TURNING POINT™
BRANDS

Investor Presentation

Q4 2024

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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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

Focus Brands

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

- Leader in a growing category that benefits from expanding Cannabinoid adoption
- Consistent, strong margin profile
- Opportunity for brand extensions

#1 Loose Leaf Chew and Leading MST Value Brand[1]

- Meaningfully differentiated to consumers (bulk tubs, longer-cut tobacco)
- Favorable pricing dynamics
- Opportunity to close distribution gaps

Rapidly Taking Share in Growing White Pouch Category

- Two powerful brands with differentiated selling propositions
- Roll-out in progress with lots of whitespace across channels

Summary Financials

12% Net Sales[2] 2019-2024 CAGR

Strong and steady sales driven by iconic brands with headroom to grow

14% Adjusted EBITDA[2] 2019-2024 CAGR

Continue to improve capital structure and invest in our business

1.9% CapEx % of Sales[2] 2019-2024 Avg

Asset-light business model and recession resistant products drive stable cash flow

1. Per MSAi as of FY2024.
2. For FY2024. See "Non-GAAP Measures" in Disclaimer; See 'EBITDA Adjustment Detail' slide for Reconciliation.

TPB is a Consumer Products Company that Markets Compelling Brands

BROAD PORTFOLIO OF ICONIC AND EMERGING BRANDS





























Turning Point Brands (NYSE: 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

Powerful Distribution Infrastructure

North American retail presence that reaches over ~220,000 outlets + B2C online sites[1]



National sales team selling to over 95,000 national chain stores[2]

Regional sales team selling to over 95,000 independent convenience stores[2]

Dedicated product sales teams

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

zigzag.com
zigzag.ca
frepouch.com

Online B2B platform reaching alternative channel distributors and stores

wholesale.zigzag.com
tpbmarketplace.com

1. Per MSAi and internal sales channels as of FY2024.
2. Per MSAi as of FY2024.

Turning Point Brands (NYSE: TPB)

TPB Business Segments

	Zig-Zag Products	Stoker's Products
	Rolling papers and cones, Make-Your-Own ("MYO") cigar wraps, cigars, and smoking accessories	*Loose leaf chew, moist snuff, and white nicotine pouches*
FY-24 Net Sales	**$192mm**	**$168mm**
Key Brands	ZIG-ZAG®	Stoker's® FRE® ALP Nicotine Pouches APPALACHIA BEECH-NUT TROPHY HAVANA BLOSSOM BIG MOUNTAIN DURANGO
Strategic Priorities	• 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	• Capitalize on strong growth in Moist Snuff and stability of chew • Stoker's: the leading value brand in chew with a long runway for growth in MST • "Great dip at a fair price" • Growth predominantly driven by same store sales with opportunity for further expansion and distribution gains • FRE and ALP white nicotine pouch presents attractive opportunity in a large and growing market

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

#1 Brand

Zig-Zag has ~33%[1] of the rolling paper market in the U.S. and a majority of the cigar wraps market

Papers

#1 premium and overall rolling paper brand sold in the U.S.[1] and Canada[2]

Wraps

Market leader in MYO cigar wraps with a majority share of the market[1]

New Product Launches

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

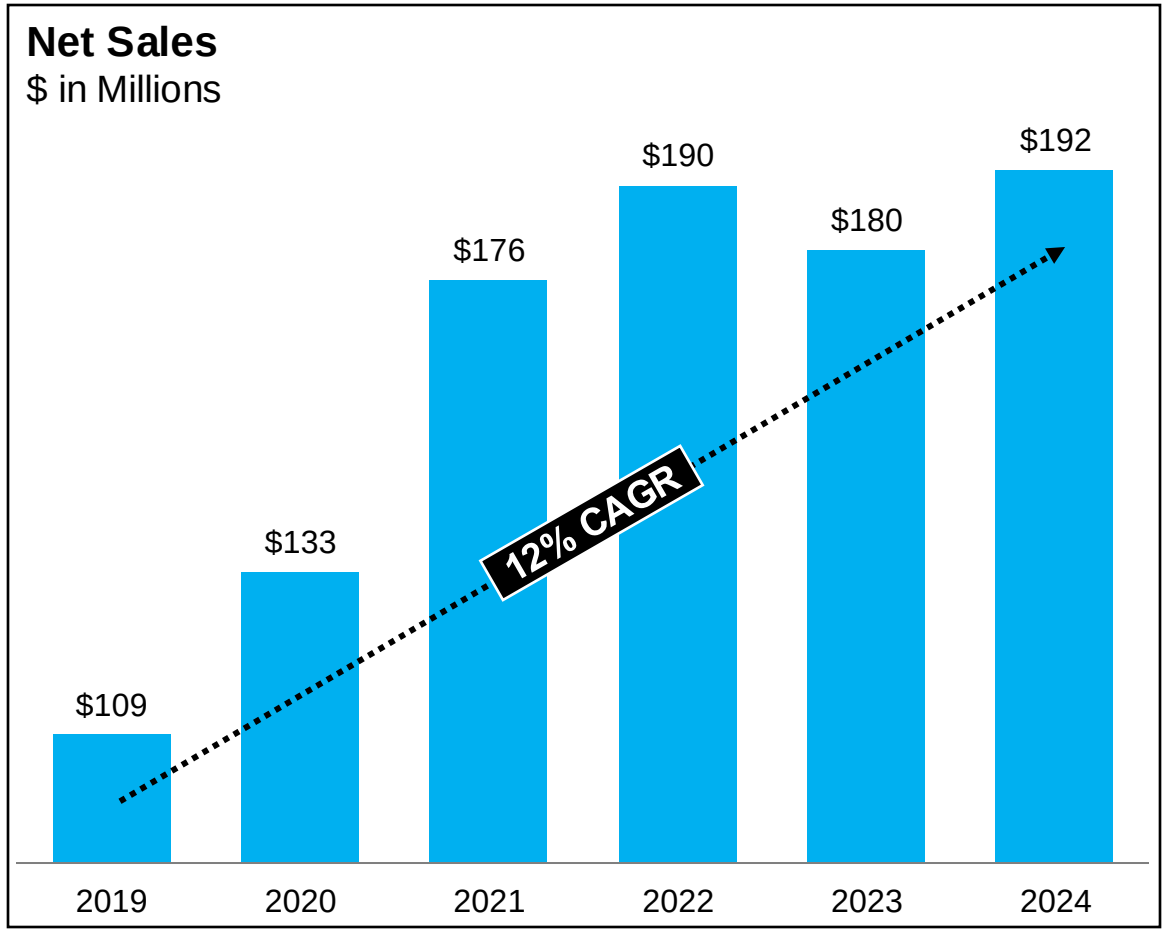


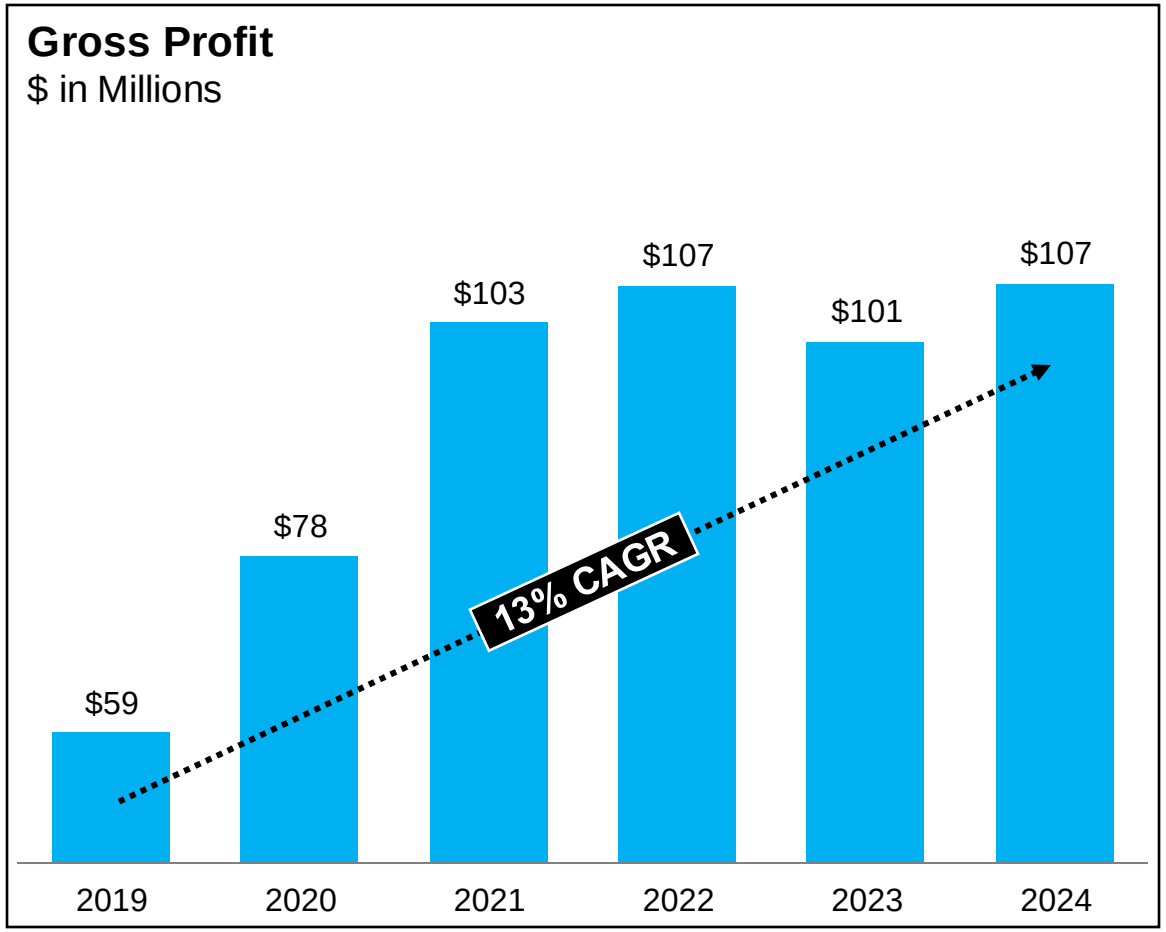




1. Per MSAi FY2024.
2. Management estimates as of FY2024.

Zig-Zag Products: Continued Profit and Margin Growth





Growth initiatives focused on new product introductions and channel expansion aligned with secular market growth trends have fundamentally changed the growth profile of the segment

Figures are $'s in millions.

Turning Point Brands (NYSE: TPB)

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 brand and a leading MST value brand[1]

57% **Share of Category**

Stoker's created the MST Tubs category and is the category leader[1]

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

Stoker’s is #1 discount and overall loose-leaf chew brand, with 32% U.S. market share. TPB’s brands collectively hold 37% of loose-leaf chew[1].



FRE & ALP White Pouch

Positive consumer feedback, strong sales growth, and consistent retail acceptance and reorder rates

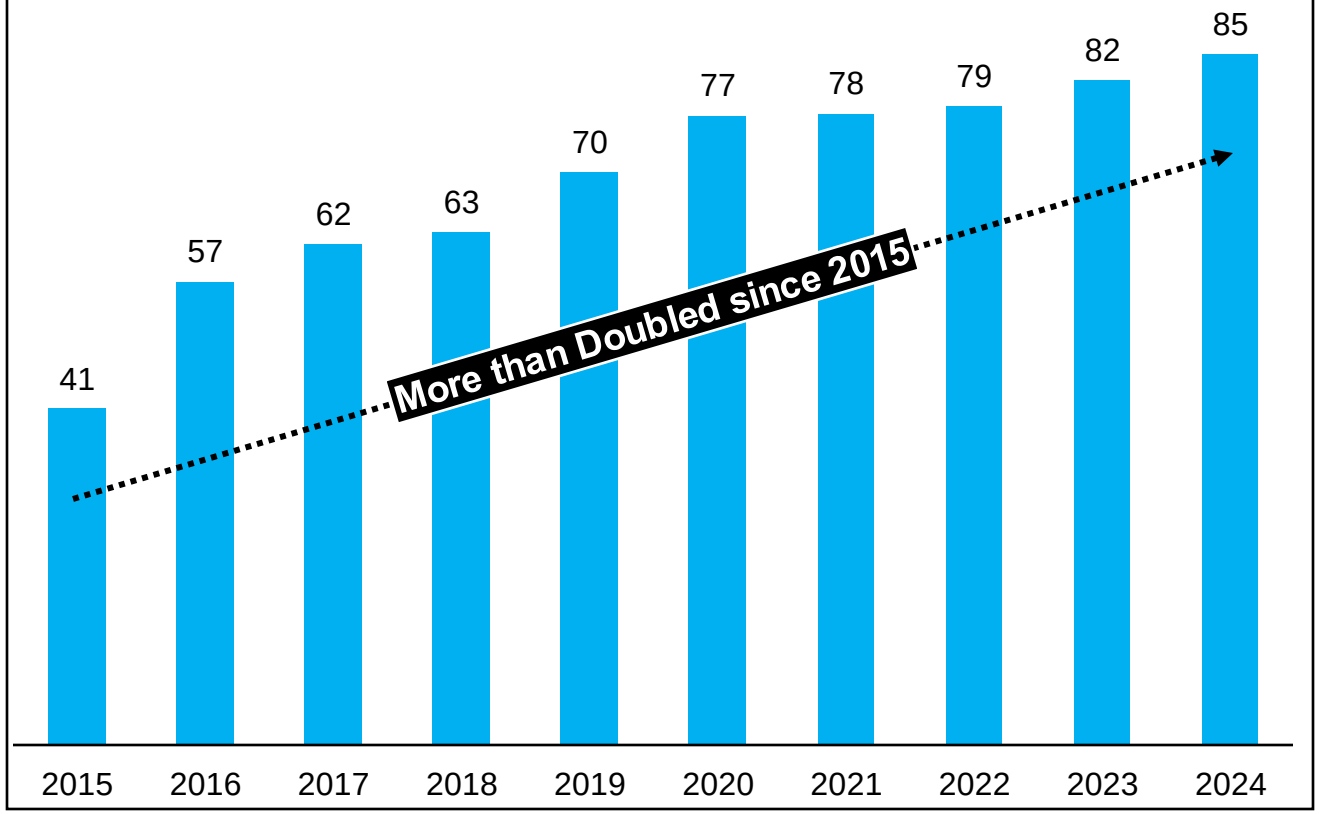


1. Per MSAi FY2024.

Stoker's Products: Continued MST Distribution Gains

Stores Selling Stoker's MST

In Thousands



Long Runway for Growth

In-store representing ~69%[1] of volume weighted distribution

Additional ~30-50k stores targeted for national distribution





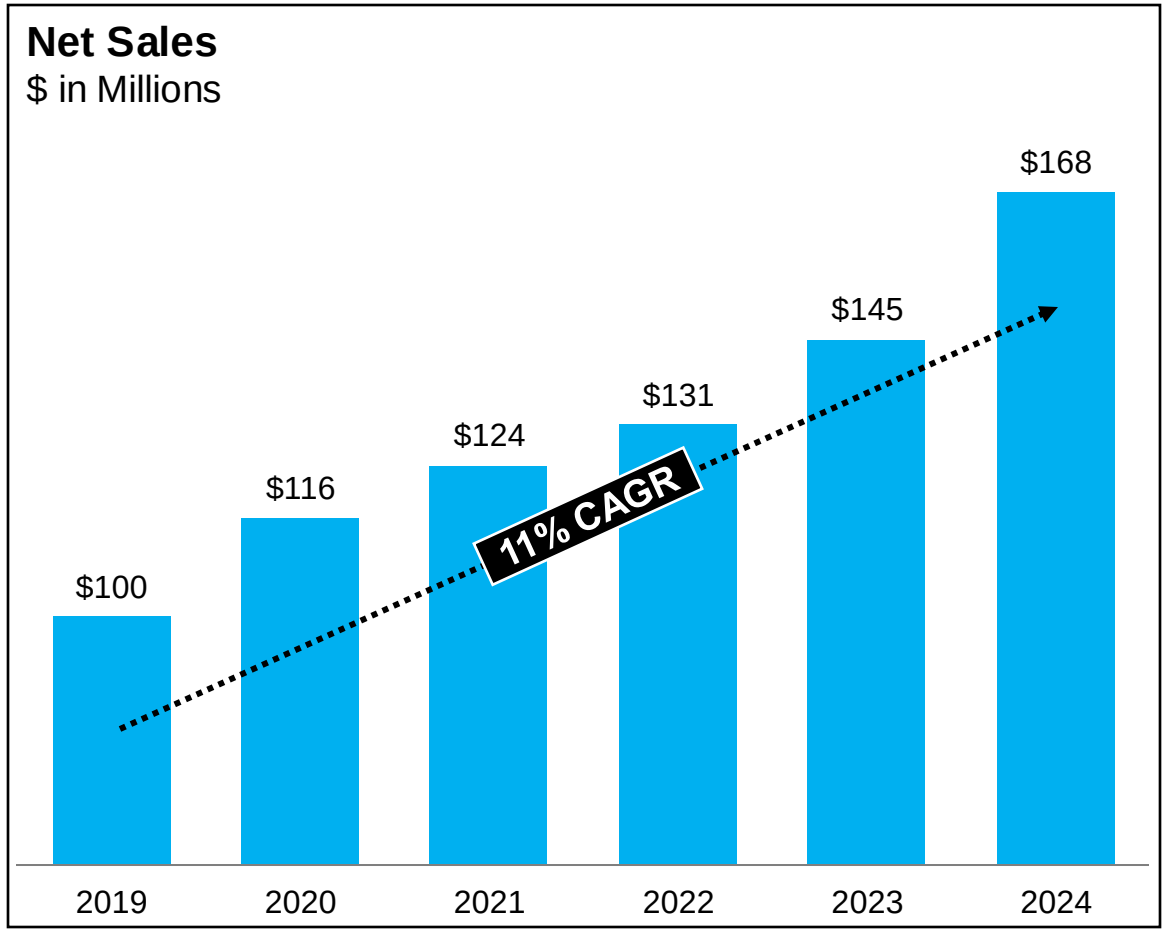


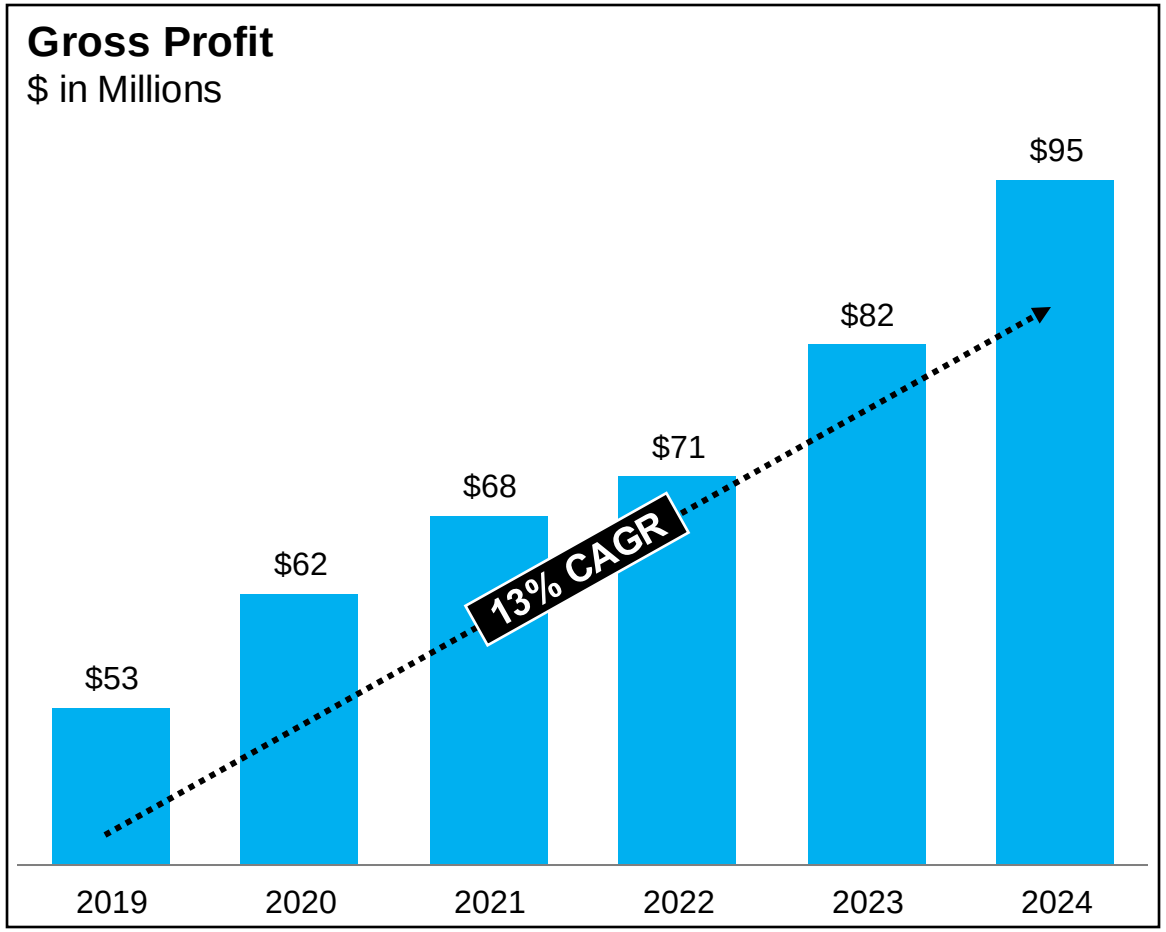


1. Per MSAi FY2024.

Turning Point Brands (NYSE: TPB)

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

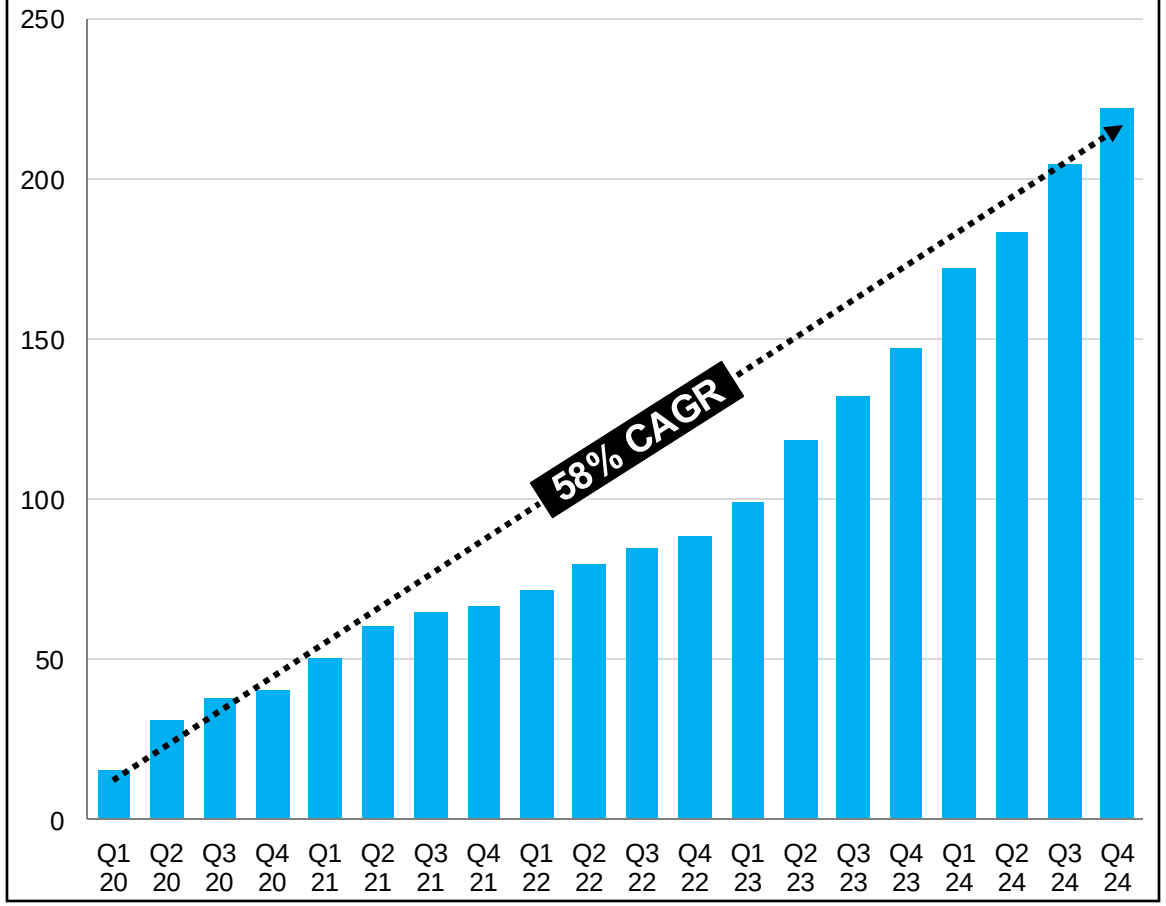
Figures are $'s in millions.

Turning Point Brands (NYSE: TPB)

Modern Oral Market – FRE & ALP

Modern Oral Market Size[1]

Can Volume in Millions



FRE® ALP Nicotine Pouches

- Analysts estimate the modern oral market will reach $5-7 billion by the end of decade
- TPB has a proven playbook of successfully competing against larger competitors
- TPB does not require a leading market share to have a meaningful impact on the bottom line
- FRE has a differentiated offering through its product quality (POWER. FEEL. FLAVOR), range of nicotine strengths, and packaging sizes
- FRE distribution expanded in 2024 with both brick & mortar and digital marketing strategies; with more recent product launches into lower 3/6 mg nicotine strengths that make-up more than two-thirds of the modern oral category
- ALP Supply Co. joint venture with Tucker Carlson Network launched in Q4 2024 with significant excitement about the brand and encouraging early results

Significant opportunity in a large and growing Modern Oral category

1. Per MSAi FY2024.

Financial Update

Recent Business Performance

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

FY-24 Performance	• Net Sales of $360.7 million (+11% YoY) and Adjusted EBITDA[1] of $104.5 million (+12% YoY)
	  • Net Sales for Zig-Zag increased +7% YoY
	  • Net Sales for Stoker's increased +16% YoY
	• Generated $56 million of free cash flow
	• Adjusted EBITDA for the full-year increased 11% to $104.5 million, at the high-end of the preliminary range of $103.5 – 104.5 million disclosed February 10th and above our prior guidance of $101 – 103 million provided with 3rd quarter results

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 the reintroduction of cigars • Stoker's continues to be a steady growth engine with a long runway for volume growth and favorable pricing dynamics • FRE and ALP roll-out with market showing an enthusiastic response

Management is focused on executing its plan for growth to maximize shareholder value

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

Turning Point Brands (NYSE: TPB)

Expanding Addressable Markets

End Market	Market Size[1] ($ Millions)	Opportunity
White Nicotine Pouch	>$5,000	Scale FRE including differentiated higher nicotine offerings, and launch ALP into a rapidly growing market
Mass-Market Cigars	>$2,500	Re-enter large market that is complementary to Zig-Zag cigar wraps
Alternative Channel	~$200	Increase share for Zig-Zag papers and other ancillary Zig-Zag products (rolling trays and other smoking accessories, apparel / merchandise, etc.)







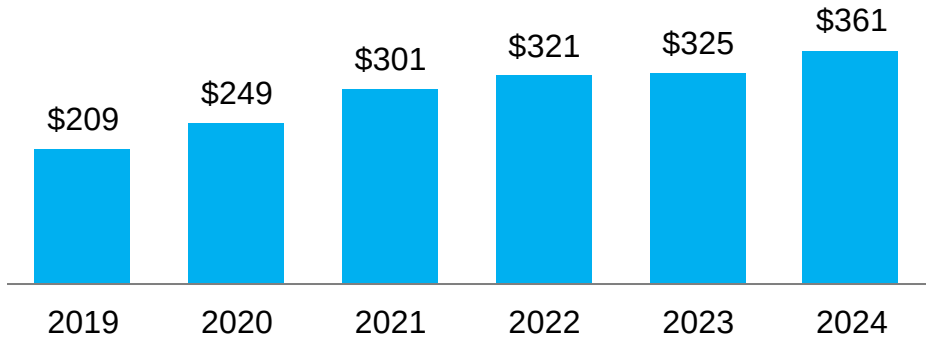
Expanding into large, adjacent markets provides a long runway for growth

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

Turning Point Brands (NYSE: TPB)

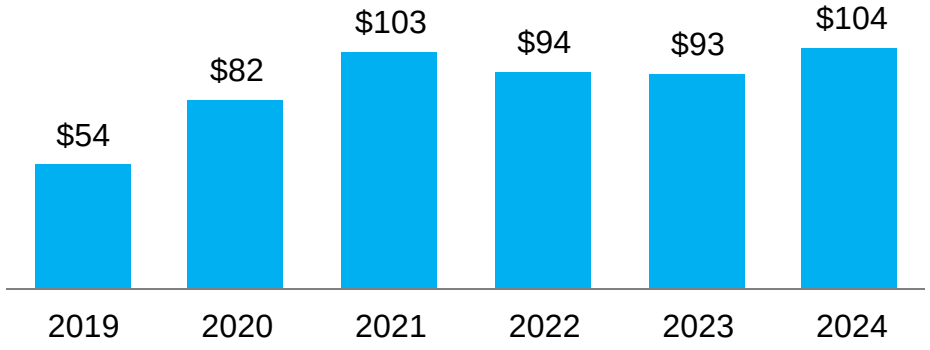
Historical Financials

Net Sales
$ in Millions



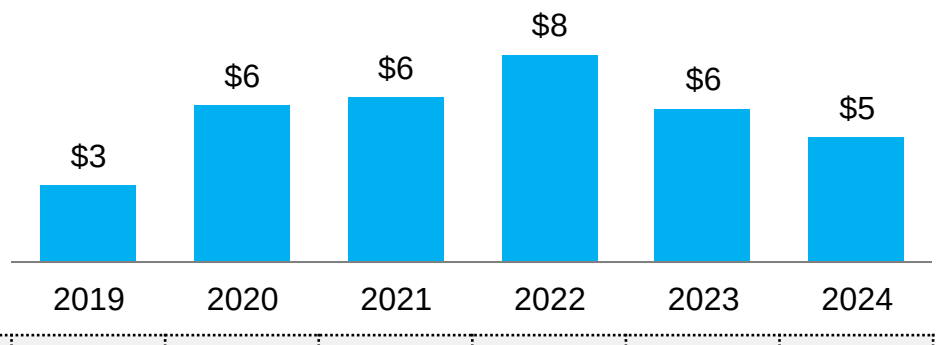
	2019	2020	2021	2022	2023	2024
% Growth	*3.5%*	*19.2%*	*20.9%*	*6.8%*	*1.2%*	*11.0%*

Adjusted EBITDA
$ in Millions



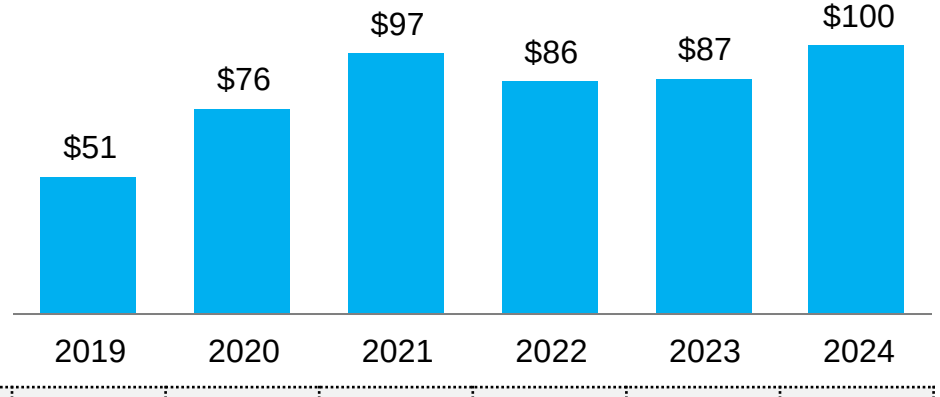
	2019	2020	2021	2022	2023	2024
% Margin	*25.7%*	*32.9%*	*34.2%*	*29.3%*	*28.7%*	*29.0%*

Capital Expenditure
$ in Millions



	2019	2020	2021	2022	2023	2024
% Margin	*1.4%*	*2.3%*	*2.0%*	*2.4%*	*1.8%*	*1.3%*

Adjusted EBITDA Less CapEx
$ in Millions



	2019	2020	2021	2022	2023	2024
% Margin	*24.4%*	*30.6%*	*32.2%*	*26.9%*	*26.9%*	*27.7%*

Note: Figures are $ in millions.
See “Non-GAAP Measures” in Disclaimer; See ‘EBITDA Adjustment Detail’ slide for Reconciliation.

Turning Point Brands (NYSE: TPB)

EBITDA Adjustment Detail

Reconciliation of GAAP Net Income to Adjusted EBITDA	Years Ended December 31,					
(in $ Millions)	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Net income attributable to Turning Point Brands, Inc.	**13.8**	**33.4**	**52.1**	**11.6**	**38.5**	**39.8**
Loss from discontinued operations net of tax	15.6	(4.4)	(1.8)	19.9	0.3	7.5
Add:						
Interest expense, net	17.1	20.2	20.5	19.5	14.6	14.0
Gain on extinguishment of debt	1.3	-	(2.2)	(0.9)	(1.7)	-
Income tax expense	7.3	8.6	13.5	11.0	24.0	16.9
Depreciation expense	1.6	2.1	2.4	2.9	2.8	3.3
Amortization expense	-	0.3	0.5	0.5	1.3	2.3
EBITDA	**56.7**	**60.2**	**85.1**	**64.6**	**79.8**	**83.9**
Components of Adjusted EBITDA						
Corporate restructuring (a)	(6.3)	0.5	-	3.3	0.2	4.6
ERP/CRM (b)	-	-	-	2.0	0.6	1.0
Stock based compensation (c)	4.6	2.6	7.6	5.3	6.6	7.2
Transactional expenses and strategic initiatives (d)	1.8	3.1	1.3	0.8	0.2	2.1
FDA PMTA (e)	2.2	14.4	1.7	4.6	2.1	3.6
Non-cash asset impairment (f)	-	-	7.1	13.6	12.2	2.7
Mark-to-market loss on Canadian inter-company note (g)	-	-	-	-	-	0.9
FET Refund (h)	-	-	-	-	(4.3)	(1.7)
Legal settlement (i)	-	-	-	-	(4.0)	-
Vendor settlement (i)	(5.5)	-	-	-	-	-
Other	0.4	1.0	-	-	-	-
Adjusted EBITDA	**53.8**	**81.7**	**102.7**	**94.1**	**93.3**	**104.5**

a) Represents costs associated with corporate restructuring, including severance and early retirement.

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

c) Represents non-cash stock options, restricted stock, PSRUs, etc.

d) Represents the fees incurred for transaction expenses.

e) Represents costs associated with applications related to FDA premarket tobacco product application ("PMTA"). The PMTA regime requires the Company to submit an application to the FDA to receive marketing authorization to continue to sell certain of its product lines with continued sales permitted during the pendency of the applications. The application is a onetime resource-intensive process for each covered product line; however, due to the nature of the implementation process for those product lines already in the market, applications can take multiple years to complete rather than the typical one-time submission. The Company currently has only two product lines currently subject to the PMTA process, having utilized other regulatory pathway options available for our other product lines. The Company does not expect to submit additional PMTA applications for any new product lines after the submission for the remaining two are complete.

f) Represents impairment of investment assets.

g) Represents a mark-to-market loss attributable to foreign exchange fluctuation.

h) Represents federal excise tax refund included in other operating income, net.

i) Represents receivables from settlements.

THANK YOU