



Investor Presentation

Q2 2024

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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

Continue to improve capital structure, invest in our business, return capital to shareholders



Significant Opportunity to Participate in the growing Modern Oral Category with a differentiated offering

CapEx ~1.5% Net Sales average 2019-2023⁽²⁾

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

1. Per MSAi as of FY2023.
2. For FY2023. See "Non-GAAP Measures" in Disclaimer; See 'EBITDA Adjustment Detail' slide for Reconciliation.

TPB is a Consumer Products company that markets strong brands



BROAD PORTFOLIO OF ICONIC AND EMERGING BRANDS



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

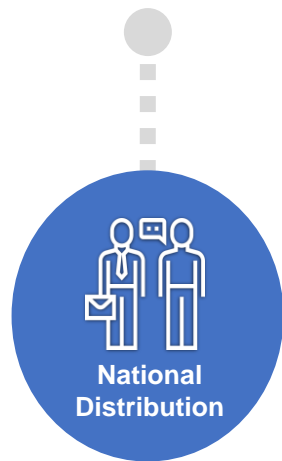
Sourcing teams in Asia and across North American farm networks source highest quality products

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

Powerful Distribution Infrastructure

- Extensive Distribution Network and Data Driven Sales Organization
- 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

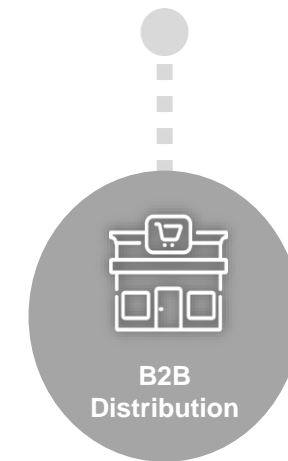


Dedicated product sales teams



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

TPB Business Segments

	Zig-Zag Products	Stoker's Products
	Rolling papers and Make-Your-Own ("MYO") cigar wraps	Loose leaf chewing tobacco, moist snuff tobacco, and white nicotine pouches
LTM Q2 24	\$189mm	\$154mm
Key Brands		       
Strategic Priorities	<ul style="list-style-type: none"> • Sustainable growth • Capture growth in cannabinoid consumption • Drive recently launched product offerings and expand penetration in e-commerce and alternative channels (head shops, dispensaries) • Evolve product portfolio to enhance consumer experience 	<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 • FRĒ white nicotine pouch presents attractive opportunity in a large and growing market

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

Zig Zag Products: Iconic Brand with Leading Market Share

About Zig-Zag

Embedded into pop culture with a storied history that dates over 140 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

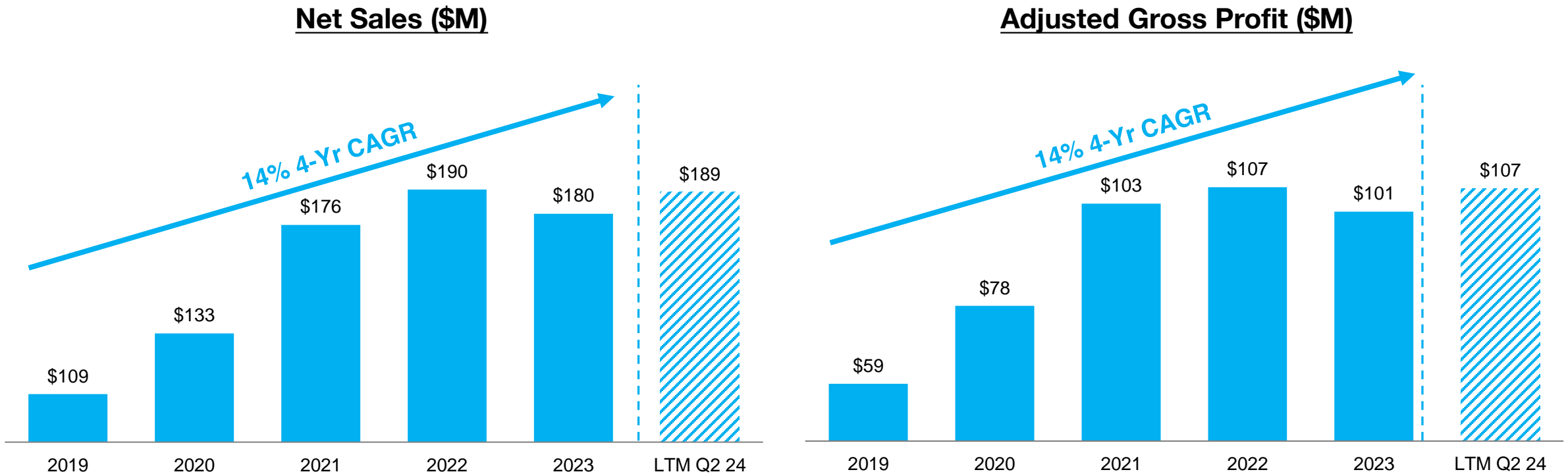
Zig Zag owns ~34%¹ of the rolling paper market in the US and a majority of the cigar wraps market



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

Zig Zag Products: Continued Profit and Margin Growth

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



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

Figures are \$'s in millions.
CAGR includes complete FY only (2019-2023).

Stoker's Products: Iconic Brand with Sustained Growth

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

57%

Stoker's created the MST Tubs category and is the category leader with ~57%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



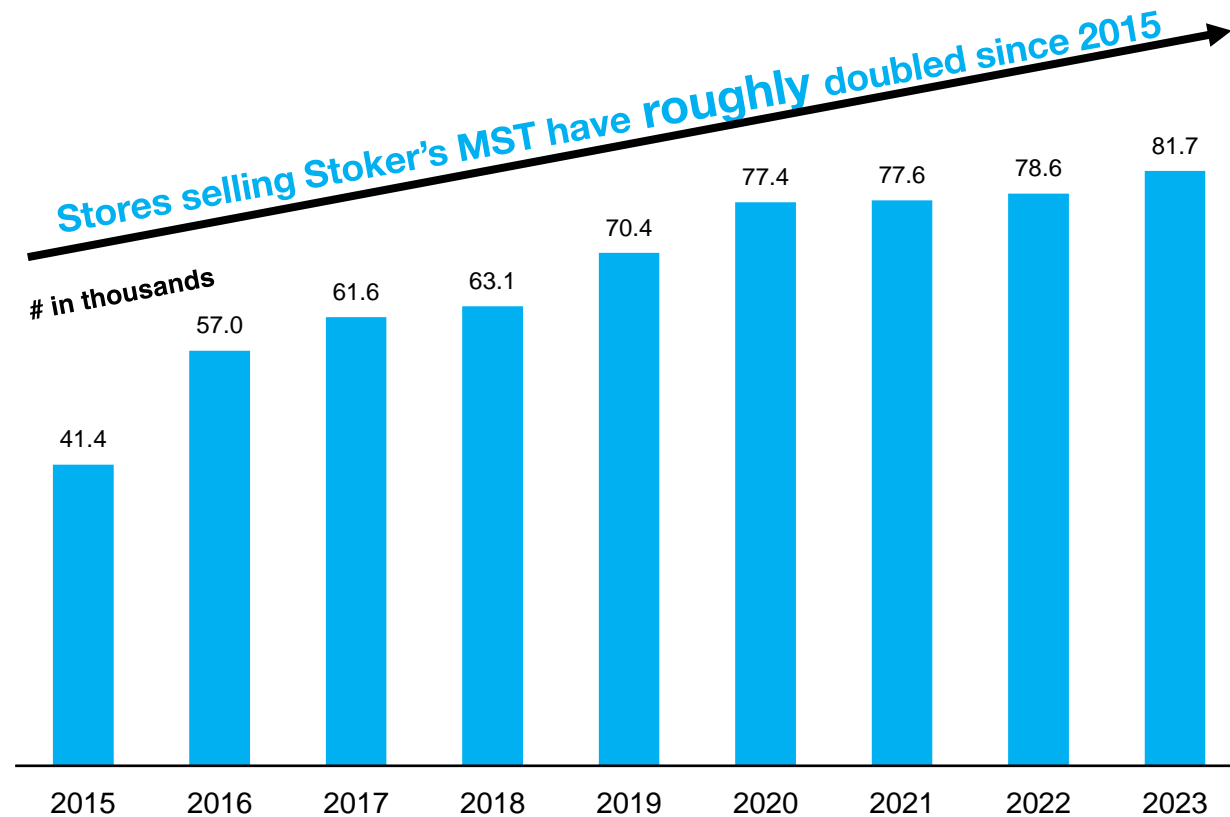
FRĒ Pouches

Scaling product mix via launch and expansion of nicotine pouch segment. Growing presence in both brick & mortar and online



1. Per MSAi as of FY2023.

Stoker's Products: Continued MST Distribution Gains



Long Runway for Growth

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

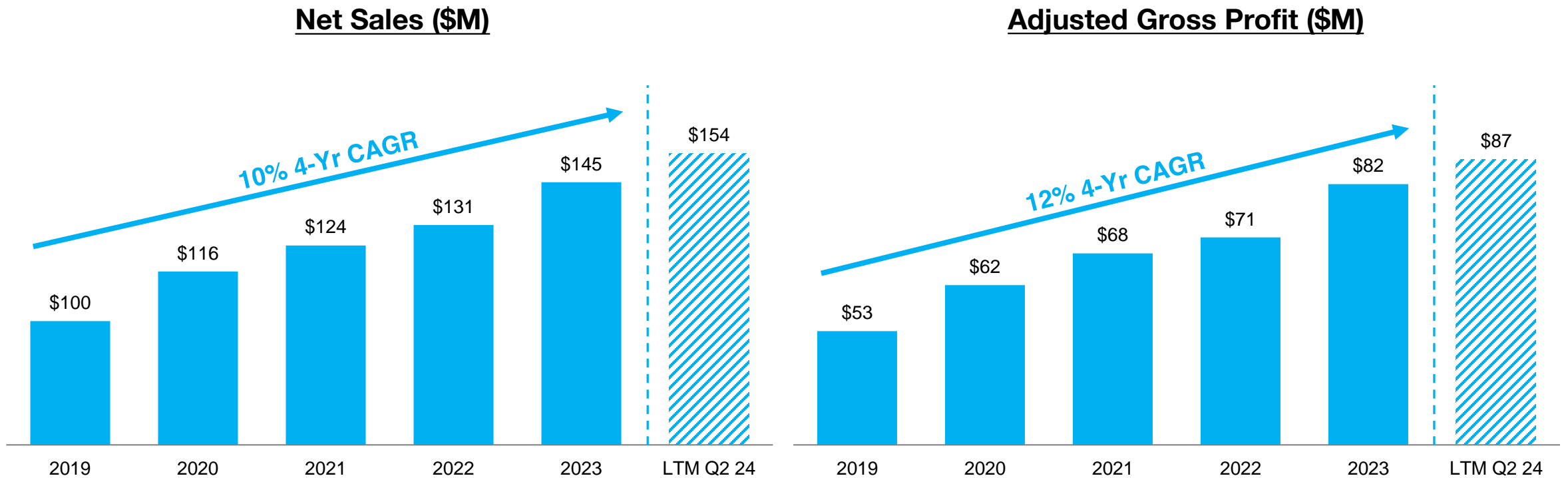
Additional ~30-50k stores targeted for national distribution



1. Per MSAi as of FY2023.

Stoker's Products: Continued Profit and Margin Growth

Smokeless Net Sales and Gross Profit have shown steady growth with operating leverage driven by MST volume and pricing gains.



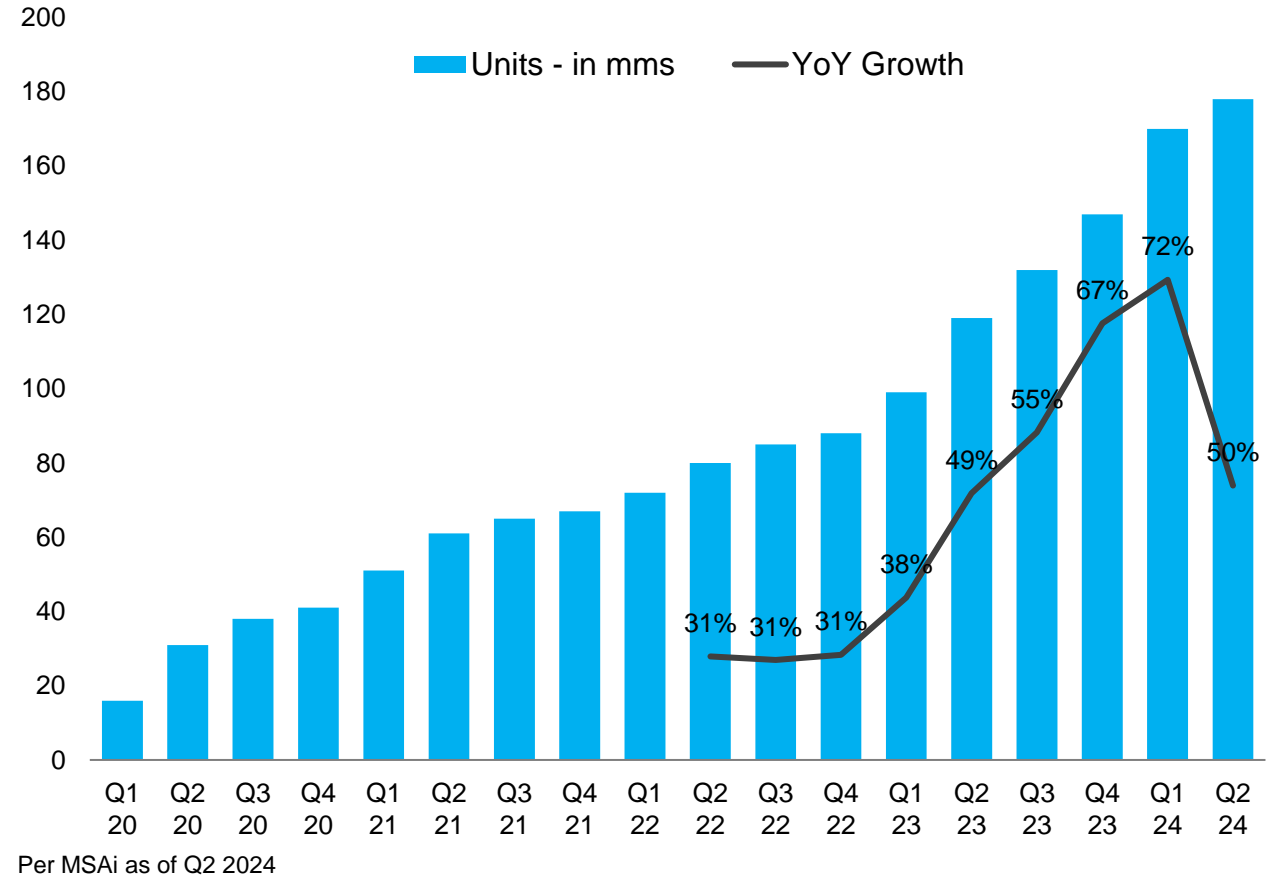
Figures are \$'s in millions.
CAGR includes complete FY only (2019-2023).

Significant opportunity with FRE in a large and growing market

- The modern oral market is trending towards a \$3 billion market in 2024 with strong growth trajectory
- FRE has a differentiated offering through its product quality (POWER. FEEL. FLAVOR), 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 FRE distribution in 2024 with both brick & mortar and digital marketing strategies
- Launched new ‘6mg’ online in July – 6mg volume overall made-up more than half of the modern oral category



Modern Oral Market Size



Per MSAi as of Q2 2024

Financial Update

Solid Performance from our Zig-Zag and Stoker's businesses

Recent Performance

- Q2 2024 Financial Results: Net Sales of \$108.5 million (+2.8%) and Adjusted EBITDA¹ of \$27.0 million (+6.9% YoY)
 - Net Sales for Zig-Zag increased +8.0% YoY
 - Net Sales for Stoker's increased +18.5% YoY
- Generated \$10.9 million of free cash flow
- INCREASING our guidance for projected 2024 adjusted EBITDA to \$98 to \$102 MILLION versus our prior guidance of \$95 to \$100 Million

Key Drivers

- Internal growth initiatives drive majority of growth, with core businesses outpacing market growth
- Zig Zag growth driven by our North American Papers & Wraps businesses and a strong showing from cigars business
- Stoker's continues to be a steady growth engine with a long runway for volume growth and favorable pricing dynamics
- Alternative channel sales delivered sustainable growth
- FRE launch continues, with market showing an enthusiastic response as roll-out continues

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

See "Non-GAAP Measures" in Disclaimer; See 'EBITDA Adjustment Detail' slide for Reconciliation.

Expanding Addressable Markets

Extending into large, adjacent markets provides runway for growth

End Market	Market Size ¹ (\$ Millions)	Opportunity
White Nicotine Pouch	>\$3,000	Introduce FRE including differentiated higher nicotine content offerings into a rapidly growing market
Mass-Market Cigars	>\$2,500	Re-enter large market that is complementary to Zig-Zag cigar wraps product offering
Alternative Channel	~\$200	Increase share for Zig-Zag papers (currently single-digit/log double-digit %) and other ancillary Zig-Zag products (rolling trays and other smoking accessories, apparel / merchandise, etc.)

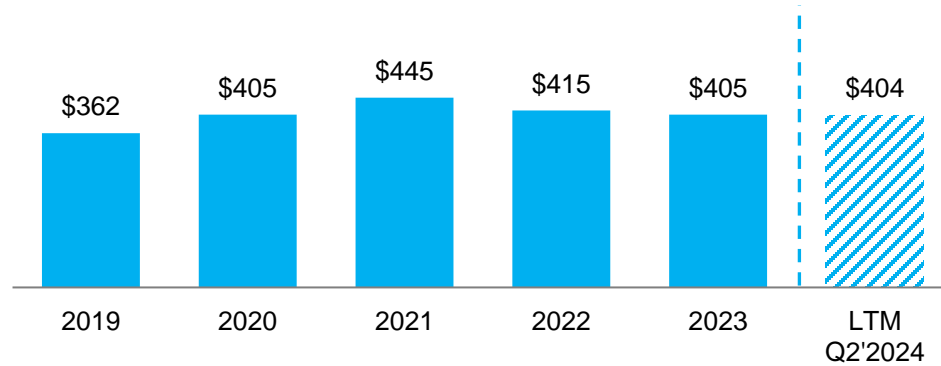


Turning Point Brands (NYSE: TPB)

1. Company estimates of manufacturer revenue opportunity in the U.S.

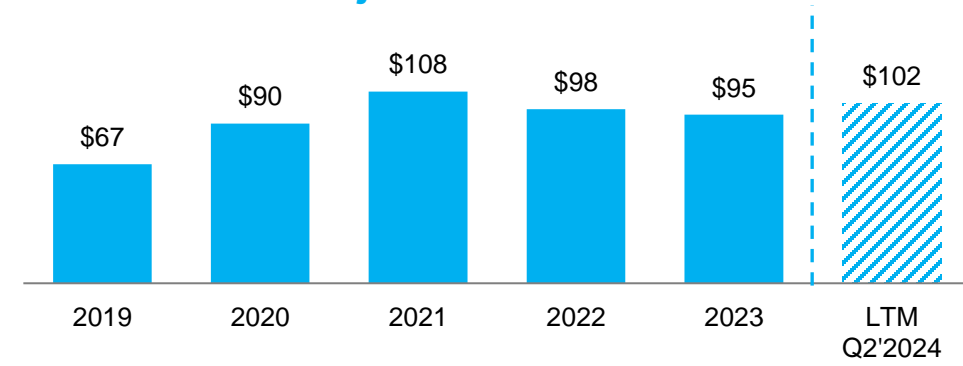
Historical Financials (Includes CDS)

Net Sales



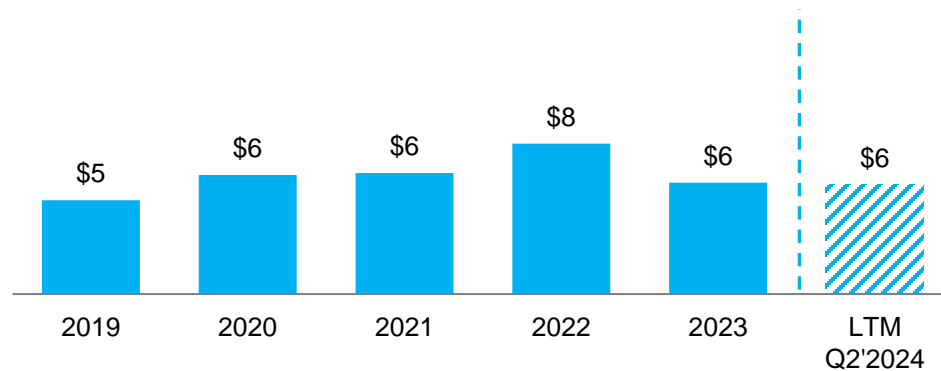
% Growth	2019	2020	2021	2022	2023	LTM Q2'2024
	8.8%	11.9%	9.8%	(6.7%)	(2.3%)	(-3.2%)

Adjusted EBITDA



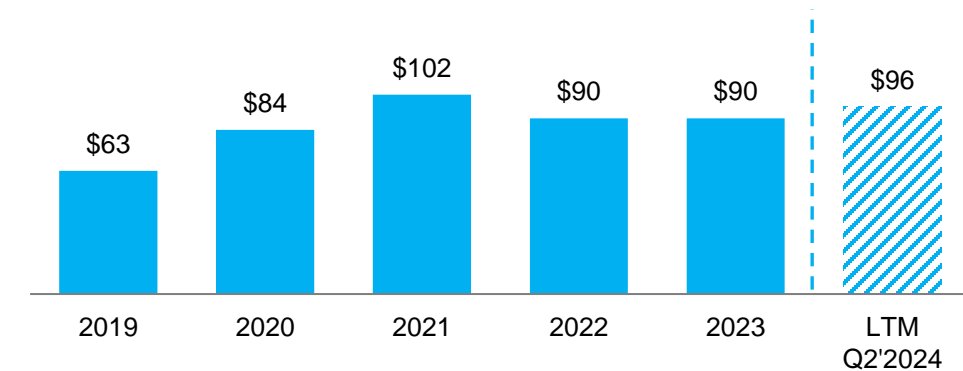
% Margin	2019	2020	2021	2022	2023	LTM Q2'2024
	18.6%	22.3%	24.3%	23.5%	23.5%	25.1%

Capital Expenditures



% Margin	2019	2020	2021	2022	2023	LTM Q2'2024
	1.3%	1.5%	1.4%	1.9%	1.4%	1.4%

Adjusted EBITDA Less CapEx



% Margin	2019	2020	2021	2022	2023	LTM Q2'2024
	17.3%	20.8%	23.0%	21.7%	22.1%	23.7%

Note: Figures are \$ in millions.
See "Non-GAAP Measures" in Disclaimer; See 'EBITDA Adjustment Detail' slide for Reconciliation.

EBITDA Adjustment Detail

Reconciliation of GAAP Net Income to Adjusted EBITDA

(\$ in millions)

	2019	2020	2021	2022	2023	Q124	Q224
Consolidated Net Income	13.8	33.4	52.1	11.6	38.5	12.0	13.0
Interest Expense, Net	17.3	20.2	20.5	19.5	14.6	3.5	3.0
Gain on Extinguishment of Debt	1.3	0.0	(2.2)	(0.9)	(1.7)	0.0	0.0
Income Tax Expense	2.0	10.0	14.0	4.8	23.9	3.7	4.4
D&A Expense	4.2	5.0	5.0	5.3	6.3	1.7	1.8
EBITDA	38.6	68.6	89.5	40.4	81.7	20.9	22.2
Components of Adjusted EBITDA							
Corporate and Vapor Restructuring (a)	19.6	1.9	1.0	3.4	0.4	1.3	0.3
ERP/CRM (b)	0.0	0.0	0.0	2.0	0.6	0.1	0.5
Stock Options, Restricted Stock, and Incentives Expense (c)	4.6	2.6	7.6	5.3	6.6	2.1	1.9
Transaction Expenses and Strategic Initiatives (d)	1.8	3.1	1.3	0.8	0.2	0.0	0.1
FDA PMTA (e)	6.2	14.0	1.7	4.6	2.1	0.8	1.0
Non-cash Asset Impairment (f)	2.2	0.0	7.1	41.1	12.2	0.0	2.7
FET refund (g)	0.0	0.0	0.0	0.0	(4.3)	0.0	(1.7)
Shareholder Settlement (h)	(5.5)	0.0	0.0	0.0	(4.0)	0.0	0.0
Adjusted EBITDA	67.3	90.2	108.2	97.6	95.3	25.3	27.0

(a) Represents costs associated with corporate and vape restructuring, including severance

(b) Represents cost associated with scoping and mobilization of new ERP and CRM systems and cost of duplicative ERP licenses

(c) Represents non-cash stock options, restricted stock, incentives expense, and Solace performance stock units

(d) Represents the fees incurred for transaction expenses

(e) Represents costs associated with applications related to FDA premarket tobacco product application ("PMTA")

(f) Represents impairment of goodwill, intangible and investment assets

(g) Represents a federal excise tax refund

(h) Represents receivable from shareholder settlement

THANK YOU