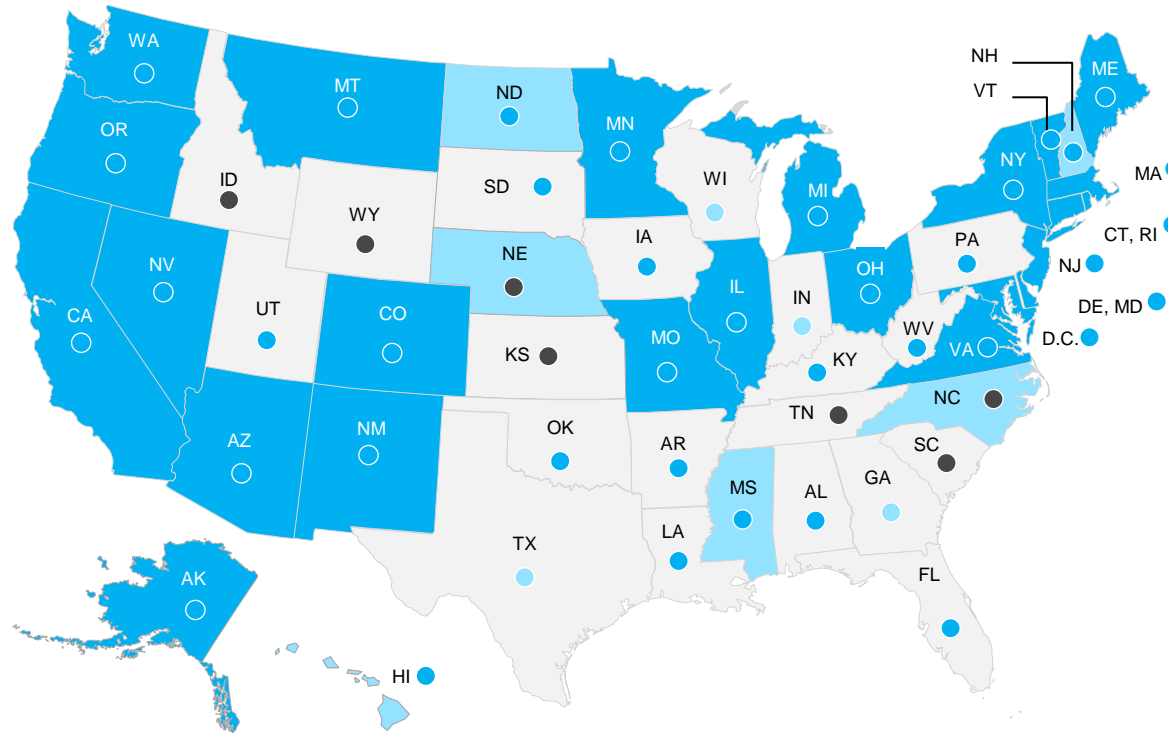
Minority investments such as Old Pal serve as potential catalysts for growth

1. BDSA March 2023.

Positioned to Capture Growing Cannabinoid Consumption

24 U.S. states and DC have legalized adult-use and 39 states and DC allow for medical cannabis

70%
of Americans now favor cannabis legalization, double what it was 20 years ago¹



■ Recreational: Allowed ● Medicinal: Allowed
■ Recreational: Decriminalized ● Medicinal: Allowed, CBD Only
■ Recreational: Illegal ● Medicinal: Constrained

1H 2021: VA, NM, NY, and CT passed measures to legalize adult use of cannabis

July 2021: Federal legislation to legalize, tax, and regulate adult use cannabis released by Senate Democrats

November 2021: Republican-backed decriminalization bill, the States Reform Act, introduced

Feb 2022: U.S. House passed cannabis banking reform (SAFE Banking Act) for 6th time

November 2022: MD and MO passed adult use

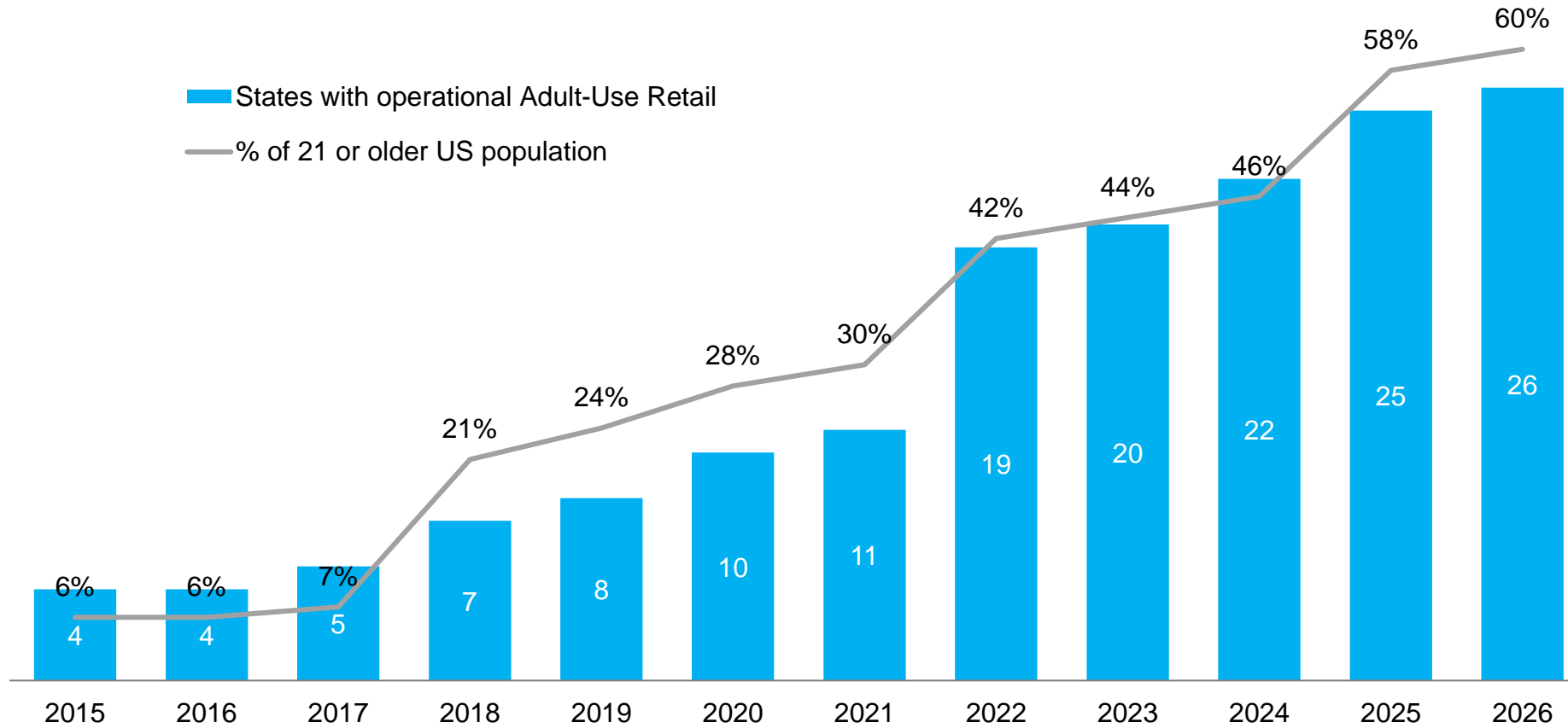
1H 2023: KY passed medicinal use, DE and MN passed adult use

November 2023: OH passed adult use

1. Gallup November 2023 Poll.

Legalization Trends

% of U.S. adult population living in recreational use states projected to double from 30% to 60% from 2021-2026



The industry is benefitting from decriminalization and legalization trends across the United States

Source: BDSA October 2023 and includes states that are expected to have open markets in the future



× Stoker's Products: Iconic Brand with Sustained Growth

Large, Leading Brands with Significant Scale

Turning Point Brands (NYSE: TPB)

About Stoker's

Building brand equity for over 80 years. Stoker's is the #1 loose-leaf chew brand¹ and a leading MST value brand

60%

Stoker's created the MST Tubs category and is the category leader with ~60%¹ share

MST TUBS

Introduced a larger tub format Moist Snuff Tobacco (MST) product driving category over the last 10+ years



MST Cans

Accelerating strength from distribution gains and same-store sales growth. Significant recent chain launches



Chew

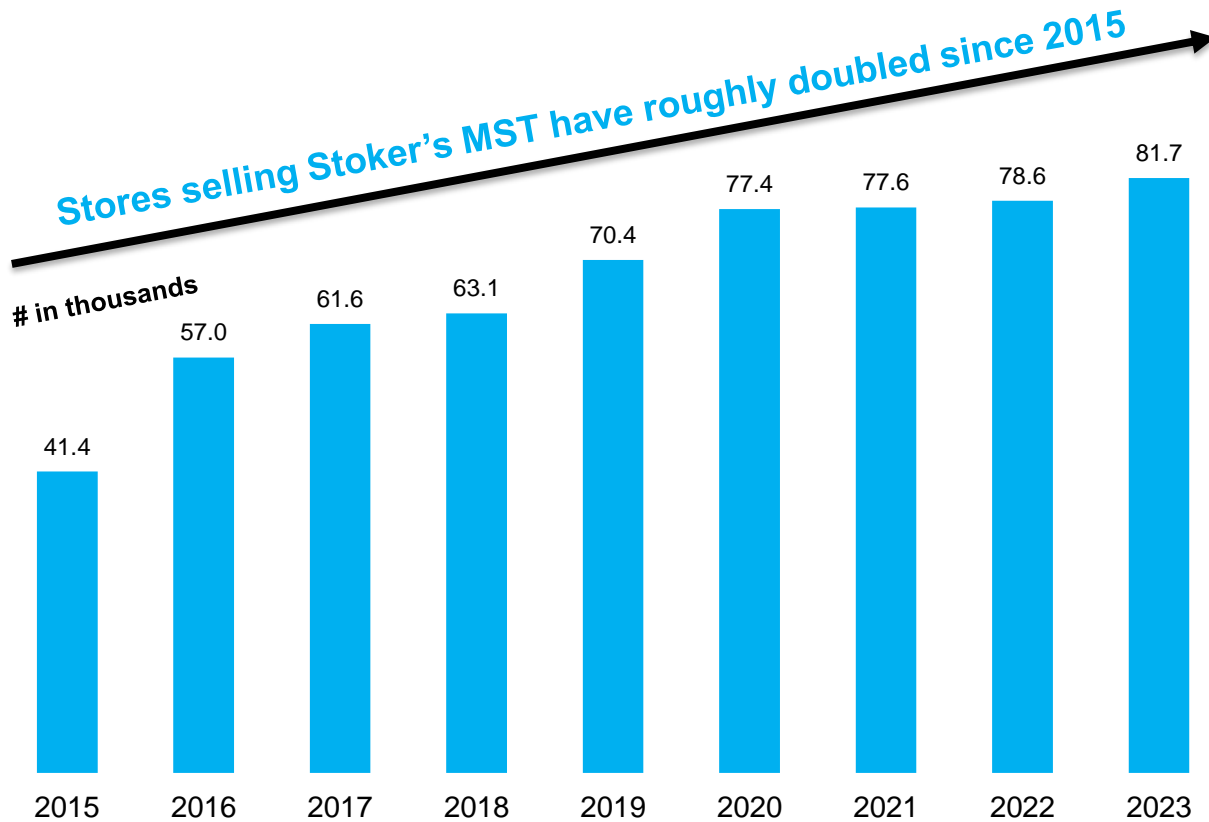
#1 discount and overall loose-leaf chew brand in the US¹. TPB's brands collectively hold ~36%¹ of the loose-leaf chew market



1. Per MSAi as of FY2023



Stoker's Products: Continued MST Distribution Gains



Store count excludes ~14k lower sales velocity Dollar General stores added in 2018.

Long Runway for Growth

Currently in stores representing ~67%¹ of volume weighted distribution

Additional ~30-50k stores targeted for national distribution



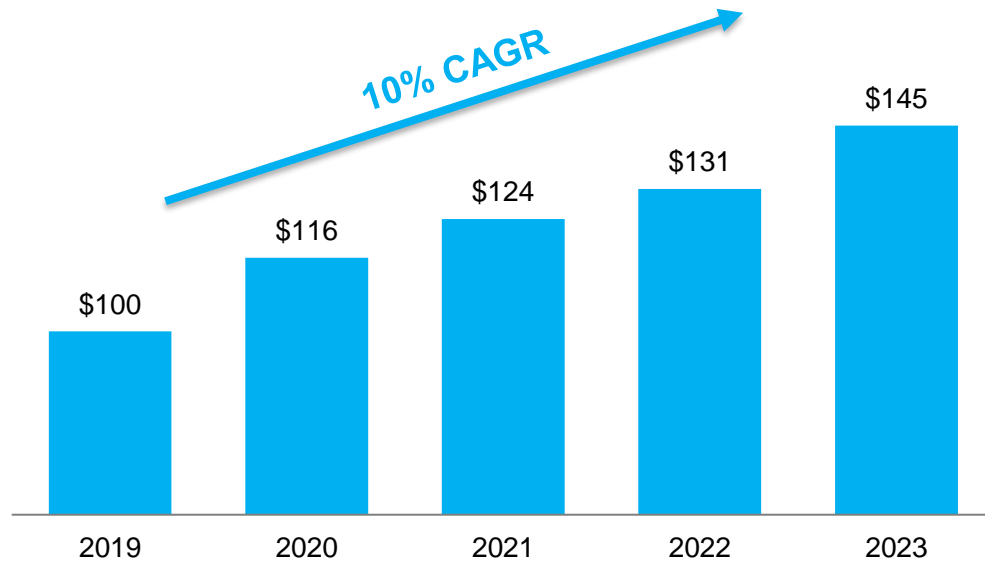
1. Per MSAi as of 4Q23.



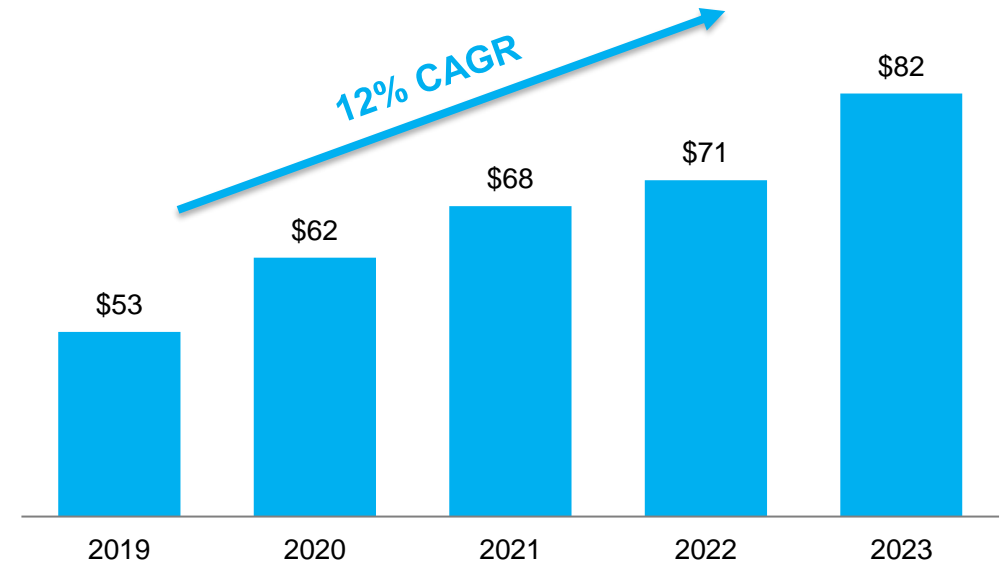
Stoker's Products: Continued Profit and Margin Growth

Smokeless Net Sales and Gross Profit have shown steady growth

Net Sales



Adjusted Gross Profit



Continued growth and operating leverage driven by MST volume and pricing gains

Figures are \$ in millions.

Modern Oral Market

Successful Track Record of New Product Launches and Category Expansions

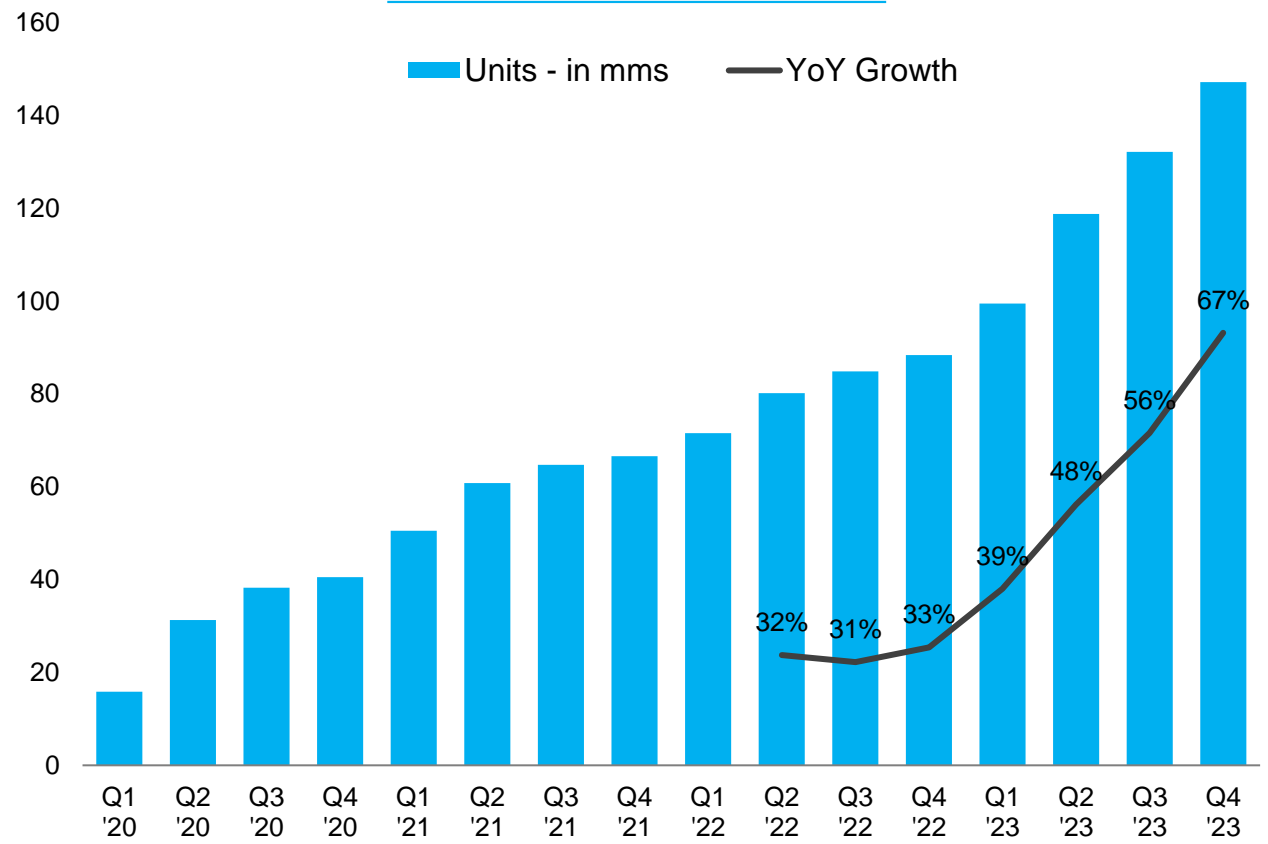
Turning Point Brands (NYSE: TPB)

Significant opportunity with FRĒ in a large and growing market

- The modern oral market is trending towards a >\$2 billion market in 2024 with strong growth trajectory
- FRĒ has a differentiated offering through its product quality, nicotine strengths and packaging sizes
- TPB has a proven playbook with Stoker's MST against larger competitors
 - TPB does not require significant market share for FRE to have a meaningful impact on the bottom line
- Expanding FRĒ distribution in 2024 with both brick & mortar and digital marketing strategies



Modern Oral Market Size



Source: MSAi



Powerful Distribution Infrastructure

North American retail presence that reaches over ~215,000 outlets + B2C online sites



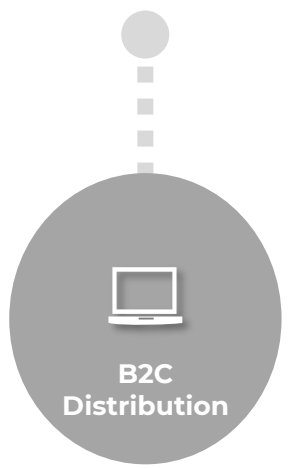
National sales team selling to over 85,000 national chain stores



Regional sales team selling to over 95,000 independent convenience stores

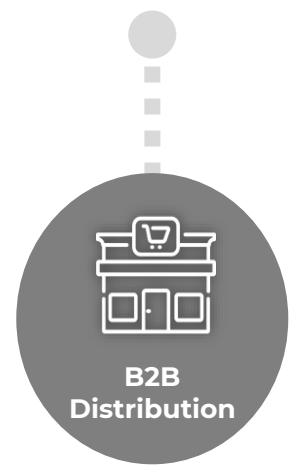


Dedicated product sales teams



E-commerce sites selling direct to consumers on product specific platforms and online marketplaces (eg. Amazon and eBay)

zigzag.com
zigzag.ca
frepouch.com



Online B2B platform reaching alternative channel distributors and stores

wholesale.zigzag.com

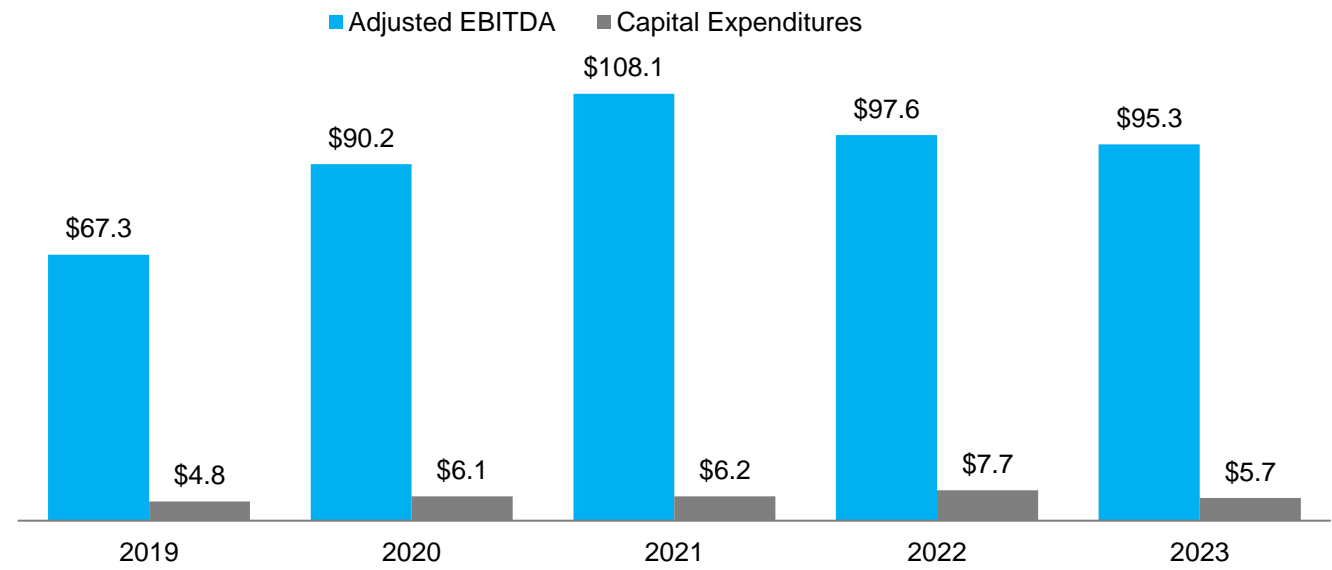
Building a Capital Efficient Business Model

Asset-light business model that generates resilient free cash flow

Adjusted EBITDA vs. Capital Expenditures

Initiatives:

- ✓ Outsourced manufacturing of most products supports asset-light model
- ✓ Capital efficiency enables investment in sales force expansion (a proven revenue driver), working capital and infrastructure to support new product launches
- ✓ Re-deploy cash flow from our core businesses for deleveraging, share repurchase/dividends, accretive acquisitions and strategic investments



Results:

Significant cash flow available to reinvest in the business

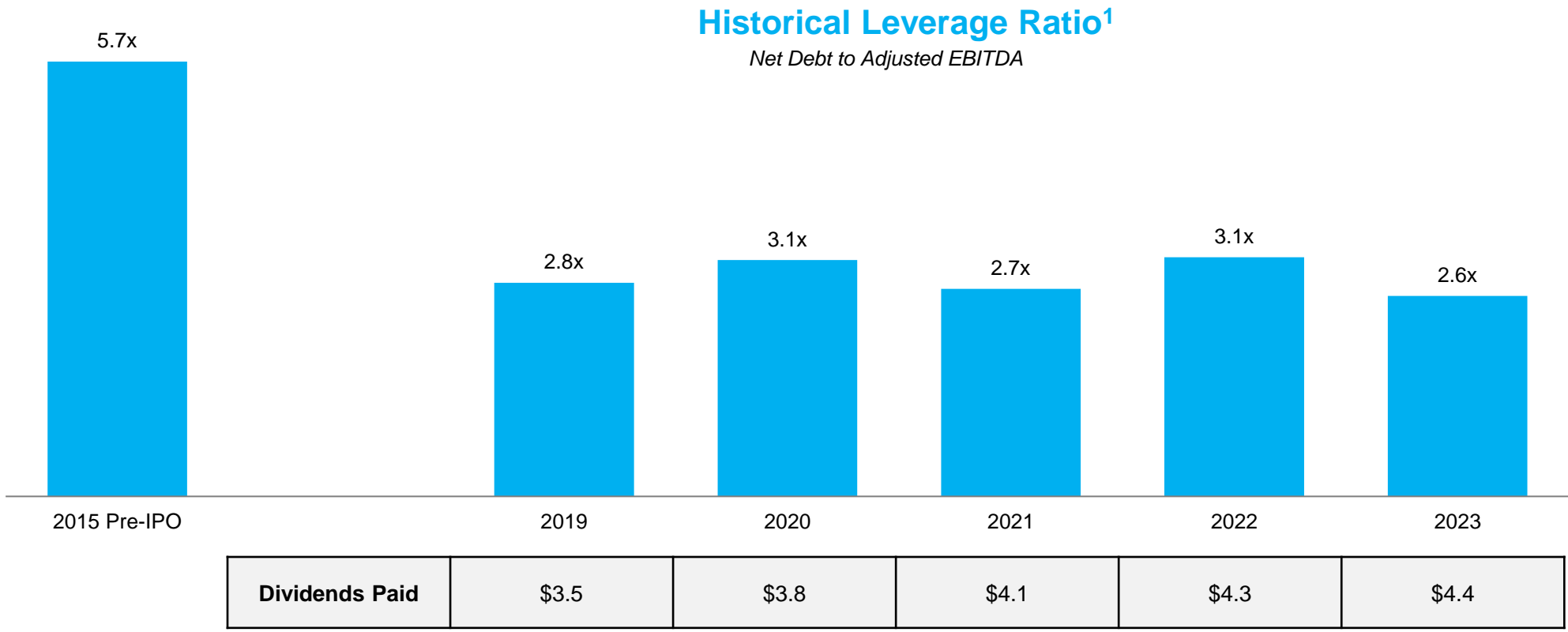
Stability of cash flow is enhanced by our recession-resistant, staple products that are small ticket purchases for repeat consumers

Note: Figures are \$ in millions. Adjusted EBITDA Cash Conversion calculated as Adjusted EBITDA less Capex divided by Adjusted EBITDA. See "EBITDA Adjustment Detail" slide.



Conservative and Prudent Financial Policies

Turning Point has taken a prudent approach to liquidity management



Note: Dividends Paid are \$ in millions.

1. TPB calculates Leverage Ratio by dividing Notes payable and long-term debt, less Cash, by LTM Adjusted EBITDA.

Track Record of Success Navigating an Evolving Regulatory Backdrop

TPB has extensive experience managing regulatory regime changes and continues to make investments that enhance its regulatory position among competitors

REGULATORY STRATEGY

- TPB does not sell cigarettes, the primary target of the FDA
- Effort to shape premarket pathway for future innovation
- Experienced team of TPB professionals and consultants
- Building consensus among like-minded small and mid-sized businesses to drive policy
- Increased regulation rationalizes market in favor of those who can navigate shifting regulation



TPB has unique capabilities to get proprietary brands through regulatory regime changes

- FDA's PMTA process is a transformational regulatory process
- Submitted applications for 250 products ahead of the PMTA deadline on September 9, 2020 and additional applications including for modern oral products in 2022
- TPB is well-positioned for growth in a post-PMTA environment with its extensive product portfolio

Highly Experienced Senior Leadership Team



GRAHAM A. PURDY

Chief Executive Officer

Joined TPB in **2004**

- Previously held various key roles including COO and the head of TPB's sales organization
- Had 7-year career at Philip Morris, USA prior to joining TPB, where he served in various senior sales and sales management positions



LOUIE REFORMINA

Chief Financial Officer

Joined TPB in **2019**

- Joined TPB after two decades in finance and investment roles including at Point72 Asset Management, Waterfront Capital Partners, Perella Weinberg Partners, Vestar Capital Partners, and Goldman Sachs & Co



BRITTANI N. CUSHMAN

General Counsel & Secretary

Joined TPB in **2014**

- Over a decade of experience related to regulation of consumer products
- President of the Coalition of Manufacturers of Smoking Alternatives and Board member of the U.S. Hemp Roundtable



SUMMER FREIN

Chief Revenue Officer

Joined TPB in **2022**

- Joined TPB after 15+ years of CPG industry experience
- Previously served as the General Manger at Cronos Group implementing the sales, marketing and operational strategy and held a variety of senior leadership roles at Altria Group

× Financial Update

Recent Business Performance

Strong outlook in our Zig-Zag and Stoker's businesses

Recent Performance

- Q4 2023 Financial Results: Net Sales of \$97.1 million (-6.1%) and Adjusted EBITDA¹ of \$24.8 million (+7.5% YoY)
 - Zig-Zag Products Q4 sales were down 3% yoy but stable excluding the impact of the discontinuation of an unprofitable product line while Stoker's Products (+19%) sales showed strong growth
- Generated \$61.2 million of free cash flow and repurchased \$44.0 million notional of convertible bonds in FY 2023
- Closed on a \$75 million ABL Facility in November 2023
- Expected FY 2024 EBITDA of \$95 to \$100 million

Key Drivers

- Internal growth initiatives are driving a majority of the growth with core businesses outpacing market growth
- Secular trends benefitting rolling paper and wraps market; consumer down-trading benefitting Stoker's
- CLIPPER represents significant long-term opportunity and cross-selling synergies with Zig-Zag
- Planned expansion of Frē (TPB's entry in the fast-growing white nicotine pouch category) in 2024
- \$178 million of available liquidity at end of Q4 2023 leaves TPB well capitalized to address convertible debt maturity (\$118.5 million outstanding) and take advantage of market opportunities

Management is focused on executing on its plan for growth and utilizing strong balance sheet and free cash flow generation towards creating shareholder value

1. See "EBITDA Adjustment Detail" slide.

Expanding Addressable Markets

Extending into large, tangential addressable markets provides runway for growth

End Market	Market Size ¹	Opportunity
Alternative Channel (Headshops and Dispensaries)	~\$200mm	Increase share for Zig-Zag papers (currently single-digit/low double-digit %) and other ancillary Zig-Zag products (rolling trays and other smoking accessories, apparel / merchandise, etc)
Lighters	~\$500mm	Launch distribution of Clipper lighters (Q3 2022) to expand its presence in the US and Canadian markets; strong customer and consumer overlap with Zig-Zag rolling papers and wraps
White Nicotine Pouch	>\$2bn	Introduce Frē including differentiated higher nicotine content offerings into a rapidly growing market
Mass-Market Cigars	>\$2.5bn	Re-enter large market that is complementary to Zig-Zag cigar wraps product offering

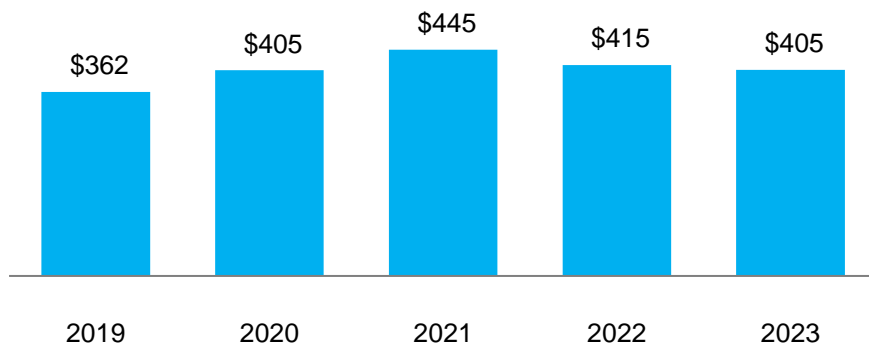


1. Company estimates of manufacturer revenue opportunity in the U.S. (Lighters market includes Canada).

× Appendix

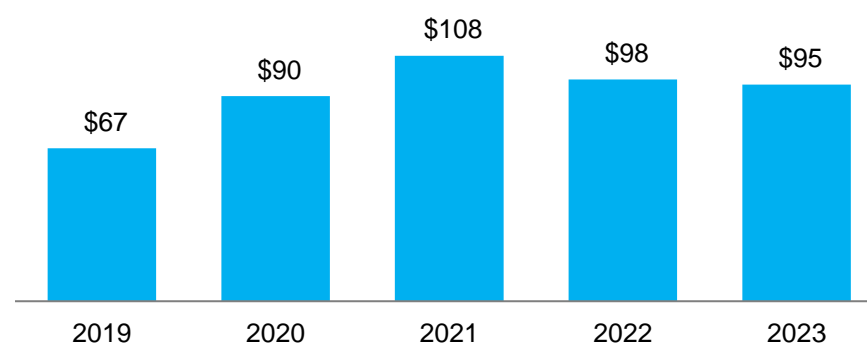
Historical Financials

Net Sales



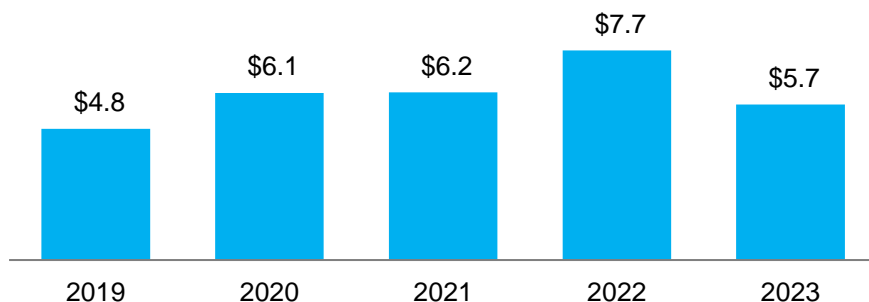
% Growth	2019	2020	2021	2022	2023
	8.8%	11.9%	10.0%	-6.8%	-2.3%

Adjusted EBITDA¹



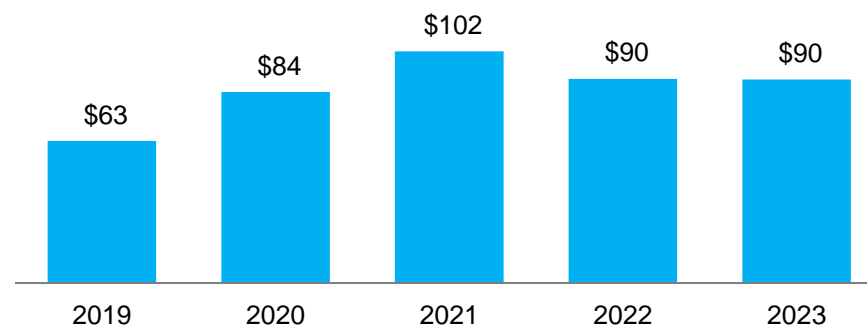
% Margin	2019	2020	2021	2022	2023
	18.6%	22.3%	24.3%	23.5%	23.5%

Capital Expenditures



% Margin	2019	2020	2021	2022	2023
	1.3%	1.5%	1.4%	1.9%	1.4%

Adjusted EBITDA¹ Less CapEx



% Margin	2019	2020	2021	2022	2023
	17.3%	20.8%	22.9%	21.7%	22.1%

Note: Figures are \$ in millions.

1. See "EBITDA Adjustment Detail" slide.

EBITDA Adjustment Detail

Reconciliation of GAAP Net Income to Adjusted EBITDA
(\$ in millions)

	2019	2020	2021	2022	2023	Q4 23
Net income attributable to Turning Point Brands, Inc.	\$13.8	\$38.2	\$52.1	\$11.6	\$38.5	\$10.1
Add:						
Interest expense, net	\$17.3	\$13.5	\$20.5	\$19.5	\$14.6	\$2.6
Loss on extinguishment of debt	1.3	0.0	(2.2)	(0.9)	(1.7)	0.2
Income tax expense	2.0	12.0	14.0	4.8	23.9	14.3
Depreciation expense	2.6	3.2	3.1	3.4	3.1	0.8
Amortization expense	1.5	1.8	1.9	1.9	3.2	0.9
EBITDA	\$38.6	\$68.7	\$89.5	\$40.4	\$81.7	\$28.9

Components of Adjusted EBITDA

Other (a)	\$0.4	\$1.0	\$0.0	\$0.0	(\$8.3)	(\$8.3)
Stock options, restricted stock, and incentives expense (b)	4.6	2.6	7.6	5.3	6.6	1.9
Transactional expenses and strategic initiatives (c)	1.8	3.1	1.3	0.8	0.2	0.0
New product launch costs (d)	6.2	0.0	0.0	0.0	0.0	0.0
FDA PMTA (e)	2.2	14.4	1.7	4.6	2.1	1.0
Corporate and vapor restructuring (f)	19.2	0.5	1.0	3.4	0.4	0.2
Vendor settlement (g)	(5.5)	0.0	0.0	0.0	0.0	0.0
ERP / CRM (h)	0.0	0.0	0.0	2.0	0.6	0.1
Non-cash asset impairment (i)	0.0	0.0	7.1	41.1	12.2	1.0
Adjusted EBITDA	\$67.3	\$90.2	\$108.1	\$97.6	\$95.3	\$24.8

(a) Represents LIFO adjustment, non-cash pension expense (income) and foreign exchange hedging. 2023 represents a federal excise tax refund and a legal settlement.

(b) Represents non-cash stock options, restricted stock, incentives expense and Solace PRSUs.

(c) Represents the fees incurred for transaction expenses and strategic initiatives.

(d) Represents product launch costs for our new product lines prior to 2020.

(e) Represents costs associated with applications related to FDA PMTA.

(f) Represents costs associated with corporate and vapor restructuring including severance and inventory reserves. 2020 represent the costs from the retirement of a senior executive.

(g) Represents net gain associated with the settlement of a vendor contract.

(h) Represents cost associated with scoping new ERP and CRM systems and cost of duplicative ERP licenses.

(i) Represents impairment of goodwill, intangible and investment assets.



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× **THANK YOU**

