

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 001-40694

Traeger, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

82-2739741

(I.R.S. Employer
Identification No.)

533 South 400 West

Salt Lake City, Utah

(Address of principal executive offices)

84101

(Zip code)

(801) 701-7180

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.0001 par value per share	COOK	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act): Yes No

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant, based on the closing price of the shares of Common Stock on the New York Stock Exchange on June 28, 2025, was \$64.9 million.

As of March 3, 2026, there were 137,251,532 shares of the registrant's common stock, par value of \$0.0001 outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement relating to its 2026 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission no later than 120 days after the end of the registrant's fiscal year ended December 31, 2025 are incorporated herein by reference in Part III.

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical facts contained in this Annual Report on Form 10-K may be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “forecasts,” “predicts,” “potential,” or “continue,” or the negative of these terms or other similar expressions. Forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to, statements regarding our future results of operations and financial position, general macroeconomic trends, industry and business trends, equity compensation, business strategy, plans, market growth, and our objectives for future operations.

The forward-looking statements in this Annual Report on Form 10-K are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition, and results of operations. Forward-looking statements 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, the important factors discussed in Part I, Item 1A. “Risk Factors” in this Annual Report on Form 10-K for the fiscal year ended December 31, 2025. The forward-looking statements in this Annual Report on Form 10-K are based upon information available to us as of the date of this Annual Report on Form 10-K, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this Annual Report on Form 10-K and the documents that we reference in this Annual Report on Form 10-K and have filed as exhibits to this Annual Report on Form 10-K with the understanding that our actual future results, levels of activity, performance, and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. Additionally, we may provide information herein that is not necessarily “material” under the federal securities laws for Securities and Exchange Commission (“SEC”) reporting purposes, but that is informed by various standards and frameworks (including standards for the measurement of underlying data), and the interests of various stakeholders. Much of this information is subject to assumptions, estimates, or third-party information that is still evolving and subject to change. For example, our disclosures based on any standards may change due to revisions in framework requirements, availability of information, changes in our business or applicable government policies, or other factors, some of which may be beyond our control. These forward-looking statements speak only as of the date of this Annual Report on Form 10-K. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this Annual Report on Form 10-K, whether as a result of any new information, future events, or otherwise.

As used in this Annual Report on Form 10-K, unless otherwise stated or the context requires otherwise, references to “we,” “us,” “our,” the “Company,” “Traeger” refer to Traeger, Inc. and its consolidated subsidiaries.

GENERAL INFORMATION

Market and Industry Data

This Annual Report on Form 10-K 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.

In presenting this information, we have made certain assumptions that we believe to be reasonable based on such data and other similar sources and on our knowledge of, and our experience to date in, the markets for our products. Statistics and estimates related to our total addressable market in the United States ("U.S. TAM") as a whole and the various categories therein, and our market share within the U.S. TAM, are based on internal and third-party research, as well as consumer surveys.

This market 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 data.

SUMMARY RISK FACTORS

Our business is subject to numerous risks and uncertainties, including those described in Part I, Item 1A. “Risk Factors” in this Annual Report on Form 10-K. You should carefully consider these risks and uncertainties when investing in our common stock. The principal risks and uncertainties affecting our business include the following:

- We may not realize the anticipated benefits of our multi-step strategic optimization plan, Project Gravity, and the related reduction in force and operational centralization may adversely affect our business, results of operations, and culture.
 - We have incurred operating losses in the past, may incur operating losses in the future, and may not achieve or maintain profitability in the future.
 - We may be unable to manage our business through periods of strategic realignment, which could make it difficult to execute our business strategy.
 - Our growth depends, in part, on expanding into additional markets, and we may not be successful in doing so.
 - Our business depends on maintaining and strengthening our brand to generate and maintain ongoing demand for our products, and a significant reduction in such demand could harm our results of operations.
 - If we fail to cost-effectively attract new customers or retain our existing customers, we may not be able to increase sales.
 - Our business could be adversely affected if we fail to maintain product quality and product performance at an acceptable cost.
 - United States trade policies that restrict imports or increase import tariffs may have a material adverse effect on our business.
 - We have been and may be subject to future product liability and warranty claims and product recalls that could result in significant direct or indirect costs, or we could experience greater product returns than expected, either of which could harm our reputation or brand and have an adverse effect on our business, financial condition, and results of operations.
 - We operate in a highly competitive market, and we may be unable to compete successfully against existing and future competitors.
 - Use of social media and community ambassadors may materially and adversely affect our reputation or subject us to fines or other penalties.
 - Our business could be adversely affected by issues in relation to sustainability and corporate responsibility matters, both in relation to our own operations and the operations of our supply chain partners.
 - We derive the majority of our revenues from three major retailers and a decline in demand from these retailers or failure by these retailers to perform their contractual obligations would cause our customer base, results of operations, and business to suffer.
 - We have significant international operations and are exposed to risks associated with doing business globally and many of our products are manufactured by third parties outside of the United States.
 - We rely on a limited number of third-party manufacturers, and problems with, or loss of, our suppliers or an inability to obtain raw materials could harm our business and results of operations.
 - Our failure to remain in compliance with the continued listing requirements of the New York Stock Exchange standards could result in the delisting of our common stock.
 - We are a “controlled company” under the corporate governance rules of the New York Stock Exchange and, as a result, we qualify for, and may from time to time in the future rely on, exemptions from certain corporate governance requirements. You may not have the same protections afforded to stockholders of companies that are subject to such requirements.
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PART I

Item 1. Business.

Overview

Welcome to the Traegerhood

Our mission is to bring people together to create a more flavorful world.

Traeger is the creator and category leader of the wood pellet grill, an outdoor cooking system that ignites all-natural hardwoods to grill, smoke, bake, roast, braise, and barbecue. Our Traeger grills are versatile and easy to use, empowering cooks of all skill sets to create delicious meals with a wood-fired flavor that cannot be replicated with gas, charcoal, or electric grills.

At the heart of our brand is a passionate and engaged community called the Traegerhood, which includes everyone from casual grillers to competition pitmasters and professional chefs. Our flagship wood pellet grills are internet of things (“IoT”) devices that allow owners to program, monitor, and control their grill through our Traeger app, which engaged 2.8 million active users for the fiscal year ended December 31, 2025. We complement our innovative cooking technologies with an extensive digital library of original recipes and Traeger cooking classes. In addition, we offer consumable products, such as wood pellets, rubs, and sauces, that drive recurring revenue.

Leveraging our authentic brand and the Traegerhood, we have established an omnichannel distribution strategy led by retailers ranging from Ace Hardware and The Home Depot to Amazon and Best Buy. We complement this retail channel with direct to consumer (“DTC”) sales through our website and Traeger app.

Today, we estimate that 78 million households in the United States own a grill, representing the total addressable market. With approximately 2.7 million Traeger grills sold in the United States from 2020 to 2025, we estimate that our U.S. household penetration is only 3.4% of this total addressable market. As a result, we believe our potential market opportunity is massive and that our ability to grow within and beyond the outdoor grill market is unrivaled. We see opportunities to expand our integrated, connected cooking platform with new types of technologies and experiences. Together with the Traegerhood, we are disrupting home cooking.

Recent Developments-Project Gravity

In May 2025, we launched “Project Gravity,” a multi-step strategic optimization plan to streamline our organizational structure and rebalance our cost base. Actions include a reduction in force, centralization of our MEATER business into our Salt Lake City infrastructure, discontinuation of the Costco roadshow program, redirection of Traeger.com consumers to retail partners as part of our exit from the Traeger direct-to-consumer business, transition to a distributor model in certain European markets that currently operate under a direct model, and pellet mill consolidation. We recorded \$24.9 million of total restructuring and other costs related to these actions in fiscal year 2025 and expect the program to be substantially completed by the end of fiscal year 2026.

Overview of Our Products and Integrated, Connected Cooking Platform

The Original

In 1987, we invented the original wood pellet grill. The original Traeger helped to transform outdoor cooking by making it easy to enjoy the delicious flavors of wood-fired food. Prior to the original Traeger, cooking with wood fire was difficult and there was no efficient way to ignite the wood, maintain consistent temperatures, and create the right amount of smoke. The original Traeger helped to solve these challenges, making it easier for home cooks to achieve extraordinary culinary results.

The Reinvented Original

We’ve come a long way since 1987 and have made significant improvements to our grills and technologies. Along the way, our product design has been centered on our core concepts of taste, versatility, ease of use, consistency, and community.

Beginning in 2014, we pioneered a digital outdoor cooking experience. Using software, internet connectivity, and cloud technology, we reinvented the original Traeger to be an IoT device, featuring a variety of modern technologies, including:

- **WiFIRE technology** – Utilizes cloud-computing, our Traeger app, and our cloud-connected grills to enable users to automate recipe steps and control and monitor their grill from anywhere in the world using their smartphone.
- **D2 Direct Drive** – An automated control system that maintains grill temperature to +/-5 degrees of set temperature through fans and DC auger control.
- **Super Smoke Mode** – A proprietary cooking mode that maximizes production of hardwood smoke to infuse flavors into food.
- **Pellet Sensor** – A connected sensor that measures wood pellet levels and communicates with our Traeger app, enabling users to monitor fuel levels and receive alerts when fuel gets low.
- **TurboTemp** – A rapid startup system that brings the grill to cooking temperature and reacts quickly to temperature changes.
- **Smart Combustion** – A proprietary technology that helps our grills maintain consistent cooking temperatures.
- **EZ Clean** – A 2-in-1 grease and ash collection system.

Today, our wood pellet grills feature modern, updated designs that improve upon the original. Our grills use an auger to feed natural hardwood pellets into a fire pot, where they are ignited by a hot rod to create heat and flavorful smoke. A fan stokes the fire and creates convection, which is key to the versatility of our grills. Drip trays funnel grease, fat, and oil for easy clean-up and to help prevent flareups.

Our Integrated Platform

Our integrated platform includes six types of products: wood pellet grills, gas griddles, digital content, the Traeger app, consumables and grilling accessories. We integrate these products to optimize the cooking experience and produce valuable feedback loops with consumers. As a result, our integrated platform can drive grill usage, brand affinity, word of mouth, and purchases of our consumables.

Products

Our Grills

We offer eight primary grill lines: Woodridge Series, Timberline Series, Ironwood Series, Pro Series with WiFIRE, Pro Series without WiFIRE, Portable Series, Club Lineup, and Flatrock flat top grill. These grills vary in size, price, construction, materials, and digital technologies. Our grills represented 53.3% and 53.8% of our revenue for the year ended December 31, 2025 and 2024, respectively.

Our Digital Content

We produce a library of digital content including instructional recipes and videos that demonstrate tips, tricks, and cooking techniques that empower Traeger owners to progress their cooking skills. In addition, we produce short- and long-form branded content highlighting stories, community members, and lifestyle content from the Traegerhood.

A Growing Library of Recipes

Creating an extensive array of wood-fired recipes is crucial to educating our consumers and inspiring them to cook more often and craft even better food. From quick and easy entry-level dishes to more advanced culinary endeavors, we cater to all levels of cooks. Our recipes include appetizers, main dishes, sides, desserts, and even wood-fired cocktails to tie the meal together. They range from traditional barbecue classics like ribs and brisket to Spanish-style Paella, Italian porchetta, and even homemade baked pie, allowing consumers to take full advantage of the grills' versatility. The majority of our recipes are developed and tested by our in-house culinary team. However, we also leverage our network of chefs, recipe developers, and pitmasters to source recipes and insights.

Traeger Shop Class

We offer "Shop Class: Private Table," a series of shop classes that are taught online by community ambassadors and Traeger Pro team members and feature detailed prep-to-plate instruction. The small group format ensures that the class is personal and interactive. With the purchase of their ticket, participants receive a list of supplies they'll need to follow along in

real-time, as well as a swag bag filled with goodies. Shop Classes are also offered in-person in select markets throughout the year.

The Traeger App

Our Traeger app, which we launched in 2017, is a mobile software application available on iOS or Android devices. The Traeger app is free to download from the Apple App Store or Google Play, is free to use, and engaged 2.8 million active users for the fiscal year ended December 31, 2025.

Our Consumables

We offer a variety of Traeger-branded wood pellets, rubs, and sauces for use when cooking with our grills. Our digital content and expanding collection of recipes provide users the opportunity to test their skills with these Traeger-branded flavor enhancers. Our consumables represented 22.8% and 19.7% of our revenue for the year ended December 31, 2025 and 2024, respectively.

Our Accessories

We offer a variety of grill accessories (including the MEATER smart thermometers, P.A.L. Pop-And-Lock accessory rail, covers, drip trays, bucket liners, storage bins, and shelves), tools to aid in meal prep, cooking, and cleanup (including pellet storage systems, cleaning solutions, and barbecue tools), replacement parts, and apparel and merchandise (including t-shirts, hooded sweatshirts, and baseball hats, in various styles). Our accessories represented 24.0% and 26.5% of our revenue for the year ended December 31, 2025 and 2024, respectively.

Marketing

Following the launch of the original Traeger in 1987, a dedicated community began to form around the Traeger experience. Our strategy has been to harness the power of this community and strategically grow our brand using a “win where it matters” approach, which focuses on core demographics that are aligned with our brand, from the barbecue world to the outdoors and culinary spaces.

With this targeted approach, we have maintained a unique sense of authenticity as the creator of a cooking experience that welcomes everyone from casual backyard grillers to James Beard Award-winning chefs. Our marketing strategy has produced organic growth by building relationships, having a strong brand presence at industry and culinary events, and winning the “hearts and minds” of consumers with an authentic brand backed by devoted followers. We have grown the brand by extending that playbook to new communities and geographic regions, all without losing our focus on engaging with existing grill owners.

Sales

We have two primary sales channels: retail and DTC. Our retail channel covers our relationships with brick-and-mortar retailers, e-commerce platforms, and multichannel retailers. Our core retail products are available through a broad network of retail partners across global markets.

Going forward, as part of Project Gravity, we are discontinuing the Costco roadshow program, redirecting Traeger.com consumers to our retail partners’ websites as part of our exit from the Traeger direct-to-consumer business, and transitioning to a distributor model in certain European markets that currently operate under a direct model. These changes are intended to streamline our channel strategy and reduce overhead while maintaining consumer access to our products.

Product Development

Our Product team’s mission is to develop world-class innovation with flawless product commercialization and 4.8-star-or-higher consumer ratings to enhance the consumer cooking experience from beginning to end. These high standards are essential to our strategy of selling a premium product with mass market appeal. Product innovation can also increase our pricing and encourage customers to replace their grills more often than the average grill owner.

As of December 31, 2025, our Product team consisted of 66 members. Our team aims to build upon our core concepts of taste, versatility, ease of use, consistency, and community. Since 2014, our team has re-envisioned the outdoor cooking archetype with digital experiences and has developed and leveraged our intellectual property and proprietary rights to help protect and enhance our business and competitive position.

Human Capital and Culture

We believe that the Traeger culture and people differentiate us from competitors by enabling us to sustain product innovation, engage our community, elevate our brand, and form strong partnerships over the long term. In our model, culture precedes strategy and process.

Although we may share a number of common values with other companies, the exact wording of our values is unique to Traeger. These values are the foundation upon which we innovate products, build community, share our brand, and build partnerships. We summarize these values we aspire to as follows:

- We emphasize quality, taking pride in masterful execution, down to the tiniest detail.
- We test the status quo, take calculated risks, and think disruptively.
- We work as a team and strive to bring out the best in our teammates.
- We continuously learn, develop, and refine ourselves.
- We create a positive experience for every retailer and customer, no matter what it takes.

Inclusion and belonging are key components of our culture and are fundamental to achieving our strategic priorities and future vision. At Traeger, this means welcoming everyone to our table, and we believe the collective sum of our individual differences creates the unmistakable Traeger community and enables innovation.

We are a “Great Place to Work” certified employer and have a strong track record of selectivity and retention. We believe that we are among the most attractive employers in the Salt Lake City and the greater Mountain West areas. Many of our employees live the Traeger lifestyle at home with their own grills and at our office, with its outdoor barbecue rooftop deck and test kitchen.

As of December 31, 2025, we had approximately 433 employees, all of which were full-time. We also retain consultants, independent contractors, and temporary and part-time workers. As of December 31, 2025, our employees were located in 35 states and 5 countries, with 333 located in the United States. Our employees are divided across several core functions, including sales and marketing, supply chain management, product development, wood pellet manufacturing, and culinary and talent management. None of our employees are currently covered by a collective bargaining agreement, and we have had no labor-related work stoppages. In 2025, we initiated a reduction in force as part of Project Gravity to streamline our organizational structure and reduce costs, and we are centralizing certain operations, including MEATER, into our Salt Lake City infrastructure. We remain focused on maintaining a strong culture to support innovation and execution during this transition.

Manufacturing, Supply Chain, and Logistics

We have developed an efficient and scalable global supply chain with a focus on improving products and services while reducing costs. The supply chain organization includes global planning, retail operations, third-party manufacturing and logistics providers, vertically integrated wood pellet manufacturing, program management, and customer experience teams. Our internal supply chain management team oversees our global supply chain and includes personnel in the United States and China. Our operations in China are primarily focused on quality control, product engineering, and supply chain logistics and includes employees that monitor the production quality of our manufacturers and direct suppliers. This team in China also works to identify new manufacturing capacity as needed and manages the transfer of technology between direct and indirect suppliers to manage our supply chain risk. Approximately 50% of our sales is driven by goods imported to the United States from China, and we continue to monitor trade policy and work on strategies to offset the impact of tariffs. Our internal supply chain management team supports product introductions and evolving channel strategies, researches materials and equipment, qualifies direct suppliers and potential manufacturers, directs internal demand and production planning, manages product purchasing plans and oversees product transportation. Our personnel also work with our third-party manufacturers to monitor product quality and manufacturing process efficiency.

We utilize third-party manufacturers to manufacture and supply our grills and accessories. Our grills are currently manufactured in China and Vietnam, our MEATER smart thermometer accessories are currently manufactured in Taiwan, and we outsource the production of our accessories and apparel to a global network of suppliers. Approximately 80% of our grills are manufactured in China, while substantially all of our consumables are manufactured in the United States. The raw materials and components used in our grills and accessories are sourced either directly by us or on our behalf by our manufacturers from a variety of suppliers. Similarly, the raw materials for our hardwood pellets produced in the United States are sourced directly by us, and from local sources wherever possible. Our supply chain management team coordinates the relationships and commercial terms between our manufacturers and the suppliers of raw material and components that we have sourced directly.

We regularly review our existing manufacturers and direct and indirect suppliers globally, and evaluate new manufacturers and suppliers, to support scaling our manufacturing base and strategically position our operations to mitigate risk related to geopolitical and macroeconomic pressures as we grow. In recent years, there have been growing stakeholder interest and regulatory scrutiny in relation to companies' management of their supply chains, which introduces additional criteria by which suppliers may now be assessed. For additional discussion relating to the availability of raw materials used for our business, please see Part I, Item 1A. "Risk Factors—Significant increases in the cost of raw materials for our wood pellet facilities or our suppliers suffering from operating or financial difficulties could adversely impact revenue and our ability to satisfy customer demand" and "Risk Factors—Fluctuations in the cost and availability as well as delays of raw materials, equipment, labor, and transportation could cause manufacturing delays or increase our costs."

We generally purchase from our primary manufacturers on a purchase order basis. Pursuant to our internal policies and terms with such parties, our manufacturers must follow our established product design specifications, quality assurance programs, and manufacturing standards. We have developed preferred relationships with our manufacturers to maintain access to the resources needed to scale and ensure our manufacturers have the requisite experience to produce our grills and related accessories and work closely with our manufacturers to improve their yields and efficiency. We pay for and own certain tooling and equipment that is specifically required to manufacture our products in order to have control of supply and component pipelines. We have purchase commitments based on our purchase orders for certain amounts of goods, work-in-progress, and components.

We produce our wood pellets through a vertically integrated network of four wood pellet production facilities in the United States and a select number of contract manufacturers capable of meeting our specifications in the United States and Poland. This network includes an owned and operated facility in New York and leased facilities in Oregon, Georgia, and Texas. Our facilities are strategically located across the United States near hardwood inputs and key customer distribution centers. We believe operating these facilities gives us greater control over production and supply, and we pay for and own certain tooling and equipment at these facilities in order to maintain product quality and supply requirements, including the specific moisture content of our wood pellets. We are committed to continued improvement in our wood pellet production operations. We have implemented a quality management system designed to promote delivery of consistent, high-quality wood pellets, especially as our production volumes have increased. In 2025, we began implementing consolidation initiatives within our wood pellet production network as part of Project Gravity, while continuing to emphasize quality management systems and supply continuity. We also are centralizing certain functions to drive efficiency and control costs. These actions may result in near-term changes to production flows and logistics, while we continue to utilize multiple third-party logistics providers for warehousing and shipping.

We utilize multiple third-party logistics providers for a significant portion of our distribution and fulfillment operations, which include warehousing and shipping. Our third-party logistics providers have warehouses in California, Georgia, Texas, and Washington, with warehouses dedicated to specific, high-volume single channel products and DTC sales. Our wood pellet production facilities have the capacity to store batches of finished wood pellets on site and send finished goods to our third-party providers for further warehousing and distribution to our customers. Our inventory is managed by these third-party logistics providers, which interface with our material resources planning ("MRP") system to enable us to maintain visibility and control over inventory levels and customer shipments. We maintain third-party logistics providers in the Netherlands, United Kingdom, Germany, and Canada to support our international growth. We believe our providers have sufficient expansion capacity to meet our future needs, and that our distribution and fulfillment strategy has improved the efficiency and scalability of our operations.

We manage inventory through a third-party MRP system. We forecast demand based on market inputs and generate stock-keeping unit and rolling 18-month forecasts. The MRP system incorporates our forecasts, existing inventory levels, inbound purchase orders, and agreed lead times for product deliveries, and generates purchase recommendations to support inventory and service level metrics and targets.

Intellectual Property

The protection of our brand, technology and intellectual property is an important aspect of our business. In particular, we believe the Traeger brand is significant to the success of our business. We protect our intellectual property, including our brand, through a combination of trademarks, patents, copyrights, contractual provisions, confidentiality procedures, and non-disclosure agreements. For example, we generally enter into confidentiality agreements and invention or work product assignment agreements with our employees and consultants to control access to, and clarify ownership of, our intellectual property rights. We protect our intellectual property rights in the United States and certain foreign jurisdictions. We believe these intellectual property rights, combined with our innovation and distinctive product design, performance, and brand name and reputation contribute to our competitive position and success of our business.

The original patent for the wood pellet grill, which was filed by Joe Traeger in 1986, expired in 2006. As of December 31, 2025, we had approximately 637 trademark registrations and 71 pending trademark applications in the United States and other countries. As of December 31, 2025, we had approximately 85 issued U.S. patents and 17 U.S. patent applications pending and had approximately 254 issued foreign patents and 78 foreign patent applications pending. Our material U.S. patents for our current products generally expire between March 2026 and May 2039, and cover rights related to our WiFIRE technology, D2 Direct Drive, and Super Smoke, among others.

We have a proactive online marketplace monitoring and seller/listing termination program to disrupt any online counterfeit offerings. In addition, we work to shut down counterfeit stand-alone websites through litigation and administrative procedures.

We aggressively pursue and defend our intellectual property rights to protect our brand, designs, and inventions. We have processes and procedures in place to identify, protect, and optimize our intellectual property assets on a global basis. In the future, we intend to continue to seek intellectual property protection for our products, technologies, and processes that we believe are innovative, and we will pursue legal action against those who infringe, misappropriate, or otherwise violate these valuable assets.

Competition

We operate in the highly competitive outdoor cooking market. Numerous other companies offer a wide variety of products, including traditional gas, charcoal, and electric grills that compete with our grills, accessories, and other products.

We compete with established, well-known, and legacy grill brands, including Weber and Pit Boss, among others, as well as numerous other brands and grill manufacturers that offer competing products. These competitors offer a broad array of grills at different price points, including traditional gas, charcoal, and electric grill offerings, as well as a significant number of wood pellet grills. Moreover, the outdoor cooking market is expanding to include alternatives beyond traditional grills, and we also compete against companies that manufacture griddles, such as Blackstone, and companies that manufacture pizza ovens, such as Ooni. We have experienced an increase in competitors and competing offerings of gas, charcoal, and wood pellet grills and other outdoor cooking devices in recent years.

Competition in the outdoor cooking market is based on a number of factors, including product quality, performance, ease of use, durability, styling, brand image and recognition, safety, and price, as well as the perceived taste and satisfaction to be attained in using a particular grill or cooking methodology. Our competitors may be able to develop and market high-quality products that compete with our products, sell their products for lower prices, adapt to changes in customer needs and preferences more quickly, devote greater resources to the design, sourcing, distribution, marketing, and sale of their products, or generate greater brand recognition than us, including on social media and other internet platforms. These competitors may have significant competitive advantages, including longer operating histories, ability to leverage their sales efforts and marketing expenditures across a broader portfolio of products, global product distribution, larger and broader retailer bases (including online retailers), more established relationships with a larger number of suppliers and manufacturers, greater brand recognition, larger or more effective ambassador and endorsement relationships, greater financial strength, larger research and development teams, larger marketing budgets, and more distribution and other resources than we do.

We also compete with providers of wood pellets for use in grilling, including well-known brands like Dansons, Bear Mountain BBQ, and Kirkland, among others, whose pellets may be used with our grills. These competitors offer a broad array of pellet types and flavors. Similar to our experience regarding competition for our wood pellet grills, we have experienced an increase in competitors and competing offerings of wood pellets in recent years.

In July 2021, we acquired Apption Labs and began selling the MEATER smart thermometer. We compete in this space with brands such as ThermoPro, Chef iQ, and Typhur, among others.

Sustainability and Corporate Responsibility

We aim to identify ways to reduce adverse environmental impacts in our operations, supply chain, and product lifecycles to the extent possible. We have launched sustainability and corporate responsibility initiatives across our organization to address certain potential and/or actual environmental impacts. The wood pellet industry has received scrutiny from certain civil society groups and the media for environmental impacts associated with wood sourcing and pellet burning. To address these stakeholder concerns, we aim to reduce the environmental impact of our wood pellet business. For example, our Sustainable Wood Sourcing Policy requires that all upstream harvesting activities be conducted legally and aims to promote alignment with

sustainable forestry best practices, such as by working to understand and document Traeger’s wood pellet supply chain to promote the sourcing of wood pellet materials from responsibly managed forests and/or recycled sources.

Our position in the value chain enables us to source our wood fiber as pre- and post-industrial byproduct from the lumber and furniture industries and generally does not involve the dedicated felling of virgin timber.

Seasonality

We have typically experienced moderately higher levels of sales of our grills in the first and second quarters of the year as our retailers purchase inventory in advance of warmer weather, when demand for outdoor cooking products is the highest across our key markets. Higher sales also coincide with social events and national holidays, which occur during the same timeframe. Additionally, we have typically experienced higher sales volume of our accessories during the fourth quarter of the year, due in part to seasonal holiday demand. Although our products can be used year-round, unusually adverse weather conditions can negatively impact the timing of the sales of certain of our products, causing reduced sales and negatively impacting profitability when such conditions exist. Prolonged adverse weather conditions could significantly reduce our sales in one or more periods. These conditions may shift sales to subsequent reporting periods, cause our results of operations to fluctuate on a quarterly basis or decrease overall sales. Please see Part I, Item 1A. “Risk Factors—Our business may fluctuate as a result of seasonality and changes in weather conditions.”

Environmental Matters

Certain of our operations, properties, and products are subject, and may become increasingly subject in the future, to stringent and comprehensive federal, state, and local laws and regulations governing matters including environmental protection, occupational health and safety, and the release or discharge of materials into the environment, including air emissions and wastewater discharges. These laws and regulations, among other matters, govern activities and operations that may have adverse environmental effects, such as discharges to air, soil, and water, and establish standards for the handling of hazardous and toxic substances and the handling and disposal of solid and hazardous wastes. Failure to comply with these laws and regulations may result in the assessment of administrative, civil, and criminal penalties, the imposition of investigatory and remedial obligations, and the issuance of orders enjoining some or all of our operations in affected areas.

The general trend in environmental regulation is towards increasingly stringent and broader requirements for activities that may affect the environment. Any changes in environmental laws and regulations or re-interpretation of such laws and regulations, or enforcement policies, that result in more stringent and costly requirements could have a material adverse effect on our operations and products, particularly with respect to our wood pellet production facilities, and financial position. Although we monitor environmental requirements closely and budget for the expected costs, actual future expenditures may be different from the amounts we currently anticipate spending. Moreover, certain environmental laws impose joint and several strict liability for costs to clean up and restore sites where pollutants have been disposed or otherwise spilled or released. We cannot assure you that we will not incur significant costs and liabilities for remediation or damage to property, natural resources, or persons as a result of spills or releases from our operations or those of a third party. We may choose not to, or may be otherwise unable to, pass on any increased costs to our customers. Although compliance with existing environmental laws and regulations has not historically had a material impact on our results of operations, there is no assurance that the current level of regulation will continue in the future.

We are also subject to permitting, registration, and other government approval requirements under environmental, health, and safety laws and regulations applicable in the jurisdictions in which we operate. Those requirements obligate us to obtain permits, registrations, and other government approvals from one or more governmental agencies in order to conduct our operations and sell our products. The requirements vary depending on the location where our regulated activities are conducted. As with all governmental processes, there is a degree of uncertainty as to whether a permit, registration, or approval will be granted, the time it will take for a permit, registration, or approval to be issued, and the conditions that may be imposed in connection with the granting of the permit, registration, or approval.

The following summarizes some of the more significant existing environmental laws and regulations applicable to our operations and our wood pellet production facilities in particular.

Air Emissions

The federal Clean Air Act, as amended (“CAA”), and state and local laws and implementing regulations, regulate the emission of air pollutants from our facilities. The CAA and state and local laws and regulations impose significant monitoring, testing, recordkeeping, and reporting requirements for these emissions. These laws and regulations require us to obtain pre-

approval for the construction or modification of certain projects or facilities expected to produce or significantly increase air emissions, obtain and strictly comply with stringent air permit emission limits, and in certain cases utilize specific equipment or technologies to control and measure emissions. Obtaining these permits can be both costly and time intensive and has the potential to delay opening of new facilities or significant expansion of existing facilities; moreover, complying with these permits, including satisfying testing requirements, can be costly and time-intensive. Failure to comply with these laws, regulations, and permit requirements may cause us to face fines, penalties, or injunctive orders in connection with air pollutant emissions from our operations.

The CAA requires that we obtain various construction and operating permits, including, in some cases, Title V air operating permits. In certain cases, the CAA requires us to incur capital expenditures to install air pollution control devices at our facilities. We have incurred, and expect to continue to incur, substantial administrative and capital expenditures to maintain compliance with CAA requirements that have been promulgated or may be promulgated or revised in the future.

Climate Change and Greenhouse Gases

Climate change continues to attract considerable attention globally. Numerous proposals have been made and could continue to be made at the international, national, regional, state, and local levels of government to monitor and limit existing emissions of greenhouse gases (“GHG”) as well as to restrict or eliminate future emissions. Moreover, in certain cases, policymakers may consider the impact of GHG emissions, alongside other environmental or social impacts, in determining the relevant costs or benefits of various actions, which may lead to regulatory or legislative initiatives increasing the cost of certain activities. Certain jurisdictions have also adopted, or are considering adopting, various fees for GHG emissions, including those embedded in the value chain for certain products. As a result of these developments, our operations could be subject to a series of regulatory, litigation, and financial risks associated with the production, transportation, and sale of our products. The potential effects of GHG emission limits on our business are subject to significant uncertainties based on, among other things, the timing of the implementation of any new requirements, the required levels of emission reductions, and the nature of any market-based or tax-based mechanisms adopted to facilitate reductions, as well as changes in policymaker perspectives on such matters. Compliance with changes in laws and regulations, or interpretations of such laws and regulations, relating to climate change could increase our costs of operating and could require us to make significant financial expenditures that cannot be predicted with certainty at this time. For more information, see Part I, Item 1A. “Risk Factors—Climate change legislation, regulatory initiatives, and litigation could result in increased operating costs or, in some instances, adversely impact demand for our products.”

Water Discharges

The Federal Water Pollution Control Act, as amended (“Clean Water Act”), as well as state laws and implementing regulations, restrict the discharge of pollutants into waters of the United States. Any such discharge of pollutants must be performed in accordance with the terms of a permit issued by the U.S. Environmental Protection Agency (“EPA”) or the implementing state agency. In addition, the Clean Water Act and implementing state laws and regulations require individual permits or coverage under general permits for discharges of storm water runoff from certain types of facilities. Federal and state regulatory agencies can impose administrative, civil, and criminal penalties for non-compliance with discharge permits or other requirements of the Clean Water Act and analogous state laws and regulations. Although our facilities have not historically incurred material costs for compliance with these requirements, changes to the terms and conditions of our permits in future renewals or new or modified regulations could require us to incur additional capital or operating expenditures which may be material.

Endangered Species Act

The federal Endangered Species Act, as amended (“ESA”), restricts activities that may affect endangered and threatened species or their habitats. While the ESA has not historically had a material impact on our operations, the designation of previously unidentified endangered or threatened species or habitat could cause us or our suppliers to incur additional costs or become subject to operating restrictions or bans in the affected areas, which could have an adverse impact on the availability or price of raw materials. In particular, such developments could have the effect of reducing forestry operations in areas where we procure our raw materials and, in turn, the availability of raw materials required for our operations and the production of our wood pellets.

Waste Handling

The Resource Conservation and Recovery Act, as amended (“RCRA”), and comparable state statutes and regulations promulgated thereunder, affect our operations by imposing requirements regarding the generation, transportation, treatment,

storage, disposal, and cleanup of hazardous and non-hazardous wastes. With federal approval, the individual states administer some or all of the provisions of RCRA, sometimes in conjunction with their own more stringent requirements. While most waste generated by our operations are exempt from regulation as hazardous wastes under RCRA, these wastes typically constitute “solid wastes” that are subject to less stringent non-hazardous waste requirements. However, it is possible that RCRA could be amended or the EPA or state environmental agencies could adopt policies to subject such wastes to more stringent waste handling requirements. Any changes in the laws and regulations could have a material adverse effect on our capital expenditures and operating expenses.

Remediation of Hazardous Substances

The Comprehensive Environmental Response, Compensation and Liability Act, as amended (“CERCLA”), also known as the “Superfund” law, and analogous state laws, generally impose strict and joint and several liability, without regard to fault or legality of the original conduct, on classes of persons who are considered to be responsible for the release of a “hazardous substance” into the environment. These persons include the current owner or operator of a contaminated facility, a former owner or operator of the facility at the time of contamination, and those persons that disposed or arranged for the disposal of the hazardous substance at the facility. Under CERCLA and comparable state statutes, persons deemed “responsible parties” may be subject to strict and joint and several liability for the costs of removing or remediating previously disposed wastes (including wastes disposed of or released by prior owners or operators) or property contamination (including groundwater contamination), for damages to natural resources and for the costs of certain health studies. In addition, it is not uncommon for neighboring landowners and other third parties to file claims for personal injury and property damage allegedly caused by the hazardous substances released into the environment. Our facilities are located on sites that have been used for manufacturing activities for an extended period of time, which increases the possibility of contamination being present. In addition, claims for damages to persons or property, including natural resources, may result from the environmental, health, and safety impacts of our operations, including accidental spills or releases in the course of our operations or those of a third party. Although we are not presently aware of any material contamination on our properties or any material remediation liabilities, we cannot assure you that we will not be exposed to significant remediation obligations or liabilities in the future. Moreover, certain substances that have not historically been considered hazardous substances may subsequently be designated as such. For example, there is increased scrutiny on various per- and polyfluoroalkyl substances (“PFAS”) at the federal and state level, and the EPA has designated certain PFAS as hazardous substances under CERCLA. Liability for any contamination under these laws could require us to make significant expenditures to investigate and remediate such contamination or attain and maintain compliance with such laws and could otherwise have a material adverse effect on our results of operations, competitive position, or financial condition.

Health and Safety Matters

We are subject to federal, state, local, and international laws and regulations, including the federal Occupational Safety and Health Act, as amended (“OSHA”), and comparable state statutes, whose purpose is to protect the health and safety of workers. OSHA regulations impose various requirements, including with respect to training, policies, procedures, and maintenance. In addition, the OSHA hazard communication standards in the Emergency Planning and Community Right-to-Know Act and comparable state statutes require that information be maintained concerning hazardous materials used or produced in our operations and that this information be provided to employees, state, and local governmental authorities and citizens. National Fire Protection Association standards for combustible dust require our facilities to incorporate pollution control equipment such as cyclones, baghouses, and electrostatic precipitators to minimize regulated emissions. We continually strive to maintain compliance with applicable safety, health, air, solid waste, and wastewater regulations; nevertheless, we cannot guarantee that serious accidents will not occur in the future.

Global Environmental Legislation

In addition to the U.S. legislative regimes above, similar (though in some cases more expansive or stringent) environmental laws and regulations are in place in a number of jurisdictions worldwide, including in relation to climate change, water discharges, endangered species, waste, hazardous substances, and health and safety matters, and such requirements may impact our operations or supply chain partners directly or indirectly.

Additional Information and Website Disclosure

Our website is www.traeger.com. On our Investor Relations website, investors.traeger.com, we make available, free of charge, a variety of information for investors, including our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports, as soon as reasonably practicable after we electronically file that material with, or furnish it to, the SEC. The information found on our website is not part of this or any other report we file

with, or furnish to, the SEC. Our filings with the SEC are also available to the public through the SEC's website at www.sec.gov.

Investors and others should note we announce material financial and operational information through our investors press releases, SEC filings, and public conference call webcasts and by postings on our investor relations site at investor.traeger.com. We may also use our website as a distribution channel of material Company information. In addition, you may automatically receive email alerts and other information about Traeger when you enroll your email address by visiting the "Investor Email Alerts" option under the IR Resources tab on investors.traeger.com.

Item 1A. Risk Factors.

Our business involves significant risks and uncertainties, some of which are described below. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K. The risks and uncertainties described below are not the only ones we face. The realization of any of these risks and uncertainties could have a material adverse effect on our reputation, business, financial condition, results of operations, growth, and future prospects, as well as our ability to accomplish our strategic objectives. In that event, the market price of our common stock could decline, and you could lose all of your investment.

Risks Related to Our Business and Industry

We may not realize the anticipated benefits of our multi-step strategic optimization plan, Project Gravity, and the related reduction in force and operational centralization may adversely affect our business, results of operations, and culture.

On May 15, 2025, our Board approved a comprehensive enterprise initiative, "Project Gravity," designed to streamline our organizational structure, rebalance our cost base, and improve profitability and cash flow. Actions include a reduction in force, centralization of our MEATER business into our Salt Lake City infrastructure, streamlining and channel optimization initiatives (including discontinuing the Costco roadshow program and exiting our Traeger direct-to-consumer business by redirecting Traeger.com consumers to retail partners), transitioning to a distributor model in certain European markets that currently operate under a direct model, and pellet mill consolidation. We recorded \$24.9 million of total restructuring and other costs in fiscal year 2025 related to these initiatives, and we currently expect Project Gravity, in its entirety, to be substantially completed by the end of fiscal year 2026.

Implementing these changes may disrupt our operations, divert management attention, and result in the loss of institutional knowledge and key personnel, which could harm product development, customer support, supply chain execution, and our ability to meet retailer requirements. Further, workforce reductions and site consolidations can negatively affect employee morale, productivity, and our culture, which we view as critical to innovation and brand engagement. Any such impacts could impair our ability to maintain product quality, deliver on time and in full, and preserve customer and retailer relationships.

We may incur additional or unanticipated restructuring charges, and the cost savings we expect may not be realized, may be delayed, or may be offset by reduced revenue, higher input costs, or other expenses. For example, transitioning to a distributor model in Europe, discontinuing certain channel programs, consolidating pellet production, and centralizing operations may create near-term operational complexity, require contractual renegotiations, or lead to one-time costs. If we do not execute these initiatives effectively, our results of operations and cash flows could be adversely affected.

In addition, reductions in force and business model transitions could expose us to legal and compliance risks, including with respect to labor and employment, health and safety, data protection, and ethical sourcing expectations across our supply chain, any of which could result in litigation, regulatory inquiries, or reputational harm.

We have incurred operating losses in the past, may incur operating losses in the future, and may not achieve or maintain profitability in the future.

We have incurred operating losses in the past and may continue to incur net losses in the future. For the year ended December 31, 2025, we had a net loss of \$115.2 million. As of December 31, 2025, we had an accumulated deficit of \$804.1 million. We expect our operating expenses to fluctuate as a percentage of revenue as we continue to manage our investments in innovation and enhance our product offerings. While we intend to leverage these expenses over time to achieve profitability and expand revenue opportunities, these efforts and additional expenses may be more costly than we expect, and we cannot guarantee that we will be able to increase our revenue to offset our operating expenses. Our revenue may continue to decline for

a number of other reasons, including reduced demand for our products, increased competition, a decrease in the growth or reduction in size of our overall market, a challenging macroeconomic environment, or if we cannot capitalize on growth opportunities. For example, during the year ended December 31, 2025, our total revenue decreased by 7.4% compared to the year ended December 31, 2024. If our revenue does not grow at a greater rate than our operating expenses, we will not be able to achieve and maintain profitability.

Our historical growth rates may not be sustainable or indicative of future growth.

Our historical, long-term rate of growth may not be sustainable or indicative of our future rate of growth, including in the near term. We have experienced increased demand for our products in the past, for example due to the impact that the COVID-19 pandemic had on consumer behavior as a result of various stay-at-home orders and restrictions on dining options and restaurant closures. Since 2022, we have experienced a relative downturn in consumer demand as compared to demand during the pandemic and a shift towards experiences, services, and leisure and away from big-ticket home-related products such as grills. We cannot predict if or when consumer behavior and demand will change. We believe that our revenue, as well as our ability to improve or maintain margins and profitability, will depend upon, among other factors, our ability to address the challenges, risks, and difficulties described elsewhere in this report and the extent to which our various products grow and contribute to our results of operations. We cannot provide assurance that we will be able to successfully manage any such challenges or risks to our future growth. In addition, our number of customers and markets may not continue to grow or may decline due to a variety of possible risks, including increased competition and the maturation of our business. Any of these factors could cause our revenue growth to decline and may adversely affect our margins and profitability. Failure to continue our revenue growth or improve margins would have a material adverse effect on our business, financial condition, and results of operations. You should not rely on our historical rate of revenue growth as an indication of our future performance.

We may be unable to effectively manage our business through periods of strategic realignment, which could make it more difficult to execute our business strategy.

We may be unable to effectively manage our business through periods of strategic realignment, which could make it difficult to execute our business strategy.

We have only a limited history operating at our current scale and, in response to evolving market conditions, have undertaken restructuring actions, including workforce reductions and, in 2025, Project Gravity, which includes a reduction in force and centralization and streamlining of operations. Managing our business through these changes places significant demands on management and our operational, financial, and IT infrastructure. Providing a high-quality customer experience is vital to our success in generating word-of-mouth referrals to drive sales, maintain and expand our brand recognition, and retain existing customers. If we do not effectively integrate organizational changes, retain critical talent, and maintain high-quality customer support and product quality, our reputation, brand, and results of operations could be harmed.

Our cost-savings initiatives and channel realignments may not produce the expected benefits and could introduce operational complexities. For example, centralizing MEATER operations, exiting our direct-to-consumer business (other than for MEATER), discontinuing certain channel programs, transitioning to distributors in certain European markets, and pellet mill consolidation may cause disruptions, require additional oversight of third parties, or lead to inventory and forecasting challenges, which could adversely affect revenue, gross margins, and retailer relationships.

Our growth depends, in part, on our continued penetration and expansion into additional markets, and we may not be successful in doing so.

We believe that our future growth depends not only on continuing to reach our current core demographic, but also continuing to penetrate and broaden our retailer, customer, and distribution bases, including through online sales channels and our website, in the United States and international markets. In these markets, we have faced and may continue to face challenges that are different from those we currently encounter, including competitive, merchandising, distribution, hiring, legal, regulatory, and other difficulties, such as understanding and accurately predicting the demographics, preferences, and purchasing habits of consumers in these new geographic markets. We may encounter problems in our logistical operations, including our fulfillment and shipping functions, related to an increased demand from online sales channels. We have also encountered and may continue to encounter difficulties in attracting customers due to a lack of familiarity with or acceptance of our brand, or a resistance to paying for our premium products, particularly in international markets. We continue to evaluate marketing efforts and other strategies to expand our retailer, customer, and distribution bases. In addition, although we are continuing to invest in sales and marketing activities to further penetrate newer regions, we cannot assure you that we will be successful. If we are not successful in any of these efforts, our business, financial condition, and results of operations may be harmed.

Our business depends on maintaining and strengthening our brand to generate and maintain ongoing demand for our products, and a significant reduction in such demand could harm our results of operations.

The Traeger name and premium brand image are integral to the growth of our business, as well as to the implementation of our strategies for expanding our business. Our success depends on the value and reputation of our brand, which, in turn, depends on factors such as the quality, market fit, design, performance, and functionality of our physical and digital products, our communication and marketing activities, including live and digital advertising, social media, online content, and public relations, the image of our retailers' floor spaces and e-commerce platform, and our management of the customer experience, including direct interfaces through customer service. Maintaining, promoting, and positioning our brand are important to expanding our customer base and will depend largely on the success of our marketing and merchandising efforts and our ability to provide consistent, high-quality customer experiences. We intend to continue making substantial investments in these areas in order to maintain and enhance our brand, and such investments may not be successful. Ineffective marketing, negative publicity, product diversion to unauthorized distribution channels, product or manufacturing defects, including defects that may cause fires or explosions, counterfeit products, unfair labor practices, and failure to protect the intellectual property rights in our brand are some of the potential threats to the strength of our brand, and those and other factors could rapidly and severely diminish customer confidence in us. Furthermore, these factors could cause our customers to lose the personal connection they feel with the Traeger brand. Moreover, the growing use of social and digital media by us, our customers, and third parties increases the speed at and extent to which information or misinformation and opinions, including negative ones, can be shared. We believe that maintaining and enhancing our brand image in our current markets and in new markets where we have limited brand recognition is important to expanding our customer base. If we are unable to maintain or enhance our brand in current or new markets, our growth strategy and results of operations could be harmed.

If we fail to cost-effectively attract new customers or retain our existing customers, we may not be able to increase sales.

Our success depends on our ability to cost-effectively attract customers to our products and to retain our existing customers and encourage our customers to continue to utilize our products and content for their cooking needs. We must also increase general public awareness of our wood pellet grills and other products, as well as the related cooking methodologies and techniques. For example, in order to increase customer awareness and expand our customer base, we must appeal to and attract customers who have historically associated grilling and outdoor cooking with traditional gas, charcoal, and electric grills and may have extensive experience in cooking with such devices. To effectively market our products, we must educate these customers about the various benefits of using our products and about cooking with wood pellet grills. We cannot assure you that we will be successful in changing customer behavior or cooking habits or that we will achieve broad market education or awareness. Even if we are able to raise awareness, customers may be slow in changing their habits and may be hesitant to use our products for a variety of reasons, including lack of experience with our products or cooking with wood pellet grills, price, competition, negative selling efforts from competitors, and the perceptions regarding the time and complexity of using our products or learning new cooking techniques. Moreover, because our grills require sufficient outdoor space and ventilation to safely operate, even if we are successful in influencing customer behavior or cooking habits, many individuals may not be able to purchase our grills due to space constraints, particularly in high-density and non-suburban markets where residential outdoor space is limited.

We have made, and we expect that we will continue to make, significant investments in attracting new customers, including through the use of corporate partnerships, traditional, digital, and social media, and participation in, and sponsorship of, community events. Marketing campaigns can be expensive and may not result in the cost-effective acquisition of customers. We cannot assure you that any increase in our customer acquisition costs will result in any revenue growth. Further, as our brand becomes more widely known, future marketing campaigns may not attract new customers at the same rate as past campaigns. We believe that our paid and non-paid marketing initiatives have been critical in promoting customer awareness of our wood pellet grills and other products, which in turn has driven demand for our products and increased the extent to which new and existing customers utilize our online content for cooking-related information and resources. Any decrease in the success of our non-paid marketing initiatives, which primarily consist of customer advocacy and word-of-mouth referrals, may cause an increase in both our marketing and customer acquisition costs.

Our paid marketing initiatives include television, search engine marketing, mail to consumers, email, display and dedicated in-store arrangements, radio, magazine advertising, and social media marketing. For example, we actively market our products through television and buy search advertising through search engines, such as Google and Bing, major mobile application stores and social media platforms, such as Facebook and Instagram, and use internal analytics and external vendors for bid optimization and channel strategy. Our non-paid advertising efforts include search engine optimization, non-paid social media, and e-mail marketing. Search engines frequently modify their search algorithms and these changes can cause our websites to receive less favorable placements, which could reduce the number of customers who visit our website or are directed to information about our products. The costs associated with advertising through search engines can also vary

significantly from period to period and have generally increased over time. We may be unable to modify our strategies efficiently or at all in response to any future search algorithm changes made by the search engines, which could require a change in the strategy we use to generate customer traffic and drive customer interactions. In addition, our website must comply with search engine guidelines and policies, which are complex and may change at any time. If we fail to follow such guidelines and policies properly, search engines may rank our content lower in search results, penalize us or could remove our content altogether from their indices. Further, changes to third-party policies that limit our ability to deliver, target, or measure the effectiveness of advertising, including changes by mobile operating system and browser providers such as Apple and Google, could reduce the effectiveness of our marketing. If we are unable to attract new customers, or fail to do so in a cost-effective manner, our growth could be slower than we expect and our business will be harmed.

United States trade policies that restrict imports or increase import tariffs may have a material adverse effect on our business.

There have been significant changes and proposed changes in recent years to U.S. trade policies, tariffs, and treaties affecting imports. For example, the U.S. has announced and implemented additional tariffs on certain imports from China under multiple authorities. On February 20, 2026, the Supreme Court ruled that the President cannot use the International Emergency Economic Powers Act (IEEPA) to impose tariffs, invalidating certain tariffs that had been imposed under IEEPA. In response to this ruling, within hours of the decision, the President signed a proclamation imposing a new 10% global tariff under Section 122 of the Trade Act of 1974, effective February 24, 2026, and subsequently increased these tariffs to 15% on February 21, 2026. Section 122 tariffs are subject to a 150-day statutory limit unless extended by Congress. In addition, the Office of the U.S. Trade Representative has announced it will initiate new Section 301 investigations into trading partners' unfair practices, which could result in additional tariffs. Section 301 tariffs on Chinese goods also remain in effect. The U.S. also continues to maintain tariffs on steel and aluminum, as well as increased tariffs and import restrictions on products imported from various other countries. These tariffs on aluminum and steel include derivative tariffs that have impacted and will continue to impact a broad range of downstream products, which have and may continue to adversely impact our business.

The Supreme Court's ruling did not address whether importers who paid IEEPA tariffs are entitled to refunds, and that issue remains subject to further litigation before the U.S. Court of International Trade. We cannot predict whether or when any refunds will be available, and the administration has indicated it intends to contest refund claims.

In response to the tariffs announced by the U.S., China and other countries have imposed or proposed additional tariffs on certain exports from the United States. There is substantial uncertainty about the future relationship between the United States and other countries with respect to trade policies, taxes, government regulations, and tariffs. This uncertainty has been heightened by the February 2026 Supreme Court ruling invalidating IEEPA tariffs, which has resulted in changes to the tariff structure and alternative tariff mechanisms being implemented. The administration has stated that combining Section 122, Section 232, and Section 301 tariffs will result in virtually unchanged tariff revenue in 2026, signaling its intent to maintain similar tariff levels through alternative legal authorities. We cannot predict whether, and to what extent, U.S. trade policies will change in the future. A significant proportion of our products, including our grills, are manufactured in China, Vietnam, Taiwan, and other regions outside of the United States. Approximately 80% of our grills are manufactured in China. Accordingly, such U.S. policy changes have made it and may continue to make it difficult or more expensive for us to obtain certain downstream products manufactured outside the United States, which could affect our revenue and profitability. Any of these factors could depress economic activity and restrict our access to suppliers or customers, and could have a material adverse effect on our business, financial condition, and results of operations and affect our strategy in China, Vietnam, Taiwan, and elsewhere around the world.

In response to recent tariff actions and related macro uncertainty, we have initiated Project Gravity to streamline operations and reduce costs, including negotiating savings with manufacturers and adjusting our channel and geographic models; if these measures are insufficient or delayed, tariffs and related supply chain pressures could still materially adversely affect our results.

Our business could be adversely affected if we fail to maintain product quality and product performance at an acceptable cost.

In order to maintain and increase revenue, we must produce high-quality products at acceptable costs. If we are unable to maintain the quality and performance of our products at acceptable costs, our brand, the market acceptance of our products, and our results of operations would suffer. As we periodically update our product lines and introduce changes to manufacturing processes or incorporate new materials and technologies, we may encounter unanticipated issues with product quality and product consistency or production and supply delays. While we engage in product testing in an effort to identify and address any product quality issues before we introduce products to market, unanticipated product quality or performance issues may be

identified after a product has been introduced and sold. From time to time, we execute “over-the-air” updates to address such issues and to update products and introduce product enhancements. As we continue to introduce new products and product enhancements, we expect the costs associated with such products and enhancements will continue to increase.

We may be subject to product liability and warranty claims and product recalls that could result in significant direct or indirect costs, or we could experience greater product returns than expected, either of which could harm our reputation or brand and have an adverse effect on our business, financial condition, and results of operations.

We face the risk of exposure to product liability or other claims, including class action lawsuits, in the event our products are, or are alleged to be, defective or have resulted in harm to persons, including death, or to property as a result of product malfunction, fires, explosions, or other causes. For example, we are aware of several situations in which our grills were investigated as the cause of a fire. Our grills may cause fires if not properly used or maintained, including fires caused by buildup of fats or grease, or if there are quality, manufacturing, or design defects. Although we label our grills to warn of such risks, our sales could be reduced if our grills are considered dangerous to use or if they are implicated in causing personal injury, death, or property damage. Additionally, we may experience food safety or food-borne illness incidents with our rubs or sauces. We have in the past and may in the future incur significant liabilities if product liability lawsuits or regulatory enforcement actions against us are successful. Any losses not covered by insurance could have a material adverse effect on our business, financial condition, and results of operations. For example, in August 2024, we received an offer of compromise to reach an out-of-court settlement for a product liability matter. A formal settlement agreement was finalized in February 2025 and the matter was paid in March 2025 through our insurance policies in the amount of \$15.0 million. For more information, see Note 14 – *Commitments and Contingencies* to the accompanying consolidated financial statements.

We may also have to recall and/or replace defective products or parts, which could result in loss of sales and increased costs related to such recall or replacement efforts, which could be material. Any losses not covered by insurance could have a material adverse effect on our business, financial condition, and results of operations. Real or perceived quality issues, including those arising in connection with product liability lawsuits, warranty claims, or recalls could also result in adverse publicity, which could harm our brand and reputation and cause our sales to decline. In addition, any such issues may be seized on by competitors in efforts to increase their market share.

We generally provide a minimum three-year limited warranty on our grills. The occurrence of any material defects in our grills could result in an increase in returns or make us liable for damages and warranty claims in excess of our current reserves, which could result in an adverse effect on our business prospects, liquidity, financial condition, and cash flows if returns or warranty claims were to materially exceed anticipated levels. In addition, we could incur significant costs to correct any defects, warranty claims, or other problems, including costs related to product recalls, and such costs may not be covered by insurance and could have a material adverse effect on our business, financial condition, and results of operations. Any negative publicity related to the perceived quality and safety of our products could affect our brand image, decrease consumer confidence and demand, and adversely affect our financial condition and results of operations. Also, while our warranty is limited to part replacement and returns, warranty claims may result in litigation, the occurrence of which could have an adverse effect on our business, financial condition, and results of operations. For example, on December 14, 2023, we announced a voluntary recall of our Flatrock flat top grill. Consequently, the impact on operating results was \$0.3 million for the year ended December 31, 2024. These costs were primarily due to product returns, recall charges, inventory-write offs, and expenses related to logistics, rework and legal fees. The occurrence of real or perceived defects in any of our products, now or in the future, could result in additional negative publicity, regulatory investigations, recalls, or lawsuits filed against us.

We operate in a highly competitive market, and we may be unable to compete successfully against existing and future competitors.

We operate in a highly competitive business market and compete with multiple companies in the outdoor cooking market within brick-and-mortar and online sales channels. Numerous other companies offer a wide variety of products, including traditional gas, charcoal, and electric grills, consumables, and accessories that compete with our grills, consumables, and accessories, including wood pellets that can be used with our grills. For example, we compete with established, well-known, and legacy grill brands, including Weber and Pit Boss, among others, as well as numerous other companies that offer competing products. These competitors offer a broad array of grills at different price points, including traditional gas, charcoal, and electric grill offerings, as well as a significant number of wood pellet grills. We also compete against other wood pellet brands, such as Dansons. Moreover, the outdoor cooking market is expanding to include alternatives beyond traditional grills, and we also compete against companies that manufacture griddles, such as Blackstone, and companies that manufacture pizza ovens, such as Ooni. We have experienced an increase in competitors and competing offerings of gas and charcoal grills, wood pellet grills, and other outdoor cooking devices in recent years.

Competition in our market is based on a number of factors including product quality, performance, durability, styling, brand image and recognition, and price, as well as the perceived taste and satisfaction to be attained in using a particular grill or cooking methodology. Introduction by competitors of comparable grills at lower price points, a decline in consumer spending, or other factors could result in a decline in our revenue derived from our grills, which may have a material adverse effect on our business, financial condition, and results of operations. Because we derive a significant majority of our revenue from the sales of our wood pellet grills, any material decline in sales of our grills would have a pronounced impact on our revenue and results of operations.

Our competitors may be able to develop and market high quality products that compete with our products, sell their products for lower prices, adapt to changes in customer needs and preferences more quickly, devote greater resources to the design, sourcing, distribution, marketing, and sale of their products, or generate greater brand recognition than us. In addition, as we expand into new product categories, we have faced, and will continue to face, different and, in some cases, more formidable competition. Many of our competitors and potential competitors have significant competitive advantages, including longer operating histories, the ability to leverage their sales efforts and marketing expenditures across a broader portfolio of products, global product distribution, larger and broader retailer bases, more established relationships with a larger number of suppliers and manufacturers, greater brand recognition, larger or more effective brand ambassador and endorsement relationships, greater online presence and appearing more prominently in internet search results, greater financial strength, larger research and development teams, larger marketing budgets, and more distribution and other resources than we do. Some of our competitors may aggressively discount their products or offer other attractive sales terms in order to gain market share, which could result in pricing pressures, reduced margins, or lost market share.

We also compete with providers of wood pellets for use in grilling, including well-known brands like Dansons, Bear Mountain BBQ, and Kirkland, among others. These competitors offer a broad array of pellet types and flavors that can be used in our wood pellet grills. Similar to our experience regarding competition for our wood pellet grills, we have experienced an increase in competitors and competing offerings of wood pellets in recent years.

In July 2021, we acquired Apption Labs Limited and its subsidiaries and began selling the MEATER smart thermometer. We compete in this space with brands such as ThermoPro, Chef iQ, and Typhur, among others.

If we are not able to overcome these competitive challenges, effectively market our current and future products, and otherwise compete effectively against our current or potential competitors, our prospects, financial condition, and results of operations could be harmed.

Use of social media and community ambassadors may materially and adversely affect our reputation or subject us to fines or other penalties.

We use third-party social media platforms as marketing tools, among other things. For example, we maintain Instagram, Facebook, X, YouTube, TikTok, and Pinterest accounts, as well as our own content on our website and Traeger app. We maintain relationships with many community ambassadors, which others may refer to as influencers, and engage in sponsorship initiatives. As existing e-commerce and social media platforms continue to rapidly evolve and new platforms develop, we must continue to maintain a presence on these platforms and establish presences on new or emerging popular social media platforms. If we are unable to cost-effectively use social media platforms as marketing tools or if the social media platforms we use do not evolve quickly enough for us to fully optimize such platforms, our ability to acquire new consumers and our financial condition may suffer. Furthermore, as laws and regulations rapidly evolve to govern the use of these platforms and devices, the failure by us, our employees, our network of community ambassadors, our sponsors or third parties acting at our direction (including retailers) to abide by applicable laws and regulations in the use of these platforms and devices or otherwise could subject us to regulatory investigations, class action lawsuits, liability, fines, or other penalties and have a material adverse effect on our business, financial condition, and results of operations.

In addition, an increase in the use of social media for marketing may cause an increase in the burden on us to monitor compliance of such materials and increase the risk that such materials could contain problematic product or marketing claims in violation of applicable regulations. For example, in some cases, the Federal Trade Commission ("FTC"), has sought enforcement action where an endorsement has failed to clearly and conspicuously disclose a material relationship between a community ambassador and an advertiser. While we ask community ambassadors to comply with the FTC regulations and our guidelines, we do not regularly monitor what our community ambassadors post, and if we were held responsible for the content of their posts, we could be forced to alter our practices, which could have material adverse effect on our business, financial condition, and results of operations.

Negative commentary regarding us, our products or community ambassadors, and other third parties who are affiliated with us may also be posted on social media platforms and may be adverse to our reputation or business. Community ambassadors with whom we maintain relationships could engage in behavior or use their platforms to communicate directly with our customers in a manner that reflects poorly on our brand and may be attributed to us or otherwise adversely affect us. It is not possible to prevent such behavior, and the precautions we take to detect this activity may not be effective in all cases. The harm may be immediate, without affording us an opportunity for redress or correction.

A significant portion of our revenue is generated from sales of our products to retailers, and we derive a majority of our revenue from three retailers. A decline in demand from these retailers or failure by these retailers to perform their contractual obligations would cause our customer base, results of operations, and business to suffer.

We generate a significant portion of our revenue through our retail channel, which includes sales to brick-and-mortar retailers, e-commerce platforms, and multichannel retailers, who, in turn, sell our products to their end consumers. In addition, we depend on a limited number of major retailers for a majority of our revenue. For example, in the year ended December 31, 2025, our three largest retailers accounted for 29%, 14%, and 8% of our revenue, respectively, with no other customer accounting for greater than 10% of our revenue for the year. Although we generally do not have long-term contracts or purchase agreements with our retailers, we expect these major retailers to continue to make up a large portion of our revenue in the foreseeable future.

Our retailers may decide to emphasize products from our competitors, to redeploy their retail floor space or digital placement to other product categories, or to take other actions that reduce their purchases of our products. Our financial performance depends in part on our ability to maintain our relationships with our retailers, particularly our major retailers, and drive end customers to their stores. The loss of all or a substantial portion of our sales to retailers, and our major retailers in particular, could have a material adverse effect on our business, financial condition, results of operations, and cash flows by reducing cash flows and by limiting our ability to spread our fixed costs over a larger revenue base. We may make fewer sales to our retailers for a variety of reasons, including, but not limited to:

- failure to accurately identify the needs of our retailers;
- a lack of acceptance of new products, consumables, accessories, or services;
- failure to obtain shelf space or prominent digital placement from our retailers;
- loss of business relationships, including due to brand or reputational harm;
- breaches of contracts with retailers, or our failure to enter into or renew our contracts or purchase orders with major retailers;
- consolidation within the retail industry among retailers and retail chains;
- reduced, delayed, or material changes to the business requirements or operations of our retailers;
- failure to fulfil orders from our retailers in full or on a timely basis;
- strikes or other work stoppages affecting sales and inventory of our major retailers;
- increasing competition by our competitors or the competitors of our major retailers that do not offer or sell our products;
- store closures, decreased foot traffic, recession, or other adverse effects resulting from public health crises; or
- general failure or bankruptcy of any of our major retailers.

Furthermore, in depressed market conditions, retailers that have entered into contracts with us may not be able to perform their obligations under our contracts and/or may no longer need the amount of our products they have contracted for or may be able to obtain comparable products at a lower price. If economic, political, regulatory, or financial market conditions deteriorate and/or our retailers experience a significant downturn in their business or financial condition, they may attempt to renegotiate, reject, or declare force majeure under our contracts. Should any counterparty fail to honor its obligations under a contract with us, we could sustain losses, which could have a material adverse effect on our business, financial condition, and results of operations. We may also decide to renegotiate our existing contracts on less favorable terms and/or at reduced volumes in order to preserve our relationships with our retailers.

Upon the expiration of contracts, retailers may decide not to recontract on terms as favorable to us as our current contracts, or at all. For example, our current customers may acquire wood pellet grills from other providers that offer more competitive pricing.

We cannot assure you that our retailers will continue to carry our current products or carry any new products that we develop. If these risks occur, they could harm our brand as well as our results of operations and financial condition. Some retailers may decide to stop selling wood pellet grills. Any reduction in the amount of wood pellet grills or other products purchased by our retailers, or our inability to renegotiate or replace our existing contracts on economically acceptable terms, could have a material adverse effect on our results of operations, business, and financial position.

If we are unable to anticipate customer preferences and successfully develop new, innovative, and updated products, services, and features, or if we fail to effectively manage the introduction of new products, services, and features, our business will suffer.

The market for our products is characterized by new product and service introductions, frequent enhancements to existing products, and changing customer demands, needs, and preferences. Our success depends on our ability to identify and originate trends and to anticipate and react to changing customer demands, needs, and preferences in a timely manner. Changes in customer preferences cannot be predicted with certainty. If we are unable to introduce new or enhanced products, services, or features in a timely manner, or our new or enhanced products, services, and features are not widely accepted by customers, our competitors may introduce similar concepts faster than us, which could negatively affect our sales and growth. Moreover, new products, services, and features may not be accepted by customers, as preferences could shift rapidly to different types of cooking methodologies and techniques or away from our offerings altogether, and our future success depends in part on our ability to anticipate and respond to such changes. For instance, a shift in consumer tastes, dietary habits, and nutritional values, concerns regarding the health effects of foods typically cooked on our grills, and shifts in preference from animal-based protein to plant-based protein products could reduce our sales or our market share, which would harm our business and financial condition. Similarly, a shift in consumer tastes regarding the flavors of our wood pellets or other consumables could impact our ability to drive recurring sales from such items, which could have an adverse impact on our growth and revenue.

Failure to anticipate and respond in a timely manner to changing customer preferences could lead to, among other things, lower sales, pricing pressure, lower margins, discounting of our existing products and excess inventory levels. Even if we are successful in initiating or anticipating such preferences, our ability to adequately address or react to them will partially depend upon our continued ability to develop, introduce, and market innovative, high-quality products, services, and features. Development of new or enhanced products, services, accessories, and features may require significant time and financial resources, which could result in increased costs and a reduction in our margins. We may be unable to recoup the amount of such investments if our new or improved offerings do not gain widespread market acceptance.

We must successfully manage introductions of new or enhanced products, services, and features, which could adversely impact the sales of our existing products. For instance, customers may choose to forgo purchasing existing products in advance of new product launches and we may experience higher returns from customers following the announcement of new products and features. As we introduce new or enhanced products, services, and features, we may face additional challenges meeting regulatory and other compliance standards and managing a more complex supply chain and manufacturing process, including the time and cost associated with onboarding and overseeing additional suppliers, contract manufacturers, and logistics providers, among others. We may also face challenges managing the inventory of new or existing products, which could lead to excess inventory and discounting of such products. In addition, new or enhanced products and services may have varying selling prices and costs, including in comparison to legacy products, which could negatively impact our gross margins and results of operations.

Our passion and focus on delivering a high-quality and engaging experience for our customers may not maximize short-term financial results, which may yield results that conflict with the market's expectations and could result in our stock price being negatively affected.

We are passionate about continually enhancing the Traeger experience and community, with a focus on driving long-term customer engagement through innovation, immersive content, technologically advanced products, and community support, which may not necessarily maximize short-term financial results. We frequently make business decisions that may reduce our short-term financial results if we believe that the decisions are consistent with our goals to improve the Traeger experience and community, which we believe will improve our financial results over the long term. These decisions may not be consistent with the short-term expectations of our stockholders and may not produce the long-term benefits that we expect, in which case our customer engagement and our business, financial condition, and results of operations could be harmed.

The market for wood pellet grills is still in the early stages of growth and if it does not continue to grow, grows more slowly than we expect, or fails to grow as large as we expect, our business may be adversely affected.

While wood pellet grills have been sold commercially since the 1980s, the market for wood pellet grills remained relatively small and niche until recently. The current broader market for wood pellet grills is relatively new and rapidly growing, and it is uncertain whether it will sustain high levels of demand and achieve wide market acceptance. Our success depends substantially on the willingness of customers to widely adopt the cooking methodologies and techniques associated with our products. To be successful, we must continue to educate customers about our products, and the related cooking methodologies and techniques, through significant investment and high-quality content that is superior to the content and cooking experiences provided by our competitors. Additionally, the market for grills and other cooking devices at large is heavily saturated, and the demand for and market acceptance of new products in the market is uncertain. It is difficult to predict the future growth rates, if any, and size of our market. We cannot assure you that our market will develop as expected, that broad public interest in wood pellet grills will continue, or that our products will be widely adopted. Furthermore, our grills require sufficient outdoor space and ventilation to safely operate, which limits our ability to sell or expand our presence in high-density, non-suburban markets. If the market for wood pellet grills does not develop, develops more slowly than expected, or becomes saturated with competitors, or if our products do not achieve market acceptance, our business, financial condition, and results of operations could be adversely affected.

Our estimated addressable market is subject to inherent challenges and uncertainties. If we have overestimated the size of our addressable market, our future growth opportunities may be limited.

Our U.S. total addressable market (“TAM”) is estimated to be 78 million households in the United States, which is calculated based on an estimated number of households in the United States that have a grill, which is estimated based on internal and third-party market research, historical surveys, and interviews with market participants. As a result, our TAM is subject to significant uncertainty and is based on assumptions and estimates that may not prove to be accurate. These estimates and forecasts relating to the size and expected growth of the markets in which we operate, and our penetration of those markets, may change or prove to be inaccurate. While we believe the information on which we base our TAM is generally reliable, such information is inherently imprecise. In addition, our expectations, assumptions, and estimates of future opportunities are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described herein. If third-party or internally generated data prove to be inaccurate or we make errors in our assumptions based on that data, our future growth opportunities may be affected. If our addressable market, or the size of any of the various ancillary markets in which we operate, proves to be inaccurate, our future growth opportunities may be limited and there could be a material adverse effect on our prospects, business, financial condition, and results of operations.

Competitors have imitated and attempted to imitate, and will likely continue to imitate or attempt to imitate our products and technology. If we are unable to protect or preserve our brand image, intellectual property, and proprietary rights, our business may be harmed.

As our business continues to expand, our competitors have imitated or attempted to imitate, and will likely continue to imitate or attempt to imitate, our product designs, functionality, and branding, which could harm our business and results of operations. Only a portion of the intellectual property used in the manufacture and design of our products is patented, and we therefore rely on other forms of protection, including trade and service marks, copyrights, trade dress, trade secrets, and the strength of our brand. For example, the original patent for pellet grills, which was filed by Joe Traeger in 1986, expired in 2006. Following expiration of this patent, competitors introduced competing products with similar designs and technologies, and there are currently a significant number of wood pellet grills available from a variety of competitors, including Weber and Dansons, among others. We regard our patents, trade dress, trademarks, copyrights, trade secrets, and other intellectual property and proprietary rights as critical to our success. We also rely on trade secret protection and confidentiality agreements with our employees, consultants, suppliers, manufacturers, and others to protect our intellectual property and proprietary rights. Nevertheless, the steps we take to protect our intellectual property and proprietary rights against infringement or other violation may be inadequate, and we may experience difficulty in effectively limiting the unauthorized use of our patents, trademarks, trade dress, trade secrets, copyrights and other intellectual property and proprietary rights worldwide. We also cannot guarantee that others will not independently develop technology with the same or similar functionality of the intellectual property and proprietary technology we rely on to conduct our business and differentiate ourselves from our competitors. As we continue to grow our business and strengthen our brand, we expect to experience increased counterfeiting of our products, including, among others, imitation and look-alike products and fraudulent websites and distributors. Unauthorized use or invalidation of our patents, trademarks, copyrights, trade dress, trade secrets, or other intellectual property or proprietary rights may cause significant damage to our brand and harm our business and results of operations.

While we actively develop and protect our intellectual property rights, there can be no assurance that we will be adequately protected in all countries in which we conduct our business or that we will prevail when defending our patent, trademark, trade secret, and other intellectual property and proprietary rights. Additionally, we could incur significant costs and management distraction in pursuing claims to enforce our intellectual property rights through litigation and defending any

alleged counterclaims. If we are unable to protect or preserve the value of our patents, trade dress, trade secrets, trademarks, copyrights, or other intellectual property and proprietary rights for any reason, or if we fail to maintain our brand image due to actual or perceived product or service quality issues, adverse publicity, governmental investigations, litigation, or other reasons, our brand and reputation could be damaged, and our business and results of our operations may be harmed.

Our revenue and profits depend on the level of customer spending for discretionary items, which is sensitive to general economic conditions and other factors.

Demand for our premium products is significantly influenced by a number of economic factors affecting our customers and trends in customer spending. For example, demand for our grills is particularly sensitive to consumer spending levels as our grills can represent expensive purchases for consumers. There are a number of factors that influence consumer spending, including actual and perceived economic conditions, consumer confidence, disposable income, credit availability, unemployment, and tax rates in the markets where we sell our products. Consumers also have discretion as to where to spend their disposable income and may choose to purchase other items if we do not continue to provide authentic, compelling, and high-quality products at appropriate price points. External factors have in the past and could in the future impact the items on which consumers choose to spend their disposable income. As global economic conditions continue to be volatile and economic uncertainty remains, trends in discretionary spending also remain unpredictable and subject to declines. Any of these factors could harm discretionary spending, resulting in a reduction in demand for our products, decreased prices, and harm to our business and results of operations. Moreover, purchases of discretionary items, such as our premium products, tend to decline during recessionary periods when disposable income is lower or during other periods of economic instability or uncertainty, which may slow our growth more than we anticipate. A downturn in the economies in markets in which we sell our products, particularly in the United States, may materially harm our sales, profitability, and financial condition.

Our results of operations may suffer if we do not accurately forecast demand for our products or successfully manage our inventory to match customer demand.

To ensure adequate inventory supply, we must forecast inventory needs and place orders with our manufacturers before firm orders are placed by our customers. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of product to deliver to our customers. Factors that could affect our ability to accurately forecast demand for our products include: (a) an increase or decrease in demand for our products; (b) our failure to accurately forecast customer acceptance for our new products; (c) product introductions by competitors; (d) unanticipated changes in general market conditions or other factors, which may result in cancellations of orders or a reduction or increase in the rate of reorders or at-once orders placed by retailers; (e) the impact of unseasonable weather conditions; (f) weakening of economic conditions or consumer confidence in future economic conditions, which could reduce demand for discretionary items, such as our products; and (g) terrorism or acts of war, or the threat thereof, political or labor instability or unrest, riots, public health crises, and trade wars, which could adversely affect consumer confidence and spending or interrupt production and distribution of product and raw materials.

Inventory levels in excess of customer demand may result in inventory write-downs or write-offs and the sale of excess inventory at discounted prices or in less preferred distribution channels, which could impair our brand image and harm our margins. In addition, if we underestimate the demand for our products, our manufacturers may not be able to produce products to meet our requirements, and this could result in delays in the shipment of our products, lost sales, and damage to our reputation and retailer and distributor relationships.

Such difficulty in forecasting demand, which we have encountered and may continue to encounter, also makes it difficult to estimate our future results of operations and financial condition from period to period. A failure to accurately predict the level of demand for our products could adversely impact our profitability or cause us not to achieve our expected financial results. In connection with Project Gravity and our channel optimization initiatives, we may experience changes in demand signals, lead times, and order behavior from distributors and retailers, which, combined with pellet mill consolidation and operational centralization, could increase the risk of excess or obsolete inventory, stockouts, or higher costs to rebalance inventory across our network.

Our business may fluctuate as a result of seasonality and changes in weather conditions.

We have typically experienced moderately higher levels of sales of our grills in the first and second quarters of the year as our retailers purchase inventory in advance of warmer weather, when demand for outdoor cooking products is the highest across our key markets. Higher sales also coincide with social events and national holidays, which occur during the same timeframe. Additionally, we have typically experienced higher sales volume of our accessories during the fourth quarter of the year, due in part to seasonal holiday demand. Although our products can be used year-round, unusually adverse weather

conditions can negatively impact the timing of the sales of certain of our products, causing reduced sales and negatively impacting profitability when such conditions exist. Prolonged adverse weather conditions, or chronic changes in weather patterns, could significantly reduce our sales in one or more periods. These conditions may shift sales to subsequent reporting periods, cause our results of operations to fluctuate on a quarterly basis, or decrease overall sales. Further, our quarterly results of operations in future fiscal years may fluctuate or otherwise be significantly affected as a result of macroeconomic conditions, including as a result of tariffs, and widely reported global supply chain constraints, including the resulting increased freight rates and logistics costs. The effect of the general macroeconomic conditions and global supply chain constraints may exceed the quarterly changes in our results of operations that we have typically experienced from seasonality and weather conditions.

Additionally, recent changes to our channel strategy, including exiting our direct-to-consumer business (other than for MEATER) and discontinuing certain channel programs, may alter historical order patterns and promotional calendars, which could amplify seasonal fluctuations or shift sell-in and sell-through timing at key retailers.

We have significant international operations and are exposed to risks associated with doing business globally.

We sell and distribute our products in many key international markets in Europe, North America, and elsewhere around the world. These activities have resulted and will continue to result in investments in inventory, accounts receivable, employees, corporate infrastructure, and facilities. In addition, we source most of our products through manufacturing relationships involving suppliers and vendors located outside of the United States. The operation of foreign distribution in our international markets, as well as the management of relationships with manufacturers and foreign suppliers, will continue to require the dedication of management and other resources.

As a result of this international business, we are exposed to increased risks inherent in conducting business outside of the United States. These risks include the following:

- adverse changes in foreign currency exchange rates can have a significant effect upon our results of operations, financial condition, and cash flows;
- increased difficulty in protecting our intellectual property rights and trade secrets, including litigation costs and the outcome of such litigation;
- increased exposure to events that could impair our ability to operate internationally with third parties such as problems with such third parties' operations, finances, insolvency, labor relations, manufacturing capabilities, costs, or insurance, or with natural disasters or other catastrophic events;
- unexpected legal or government action or changes in legal or regulatory requirements;
- social, economic, or political instability, including the conflicts between Russia and Ukraine and Israel and Hamas;
- potential negative consequences from changes to taxation or tariff policies;
- the effects of any anti-American sentiments on our brands or sales of our products;
- increased difficulty in ensuring compliance by employees, agents and contractors with our policies as well as with the laws of multiple jurisdictions, including but not limited to the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010, international environmental, health, and safety laws, and increasingly complex regulations relating to the conduct of international commerce, including import/export laws and regulations, economic sanctions laws, and regulations and trade controls;
- increased difficulty in controlling and monitoring foreign operations from the United States, including increased difficulty in identifying and recruiting qualified personnel for our foreign operations; and
- increased exposure to interruptions in land, air carrier, or vessel shipping services.

We have limited experience with international regulatory environments and market practices and may not be able to penetrate or successfully operate in any foreign markets we choose to enter. In addition, we may incur significant expenses as a result of our continued international expansion, and we may not be successful. We may face limited brand recognition in certain parts of the world that could lead to non-acceptance or delayed acceptance of our products and services by consumers in new markets. We may also face challenges to acceptance of our products and content in new markets. Our failure to successfully manage these risks could harm our international operations and have an adverse effect on our business, financial condition, and results of operations.

We are subject to governmental export and import controls, customs, and economic and trade sanctions laws that could subject us to liability and impair our ability to compete in international markets.

The United States and various foreign governments have imposed controls, export license requirements, and restrictions on the import or export of certain items and technologies, as well as customs and other import-related regulatory requirements. Our products may be subject to U.S. export controls. Compliance with applicable regulatory requirements regarding the import and export of our products may create delays in the introduction of our products in international markets, and, in some cases, prevent the export of our products to some countries or regions altogether.

Furthermore, U.S. export control laws and economic sanctions restrict the provision of products and services to certain countries, regions, governments, and persons targeted by U.S. sanctions. Even though we take precautions to prevent our products from being provided to targets of U.S. sanctions, our products could be provided to those targets or provided by our customers. Any such provision could have negative consequences, including government investigations, penalties, and reputational harm. Our failure to obtain required import or export approval for our products, or to comply with applicable laws and regulations with regard to our import and export activity, could harm our international and domestic sales and adversely affect our revenue.

We could be subject to future enforcement action with respect to compliance with governmental export and import controls, customs laws, and economic and trade sanctions laws, and such enforcement could result in penalties, costs, and restrictions on export privileges that could have an adverse effect on our business, financial condition, and results of operations.

Failure to comply with anti-corruption laws, including the FCPA and similar laws associated with our activities outside of the United States, could subject us to penalties and other adverse consequences.

We are subject to the U.S. Foreign Corrupt Practices Act (“FCPA”), the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, the U.K. Bribery Act, and possibly other anti-bribery laws in countries in which we conduct activities. These laws generally prohibit companies and their employees and agents from corruptly promising, authorizing, offering, or providing, directly or indirectly, improper payments of anything of value to government officials, political parties, and private-sector recipients for the purpose of obtaining or retaining business, directing business to any person, or securing any improper advantage. Certain laws, including the U.K. Bribery Act, also prohibit soliciting or receiving bribes or improper payments. In addition, U.S. public companies are required to maintain records that accurately and fairly represent their transactions and have an adequate system of internal accounting controls. We operate a global business and may have direct or indirect interactions with officials and employees of government agencies or state-owned or government controlled entities. In addition, in many foreign countries, including countries in which we may conduct business, it may be a local custom that businesses engage in practices that are prohibited by the FCPA or other applicable laws and regulations. We have implemented a compliance program designed to promote compliance with these laws. However, we cannot ensure that our compliance program will be effective or that our employees, contractors, and agents, and companies to which we outsource certain of our business operations, have not taken, or will not take, actions in violation of our compliance program and applicable law, for which we may take actions in violation of our policies or applicable law. We face significant risks if we or any of our directors, officers, employees, agents, or other partners or representatives fail to comply with anti-corruption laws, and governmental authorities in the United States and elsewhere could seek to impose substantial civil and/or criminal fines and penalties, which could have a material adverse effect on our business, reputation, results of operations, and financial condition. In addition, responding to any internal investigation or government enforcement action may result in a significant diversion of management’s attention and resources and significant defense costs and other professional fees.

Our business could be adversely affected from an accident, safety incident, or workforce disruption. Our internal manufacturing processes and related activities, as well as our in-house warehousing and last-mile logistics activities, could expose us to significant personal injury claims that could subject us to substantial liability.

The inability to timely adapt to changing norms and requirements around maintaining a safe workplace could cause employee illness, accidents, or team discontent if it is perceived that we are failing to protect the health and safety of our employees. While we maintain liability insurance, the amount of such coverage may not be adequate to cover fully all claims, and we may be forced to bear substantial losses from an accident or safety incident resulting from our manufacturing, warehousing, or last-mile activities.

We are subject to payment-related risks that may result in higher operating costs or the inability to process payments, either of which could harm our business, financial condition, and results of operations.

For sales through our DTC channel, as well as for sales to certain retailers through our retail channel, we accept a variety of payment methods, including credit cards, debit cards, electronic funds transfers, electronic payment systems, and gift cards, as applicable. Accordingly, we are, and will continue to be, subject to significant and evolving regulations and compliance requirements, including obligations to implement enhanced authentication processes that could result in increased costs and liability, and reduce the ease of use of certain payment methods. For certain payment methods, including credit and debit cards, as well as electronic payment systems, we pay interchange and other fees, which may increase over time. We rely on independent service providers for payment processing, including credit and debit cards. If these independent service providers become unwilling or unable to provide these services to us, or if the cost of using these providers increases, our business could be harmed. We and our payment processing providers are also subject to payment card association operating rules and agreements, including data security rules and agreements, certification requirements, and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. If we fail to comply with these rules, agreements, or requirements, or if our data security systems are breached or compromised, we may be liable for losses incurred by card-issuing banks or customers, be subject to fines and higher transaction fees, lose our ability to accept credit or debit card payments from our customers, or lose our ability to process electronic fund transfers or facilitate other types of payments. Any failure to comply could significantly harm our brand, reputation, business, financial condition, and results of operations.

In the future, we may accept bitcoin or other forms of cryptocurrency as a form of payment for our products, subject to applicable laws, which we may or may not liquidate upon receipt. The prices of such assets have been in the past and may continue to be highly volatile, including as a result of various associated risks and uncertainties. If we hold such assets and their values decrease relative to our purchase prices, our financial condition may be harmed.

Our revenue could decline due to changes in credit markets and decisions made by credit providers.

Certain of our customers finance their purchase of our grills through third-party credit providers with whom we have existing relationships. If we are unable to maintain our relationships with our financing partners, there is no guarantee that we will be able to find replacement partners who will provide our customers with financing on similar terms, and our ability to sell our grills may be adversely affected. Further, reductions in consumer lending and the availability of consumer credit could limit the number of customers with the financial means to purchase our grills. Higher interest rates could increase our costs or the monthly payments for grills financed through other sources of consumer financing. In the future, we cannot be assured that third-party financing providers will continue to provide consumers with access to credit or that available credit limits will not be reduced. Such restrictions or reductions in the availability of consumer credit, or the loss of our relationship with our current financing partners, could have an adverse effect on our business, financial conditions, and results of operations.

We may be required to recognize impairment charges on our long-lived assets, which could materially adversely affect our results of operations.

We have significant long-lived assets recorded on our consolidated balance sheets, including property, plant and equipment related to our manufacturing operations, tooling, warehouse and distribution facilities, operating lease right-of-use assets, and definite-lived intangible assets such as customer relationships and developed technology associated with our grills, consumables and accessories business. We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. Such events or circumstances include, but are not limited to, a significant decrease in the market price of a long-lived asset, a significant adverse change in the extent or manner in which a long-lived asset is being used or in its physical condition, a significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset, an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset, a current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset, or a current expectation that, more likely than not, a long-lived asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

If we determine that the carrying value of our long-lived assets is not recoverable, we are required to record an impairment charge equal to the amount by which the carrying value exceeds the fair value of those assets. We may incur impairment charges in the future as a result of changes in our business strategy, including any strategic initiatives to optimize our operations or product portfolio, shifts in consumer demand for outdoor cooking products, increased competition in the grilling and outdoor cooking industry, changes in market conditions, facility closures or consolidations, supply chain restructuring, divestitures, technological obsolescence, or other factors. Any such impairment charges could be significant and could materially adversely affect our business, financial condition, and results of operations.

We are subject to risks related to sustainability and corporate responsibility issues.

Our business faces scrutiny related to various sustainability and corporate responsibility issues, including renewable resources, environmental stewardship (including deforestation), supply chain management, climate change, safety, human capital and talent management, workplace conduct, human rights, philanthropy, and support for local communities. If we fail to meet applicable standards or expectations with respect to these issues across all of our services and in all of our operations and activities, including the expectations we set for ourselves, our reputation and brand image could be damaged, and our business, financial condition, and results of operations could be adversely impacted.

Moreover, while we may at times engage in voluntary initiatives (such as voluntary disclosures, certifications, or goals, among others) to improve the profile of our company and/or products, such initiatives may be costly and may not have the desired effect. Expectations around company's management of corporate responsibility matters continue to evolve rapidly, in many instances due to factors that are out of our control. As with other companies, our approach to such matters has evolved over time, and we expect it will continue to evolve, but we cannot guarantee that our approach will ultimately align with any particular stakeholder's preferences or expectations. For example, we may not ultimately complete certain goals or initiatives, either on the timelines originally anticipated or at all, due to technical, cost, or other factors, regardless of whether it is in our control to do so. Moreover, actions or statements that we may take based on expectations, assumptions, or third-party information that we currently believe to be reasonable may subsequently be determined to be erroneous, subject to misinterpretation, or not in keeping with best or market practice.

We may also be required to increase our disclosure of sustainability-related information over coming years, whether due to increased stakeholder demand or regulatory requirements. For example, several jurisdictions—such as the EU, and the State of California—have adopted or are considering adopting requirements for certain companies to undertake additional disclosure or actions regarding climate or other sustainability matters, including regarding supply chain diligence and sustainable sourcing. Regulation such as this may lead to increased operational, procurement, or other costs, which may in turn lead to a reduction in our business prospects and may also lead to risks to our reputation to the extent that we are determined to be using suppliers that do not meet standards of sustainable or responsible conduct expected by our customers, investors, and other stakeholders. In addition, regulation in this area has evolved considerably over recent years and is likely to continue to do so, which may lead to additional costs and challenges associated with ensuring compliance with changing standards.

Separately, various stakeholders consider sustainability matters in their decision-making. For example, some of our customers have expressed a preference that certain of our products be made from raw materials sourced from forests certified to different standards, including standards of the FSC. If customer demand for sustainably produced products (including FSC-certified sources) increases then we may face increased costs in procuring associated inputs. If we are otherwise unable to meet such demand, it may impact the demand for our products and the prices we are able to charge for them.

However, regulator and other stakeholder perceptions of sustainability matters are not uniform, and there are efforts by some regulators and other stakeholders to reduce companies' efforts on certain sustainability-related matters. Both advocates and opponents to certain sustainability matters are increasingly resorting to a range of activism forms, including media campaigns and litigation, to advance their perspectives. Any failure to address such stakeholder expectations may result in increased costs, reputational damage (including through various ratings), litigation or other stakeholder engagement, or other adverse impacts to our business. For example, there have been increasing allegations of greenwashing against companies making sustainability claims due to a variety of perceived deficiencies in actions, statements, or methodologies, including as stakeholder perceptions of sustainability continue to evolve. Additionally, many of our suppliers or other stakeholders may be subject to similar expectations, which may augment or create additional risks, including risks that may not be known to us.

Significant increases in the cost of raw materials for our wood pellet facilities or our suppliers suffering from operating or financial difficulties could adversely impact revenue and our ability to satisfy customer demand.

We purchase wood fiber from third parties for use at our wood pellet facilities. Our reliance on third parties to secure wood fiber exposes us to potential price volatility and unavailability of such raw materials, and the associated costs may exceed our ability to pass through such price increases to customers, which could adversely affect our gross margins. For example, the price of lumber has experienced increases and occasional spikes in recent years. Further, delays or disruptions in obtaining wood fiber may result from a number of factors affecting our suppliers, including extreme weather or forest fires, production or delivery disruptions, inadequate logging capacity, labor disputes, impaired financial condition of a particular supplier, the inability of suppliers to comply with regulatory or sustainability requirements (including increased sustainability standards, such as the FSC or the EU Deforestation Regulation), or decreased availability of raw materials. In addition, other companies, whether or not in our industry, could procure wood fiber within our procurement areas and adversely change regional market dynamics, resulting in insufficient quantities of raw material or higher prices. Any of these events or the impact on the

availability of wood fiber could increase our operating costs or prevent us from selling our wood pellets in quantities that satisfy customer demand and thereby could have a material adverse effect on our brand, reputation, business, financial condition, and results of operations.

Our revenues, net income, and cash flow from operations are dependent to a significant extent on the pricing of our products and our continued ability to secure raw materials at adequate levels and acceptable prices. Therefore, if we are restricted from securing a sufficient amount of raw materials from third parties for a prolonged period of time, or if material damage to a significant portion of such third-party landowners' standing timber were to occur, we could suffer materially adverse effects to our results of operations. Any interruption or delay in the supply of wood fiber, or our inability to obtain wood fiber at acceptable prices in a timely manner, could impair our ability to meet the demands of our customers, which could have a material adverse effect on our brand, reputation, business, financial condition, and results of operations.

Failure to implement effective quality control systems at our wood pellet facilities could have a material adverse effect on our business and operations.

The performance and quality of our wood pellet products are important to the success of our business and can significantly impact the cooking experience of our grills and the taste of food cooked with our grills. To ensure consistent product quality, we must develop and implement improved quality control systems and quality training programs and must otherwise promote and enforce employee adherence to our quality control policies and guidelines. We must also update such policies and guidelines and may be required to hire additional personnel and quality control specialists. We have a limited history in operating wood pellet manufacturing facilities at both our existing and planned scale and may experience challenges in implementing improvements to our processes and operations that are necessary to support future business needs, which further increases our risk with respect to quality controls. Any significant failure involving the development, implementation, or maintenance of quality control systems and related programs could have a negative impact on our product quality and consistency, which could have a material adverse effect on our business, financial condition, results of operations, and reputation.

An increase in the price or a significant interruption in the supply of electricity could have a material adverse effect on our results of operations.

Our wood pellet facilities use a substantial amount of electricity. The price and supply of electricity are unpredictable and can fluctuate significantly based on international, political, and economic circumstances, as well as other events outside our control, such as changes in supply and demand due to weather conditions, regional production patterns, and environmental concerns. In addition, potential climate change regulations or carbon or emissions taxes could result in higher production costs for electricity, which may be passed on to us in whole or in part and we may not have the ability to pass such costs through to the customer, which could adversely affect our gross margins. A significant increase in the price of electricity or an extended interruption in the supply of electricity to our production plants could have a material adverse effect on our results of operations and cash flows.

Increases in labor costs, potential labor disputes, and work stoppages, or an inability to hire skilled manufacturing, sales, and other personnel, could adversely affect our business.

An increase in labor costs, work stoppages, or disruptions at our facilities or those of our suppliers or transportation service providers, or other labor disruptions, could decrease our sales and increase our expenses. In addition, although our employees are not represented by a union, our labor force may become subject to labor union organizing efforts, which could cause us to incur additional labor costs and increase the related risks that we now face. It is also possible that a union seeking to organize one subset of our employee population, such as the employees in our manufacturing facility, could also mount a corporate campaign, resulting in negative publicity or other actions that require attention by our management team and our employees. Negative publicity, work stoppages, or strikes by unions could have an adverse effect on our business, prospects, financial condition, and results of operations.

The competition for skilled manufacturing, sales, and other personnel can be intense in the regions in which our wood pellet facilities are located. A significant increase in the salaries and wages paid in these regions or by competing employers could result in a reduction of our labor force, increases in the salaries and wages that we must pay, or both. If we are unable to hire skilled manufacturing, sales, and other personnel, our ability to execute our business plan, and our results of operations, would suffer.

Our wood pellet production operations are subject to operational hazards and downtimes or interruptions, which may have a material adverse effect on our business and results of operations.

Our wood pellets are combustible products. Fires and explosions have occurred at manufacturing facilities similar to ours, and fires have previously occurred at or near our wood pellet production facilities. As a result, our business could be adversely affected by these and other operational hazards and could suffer catastrophic loss due to unanticipated events such as explosions, fires, natural disasters, or severe weather conditions. Severe weather, such as floods, earthquakes, hurricanes, forest fires, or other catastrophes, or climatic phenomena, such as drought, may impact our operations by causing weather-related damage to our wood pellet facilities and equipment. Such events may become more frequent and more severe as a result of climate change. Severe weather and other environmental or social pressures may also adversely affect the ability of our suppliers to provide us with the raw materials we require or the ability of vessels to load, transport, and unload our wood pellet products. In addition, our wood pellet facilities are subject to the risk of unexpected equipment failures. At our wood pellet facilities plants, our manufacturing processes are dependent upon critical pieces of equipment, and such equipment may, on occasion, be out of service as a result of such failures. As a result, we may experience material facility shutdowns or periods of reduced production, which could have a material adverse effect on our business and results of operations. Any interference with or curtailment of our wood pellet facilities and related production operations could result in a loss of productivity, an increase in our operating costs, and decrease in revenue, which may have a material adverse effect on our business and results of operations.

In addition, we may not be fully insured against all risks incident to our wood pellet production operations, including the risk of our operations being interrupted due to severe weather and natural disasters. Furthermore, we may be unable to maintain or obtain insurance of the type and amount we desire at reasonable rates. As a result of market conditions, premiums and deductibles for certain of our insurance policies could escalate. In some instances, insurance could become unavailable or available only for reduced amounts of coverage. If we were to incur a significant liability for which we are not fully insured, it could have a material adverse effect on our financial condition and results of operations.

Our wood pellet production operations are subject to stringent environmental and occupational health and safety laws and regulations that may expose us to significant costs and liabilities.

Our wood pellet production operations are subject to stringent federal, regional, state, and local environmental, health, and safety laws and regulations. These laws and regulations govern environmental protection, occupational health and safety, the release or discharge of materials into the environment, air emissions, wastewater discharges, the investigation and remediation of contaminated sites, and allocation of liability for cleanup of such sites. These laws and regulations may restrict or impact our business in many ways, including by requiring us to acquire permits or other approvals to conduct regulated activities; limiting our air emissions or wastewater discharges or requiring us to install costly equipment to control, reduce, or treat such emissions or discharges; imposing requirements on the handling or disposal of wastes; impacting our ability to modify or expand our operations (for example, by limiting or prohibiting construction and operating activities in environmentally sensitive areas or impacting the supply and/or demand for raw materials used in certain of our products); and imposing health and safety requirements for worker protection. We may be required to make significant capital and operating expenditures to comply with these laws and regulations. Failure to comply with these laws and regulations may result in the assessment of administrative, civil, and criminal penalties, imposition of investigatory or remedial obligations, suspension or revocation of permits, and the issuance of orders limiting or prohibiting some or all of our operations. Adoption of new or modified environmental laws and regulations, or revised interpretations of the same, may impair the operation of our wood pellet production operations, delay or prevent expansion of existing facilities or construction of new facilities, and otherwise result in increased costs and liabilities, which may be material.

Certain environmental laws, including the CERCLA, and analogous state laws, impose strict as well as joint and several liability upon statutorily defined parties without regard to comparative fault. Under these laws, we may be required to remediate contaminated properties currently or formerly operated by us, or facilities of third parties that received waste generated by our wood pellet production operations. Such remediation obligations may be imposed regardless of whether such contamination resulted in whole or in part from the conduct of others and whether such contamination resulted from actions (by us or third parties) that complied with all applicable laws in effect at the time of those actions. Our facilities are located on sites that have been used for manufacturing activities for an extended period of time, which increases the possibility of contamination being present. In addition, claims for damages to persons or property, including natural resources, may result from the environmental, health, and safety impacts of our operations, including accidental spills or releases in the course of our operations or those of a third party. Although we are not presently aware of any material contamination on our properties or any material remediation liabilities, we cannot assure you that we will not be exposed to significant remediation obligations or liabilities in the future. Moreover, certain substances that have not historically been considered hazardous substances may subsequently be designated

as such. For example, there is increased scrutiny on various per- and polyfluoroalkyl substances (“PFAS”) at the federal and state level, and the EPA has designated certain PFAS as hazardous substances under CERCLA.

As a producer and distributor of a variety of consumer products, we must comply with various federal, state, provincial, local, and foreign laws relating to the materials, production, packaging, quality, labeling, and distribution of our products, including various environmental and health and safety laws and regulations. For example, the electronic components of our products may be subject to restrictions regarding the raw materials used and end of life requirements such as the collection, recycling, and recovery of wastes. Our food products must meet U.S. Food and Drug Administration (“FDA”) requirements, or parallel foreign requirements, of safety for human consumption, labeling, processing, and distribution under sanitary conditions and production in accordance with FDA “good manufacturing practices.” Similarly, our marketing practices are subject to regulations by the FTC or foreign equivalents, including regarding environmental marketing claims. Similar laws in other jurisdictions, including the EU and various U.S. states, include similar or more stringent regulations on such marketing claims. Should our products or practices fail to comply with such laws and regulations or the interpretation or enforcement of such laws and regulations becomes more stringent, our costs could increase and changes to our products or operations could be required, which may have an adverse effect on our business, financial condition, results of operations, or prospects.

Climate change legislation, regulatory initiatives, and litigation could result in increased operating costs or, in some instances, adversely impact demand for our products.

Many nations have agreed to limit emissions of greenhouse gases pursuant to the United Nations Framework Convention on Climate Change, also known (“UNFCCC”) and subsequent agreements. For example, in December 2015, the United States and 194 other countries adopted the Paris Agreement, committing to work towards addressing climate change and agreeing to a monitoring and review process for greenhouse gas emissions. While the United States has subsequently initiated the process of withdrawing from various international agreements, including the UNFCCC and, effective January 2026, the Paris Agreement the adoption of legislation or regulatory programs at the federal level, or other government action to reduce emissions of greenhouse gases, could require us to incur increased operating costs, such as costs to purchase and operate emissions control systems, to acquire emissions allowances, or to comply with new regulatory or reporting requirements.

Moreover, many U.S. states, either individually or through multi-state regional initiatives, have begun to address greenhouse gas emissions, primarily through the planned development of greenhouse gas emission inventories and/or regional greenhouse gas cap-and-trade programs. Certain states where our wood pellet facilities are located, including New York, have implemented climate change regulations and committed to reducing greenhouse gases. For example, in December 2025, New York adopted regulations requiring certain facilities to make disclosures regarding GHG emissions. Such regulations may increase the cost of operating such facilities or otherwise restrict the operations of such facilities, which could have an adverse impact on our business and operations.

Further, our markets may be affected by legislative initiatives and policies that promote or do not promote devices that have or share similar traits to our wood pellet grills, such as wood-burning stoves and similar appliances. Certain jurisdictions have adopted or proposed local ordinances or policies restricting the use of a wide range of devices, which may encompass or cover the cooking mechanism utilized by our wood pellet grills. It remains uncertain whether or to what extent such restrictions could impact demand for our products or the ability of customers to use our grills in states or other jurisdictions that have adopted or may in the future adopt or implement such restrictions. The EPA has issued matter limits for certain wood-burning appliances that people use to heat their home. While these limits are not applicable to cook stoves such as wood-fired grills, the regulations impose labeling requirements that may be applicable and such regulations may be broadened in the future. These restrictions and the applicable requirements for permits or exemptions may vary significantly by location, and we may be unable to track or monitor all such restrictions in the markets in which we sell our products. Future changes to laws or policies relating to these or similar matters could reduce demand for our products and have a material adverse effect on our business, financial condition, and results of operations.

Federal, state, and local legislative and regulatory initiatives relating to forestry products and the potential for related litigation could result in increased costs, additional operating restrictions, or delays for our suppliers, which could negatively impact our business, financial condition, and results of operations.

Commercial forestry is regulated by complex regulatory frameworks at each of the federal, state, and local levels. Among other federal laws, the Clean Water Act and Endangered Species Act have been applied to commercial forestry operations through agency regulations and court decisions, as well as through the delegation to states to implement and monitor compliance with such laws. State forestry laws, as well as land use regulations and zoning ordinances at the local level, are also used to manage forests in the United States, as well as other regions from which we may need to source raw materials in the future. Any new or modified laws or regulations at any of these levels could have the effect of reducing forestry operations in

areas where we procure our raw materials, and consequently may prevent us from purchasing raw materials in an economic manner, or at all. In addition, future regulation of, or litigation concerning, the use of timberlands, the protection of threatened or endangered species or their habitats, the promotion of forest biodiversity, and the response to and prevention of wildfires, as well as litigation, campaigns, or other measures advanced by environmental activist groups, could also reduce the availability of the raw materials required for our operations and the production of our wood pellets.

In particular, the EU has enacted its Deforestation Regulation, which will prevent wood products being placed on the EU market absent certain diligence exercises and findings once the regulation becomes applicable to in-scope companies, which is currently due to occur starting from 30 December 2026. Such requirements may adversely impact our business by requiring us to amend our processes to source wood pellets that we sell on the EU market, increasing the cost of wood pellets to us and our customers, reducing demand, and adversely impacting our revenue and results of operations.

Regulatory authorities in the United States, European Union, and elsewhere regulate hazardous materials and other substances, and those regulations could affect sales of our products.

Legislation and regulations concerning hazardous materials and other substances can restrict the sale of products and/or increase the cost of producing them. Some of our products are subject to restrictions under laws or regulations such as California's Proposition 65 and the EU's chemical substances directive. The EU "REACH" registration system requires us to perform studies of some of the materials used in our products and to register the information in a central database, increasing the cost of these products. As a result of such regulations, our ability to sell certain products may be curtailed and customers may avoid purchasing some products in favor of less regulated, less hazardous, or less costly alternatives. It may be impractical for us to continue manufacturing heavily regulated products, and we may incur costs to shut down or transition such operations to alternative products. These circumstances could adversely affect our business, including our revenue and results of operations.

There is also increasing focus on the full life of certain products, including batteries. For example, the EU has adopted a Batteries Regulation, which establishes certain requirements for batteries (including batteries placed in products) sold within the EU market, including regulations regarding labeling, removability, use of recycled minerals, and supply chain diligence. Such requirements, as well as any similar requirements for other products, may adversely impact our business by requiring a redesign of our products or increasing the cost of batteries to us and our consumers, reducing demand and adversely impacting our revenue and results of operations.

Regulation of certain perfluoroalkyl and polyfluoroalkyl substances in the United States and internationally may affect our product lines.

Governments in the United States and internationally have increased their focus on and regulation of a broad group of perfluoroalkyl and polyfluoroalkyl substances, collectively known as "PFAS," which are utilized by the Company in some of its products. PFAS include several categories and classes of durable chemicals and materials with properties that include water and fire resistance, as well as electrical insulating properties. Developments in these and other global chemical regulatory trends (including relating to PFAS) may require additional actions by the Company, including investigation, remediation, and compliance obligations, or may result in additional litigation and enforcement actions and related costs. Such developments could also result in the Company needing to relocate all or part of its manufacturing operations or halt sales and purchases of products containing PFAS. For example, in the United States, many states have enacted standards for PFAS contamination in drinking water sources and PFAS used in certain categories of consumer products, including cookware and textiles. In addition, in April 2024, the EPA finalized a rule to regulate certain PFAS—PFOA and PFOS—as contaminants under the federal Safe Drinking Water Act. In Europe, in January 2023, the European Chemicals Agency released a proposal for broad restrictions on PFAS pursuant to EU Regulation (EC) No. 1907/2006, Registration, Evaluation, Authorisation and Restriction of Chemicals; the European Chemicals Agency released an updated proposal in August 2025. If the revised proposal is implemented without change, the proposed restriction would significantly curtail the production, use, and sale of PFAS in Europe in many applications and manufactured articles. Finally, EPA and several states have implemented various reporting requirements for products which contain PFAS. In addition to creating a regulatory obligation, the information that is reported in response to those requirements may be used by third parties in future enforcement and litigation proceedings. The Company continues to review, control, and plan for the potential elimination of PFAS in its products. The Company's PFAS plan involve risks, including the actual timing, costs, and financial impact of such plan; the Company's ability to complete such plan on the anticipated timing or at all; potential governmental or regulatory actions relating to the Company's continued PFAS use; the Company's ability to identify and manufacture acceptable substitutes for PFAS, and the possibility that such substitutes will not achieve the anticipated or desired commercial or operational results; potential litigation relating to the Company's PFAS plans or handling or use of PFAS; and the possibility that the Company's PFAS plan will involve greater costs than anticipated, or otherwise have negative impacts on the Company's relationships with its customers and other counterparties.

Risks Related to Our Reliance on Third Parties

We rely on a limited number of third-party manufacturers, and problems with, or loss of, our suppliers or an inability to obtain raw materials could harm our business and results of operations.

Our grills are produced by a limited number of third-party manufacturers. We face the risk that these third-party manufacturers may not produce and deliver our products on a timely basis or at all. Our reliance on a limited number of manufacturers for our products increases our risks, since we do not currently have alternative or replacement manufacturers for certain of our products beyond our existing manufacturers. In the event of interruption from our manufacturers or suppliers, we may not be able to increase capacity from other sources or develop alternate or secondary sources without incurring material additional costs and substantial delays, and we do not maintain sufficient inventory levels to mitigate the impact of such costs and delays. Further, certain of these manufacturers have developed specific processes and manufacturing procedures for certain of our products, and such processes and procedures may not be easily transferred to other manufacturers, if at all. Furthermore, we expect that as we continue to introduce new products and product enhancements, our manufacturing costs will grow increasingly more complex and the cost will continue to increase. We have experienced, and will likely continue to experience, certain operational difficulties with our manufacturers. These difficulties include reductions in the availability of production capacity, errors in complying with product specifications, insufficient quality control, failures to meet production deadlines, failure to achieve our product quality standards, increases in costs of materials, and manufacturing or other business interruptions. The ability of our manufacturers to effectively satisfy our production requirements could also be impacted by manufacturer financial difficulty or damage to their operations caused by fire, terrorist attack, riots, natural disaster, public health issues, future pandemics or epidemics, or other events. The failure of any manufacturer or distributor to perform to our expectations could result in supply shortages or delays for certain products and harm our business.

In addition, recent years have seen additional focus from stakeholders, including regulators and governments in certain jurisdictions, on environmental and social considerations in the supply chains of companies. Emerging legislation, including the EU's Deforestation Regulation and Corporate Sustainability Due Diligence Directive, may introduce additional requirements for us or our customers and require us to collect additional information from our suppliers and other third parties. See Part I, Item 1A. "Risk Factors—We are subject to risks related to sustainability and corporate responsibility issues." The United States has also adopted legislation restricting the use of certain suppliers, as well as products mined, produced, or manufactured wholly or in part from certain regions, due to such considerations. Such legislation may lead to increased costs for our company in sourcing materials for our products, and to the extent parties in our supply chain are seen to not meet certain standards of sustainability performance, whether by customers, regulators, or otherwise, this may lead to a requirement to change suppliers, reputational impacts to our company, or (in certain cases) import eligibility for certain of our products.

If we experience significantly increased demand, or if we need to replace an existing manufacturer due to lack of performance or sustainability considerations, we may be unable to supplement or replace manufacturing capacity on a timely basis or on terms that are acceptable to us, which may increase our costs, reduce our margins, and harm our ability to deliver our products on time. For certain of our products, it may take a significant amount of time to identify and qualify a manufacturer that has the capability and resources to produce our products to our specifications in sufficient volume and satisfy our service and quality control standards. Accordingly, a loss of any of our significant manufacturers, suppliers, or distributors could have an adverse effect on our business, financial condition, and results of operations.

The capacity of our manufacturers to produce our products is also dependent upon the availability of raw materials. Our manufacturers may not be able to obtain sufficient supply of raw materials, which could result in delays in deliveries of our products by our manufacturers or increased costs. Any shortage of raw materials or inability of a manufacturer to produce or ship our products in a timely manner, or at all, could impair our ability to ship orders of our products in a cost-efficient, timely manner and could cause us to miss the delivery requirements of our customers. As a result, we could experience cancellations of orders, refusals to accept deliveries, or reductions in our prices and margins, any of which could harm our financial performance, reputation, and results of operations.

If we fail to timely and effectively obtain shipments of products from our manufacturers and deliver products to our customers, including our retailers, our business, and results of operations could be harmed.

Our business depends on our ability to source and distribute products in a timely manner. However, we cannot control all of the factors that might affect the timely and effective procurement of our products from our third-party manufacturers and the delivery of our products to our customers, including to retailers through our retail channel.

Our third-party logistics providers have warehouses in California, Georgia, Texas, Utah, and Washington, as well as operations in the Netherlands, United Kingdom, Germany, and Canada. The limited geographical scope of our distribution and

fulfillment centers makes us vulnerable to natural disasters, weather-related disruptions, accidents, system failures, public health crises, or other unforeseen events that could delay or impair our ability to fulfill orders to retail channel customers and/or ship products to DTC customers, which could harm our sales. We import our products, and we are also vulnerable to risks associated with products manufactured abroad, including, among other things: (a) risks of damage, destruction, or confiscation of products while in transit to our distribution centers; and (b) transportation and other delays in shipments, including as a result of heightened security screening, port congestion, and inspection processes or other port-of-entry limitations or restrictions in the United States. Failure to procure our products from our third-party manufacturers and deliver such products to our customers in a timely, effective, and economically viable manner could reduce our sales and gross margins, damage our brand, and harm our business.

We also rely on the timely and free flow of goods through open and operational ports from our suppliers and manufacturers. Labor disputes or disruptions at ports, our common carriers, or our suppliers or manufacturers could create significant risks for our business, particularly if these disputes result in work slowdowns, lockouts, strikes, or other disruptions during periods of significant importing or manufacturing, potentially resulting in delayed or canceled orders by customers, unanticipated inventory accumulation or shortages, and harm to our business, results of operations, and financial condition. In addition, we rely upon independent freight carriers for product shipments from our distribution centers to our customers. We may not be able to obtain sufficient freight capacity on a timely basis or at favorable shipping rates and, therefore, may not be able to receive products from suppliers or deliver products to customers in a timely and cost-effective manner.

Accordingly, we are subject to the risks, including labor disputes, union organizing activity, inclement weather, public health crises, and increased transportation costs, associated with our third-party manufacturers' and carriers' ability to provide products and services to meet our requirements. In addition, if the cost of fuel rises, the cost to deliver products may rise, which could harm our profitability.

Fluctuations in the cost and availability as well as delays of raw materials, equipment, labor, and transportation could cause manufacturing delays or increase our costs.

The price and availability of raw materials and key components used to manufacture our products, including electronic components, such as integrated circuits, processors and system on chips, components built into our unique specifications or that are single sourced, as well as manufacturing equipment, tooling, and wood fibers, may fluctuate significantly. In addition, the cost of labor at our third-party manufacturers could increase significantly. For example, manufacturers in China have experienced increased costs in recent years due to shortages of labor and fluctuations of the Chinese yuan in relation to the U.S. dollar. Additionally, the cost of logistics and transportation fluctuates in large part due to the price of oil, global demand, and other geopolitical factors. Any fluctuations in the cost and availability of any of our raw materials or other sourcing or transportation costs related to our raw materials or products could harm our gross margins and our ability to meet customer demand. For example, disruptions to or increases in the cost of local, regional, domestic, or international transportation services for our products and other forms of infrastructure, such as electricity, due to shortages of vessels, barges, railcars, or trucks, weather-related problems, flooding, droughts, accidents, mechanical difficulties, bankruptcy, strikes, lockouts, bottlenecks, or other events could increase our costs, temporarily impair our ability to deliver products to our customers on time or at all and might, in certain circumstances, constitute a force majeure event under our customer contracts, permitting our customers to suspend taking delivery of and paying for our products or resulting in a charge to us for our customers' lost profits as a result of our failure to timely deliver our products. Relatedly, some of our contracts with our large retail customers subject us to financial penalties if we fail to ship an order that is on time or in full. If we are unable to successfully mitigate a significant portion of these product cost increases, fluctuations, or delays, our results of operations could be harmed.

In addition, persistent disruptions in our access to infrastructure may force us to halt production as we reach storage capacity at our facilities. Accordingly, if the primary transportation services we use to transport our products are disrupted, and we are unable to find alternative transportation providers, it could have a material adverse effect on our results of operations, business, and financial position.

Many of our products are manufactured by third parties outside of the United States, and our business may be harmed by legal, regulatory, economic, political, and public health risks associated with international trade and those markets.

Many of our primary products are manufactured by entities located in China. In addition, we have third-party manufacturers in Vietnam and Taiwan. Our reliance on suppliers and manufacturers in foreign markets creates risks inherent in doing business in foreign jurisdictions, including: (a) the burdens of complying with a variety of foreign laws and regulations, including trade and labor restrictions and laws relating to the importation and taxation of goods; (b) changes in the U.S. or international regulations requiring the enactment of more restrictive environmental regulations in markets where we manufacture our products, including China, Vietnam, and/or Taiwan; (c) weaker protection for intellectual property and other

legal rights than in the United States, and practical difficulties in enforcing intellectual property and other rights outside of the United States; (d) compliance with U.S. and foreign laws relating to foreign operations and business activities, including the FCPA and the UK Bribery Act (which generally prohibit U.S. companies from making improper payments to govern officials and private counterparties for the purpose of obtaining or retaining business or securing an unfair business advantage) and regulations of the U.S. Office of Foreign Assets Control (“OFAC”) (which generally restrict U.S. companies from operating in certain countries, or maintaining business relationships with certain restricted parties) and similar laws that prohibit engaging in other corrupt and illegal practices; (e) economic and political instability and acts of terrorism in the countries where our suppliers are located; (f) public health crises, such as pandemics and epidemics, in the countries where our suppliers and manufacturers are located; (g) transportation interruptions or increases in transportation costs; and (h) the imposition of tariffs or non-tariff barriers on components and products that we import into the United States or other markets. Public health crises or any further political developments or health concerns in markets in which our products are manufactured could result in social, economic, and labor instability, adversely affecting the supply of our products and, in turn, our business, financial condition, and results of operations. Further, we cannot assure you that our directors, officers, employees, representatives, manufacturers, or suppliers have not engaged and will not engage in conduct for which we may be held responsible, nor can we assure you that our manufacturers, suppliers, or other business partners have not engaged and will not engage in conduct that could materially harm their ability to perform their contractual obligations to us or even result in our being held liable for such conduct. Violations of the FCPA, the UK Bribery Act, OFAC regulations, or other export control, anti-corruption, and anti-terrorism laws or regulations may result in severe criminal or civil penalties, and we may be subject to other related liabilities, which could harm our business, financial condition, cash flows, and results of operations.

We depend on our retailers to display and present our products to customers, and our failure to maintain and further develop our relationships with our retailers could harm our business.

Through our retail channel, we sell a significant amount of our products through knowledgeable national, regional, and independent retailers. These retailers service customers by stocking and displaying our products, explaining our product attributes and capabilities, and sharing our brand story. Our relationships with these retailers are important to the authenticity of our brand and the marketing programs we continue to deploy. Our failure to maintain relationships with retailers and brand ambassadors at retailers, or financial difficulties experienced by these retailers, could harm our business.

Because we are a premium brand, our sales depend, in part, on retailers effectively displaying our products, including providing attractive space and point of purchase displays in their stores and e-commerce platforms, and training their sales personnel to sell our products. If retailers reduce or terminate those activities, we may experience reduced sales of our products, resulting in lower gross margins, which would harm our results of operations.

Insolvency, credit problems, or other financial difficulties that could confront our retailers or distributors could expose us to financial risk.

We sell to the large majority of retail channel customers on open account terms and do not always require collateral or a security interest in the inventory we sell them. Consequently, our accounts receivable for our retail channel customers are largely unsecured. We also rely on third-party distributors to distribute our products to our retail channel and DTC customers. Insolvency, credit problems, or other financial difficulties confronting our retailers or distributors could expose us to financial risk. These actions could expose us to risks if our distributors are unable to distribute our products to our customers and/or if our retail channel customers are unable to pay for the products they purchase from us in a timely matter or at all. Financial difficulties of our retailers could also cause them to reduce their sales staff, use of attractive displays, number or size of stores, and the amount of floor space dedicated to our products. Any reduction in sales by, or loss of, our current retailers or customer demand, or credit risks associated with our retailers or distributors, could harm our business, results of operations, and financial condition.

If our independent suppliers and manufacturers do not comply with ethical business practices or with applicable laws and regulations, our reputation, business, and results of operations could be harmed.

Our reputation and our customers’ willingness to purchase our products depend in part on our suppliers’, manufacturers’, and retailers’ compliance with ethical employment practices, such as with respect to child labor, wages and benefits, forced labor, discrimination, safe and healthy working conditions, and with all legal and regulatory requirements relating to the conduct of their businesses. We do not exercise control over our suppliers, manufacturers, and retailers and cannot guarantee their compliance with ethical and lawful business practices. Emerging legislation in jurisdictions, including the EU, may increase our requirements in relation to diligence and oversight of the ethical practices of our suppliers, leading to increased scrutiny in this area. If our suppliers, manufacturers, or retailers fail to comply with applicable laws, regulations, safety codes, employment practices, human rights standards, quality standards, environmental standards, production practices, or other

obligations, norms, or ethical standards, our reputation and brand image could be harmed, and we could be exposed to litigation and additional costs that would harm our business, reputation, and results of operations.

Risks Related to our Capital Structure, Indebtedness, and Capital Requirements

We depend on cash generated from our operations to support our growth, and we may need to raise additional capital, which may not be available on terms acceptable to us or at all.

We primarily rely on cash flow generated from our sales to fund our current operations and our growth initiatives. As we expand our business, we will need significant cash from operations to purchase inventory, increase our product development, expand our manufacturer and supplier relationships, pay personnel, pay for the costs associated with operating as a public company, expand internationally, and further invest in our sales and marketing efforts. If our business does not generate sufficient cash flow from operations to fund these activities and sufficient funds are not otherwise available from our current or future credit facility, we may need additional equity or debt financing. If such financing is not available to us on satisfactory terms, our ability to operate and expand our business or to respond to competitive pressures could be harmed. Moreover, if we raise additional capital by issuing equity securities or securities convertible into equity securities, the ownership of our existing stockholders may be diluted. The holders of new securities may also have rights, preferences, or privileges which are senior to those of existing holders of common stock. In addition, any indebtedness we incur may subject us to covenants that restrict our operations and will require interest and principal payments that could create additional cash demands and financial risk for us.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited.

As of December 31, 2025, we have net operating loss carryforwards (“NOLs”) of approximately \$162.3 million for U.S. federal income tax purposes, which will be available to offset future taxable income. Approximately \$159.0 million of these NOLs are eligible for indefinite carryforward, limited by certain taxable income. Due to cumulative losses, we have recorded a full valuation allowance against our net deferred tax assets as of December 31, 2025, 2024, and 2023, respectively. Utilization of our NOLs and certain other tax attributes depends on many factors, including our future income, which cannot be assured. Section 382 of the Internal Revenue Code of 1986, as amended (“Section 382”), generally imposes an annual limitation on the amount of taxable income that may be offset by NOLs and certain other tax attributes when a corporation has undergone an “ownership change” (generally, if the percentage of its stock owned by its “5-percent shareholders,” as defined in Section 382, increases by more than 50 percentage points (by value) over a three-year period). We are not aware of any existing restrictions or limitations on the use of our NOLs or other tax attributes under Section 382. However, we may undergo an ownership change in the future, including as a result of the combined effect of future offerings, which would result in an annual limitation under Section 382. The limitations arising from any ownership change may prevent utilization of our NOLs and certain other tax attributes.

U.S. federal NOLs generated in taxable years beginning on or before December 31, 2017, or pre-2017 NOLs, are subject to expiration while U.S. federal and certain state NOLs generated in taxable years beginning after December 31, 2017, or post-2017 NOLs, are not subject to expiration. Additionally, for taxable years beginning after December 31, 2020, the deductibility of federal post-2017 NOLs is limited to 80% of our taxable income in such year, where taxable income is determined without regard to the NOL for such post-2017 NOLs. For these and other reasons, we currently do not expect to realize a tax benefit from the use of our NOLs.

To the extent we are not able to offset our future taxable income with our NOLs or other tax attributes, this could adversely affect our operating results and cash flows.

Changes in our effective tax rate or exposure to additional income tax liabilities could adversely affect our financial results.

Taxation and tax policy changes, tax rate changes, new tax laws, revised tax law interpretations, and changes in accounting standards and guidance related to tax matters may cause fluctuations in our effective tax rate. Our effective tax rate may also be impacted by changes in the geographic mix of our earnings.

Our international operations may give rise to potentially adverse tax consequences.

We continue to advance our international distributor model and are enhancing our resources to better support these dealer initiatives in international markets. Our corporate structure and associated transfer pricing policies anticipate future growth into the international markets. The amount of taxes we pay in different jurisdictions may depend on the application of the tax laws of the various jurisdictions, including the United States, to our international business activities, changes in tax rates, new or revised tax laws, interpretations of existing tax laws and policies, and our ability to operate our business in a manner consistent

with our corporate structure and intercompany arrangements. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions, which are generally required to be computed on an arm's-length basis pursuant to intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows, and lower overall profitability of our operations. Our financial statements could fail to reflect adequate reserves to cover such a contingency.

Changes in tax laws or regulations in the various tax jurisdictions we are subject to that are applied adversely to us or our customers could increase the costs of our products and harm our business.

New income, sales, use, value-added, or other tax laws, statutes, rules, regulations, or ordinances could be enacted at any time. Those enactments could harm our domestic and international business operations, and our business and financial performance. Further, existing tax laws, statutes, rules, regulations, or ordinances could be interpreted, changed, modified, or applied adversely to us. These events could require us or our customers to pay additional tax amounts on a prospective or retroactive basis, as well as require us or our customers to pay fines and/or penalties and interest for past amounts deemed to be due. If we raise our prices to offset the costs of these changes, existing and potential future customers may elect not to purchase our products in the future. Additionally, new, changed, modified, or newly interpreted or applied tax laws could increase our customers' and our compliance, operating, and other costs, as well as the costs of our products. Further, these events could decrease the capital we have available to operate our business. Any or all of these events could harm our business and financial performance. For example, various legislative and regulatory actions and proposals, such as in the United States, the Organization for Economic Co-operation and Development (the "OECD"), and the EU, have increasingly focused on future tax reform and contemplate changes to long-standing tax principles, which could adversely affect our liquidity and results of operations. The OECD has introduced a framework to implement a global minimum tax of 15% for companies with revenues of at least EUR 750,000,000 ("Pillar Two"). While it is uncertain whether the United States will enact legislation to adopt Pillar Two, certain countries in which we operate have enacted legislation, and other countries are in the process of introducing draft legislation to implement Pillar Two. Where enacted, many aspects of Pillar Two will be effective in 2025 with additional components becoming effective beginning in 2026. On June 28, 2025, however, the G7, seven countries which include the United States, released a joint Statement on Global Minimum Tax, announcing an understanding regarding a proposed "side-by-side" solution that would exempt U.S. multinational businesses from some of the Pillar 2 rules (including the 15% global minimum tax). On January 6, 2026, the OECD released a "side-by-side" package that generally establishes an exemption for U.S. multinationals from the 15% global minimum tax. However, implementation of the package depends on domestic legislation and regulation in OECD member countries and is subject to subsequent review. Any minimum tax may have a negative impact on our financial condition, results of operations and cash flows. While we do not currently have revenues above that threshold, with continued growth it may reach that level in future years. Accordingly, we will continue to monitor and evaluate the potential consequences of Pillar Two on our longer-term financial position.

As a multinational organization, we may be subject to taxation in certain jurisdictions around the world with increasingly complex tax laws, the application of which can be uncertain. The amount of taxes we pay in these jurisdictions could increase substantially as a result of changes in the applicable tax principles, including increased tax rates, new tax laws, or revised interpretations of existing tax laws and precedents, which could harm our liquidity and results of operations. In addition, the authorities in these jurisdictions could review our tax returns and impose additional tax, interest, and penalties, and the authorities could claim that various withholding requirements apply to us or our subsidiaries or assert that benefits of tax treaties are not available to us or our subsidiaries, any of which could harm us and our results of operations.

Our substantial indebtedness could materially adversely affect our financial condition, and our capital may not be available on acceptable terms or at all in the future.

As of December 31, 2025, we had cash and cash equivalents of \$19.6 million, \$112.5 million borrowing capacity under the Revolving Credit Facility, and up to \$30.0 million borrowing capacity under the Receivables Financing Agreement. As of December 31, 2025, we had no outstanding loan amounts under the Revolving Credit Facility and Receivables Financing Agreement. As of December 31, 2025, the total principal amount outstanding under our First Lien Term Loan Facility was \$403.3 million. Our substantial indebtedness could have important consequences to the holders of our common stock, including the following:

- making it more difficult for us to satisfy our obligations with respect to our other debt;
- limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions, or other general corporate requirements;

- requiring us to dedicate a substantial portion of our cash flows to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions, and other general corporate purposes;
- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our flexibility in planning for and reacting to changes in the industry in which we compete;
- placing us at a disadvantage compared to other, less leveraged competitors; and
- increasing our cost of borrowing.

The First Lien Term Loan Facility matures in June 2028, while the \$30.0 million and \$82.5 million tranches under the Revolving Credit Facility mature in June 2026 and December 2027, respectively. We may need to refinance all or a portion of our indebtedness on or before the maturity thereof. We may not be able to obtain such financing on commercially reasonable terms or at all. Failure to refinance our indebtedness could have a material adverse effect on us. Furthermore, market conditions impacting financial institutions could impact our ability to access some or all of our cash, cash equivalents, and marketable securities, and we may be unable to obtain alternative funding when and as needed on acceptable terms, if at all. Even if we do obtain alternative financing, any reduction in the ratings that rating agencies assign to our short- and long-term debt may negatively impact our access to the debt capital markets and increase our cost of borrowing, which could have a material adverse effect on our business, financial condition, and results of operations.

The terms of our First Lien Credit Agreement may restrict our current and future operations, including our ability to respond to changes or to take certain actions.

We previously entered into our first lien credit agreement, as borrower, with Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent, and other lenders party thereto as joint lead arrangers and joint bookrunners (the “First Lien Credit Agreement”). Our First Lien Credit Agreement, as amended, contains a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to engage in certain acts including, but not limited to, our ability to incur additional indebtedness or liens (with certain exceptions), make certain investments, engage in fundamental changes or transactions including changes of control, transfer or dispose of certain assets, make restricted payments (including dividends), engage in new lines of business, make certain prepayments, and engage in certain affiliate transactions. See Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities.” Our First Lien Credit Agreement also contains financial covenants that require us to maintain certain liquidity levels and prohibit us from exceeding certain leverage levels. As a result of these restrictions, we may be limited in how we conduct our business, unable to raise additional debt or equity financing to operate during general economic or business downturns, or unable to compete effectively or to take advantage of new business opportunities. We have obtained modifications of our financial covenants in the past and, depending on our future financial performance, may need to request further modifications in the future.

A breach of the covenants, including the financial covenants, or restrictions under our First Lien Credit Agreement could result in a default or an event of default. Such a default may allow the creditors to accelerate the related debt and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In addition, an event of default would permit the lenders to terminate all commitments to extend further credit under such facility. Furthermore, if we were unable to repay the amounts due and payable or negotiate other modifications to our debt agreements to secure the cure or waiver of such event of default, those lenders under each facility could proceed against the collateral granted to them to secure that indebtedness. In the event our lenders were to accelerate the repayment of our indebtedness, we and our subsidiaries may not have sufficient assets to repay that indebtedness. In exacerbated or prolonged circumstances, one or more of these events could result in our bankruptcy or liquidation.

Risks Related to Intellectual Property, Information Technology, and Data Privacy

Recent changes to patent laws in the United States and in foreign jurisdictions may limit our ability to obtain, defend, and/or enforce our patents.

The U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on actions by the U.S. Congress, the U.S. federal courts, and the United States Patent and Trademark Office, the laws and regulations governing patents could change in unpredictable ways that could weaken our ability to obtain new patents or to enforce patents that we have licensed or that we might obtain or license in

the future. Similarly, changes in patent laws or regulations in other countries or jurisdictions, changes in the governmental bodies that enact them or changes in how the relevant governmental authority enforces patent laws or regulations may weaken our ability to obtain new patents or to enforce patents that we have licensed or that we may obtain or license in the future.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition and our business may be adversely affected. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand name recognition, possibly leading to market confusion and potentially requiring us to pursue legal action, which could be time consuming and costly. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our unregistered trademarks or trade names, which could be time consuming and costly to litigate. If we are unable to successfully register our trademarks and trade names and establish brand name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. Our efforts to enforce or protect our proprietary rights related to trademarks, domain names, copyrights, or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely impact our financial condition or results of operations.

Our success depends in part on our ability to operate without infringing, misappropriating or otherwise violating the intellectual property and proprietary rights of others, and if we are unable to do so we may be liable for damages.

We cannot be certain that United States or foreign patents or patent applications of other companies do not exist or will not be issued that would prevent us from commercializing our products. Third parties may sue us for allegedly infringing, misappropriating or otherwise violating their patent or other intellectual property rights. Intellectual property litigation is time consuming and costly. If we do not prevail in litigation, depending on the litigant, in addition to any damages we might have to pay, we could be required to cease the infringing activity or obtain a license requiring us to make royalty payments or agree to other ongoing obligations. It is possible that a required license may not be available to us on commercially acceptable terms, if at all. In addition, a required license may be non-exclusive, and therefore our competitors may have access to the same intellectual property rights licensed to us. If we fail to obtain a required license or are unable to design around a third party's patent or other intellectual property rights, we may be unable to make use of some of the affected products, or their features, which could reduce our revenues and adversely affect our business.

The defense costs and settlements for patent infringement litigation are not covered by insurance. Patent infringement litigation is costly and can take years to resolve. If we are not successful in our defenses or are not successful in obtaining dismissals of any such litigation and/or subsequent appeals, legal fees or settlement costs could have a material adverse effect on our results of operations and financial condition.

We rely significantly on information technology, and any failure, inadequacy, or interruption of that technology could materially harm our ability to effectively operate our business and financial condition.

Our business relies on computer systems, hardware, software, technology infrastructure, and online sites and networks for both internal and external operations that are critical to our business (collectively, "IT Systems"). We own and manage some of these IT Systems but also rely on third parties for a range of IT Systems and related products and services, including but not limited to cloud computing services. Our ability to effectively manage and maintain our inventory and internal reports, and to ship products to customers and invoice them on a timely basis, depends significantly on our enterprise resource planning, warehouse management, and other IT Systems, including those operated or managed by certain of our third-party partners. We also heavily rely on IT Systems to process financial and accounting information for financial reporting purposes. Any of these IT Systems could fail or experience a service interruption for a number of reasons, including human or technological error, malicious code embedded in open-source software, misconfigurations, "bugs," other vulnerabilities in commercial software that are integrated into our (or our suppliers' or service providers') IT Systems, products, or services, or disasters or our failure to properly maintain IT System redundancy or protect, repair, maintain, or upgrade our IT Systems. The failure of our or our third-party partners' IT Systems to operate effectively or to integrate with other systems, or a breach in security of these IT Systems, could cause delays in product fulfillment and reduced efficiency of our operations, which could materially negatively impact our business, reputation, results of operations, and financial results. If we or our third-party partners experienced any significant disruption to our IT Systems that we are unable to mitigate, our ability to timely report our financial results could be impacted, which could negatively impact our stock price. We also communicate electronically throughout the world with our employees and with third parties, such as customers, suppliers, vendors, and consumers. A service interruption or shutdown could have a materially adverse impact on our operating activities and could result in material financial, reputational, competitive, and

business harm. Incident response, remediation and repair of any failure, problem or breach of our key IT Systems, or future compliance costs could require significant capital investments, which could materially adversely affect our business.

If we or our third-party providers fail to protect confidential information and/or experience data security incidents, there may be damage to our brand and reputation, material financial penalties, and legal liability, which could materially adversely affect our business, results of operations, and financial condition.

We and certain of our third-party providers collect, maintain and process data about customers, employees, business partners, and others, including personal information, as well as proprietary information belonging to our business such as trade secrets (collectively, “Confidential Information”). Threats to the confidentiality, integrity, and availability of our IT Systems and Confidential Information are increasingly diverse and sophisticated, including from a range of cybersecurity risks and threats, such as viruses and worms, malware and ransomware attacks, social engineering/phishing attacks, denial-of-service attacks, physical or electronic break-ins, email scams in an attempt to acquire data or company assets, third-party or employee theft or misuse, and similar disruptions from unauthorized tampering with our servers and computer systems or those of third parties that we use in our operations. Cyberattacks are expected to accelerate on a global basis in frequency and magnitude as threat actors are becoming increasingly sophisticated in using techniques and tools—including artificial intelligence—that circumvent security controls, evade detection, and remove forensic evidence. A cyberattack or other incident could lead to interruptions, delays, loss of critical data, unauthorized access to Confidential Information, payment fraud, and loss of customer confidence, which could have a material adverse effect on our reputation, business, financial condition, results or operations, growth, and future prospects.

Despite our efforts to implement security barriers to such threats, we may be unable to detect, investigate, remediate, or recover from future attacks or incidents, or to avoid a material adverse impact to our IT Systems or business. In the normal course of business, our IT Systems are and have experienced targeted and non-targeted cyberattacks and incidents that have resulted in unauthorized persons gaining access to our IT Systems, and we could in the future experience similar attacks. To date, we have not identified material cybersecurity incidents or incurred any material expenses with any incidents. However, there can also be no assurance that our cybersecurity risk management program or processes, policies, controls, and/or procedures will be fully implemented, complied with, or effective in protecting our IT Systems and Confidential Information. Further, because we make extensive use of third-party suppliers and service providers, such as cloud services that support our internal and customer-facing operations, successful cyberattacks that disrupt or result in unauthorized access to third party IT Systems can materially impact our operations and financial results. As a result of the COVID-19 pandemic, remote and hybrid work and remote access to our company’s (and many third-party providers’) IT Systems has increased significantly, which has also increased our cybersecurity attack surface due to the challenges associated with managing remote computing assets and security vulnerabilities that are present in many non-corporate and home networks. Accordingly, we could experience an increase in cyberattack volume, frequency, and sophistication driven by the global enablement of remote workforces. Moreover, certain aspects of our business, particularly our website, heavily depend on customers entrusting Confidential Information to be transmitted securely over public networks. As we continue to conduct sales through our e-commerce platform, we inherently remain exposed to cybersecurity risks. Additionally, any integration of artificial intelligence in our or any service providers’ operations, products or services is expected to pose new or unknown cybersecurity risks and challenges.

We and certain of our third-party providers regularly experience cyberattacks and other incidents, and we expect such attacks and incidents to continue in varying degrees. While to date no incidents have had a material impact on our operations or financial results, we cannot guarantee that material incidents will not occur in the future. Any adverse impact to the availability, integrity, or confidentiality of our Confidential Information or IT Systems, or due to the challenges associated with managing remote computing assets and security vulnerabilities that are present in many non-corporate and home networks those of third parties we use, could adversely affect our business, financial condition, and results of operations, be expensive to remedy, and damage our reputation. In addition, any such cybersecurity incident or attack, or breach of our cybersecurity measures, may result in violation of privacy, security, and data protection laws and regulations, negative publicity, legal claims or proceedings (such as class actions), regulatory action, fines, and penalties, significant incident response, system restoration, or remediation and future compliance costs and adversely affect our brand, impacting demand for our products and services, and could have a material adverse effect on our business, financial condition, and results of operations. The costs of mitigating cybersecurity risks are significant and are likely to increase in the future. These costs include, but are not limited to, retaining the services of cybersecurity providers; compliance costs arising out of existing and future cybersecurity, data protection, and privacy laws and regulations; and costs related to maintaining redundant networks, data backups, and other damage-mitigation measures.

Finally, we may be subject to specific data security frameworks and/or laws that require us to maintain a certain level of security. For example, the Federal Trade Commission expects a company’s data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Additionally, as we accept debit and credit cards for

payment, we are subject to the Payment Card Industry Data Security Standard (“PCI-DSS”), issued by the Payment Card Industry Security Standards Council. PCI-DSS contains compliance guidelines with regard to our security surrounding the physical and electronic storage, processing, and transmission of cardholder data. If we or our service providers are unable to comply with the security standards established by banks and the payment card industry, we may be subject to fines, restrictions, and expulsion from card acceptance programs, which could materially and adversely affect our business.

While our insurance policies include liability coverage for certain of these cybersecurity or security-related matters, our insurance is subject to certain exclusions and exceptions, as well as retention amounts that could be substantial. Therefore, we cannot guarantee that any costs and liabilities incurred in relation to an attack or incident will be covered by our existing insurance policies. If we experience a significant security incident, we could be subject to liability or other damages that exceed our insurance coverage and we cannot be certain that such insurance policies will continue to be available to us on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of sublimits, large deductible, or co-insurance requirements, could have a material adverse effect on our results of operations, financial condition, and cash flows.

We collect, process, store, and use data, including personal information, confidential information, or company data, which subjects us to governmental regulation and other legal obligations related to privacy and security, and our compliance with ever-evolving federal, state, and foreign laws relating to the handling of such data involves significant expenditure and resources, and any actual or perceived failure by us to comply with such obligations may result in significant liability, negative publicity, and/or an erosion of trust, which could materially adversely affect our business, results of operations, and financial conditions.

We regularly collect, obtain, store, handle, transmit, use, and otherwise process business information and information related to individuals, including from and about actual and prospective customers, as well as our employees, suppliers, and vendors in the course of conducting our business through our website, our app, and information technology systems. We also depend on a number of third party vendors in relation to the operation of our business, a number of which process personal information on our behalf. As such, we and our vendors are subject to numerous federal, state, and international data privacy and security laws, rules, regulations, industry standards, and other requirements, including those that apply generally to the handling of information about individuals, and those that are specific to certain industries, sectors, contexts, or locations, governing the collection, use, disclosure, retention, security, transfer, storage, and other processing of personal information. These requirements, and their application, interpretation and amendment are constantly evolving and developing.

In the United States, the FTC and many state regulators are interpreting and enforcing federal and state consumer protection laws to impose standards for the online collection, use, dissemination, and security of personal information. Such standards require us to publish statements that describe how we handle personal information and choices individuals may have about the way we handle their personal information. If such information that we publish is considered untrue or inaccurate, we may be subject to government claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences. Moreover, according to the FTC, violating consumers’ privacy rights or failing to take appropriate steps to keep consumers’ personal information secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act. State consumer protection laws provide similar causes of action for unfair or deceptive practices.

In addition, various federal and state legislative and regulatory bodies, or self-regulatory organizations, have (and may continue to) expanded current laws or regulations, enacted new laws or regulations, or issued revised rules or guidance regarding privacy, data protection, consumer protection, and advertising, and as the regulatory environment related to information security, data collection and use, and privacy becomes increasingly rigorous, there are new and changing requirements applicable to our business. For example, the California Consumer Privacy Act (“CCPA”) requires covered companies, among other things, to provide disclosures to California consumers regarding the business’s collection, use and disclosure of their personal information and provide such consumers certain data protection and privacy rights, including the ability to opt-out of certain disclosure of personal information. The CCPA also provides for civil penalties for violations, as well as a private right of action for certain data breaches. This private right of action may increase the likelihood of, and risks associated with, data breach litigation.

The enactment of the CCPA has prompted a wave of legislation in a number of U.S. states which imposes, or has the potential to impose, additional obligations on companies that collect, store, use, retain, disclose, transfer, and otherwise process confidential, sensitive, and personal information, and will continue to shape the data privacy environment nationally. For example, since the CCPA went into effect, comprehensive privacy statutes that share similarities with the CCPA are now in effect and enforceable in twenty states, and will soon be enforceable in several other states as well. State laws are changing

rapidly and there is discussion in Congress of a new federal data protection and privacy law to which we may become subject if it is enacted. Such legislation may add additional complexity, variation in requirements, restrictions, and potential legal risk and could require additional investment in resources to compliance programs, impact strategies and availability of previously useful data, and result in increased compliance costs and changes in business practices and policies. Further, in order to comply with the varying state laws around data breaches, we must maintain adequate security measures, which require significant investments in resources and ongoing attention.

We may also be subject to laws, regulations, and standards in many jurisdictions outside of the United States, which apply broadly to the collection, use, retention, security, disclosure, transfer, and other processing of personal information. For example, data protection laws in the European Economic Area, and United Kingdom, including the General Data Protection Regulation (“GDPR”), impose stringent operational requirements for entities processing personal information and significant penalties for non-compliance. In particular, violations of the GDPR could lead to fines of up to 20 million Euros / £17.5 million, or up to 4% of the annual global revenue of the noncompliant company, whichever is greater. Such penalties are in addition to any civil litigation claims by data subjects and other regulatory actions that may be taken by competent authorities.

In addition, we may also be subject to evolving foreign privacy laws on cookies and e-marketing. In the EU and the UK, informed consent is required for the placement of certain cookies or similar technologies on a customer’s or user’s device and for direct electronic marketing, and local laws impose conditions on obtaining valid consent, such as a prohibition on pre-checked consents and a requirement to ensure separate consents are sought for each type of cookie or similar technology. Regulation of cookies and similar technologies, and any decline of cookies or similar online tracking technologies as a means to identify and potentially target customers and users, may lead to broader restrictions and impairments on our marketing and personalization activities and may materially adversely impact our efforts to understand our customers and users and our business, results of operations, and financial condition.

In addition to the GDPR, we are also subject to laws in China. Under China’s Cybersecurity Law, any collection, use, transfer, and storage of personal information of a Chinese citizen through a network by the network operator should be based on the three principles of legitimacy, justification, and necessity and requires the consent of the data subject. The rules, purposes, methods, and ranges of such collection should also be disclosed to the data subject. China’s data localization requirements are becoming increasingly common in sector-specific regulations. For example, China’s Cybersecurity Law requires operators of critical information infrastructure (“CIIOs”) to store personal information and important data collected and generated from the critical information infrastructure within China. Non-compliance with China’s Cybersecurity Law as recently amended effective as of January 1, 2026, can result in fines of up to RMB 10 million (approximately US\$1.43 million) for violations that cause particularly serious consequences and RMB 1 million (approximately US\$143,000) for the violator’s directly responsible personnel and potentially five times the illegal gains where the illegal gains exceed RMB 100,000 (approximately US\$14,300).

Building on this, China’s Data Security Law (“Data Security Law”) aims to regulate data activities, safeguard data security, promote data development and usage, protect individuals and entities’ legitimate rights and interests, and safeguard state sovereignty, state security, and development interests. The Data Security Law applies extraterritorially and to a broad range of activities that involve “data” (not only personal or sensitive data). Under the Data Security Law, entities and individuals carrying out data activities must abide by various data security obligations. For example, the Data Security Law proposes to classify and protect data based on the importance of data to the state’s economic development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, or illegally acquired or used. The appropriate level of protective measures is required to be taken for each respective class of data. The Data Security Law also echoes the data localization requirement in the Cybersecurity Law and requires important data to be stored locally in China. Such important data may only be transferred outside of China subject to compliance with certain data transfer restrictions, such as passing a security assessment organized by the relevant authorities.

Additionally, China’s Personal Information Protection Law (“PIPL”) clarifies the scope of application, the definitions of personal information and sensitive personal information, the legality of personal information processing, and the basic requirements of notice and consent, among other things. The PIPL also sets out data localization requirements for CIIOs and personal information processors who process personal information above a certain threshold prescribed by the relevant authorities. The PIPL also requires data processors to rely on a data export mechanism and comply with certain requirements prior to the transfer of personal information outside of China, such as compliance with a security assessment (“Security Assessment”) or certification by an agency designated by the relevant authorities (“Certification”) or entering into standard form model contracts approved by the relevant authorities (“SCCs”) with the overseas recipient, unless an exemption under the Provisions for Promoting and Regulating Cross-Border Data Flows (“Provisions”) applies, such as the transfer being necessary for the performance of a contract which the individual is a party to or necessary for cross-border HR management or the number of individuals’ whose personal information is transferred is less than 100,000 since January 1st of the current year.

According to the Provisions published by the CAC on March 22, 2024, a data processor must apply for the Security Assessment organized by the CAC under any of the following circumstances and receive an approval from the relevant authorities before the information may be transferred outside of the PRC: (i) where a data processor or a CIO provides important data overseas, (ii) where a CIO transfers personal information overseas (unless an exemption applies), or (iii) where a personal information processor either transfers more than 1 million individuals' personal information or more than 10,000 individuals' sensitive personal information overseas since January 1st of the current year, in each case unless an exemption applies. Additionally, a data processor must enter into the SCCs with the overseas recipient and file this with the local CAC and obtain a pass result or obtain a Certification before transferring information overseas if the data processor either transfers more than 100,000 but less than 1 million individuals' personal information or transfers less than 10,000 individuals' sensitive personal information since January 1st of the current year, unless an exemption applies.

Notably, the PIPL, similar to the GDPR, applies extraterritorially. Failure to comply with PIPL can result in fines of up to RMB 50 million or 5% of the prior year's total annual revenue for the personal information processor and/or a suspension of services or data processing activities. Other potential penalties include a fine of up to RMB 1 million on the person in charge or directly responsible personnel and, in serious cases, individuals and entities may be exposed to criminal liabilities under other local Chinese law, such as the Criminal Law of the People's Republic of China. The PIPL also prohibits responsible personnel for violations of the PIPL from holding high level management or data protection officer positions in relevant enterprises.

In addition to China's Cybersecurity Law, the Data Security Law, and the PIPL, the relevant government authorities of the People Republic of China promulgated several regulations or released a number of draft regulations for public comments which are designed to provide further implemental guidance in accordance with the laws mentioned above. For example, recently, the Regulations on Network Data Security Management ("Regulations") took effect on January 1, 2025 in China and have extraterritorial effect. The Regulations apply broadly to any network data processing activities (not only personal information processing activities) and reiterate and expand on the existing obligations on data processors under the Cybersecurity Law, Data Security Law, and the PIPL and introduce new network and data security obligations, such as a requirement to report any risks arising from network products and services that may endanger national security or public interest to the relevant authorities within 24 hours.

We cannot predict what impact the new laws and regulations or the increased costs of compliance, if any, will have on our operations in China, in particular the Data Security Law or PIPL and its implementation regulations, or the increased costs of compliance, if any, will have on our operations in China due to their recent enactment and the limited guidance available, particularly on PIPL, which entities are awaiting further guidance on. It is also generally unclear how the laws will be interpreted and enforced in practice by the relevant government authorities as often the above mentioned laws are drafted broadly and thus leaves great discretion to the relevant government authorities to exercise.

Finally, we make public statements about our use and disclosure of personal information through our privacy policy, information provided on our website, and press statements. Any failure or perceived failure by us to ensure that our public statements are complete, accurate, and fully implemented may result in regulatory investigations and enforcement, claims or proceedings, fines and penalties, and negative reputational impacts or other legal action if such policies or statements are found to be deceptive, unfair, or misrepresentative of our actual practices. In addition, from time to time, concerns may be expressed about whether our products and services compromise the data privacy of our users and others. Any concerns about our data privacy and security practices (even if unfounded), or any failure, real or perceived, by us to comply with our posted privacy policies or public statements or with any legal or regulatory requirements, standards, certifications or orders, or other privacy or consumer protection-related laws and regulations applicable to us, may result in regulatory investigations and enforcement, claims or proceedings, fines and penalties, and negative reputational impacts and could cause our users to reduce their use of our products and services. Any or all of the foregoing could materially adversely affect our business, results of operations, and financial condition.

We may be subject to claims that we have violated applicable laws or codes of conduct, and there is no assurance that we will be able to successfully defend against such claims or that we will not be subject to significant fines and penalties in the event of non-compliance. Additionally, in the United States, to the extent multiple state-level laws are introduced with inconsistent or conflicting standards and there is no federal law to preempt such laws, compliance with such laws could be difficult and costly to achieve and we could be subject to fines and penalties in the event of non-compliance. Further, we may incur significant costs to comply with laws regarding the protection and unauthorized disclosure of personal information. Any failure or perceived failure by us to comply with applicable privacy, security, and data protection laws, rules, regulations, and standards, or with other obligations to which we may be or may become subject, may result in proceedings, investigations, or actions against us by individuals, consumer rights groups governmental entities or regulators. We could incur significant costs in investigating and defending such claims and, if found liable, pay significant damages, fines, penalties, or other liabilities or result in orders or consent decrees forcing us to modify our business practices. Any such action and any subsequent adverse

outcomes could be expensive to defend, damage our reputation, and materially adversely affect our business, results of operations, and financial condition.

We rely on operating system providers and app stores to support some of our products and services, including our app, and any disruption, deterioration, or change in their services, policies, practices, guidelines, and/or terms of service could have a material adverse effect on our reputation, business, financial condition, and results of operations.

The success of some of our products and services depend upon the effective operation of certain mobile operating systems, networks, and standards that are run by operating system providers and app stores (“Providers”). We do not control these Providers and as a result, we are subject to risks and uncertainties related to the actions taken, or not taken, by these Providers. We largely utilize Android-based and iOS-based technology for our Traeger app.

The Providers that control these operating systems frequently introduce new technology, and from time to time, they may introduce new operating systems or modify existing ones. Further, we are also subject to the policies, practices, guidelines, certifications, and terms of service of Providers’ platforms on which we publish our Traeger app and content. These policies, guidelines, and terms of service govern the promotion, distribution, content, and operation generally of applications and content available through such Providers. Each Provider has broad discretion to change and interpret its terms of service, guidelines, and policies, and those changes may have an adverse effect on our or our customers’ or users’ ability to use our products and services. A Provider may also change its fee structure, add fees associated with access to and use of its platform or app store, limit the use of personal information and other data for advertising purposes, or restrict how users can share information on their platform or across other platforms. If we or our customers or users were to violate a Provider’s terms of service, guidelines, certifications, or policies, or if a Provider believes that we or our customers or users have violated its terms of service, guidelines, certifications, or policies, then that Provider could limit or discontinue our or our customers’ or users’ access to its platform or app store. In some cases, these requirements may not be clear and our interpretation of the requirements may not align with the interpretation of the Provider, which could lead to inconsistent enforcement of these terms of service or policies against us or our customers or users and could also result in the Provider limiting or discontinuing access to its platform or app store. If our products and services were unable to work effectively on or with these operating systems, either because of technological or operational constraints or because the Provider impairs our ability to operate on their platform, this could have a material adverse effect on our business, financial condition, and results of operations.

If any Providers, including either Google (for Android) or Apple (for iOS) stop providing us with access to their platform or infrastructure, fail to provide reliable access, cease operations, modify or introduce new systems, or otherwise terminate services, the delay caused by qualifying and switching to other operating systems could be time consuming and costly and could materially and adversely affect our business, financial condition, and results of operations. Any limitation on or discontinuation of our or our customers’ or users’ access to any Provider’s platform or app store could materially and adversely affect our business, financial condition, or results of operations, or otherwise require us to change the way we conduct our business.

The challenges associated with effectively managing the integration and use of AI solutions in our operations could result in reputational harm, competitive harm, and legal liability, and adversely affect our business and results of operations.

We have incorporated artificial intelligence (“AI”) solutions into our administrative and customer support operations and may incorporate other AI solutions into our products, services, and features in the future, and these AI applications may become more important in our operations over time. Our competitors or other third parties may incorporate AI into their products more quickly or more successfully than us, which could impair our ability to compete effectively against our competitors and adversely affect our business and results of operations. Any integration of AI by us or in third parties’ operations, products, or services is expected to pose new or unknown intellectual property and cybersecurity risks and challenges. Additionally, if the content, analyses, or recommendations that AI applications assist in producing are deficient, inaccurate, or biased, our business and results of operations may be adversely affected. The use or integration of AI applications may result in cybersecurity incidents that implicate the personal information of end users of such applications. Any such cybersecurity incidents related to our or our service providers’ use or integration of AI applications could adversely affect our reputation, business, and results of operations. AI also presents emerging ethical issues and if our use of AI becomes controversial, we may experience brand or reputational harm, competitive harm, or legal liability. The rapid evolution of AI, including government regulation of AI, will require significant resources to develop, test, and maintain our platform, offerings, services, and features to help us implement AI in an ethical and compliant manner in order to minimize unintended, harmful impact and potential legal liability. Many federal, state and foreign government bodies and agencies have enacted, introduced or are currently considering additional laws and regulations for AI. Additionally, existing laws and regulations may be interpreted in ways that would affect the operation or use of AI. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet determine the full impact that future laws, regulations, standards, or market perception of their

requirements may have on our use of AI or our business and may not always be able to anticipate how to respond to these laws or regulations. The cost to comply with such laws, regulations, decisions and/or guidance interpreting existing laws, or to adjust our business plans based on changes to how such laws are enforced, could be significant and would increase our operations expenses or impact our ability to use or procedure AI. Such an increase in operating expenses, as well as any actual or perceived failure to comply with such laws and regulations could adversely affect our business, financial conditions and results of operation.

Risks Related to Our Common Stock

Our stock price may be volatile or may decline regardless of our operating performance, resulting in substantial losses for investors.

The market price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our results of operations;
- the financial projections we may provide to the public, any changes in these projections, or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of us, changes in financial estimates or ratings by any securities analysts who follow us, or our failure to meet these estimates or the expectations of investors;
- announcements by us or our competitors of significant technical innovations, acquisitions, strategic partnerships, joint ventures, results of operations, or capital commitments;
- changes in operating performance and stock market valuations of other retail companies generally, or those in our industry in particular;
- price and volume fluctuations in the overall stock market, including as a result of economic trends;
- changes in our Board of Directors (the “Board”) or management;
- sales of large blocks of our common stock, including sales by our principal stockholders, executive officers, or directors;
- lawsuits threatened or filed against us;
- changes in laws or regulations applicable to our business;
- changes in our capital structure, such as future issuances of debt or equity securities;
- short sales, hedging, and other derivative transactions involving our capital stock;
- general economic conditions in the United States;
- other events or factors, including those resulting from war, incidents of terrorism, pandemics, or other public health emergencies, or responses to these events; and
- the other factors described in this Part I, Item 1A. “Risk Factors.”

Our failure to remain in compliance with NYSE continued listing standards could result in the delisting of our common stock, which would have an adverse impact on the trading, liquidity and market price of our common stock.

On November 19, 2025, we received notice from the NYSE that the average per share closing price of our common stock over the 30 consecutive trading-day period ended November 18, 2025 was below \$1.00, which is one of the NYSE’s continued listing standards. The Company received notice from NYSE on February 3, 2026 that it had regained compliance with the minimum price criteria as of January 30, 2026, though we cannot guarantee that we will remain in compliance with the NYSE’s continued listing standards, given our recent decline in the stock price. On March 2, 2026, the stockholders approved a reverse stock split, subject to Board approval. Any suspension and delisting procedures taken by the NYSE, any future failure to remain in compliance with the NYSE’s continued listing standards, and any subsequent failure to timely resume compliance with the NYSE’s continued listing standards within the applicable cure period, if any, could have adverse consequences, including, among others, reducing the number of investors willing to hold or acquire our common stock, reducing the liquidity and market price of our common stock, adverse publicity, and a reduced interest in us from investors, analysts and other market participants. In addition, a suspension or delisting could impair our ability to raise additional capital through the public markets, result in negative publicity, adversely affect the market liquidity of our securities, decrease securities analysts’ coverage of us,

diminish investor, supplier and employee confidence and impair our ability to attract and retain employees by means of equity compensation.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of us more difficult, limit attempts by our stockholders to replace or remove our current management, and limit the market price of our common stock.

Provisions in our certificate of incorporation and bylaws may have the effect of delaying or preventing a change of control or changes in our management, including the following:

- amendments to certain provisions of our certificate of incorporation or amendments to our bylaws will generally require the approval of at least two-thirds of the voting power of our outstanding capital stock;
- our staggered Board;
- at any time when the parties to our Stockholders Agreement, dated as of July 28, 2021 and as amended on April 30, 2024 (the “Stockholders Agreement”), with AEA Investors (the “AEA Fund”), Ontario Teachers’ Pension Plan Board (“OTPP”), and Trilantic Capital Partners (“TCP”), beneficially own, in the aggregate, at least a majority of the voting power of our outstanding capital stock, our stockholders may take action by consent without a meeting, and at any time when the parties to our Stockholders Agreement beneficially own, in the aggregate, less than the majority of the voting power of our outstanding capital stock, our stockholders may not take action by written consent, but may only take action at a meeting of stockholders;
- our certificate of incorporation does not provide for cumulative voting;
- vacancies on our Board are able to be filled only by our Board and not by stockholders, subject to the rights granted pursuant to the Stockholders Agreement and the Management Stockholders Agreement, dated as of July 28, 2021 (the “Management Stockholders Agreement, and together with the Stockholders Agreement, the “Stockholders Agreements”), between the Company and Jeremy Andrus;
- a special meeting of our stockholders may only be called by the chairperson of our Board, our Chief Executive Officer, or a majority of our Board;
- our certificate of incorporation restricts the forum for certain litigation against us to Delaware or the federal courts, as applicable, unless we otherwise consent in writing;
- our Board has the authority to issue shares of undesignated preferred stock, the terms of which may be established and shares of which may be issued without further action by our stockholders; and
- advance notice procedures apply for stockholders (other than the parties to our Stockholders Agreements for nominations made pursuant to the terms of the Stockholders Agreements) to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders.

In addition, we have opted out of Section 203 of the Delaware General Corporation Law (“DGCL”), but our certificate of incorporation provides that engaging in any of a broad range of business combinations with any “interested stockholder” (generally defined as any person who, together with that person’s affiliates and associates, owns 15% or more of our outstanding voting stock) for a period of three years following the date on which the stockholder became an “interested stockholder” is prohibited, provided, however, that under our certificate of incorporation, the parties to our Stockholders Agreement and their respective affiliates are not to be deemed “interested stockholders” regardless of the percentage of our outstanding voting stock owned by them, and accordingly they are not subject to such restrictions.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board, which is responsible for appointing the members of our management. As a result, these provisions may adversely affect the market price and market for our common stock if they are viewed as limiting the liquidity of our stock or as discouraging takeover attempts in the future.

A limited number of stockholders hold a substantial portion of our outstanding common stock, and their interests may conflict with our interests and the interests of other stockholders.

As of March 3, 2026, funds or entities affiliated with AEA Fund, OTPP, and TCP owned approximately 60% of the voting power of our common stock. In addition, pursuant to the Stockholders Agreement between us and these investors, we agreed to nominate to our Board individuals designated by each of the AEA Fund, OTPP, and TCP, and each such investor has the right to designate directors for so long as they each beneficially own at least 5% of the aggregate number of shares of

common stock outstanding immediately following our IPO. In addition, for so long as the AEA Fund, OTPP, and TCP collectively beneficially own at least 30% of the aggregate number of shares of common stock outstanding immediately following the IPO, certain actions by us or any of our subsidiaries will require the prior written consent of each of the AEA Fund, OTPP, and TCP so long as such stockholder is entitled to designate at least two directors for nomination to our Board. The actions that will require prior written consent, subject to the terms set forth in the Stockholders Agreement, include: (i) change in control transactions, (ii) acquiring or disposing of assets or any business enterprise or division thereof for consideration in excess of \$250.0 million in any single transaction or series of transactions, (iii) increasing or decreasing the size of our Board, (iv) terminating the employment of our chief executive officer or hiring a new chief executive officer, (v) initiating any liquidation, dissolution, bankruptcy, or other insolvency proceeding involving us or any of our significant subsidiaries, and (vi) any transfer, issue, issuance, sale, or disposition of any shares of common stock, other equity securities, equity-linked securities, or securities that are convertible into equity securities of us or our subsidiaries to any person or entity that is a non-strategic financial investor in a private placement transaction or series of transactions.

Even when the parties to our Stockholders Agreement cease to own shares of our stock representing a majority of the total voting power, for so long as such parties continue to own a significant percentage of our stock, they will still be able to significantly influence or effectively control the composition of our Board and the approval of actions requiring stockholder approval through their voting power. Accordingly, for such period of time, the parties to our Stockholders Agreement will have significant influence with respect to our management, business plans, and policies. For instance, for so long as the AEA Fund, OTPP, and TCP continue to own a significant percentage of our common stock, they may be able to cause or prevent a change of control of the Company or a change in the composition of our Board and could preclude any unsolicited acquisition of the Company. The concentration of ownership could deprive us of what we perceive as an attractive business combination opportunity or an opportunity for investors to receive a premium for their shares of common stock as part of a sale of the Company, which ultimately may affect the market price of our common stock.

Further, our certificate of incorporation provides that the doctrine of “corporate opportunity” does not apply with respect to certain parties to our Stockholders Agreement or their affiliates (other than us and our subsidiaries), any of their respective principals, members, directors, partners, stockholders, officers, employees, or other representatives (other than any such person who is also our employee or an employee of our subsidiaries), or any director or stockholder who is not employed by us or our subsidiaries.

Future sales of shares by existing stockholders, including our principal stockholders, officers, or directors, could cause our stock price to decline.

If our existing stockholders sell, or indicate an intention to sell, substantial amounts of our common stock in the public market, the trading price of our common stock could decline. As of the date of this Annual Report on Form 10-K, our officers, directors, and principal stockholders (greater than 5% stockholders) collectively owned the significant majority of our issued and outstanding common stock. Subsequent sales of our shares by these stockholders could have the effect of lowering our stock price. The perceived risk associated with the possible sale of a large number of shares by these stockholders, or the adoption of significant short positions by hedge funds or other significant investors, could cause some of our stockholders to sell their stock, thus causing the price of our stock to decline.

In addition, actual or anticipated downward pressure on our stock price due to actual or anticipated sales of stock by our directors or officers could cause other institutions or individuals to engage in short sales of our common stock, which may further cause the price of our stock to decline. For example, as a public entity, we may be the subject of concerted efforts by short sellers to spread negative information in order to gain a market advantage. In addition, the publication of misinformation may also result in lawsuits, the uncertainty and expense of which could adversely impact our business, financial condition, and reputation. There are no assurances that we will not face short sellers’ efforts or similar tactics in the future, and the market price of our common stock may decline as a result of their actions.

From time to time our directors and executive officers may sell shares of our common stock on the open market. These sales will be publicly disclosed in filings made with the SEC. In the future, our directors and executive officers may sell a significant number of shares for a variety of reasons unrelated to the performance of our business. Our stockholders may perceive these sales as a reflection on management’s view of the business and result in some stockholders selling their shares of our common stock. These sales could cause the price of our stock to drop.

Our certificate of incorporation provides that the doctrine of “corporate opportunity” does not apply with respect to certain parties to our Stockholders Agreements and any director or stockholder who is not employed by us or our subsidiaries.

The doctrine of corporate opportunity generally provides that a corporate fiduciary may not develop an opportunity using corporate resources, acquire an interest adverse to that of the corporation or acquire property that is reasonably incident to the present or prospective business of the corporation or in which the corporation has a present or expectancy interest, unless that opportunity is first presented to the corporation and the corporation chooses not to pursue that opportunity. The doctrine of corporate opportunity is intended to preclude officers or directors or other fiduciaries from personally benefiting from opportunities that belong to the corporation. Pursuant to our certificate of incorporation we renounced, to the fullest extent permitted by law and in accordance with Section 122(17) of the Delaware General Corporation Law, all interest and expectancy that we otherwise would be entitled to have in, and all rights to be offered an opportunity to participate in, any opportunity that may be presented to the AEA Fund, OTHP, and TCP or their affiliates (other than us and our subsidiaries), and any of their respective principals, members, directors, partners, stockholders, officers, employees, or other representatives (other than any such person who is also our employee or an employee of our subsidiaries), or any director or stockholder who is not employed by the AEA Fund, OTHP, and TCP or their affiliates, and any director or stockholder who is not employed by us or our subsidiaries, therefore, have no duty to communicate or present corporate opportunities to us and have the right to either hold any corporate opportunity for their (and their affiliates') own account and benefit or to recommend, assign, or otherwise transfer such corporate opportunity to persons other than us, including to any director or stockholder who is not employed by us or our subsidiaries. As a result, certain of our stockholders, directors, and their respective affiliates are not prohibited from operating or investing in competing businesses. We therefore may find ourselves in competition with certain of our stockholders, directors or their respective affiliates, and we may not have knowledge of, or be able to pursue, transactions that could potentially be beneficial to us. Accordingly, we may lose a corporate opportunity or suffer competitive harm, which could negatively impact our business, operating results and financial condition.

The provision of our certificate of incorporation requiring exclusive forum in certain courts in the State of Delaware or the federal district courts of the United States for certain types of lawsuits may have the effect of discouraging lawsuits against our directors and officers.

Our certificate of incorporation provides that, unless we otherwise consent in writing, (A) (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, other employee, or stockholder of ours to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our certificate of incorporation, or our bylaws (as either may be amended or restated) or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware, or (iv) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware shall, to the fullest extent permitted by law, be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware; and (B) the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act; however, there is uncertainty as to whether a court would enforce such provision, and investors cannot waive compliance with federal securities laws and the rules and regulations thereunder. Notwithstanding the foregoing, the exclusive forum provision does not apply to claims seeking to enforce any liability or duty created by the Exchange Act or any other claim for which the federal courts of the United States have exclusive jurisdiction. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers, and other employees, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder. Alternatively, if a court were to find the choice of forum provision contained in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations, and financial condition. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our certificate of incorporation.

We are obligated to develop and maintain proper and effective internal control over financial reporting, and if we fail to develop and maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable laws and regulations could be impaired.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the listing requirements of the New York Stock Exchange, and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time consuming, or costly, and increase demand on our systems and resources, particularly after we are no longer an emerging growth company, as defined in the JOBS Act. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and results of operations. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. It may require

significant resources and management oversight to maintain and, if necessary, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business and results of operations. Although we have already hired additional employees to comply with these requirements, we may need to hire more employees in the future or engage outside consultants, which would increase our costs and expenses.

As a public company, we are also required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting with this Annual Report on Form 10-K. Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations. Ineffective internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock.

This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting, as well as a statement that our independent registered public accounting firm has issued an opinion on the effectiveness of our internal control over financial reporting, provided that our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting until our first annual report required to be filed with the SEC following the later of the date we are deemed to be an "accelerated filer" or a "large accelerated filer," each as defined in the Exchange Act, or the date we are no longer an emerging growth company, as defined in the JOBS Act. An independent assessment of the effectiveness of our internal controls could detect problems that our management's assessment might not. Undetected material weaknesses in our internal controls could lead to financial statement restatements and require us to incur the expense of remediation. We may need to undertake various actions to ensure compliance with applicable rules and regulations, such as implementing new or additional internal controls and procedures and hiring accounting or internal audit staff.

If we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control, we could lose investor confidence in the accuracy and completeness of our financial reports, which could cause the price of our common stock to decline, and we may be subject to investigation or sanctions by the SEC. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the New York Stock Exchange.

In addition, as we continue to scale and improve our operations, including our internal systems and processes, we are currently implementing, and in the future may seek to implement, a variety of critical systems, such as billing, human resource information systems, and accounting systems. We cannot assure you that new systems, including any increases in scale or related improvements, will be successfully implemented or that appropriate personnel will be available to facilitate and manage these processes. Failure to implement necessary systems and procedures, transition to new systems and processes, or hiring of the necessary personnel could result in higher costs, compromised internal reporting and processes, and system errors or failures. For example, we are in the process of implementing a new product lifecycle management system, or PLM system, as a development tool to help us compile and analyze data related to the lifecycle of our products. The implementation and transition to any new critical system, including our new PLM system, or enhancements to existing systems, may be costly, require significant attention of many employees who would otherwise be focused on other aspects of our business, and disruptive to our business if they do not work as planned or if we experience issues related to such implementation or transition, which could have a material adverse effect on our operations.

We are a "controlled company" within the meaning of the corporate governance standards of the New York Stock Exchange. As a result, we qualify for, and intend to rely on, exemptions from certain corporate governance standards. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

The AEA Fund, OTPP, and TCP collectively control a majority of the voting power of shares eligible to vote in the election of our directors. Because more than 50% of the voting power in the election of our directors is held by an individual, group, or another company, we are a "controlled company" within the meaning of the corporate governance standards of the New York Stock Exchange. As a controlled company, we may elect not to comply with certain corporate governance requirements, including the requirements that:

- a majority of our Board consists of "independent directors," as defined under the rules of such exchange;
- our Board has a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and

- our Board has a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities.

We do not intend to rely on these exemptions. However, as long as we remain a “controlled company,” we may elect in the future to take advantage of any of these exemptions. As a result of any such election, our Board would not have a majority of independent directors, our compensation committee would not consist entirely of independent directors, and our directors would not be nominated or selected by independent directors. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the New York Stock Exchange rules.

We are an “emerging growth company” and are availing ourselves of reduced disclosure requirements applicable to emerging growth companies, which could make our common stock less attractive to investors.

We are an emerging growth company, as defined in the JOBS Act, and we are taking advantage of and may continue to take advantage of, until December 31, 2026, certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. In addition, under the JOBS Act, emerging growth companies can delay the adoption of certain new or revised accounting standards until those standards would otherwise apply to private companies.

Unless as otherwise disclosed, we have elected to avail ourselves of this exemption from new or revised accounting standards and, therefore, we are not and will continue not to be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies or that have opted out of using such extended transition period, which may make comparison of our financial statements with those of other public companies more difficult. We cannot predict if investors will find our common stock less attractive because we are relying on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

Upon ceasing to qualify as an emerging growth company as of December 31, 2026, we will no longer be able to take advantage of these exemptions and will become subject to additional reporting and compliance requirements, including the requirement under Section 404(b) of the Sarbanes-Oxley Act of 2002 that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting. We are currently an accelerated filer and, absent a change in our filer status, would be required to comply with Section 404(b) as of December 31, 2026. While we may qualify in the future for the filer status exit provisions based on our public float and become a non-accelerated filer, in which case we would no longer be subject to the auditor attestation requirements of Section 404(b), there can be no assurance that we will qualify for or elect to rely on such provisions.

The transition to full compliance with Section 404(b), if required, will require significant management time and attention and will cause us to incur additional legal, accounting, and other expenses. We are in the process of evaluating and enhancing our internal controls in preparation for potential compliance with Section 404(b); however, we cannot provide assurance that we will be able to fully comply with these requirements by the applicable deadline, or that we or our independent registered public accounting firm will conclude that our internal control over financial reporting is effective. If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines that we have a material weakness or significant deficiency in our internal control over financial reporting, we could be required to expend significant management attention and financial resources to remediate such deficiencies. A material weakness or significant deficiency could also result in misstatements in our financial statements that would require a restatement, cause us to fail to meet our reporting obligations, reduce investor confidence in the reliability of our financial reporting, negatively affect the trading price of our common stock, and restrict our ability to access the capital markets.

If securities or industry analysts do not publish research or reports about our business, or they publish negative reports about our business, our share price and trading volume could decline.

The trading market for our common stock depends in part on the research and reports that securities or industry analysts publish about us or our business, our market, and our competitors. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our shares or change their opinion of our shares, our share price would likely decline. If one or more of these analysts cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

We do not intend to pay dividends for the foreseeable future.

We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to declare or pay any dividends in the foreseeable future. As a result, stockholders must rely on sales of their common stock after price appreciation as the only way to realize any future gains on their investment.

General Risks

We may engage in merger and acquisition activities, which could require significant management attention, disrupt our business, dilute stockholder value, and adversely affect our results of operations.

As part of our business strategy, we have made and may in the future make investments in businesses, new technologies, services, and other assets and strategic investments that complement our business. For example, on July 1, 2021 we acquired all of the equity interests of Apption Labs, which specializes in the manufacture and design of hardware and software related to small kitchen appliances, including the MEATER smart thermometer and related technology. We may not be able to find suitable acquisition candidates and we may not be able to complete acquisitions on favorable terms, if at all, in the future. If we do complete acquisitions, we may not ultimately strengthen our competitive position or achieve our goals, and any acquisitions we complete could be viewed negatively by our customers or investors. Moreover, an acquisition, investment, or business relationship may result in unforeseen operating difficulties and expenditures, including disrupting our ongoing operations, diverting management from their primary responsibilities, subjecting us to additional liabilities, increasing our expenses, and adversely impacting our business, financial condition, and results of operations. Moreover, we may be exposed to unknown liabilities and the anticipated benefits of any acquisition, investment, or business relationship may not be realized, if, for example, we fail to successfully integrate such acquisitions, or the technologies associated with such acquisitions, into our company.

To pay for any such acquisitions, we would have to use cash, incur debt, or issue equity securities, each of which may affect our financial condition or the value of our capital stock and could result in dilution to our stockholders. If we incur more debt it would result in increased fixed obligations and could also subject us to covenants or other restrictions that would impede our ability to manage our operations. Additionally, we may receive indications of interest from other parties interested in acquiring some or all of our business. The time required to evaluate such indications of interest could require significant attention from management, disrupt the ordinary functioning of our business, and could have an adverse effect on our business, financial condition, and results of operations.

From time to time, we may be subject to legal proceedings, regulatory disputes, and governmental inquiries that could cause us to incur significant expenses, divert our management's attention, and materially harm our business, financial condition, and results of operations.

From time to time, we may be subject to claims, lawsuits, government investigations, and other proceedings involving products liability, competition, antitrust, intellectual property, privacy, consumer protection, securities, tax, labor and employment, commercial disputes, and other matters that could adversely affect our business operations and financial condition. As we have grown, we have seen a rise in the number and significance of these disputes and inquiries, and we may face increased exposure to securities litigation as a public company. Litigation and regulatory proceedings that we are currently facing or could face, may be protracted and expensive, and the results are difficult to predict. Certain of these matters include speculative claims for substantial or indeterminate amounts of damages and include claims for injunctive relief. Additionally, our litigation costs could be significant. Adverse outcomes with respect to litigation or any of these legal proceedings may result in significant settlement costs or judgments, penalties, and fines, or require us to modify our products or services, make content unavailable, or require us to stop offering certain features, all of which could negatively affect our business, financial condition, and results of operations.

The results of litigation, investigations, claims, and regulatory proceedings cannot be predicted with certainty, and determining reserves for pending litigation and other legal and regulatory matters requires significant judgment. There can be no assurance that our expectations will prove correct, and even if these matters are resolved in our favor or without significant cash settlements, these matters, and the time and resources necessary to litigate or resolve them, could harm our business, financial condition, and results of operations.

Our financial results and future growth could be harmed by currency exchange rate fluctuations.

As our international business grows, our results of operations could be adversely impacted by changes in foreign currency exchange rates, such as the Euro, the British Pound, the Canadian Dollar, and the Chinese Renminbi, and we may transact in more foreign currencies in the future. Revenues and certain expenses in markets outside of the United States are recognized in

local foreign currencies, and we are exposed to potential gains or losses from the translation and remeasurement of those amounts into U.S. dollars for consolidation into our financial statements. Similarly, we are exposed to gains and losses resulting from currency exchange rate fluctuations on transactions generated by our foreign subsidiaries in currencies other than their local currencies. In addition, the business of our independent manufacturers in China, Taiwan, and Vietnam may also be disrupted by currency exchange rate fluctuations by making their purchases of raw materials more expensive and more difficult to finance. Changes in the value of foreign currencies relative to the U.S. dollar can affect our revenue and results of operations. As we increase the extent of our international operations, such foreign currency exchange rate fluctuations could make it more difficult to detect underlying trends in our business and results of operations, such as our margins and cash flows. From time to time, we use hedging strategies to reduce our exposure to currency fluctuations and may continue to use derivative instruments, such as foreign currency forward and option contracts, to hedge certain exposures to fluctuations in foreign currency exchange rates. Given the volatility of exchange rates, there can be no assurance that we will be able to effectively manage our currency transaction risks. The use of such hedging activities may not offset any or more than a portion of the adverse financial effects of unfavorable movements in foreign exchange rates over the limited time the hedges are in place and may introduce additional risks if we are unable to structure effective hedges with such instruments.

Our future success depends on the continuing efforts of our management and key employees and on our ability to attract and retain highly skilled personnel and senior management.

We depend on the talents and continued efforts of our senior management and key employees. The loss of members of our management or key employees may disrupt our business and harm our results of operations. We do not maintain “key person” insurance for any of our executives or other employees. Furthermore, our ability to manage further expansion will require us to continue to attract, motivate, and retain additional qualified personnel. Competition for this type of personnel is intense, and we may not be successful in attracting, integrating, and retaining the personnel required to grow and operate our business effectively. As we continue to grow, and particularly in light of past reductions in headcount as part of our historical restructuring initiatives, we may find it difficult to maintain valuable aspects of our culture, to prevent a negative effect on employee morale or attrition beyond our planned reduction in headcount, and to attract competent personnel who are willing to embrace our culture. Any failure to preserve our culture could negatively affect our future success, including our ability to retain and recruit personnel and to effectively focus on and pursue our corporate objectives. There can be no assurance that our current management team or any new members of our management team will be able to successfully execute our business and operating strategies.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect or change significantly, our results of operations could be harmed.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. These estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity and the amount of sales and expenses that are not readily apparent from other sources. Our results of operations may be harmed if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors and could result in a decline in our stock price.

Our business is subject to the risk of earthquakes, fires, explosions, power outages, floods, forest fires, and other catastrophic events, and to interruption by problems such as terrorism, public health crises, cyberattacks, or failure of key information technology systems.

Our business is vulnerable to damage or interruption from earthquakes, fires, explosions, floods, storms, power losses, telecommunications failures, terrorist attacks, acts of war, riots, public health crises, human errors, criminal acts, and similar events. For example, a significant natural disaster or adverse weather event, such as an earthquake, fire, storm, or flood, could harm our business, results of operations, and financial condition, and our insurance coverage may be insufficient to compensate us for losses that may occur. Our wood pellet production facility in New York is located in a flood zone and has experienced flooding and other damage in connection with adverse weather events, such as hurricanes and tropical storms. In addition, the facilities of our suppliers and where our manufacturers produce our products are located in parts of Asia that frequently experience typhoons and earthquakes. Climate change or other environmental or social pressures may impact the frequency or intensity of certain catastrophic events, as well as contribute to chronic changes in the physical environment (such as rising sea levels or changes in ambient temperature or precipitation patterns) which may disrupt our operations or those of our suppliers, require us to incur additional operating or capital expenditures, adversely affect the cost or availability of insurance, or otherwise adversely impact our business, financial condition, or results of operations. While we have taken steps to manage

such risks, such efforts can require us to incur significant costs and may not be effective, due in part to the unpredictability associated with the time horizons for certain climate-related projects. Additionally, to the extent such events increase, it may adversely impact the availability or cost of insurance. Acts of terrorism and public health crises could also cause, and have in the past caused, disruptions in our or our suppliers', manufacturers', and logistics providers' businesses or the economy as a whole. These disruptions and delays have strained certain domestic and international supply chains, which have affected and could continue to negatively affect the flow or availability of certain of our products. We may not have sufficient protection or recovery plans in some circumstances, such as natural disasters affecting locations where we have operations and equipment or store significant inventory. Our servers may also be vulnerable to computer viruses, criminal acts, denial-of-service attacks, ransomware, and similar disruptions from unauthorized tampering with our computer systems, which could lead to interruptions, delays, or loss of critical data. As we rely heavily on our information technology and communications systems and the Internet to conduct our business and provide high-quality customer service, these disruptions could harm our ability to run our business and either directly or indirectly disrupt our suppliers' or manufacturers' businesses, which could harm our business, results of operations, and financial condition.

We are subject to many hazards and operational risks that can disrupt our business, some of which may not be insured or fully covered by insurance.

Our operations are subject to many hazards and operational risks inherent to our business, including: (a) general business risks; (b) product liability; (c) product recall; and (d) damage to third parties, our infrastructure, or properties caused by fires, explosions, floods, and other natural disasters, power losses, telecommunications failures, terrorist attacks, riots, public health crises, human errors, and similar events.

Our insurance coverage may be inadequate to cover our liabilities related to such hazards or operational risks. We may not be able to maintain adequate insurance in the future at rates we consider reasonable and commercially justifiable, and insurance may not continue to be available on terms as favorable as our current arrangements. The occurrence of a significant uninsured claim or a claim in excess of the insurance coverage limits maintained by us could harm our business, results of operations, and financial condition.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems and information.

We design and assess our program based on the National Institute of Standards and Technology Cybersecurity Framework ("NIST CSF"). This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use the NIST CSF as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business.

Our cybersecurity risk management program is integrated into our overall risk management program and shares common methodologies, reporting channels, and governance processes that apply across the risk management program to other legal, compliance, strategic, operational, and financial risk areas.

Key elements of our cybersecurity risk management program include but not limited to the following:

- risk assessments designed to help identify material risks from cybersecurity to our critical systems and information;
- a security team principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls, and (3) our response to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test, or otherwise assist with aspects of our security processes;
- cybersecurity awareness training of our employees, including incident response personnel, and senior management;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for key service providers, suppliers, and vendors based on our assessments of their criticality to our operations and respective risk profile.

There can be no assurance that our cybersecurity risk management program and processes, including our policies, controls, or procedures, will be fully implemented, complied with, or effective in protecting our systems and information. We have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected us, including our operations, business strategy, results of operations, or financial conditions. We face risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. See “Risk Factors—Risks Related to Intellectual Property, Information Technology, and Data Privacy—*If we or our third-party providers fail to protect confidential information and/or experience data security incidents, there may be damage to our brand and reputation, material financial penalties, and legal liability, which could materially adversely affect our business, results of operations, and financial condition.*”

Cybersecurity Governance

Our Board considers cybersecurity risk as part of its risk oversight function and has delegated to the Audit Committee oversight of cybersecurity including oversight of management’s implementation of our cybersecurity risk management program.

The Audit Committee receives regular reports from management on our cybersecurity risks. In addition, management updates the Audit Committee, where it deems appropriate, regarding any cybersecurity incidents it considers to be significant.

The Audit Committee reports to the full Board regarding its activities, including those related to cybersecurity. The full Board also receives briefings from management on our cyber risk management program. Board members receive presentations on cybersecurity topics from our Head of Technology, internal security staff, or external experts as part of the Board’s continuing education on topics that impact public companies.

Our management team, including the Head of Technology and Director of IT Security and Compliance Technology, are responsible for assessing and managing our material risks from cybersecurity threats. The team has primary responsibility for our overall cybersecurity risk management program and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Our management team’s experience includes knowledge related to information technology, cybersecurity and incidence response, risk management, control analysis, and corporate governance. Our Head of Technology and Director of IT Security and Compliance Technology have extensive experience in the management of cybersecurity risk management programs, having each served in various leadership roles in information technology and information security for over 10 years. We also have experienced data security, risk, and compliance professionals reporting to our Head of Technology and Director of IT Security and Compliance Technology. In addition to our in-house cybersecurity capabilities, we also engage with external assessors, consultants, auditors, or other third parties to assist with assessing, identifying, and managing cybersecurity risks.

Our management team takes steps to stay informed about and monitor efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include briefings from internal security personnel; threat intelligence and other information obtained from governmental, public, or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in our IT environment.

Item 2. Properties.

In December 2023, the Company moved into our new headquarters located in Salt Lake City, Utah, where we lease approximately 94,000 square feet of space under a lease that expires in 2037. Our headquarters are used for accounting and finance, sales and marketing, customer support, product development, and supply chain management functions.

We produce our wood pellets at wood pellet production facilities in Addison, New York; Sweet Home, Oregon; Menlo, Georgia; and Jasper, Texas. We own the land and buildings at facilities in Addison, New York and lease the land and buildings at the other facilities. The table below provides an overview of our wood pellet production facilities as of December 31, 2025.

	Addison, NY	Sweet Home, OR	Menlo, GA	Jasper, TX
Raw Material Storage (sq. ft.)	5,000	6,500	5,400	8,000
Manufacturing Size (sq. ft.)	3,750	10,000	6,000	8,400
Warehousing Size (sq. ft.)	64,500	57,800	47,000	34,000
Average Production (tons of wood pellets per year) ⁽¹⁾	22,994	27,001	23,350	15,659
Maximum Production (tons of wood pellets per year)	54,338	59,772	39,848	19,924
Ownership	Owned	Leased	Leased	Leased
Lease End	—	2029	2026	2035
Average Headcount ⁽²⁾	18	14	16	11

(1) Based on actual production for the fiscal year ended December 31, 2025.

(2) Average headcount for the fiscal year ended December 31, 2025.

Item 3. Legal Proceedings.

We are from time to time subject to various legal proceedings, claims, and governmental inspections, audits, or investigations that arise in the ordinary course of our business. We believe that the ultimate resolution of these matters would not be expected to have a material adverse effect on our business, financial condition, or operating results. For more information, see Note 14 – *Commitments and Contingencies* to the consolidated financial statements included in the accompanying notes to the consolidated financial statements.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities.

Market Information

On July 29, 2021, our common stock began trading on the New York Stock Exchange under the symbol “COOK.” Prior to that time, there was no public market for our common stock.

Holder

As of March 3, 2026, there were 18 holders of record of our common stock.

Dividend Policy

We currently intend to retain all available funds and any future earnings to fund the development and growth of our business and to potentially repay any indebtedness and, therefore, we do not anticipate declaring or paying any cash dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends, if any, will be at the discretion of our Board, subject to compliance with contractual restrictions and covenants in the agreements governing our current and future indebtedness. Any such determination will also depend upon our business prospects, results of operations, financial condition, cash requirements and availability, and other factors that our Board may deem relevant.

Recent Sales of Unregistered Securities; Purchases of Equity Securities by the Issuer or Affiliated Purchaser

None.

Item 6. [Reserved].

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following discussion and analysis of our financial condition and results of operations together with our audited consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements based upon current plans, expectations, and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under “Risk Factors” and in other parts of this Annual Report on Form 10-K. A discussion of the year ended December 31, 2024 compared to the year ended December 31, 2023 has been reported previously in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 7, 2025, under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Overview

Traeger is the creator and category leader of the wood pellet grill, an outdoor cooking system that ignites all-natural hardwoods to grill, smoke, bake, roast, braise, and barbecue. Our grills are versatile and easy to use, empowering cooks of all skill sets to create delicious meals with a wood-fired flavor that cannot be replicated with gas, charcoal, or electric grills. Grills are at the core of our platform and are complemented by Traeger wood pellets, rubs, sauces, and accessories.

In May 2025, we commenced Project Gravity, a multi-step strategic optimization plan intended to streamline our organizational structure and rebalance our cost base, including a reduction in force, centralization of our MEATER business into our Salt Lake City infrastructure, discontinuation of the Costco roadshow program, exit from the Traeger direct to consumer business by redirecting Traeger.com consumers to retail partners, transition to a distributor model in certain European markets that operate under a direct model, and pellet mill consolidation.

Our marketing strategy has been instrumental in building our brand and driving customer advocacy and revenue. We have disrupted the outdoor cooking market and created a passionate community, the Traegerhood, which includes foodies, pitmasters, backyard heroes, moms and dads, professional athletes, outdoorsmen and outdoorswomen, and world-class chefs. This community, together with our various marketing initiatives, has helped to promote our brand and products to the wider consumer population and supported our efforts to redefine outdoor cooking as an experience accessible to everyone. We have an active online and social media presence and a content-rich website that drives significant customer engagement and brings our Traegerhood together. We also directly engage with our current and target customers by sponsoring and participating in a variety of events, including live shows, outdoor festivals, rodeos, music and film festivals, barbecue competitions, fishing tournaments, and retailer events. We believe the style and authenticity of our customer engagement reinforces our brand and drives new and existing customer interest in our products and community.

Our revenue is primarily generated through the sale of our wood pellet grills, consumables, and accessories. We currently offer eight series of grills – Woodridge, Ironwood, Timberline, Pro (with and without WiFIRE), and Flatrock – as well as a selection of smaller, portable grills within our Portable Series and a special Club Lineup through targeted channels. Our grills are available in a number of different sizes and can be upgraded through a variety of accessories. The majority of our grills feature WiFIRE technology, which allows users to monitor and adjust their grills remotely using our Traeger app. Our consumables include our wood pellets, which are made from natural, virgin hardwood and are available in a variety of flavors, as well as rubs and sauces. Our accessories include MEATER smart thermometers, P.A.L. Pop-And-Lock accessory rails, grill covers, liners, tools, apparel, and other ancillary items.

We sell our grills using an omnichannel distribution strategy that consists primarily of retail and direct to consumer (“DTC”) channels. Our retail channel covers brick-and-mortar retailers, e-commerce platforms, and multichannel retailers, who, in turn, sell our grills to their end customers. Our retailers include Ace Hardware, Amazon, Costco, The Home Depot, and Best Buy, among others, as well as a significant number of independent retailers that cater to local communities and specific categories, such as hardware, camping, outdoor, farm, ranch, barbecue, and other categories. Our DTC channel covers sales directly to customers through our website and Traeger app, as well as certain country- and region-specific Traeger or distributor websites. Our consumables and accessories are available through the same channels as our grills. As part of Project Gravity, we are undertaking a broader channel optimization strategy that includes exiting the Traeger-operated DTC business. In connection with this shift, we have begun redirecting consumers from Traeger.com to our retail partners’ websites, aligning our distribution model more closely with our retail-focused strategy. However, we will continue to offer our MEATER smart thermometer accessories through the DTC channel, as this model remains well-suited to the MEATER brand and consumer base.

Over the last several years, we have made significant investments in our supply chain and manufacturing operations. Our supply chain includes third-party manufacturers for our grills and accessories and pellet production facilities for our wood pellets that we own or lease. We work closely with our manufacturers to evolve on design, manufacturing process, and product

quality. Our grills are currently manufactured in China and Vietnam, our wood pellets are produced at facilities located in New York, Oregon, Georgia, Virginia, Texas, and Poland, and our MEATER smart thermometer accessories are currently manufactured in Taiwan. We have entered into manufacturing agreements covering the supply of substantially all of our grills and accessories, pursuant to which we make purchases on a purchase order basis. We rely on several third-party suppliers for the components used in our grills, including integrated circuits, processors, and system on chips.

Our revenue decreased by 7.4% to \$559.5 million for the year ended December 31, 2025, compared to \$604.1 million for the year ended December 31, 2024. We recorded a net loss of \$115.2 million for the year ended December 31, 2025, compared to a net loss of \$34.0 million for the year ended December 31, 2024.

Key Factors Affecting Our Financial Condition and Results of Operations

We believe that our financial condition and results of operations have been, and will continue to be, affected by a number of factors that present significant opportunities for us but also pose risks and challenges, including those below and in Part I, Item 1A. "Risk Factors" of this Annual Report on Form 10-K.

Macroeconomic Conditions

Continuing global economic uncertainty, terrorism and conflicts, political conditions, and fiscal challenges in the United States and abroad could result in adverse macroeconomic conditions, including inflation, slower growth, or recession. We believe there is significant uncertainty regarding how macroeconomic conditions, including tariffs, sustained high levels of inflation and higher interest rates, will impact consumer demand for durable goods. While some of these conditions have negatively impacted consumer discretionary spending behavior, we continue to see demand for our products.

Since the beginning of 2025, President Trump implemented and/or reinstated tariffs and import restrictions on products from various countries. In early 2025, the U.S. imposed tariffs on certain Chinese goods and "reciprocal" tariffs under the International Emergency Economic Powers Act (IEEPA) that escalated to as high as 125%. The U.S. also increased Section 232 tariffs on steel and aluminum to 50% in June 2025 and significantly expanded coverage to derivative products in August 2025. In November 2025, the U.S. and China reached an agreement that reduced certain tariffs on Chinese goods to 10%, with the agreement extended through November 2026. However, on February 20, 2026, the Supreme Court ruled that the President cannot use IEEPA to impose tariffs, invalidating certain tariffs that had been imposed under IEEPA. In response to this ruling, President Trump signed a proclamation imposing a new 10% global tariff under Section 122 of the Trade Act of 1974, effective February 24, 2026, and subsequently increased these tariffs to 15% on February 21, 2026. Section 122 tariffs are subject to a 150-day statutory limit unless extended by Congress. In addition, the Office of the U.S. Trade Representative has announced it will initiate new Section 301 investigations into trading partners' unfair practices, which could result in additional tariffs. The administration has stated that combining Section 122, Section 232, and Section 301 tariffs will result in virtually unchanged tariff revenue in 2026, signaling its intent to maintain similar tariff levels through alternative legal authorities. The Supreme Court's ruling did not address whether importers who paid IEEPA tariffs are entitled to refunds, and that issue remains subject to further litigation before the U.S. Court of International Trade. We cannot predict whether or when any refunds will be available, and the administration has indicated it intends to contest refund claims. These developments, as well as any further changes in tariff rates, product coverage, or non-tariff trade barriers have disrupted and have the potential to further disrupt existing supply chains and impose additional costs on businesses in our industry. The resulting environment of tariffs and trade restrictions has required us to increase prices for our products in the U.S., which could lead to decreased consumer demand for our products and would negatively impact our results of operations, cash flows, and financial condition. For more information on risks to our business related to tariffs, please see Part I, Item 1A. "Risk Factors – *United States trade policies that restrict imports or increase import tariffs may have a material adverse effect on our business.*"

In response to these macroeconomic conditions, we have taken actions to identify and execute on cost savings initiatives, while simultaneously seeking to maintain product quality and reliability across the supply chain. For example, as part of Project Gravity, our previously announced multi-step strategic optimization plan, we have conducted a reduction in force and are centralizing our MEATER business into our Salt Lake City infrastructure to reduce overhead and drive organizational efficiency. Additionally, we are pursuing streamlining and channel optimization initiatives including discontinuing the Costco roadshow program, redirecting Traeger.com consumers to our retail partners' websites as part of an exit from the Traeger direct-to-consumer business, transitioning to a distributor model in European markets that currently operate under a direct model, and pellet mill consolidation. We have also taken proactive steps to mitigate tariff-related risks by increasing product prices and negotiating cost savings with our manufacturers. We expect continued cost savings to improve operating results in the long term, but given the uncertainty of the macroeconomic environment in the near term, including as a result of tariffs, there can be no assurance regarding the outcome of our continuing efforts to help mitigate the effects of these conditions on our business.

We will continue to monitor and, if necessary, take additional action to mitigate the effects of the macroeconomic environment on our business.

Components of Results of Operations

Revenue

We derive substantially all of our revenue from the sale of grills, consumables, and accessories in North America, which includes the United States and Canada. We recognize revenue, net of product returns, for our grills, consumables, and accessories generally at the time of shipment to retailers through our retail channel and to customers through our DTC channel. Estimated product returns are recorded as a reduction of revenue at the time of recognition and are calculated based on product returns history, observable changes in return behavior, and expected returns based on sales volume and mix. We also have certain contractual programs that can give rise to elements of variable consideration, such as volume incentive rebates, with estimated amounts of credits recorded as a reduction to revenue.

Although we experience demand for our products throughout the year, there are seasonal fluctuations in our revenue. We have typically experienced moderately higher levels of sales of our grills in the first and second quarters of the year as our retailers purchase inventory in advance of warmer weather, when demand for outdoor cooking products is the highest across our key markets. Higher sales also coincide with social events and national holidays, which occur during the same warm weather timeframe. Additionally, we have typically experienced higher sales volume of our accessories during the fourth quarter of the year, due in part to seasonal holiday demand.

Gross Profit

Gross profit reflects revenue less cost of revenue. Cost of revenue consists of product costs, including the costs of products from our third-party manufacturers, costs of components, direct and indirect manufacturing costs across all products, packaging, inbound freight and duties, warehousing and fulfillment, warranty costs, product quality testing and inspection costs, excess and obsolete inventory write-downs, cloud-hosting costs for our WiFIRE connected products, depreciation of tooling and manufacturing equipment, amortization of internal use software and patented technology, and certain employee-related expenses.

We calculate gross margin as gross profit divided by revenue. Several factors can impact gross margin, particularly sales channel mix and product mix. For instance, gross margin on sales through our direct import program with certain retail partners is generally higher than that of our core retail channels. If our direct import program grows or its sales outpace those of our core retail channels, and if we are able to realize greater economies of scale and freight cost savings, we would expect a favorable impact to overall gross margin over time. Additionally, gross margin on sales of certain of our products is higher than for others. If revenue from sales of wood pellets increased as a percentage of total revenue, we would expect to see an increase in overall gross margin. These potentially favorable gross margin impacts may not be realized, or may be offset by other unfavorable gross margin factors. Additionally, any new products that we develop, or external factors beyond our control, such as duties and tariffs and costs of doing business in certain geographies, may also impact gross margin. For example, the recently implemented or announced and, in some cases, temporarily paused pending negotiations, tariffs on foreign goods, including a baseline 10% tariff on product imports from almost all countries and individualized higher tariffs on other countries, 50% tariff on steel and aluminum imports from nations other than the United Kingdom, which remains at 25% currently, and the announcement of a retaliatory tariff on certain U.S. goods by other nations could impact our gross margin. For more information on risks to our business related to tariffs, please see Part I, Item 1A. “Risk Factors – *United States trade policies that restrict imports or increase import tariffs may have a material adverse effect on our business.*”

Sales and Marketing

Sales and marketing expense consists primarily of the costs associated with advertising and marketing of our products and employee-related expenses, including salaries, benefits, and stock-based compensation expense, as well as sales incentives and professional services. These costs can include print, internet, and television advertising, travel-related expenses, direct customer acquisition costs, costs related to conferences and events, and broker commissions. We anticipate that sales and marketing expense as a percentage of revenue will fluctuate from period to period based on revenue for such period and the timing of the expansion of our sales and marketing functions, as these activities may vary in scope and scale over future periods.

General and Administrative

General and administrative expense consists primarily of employee-related expenses and facilities for our executive, finance, accounting, legal, human resources, information technology, and other administrative functions. General and administrative expense also includes fees for professional services, such as external legal, accounting, information and technology services, and insurance.

In addition, general and administrative expense includes research and development expenses incurred to develop and improve our future products and processes, which primarily consist of employee- and facilities-related expenses, including salaries, benefits, and stock-based compensation expense, as well as fees for professional services, costs related to prototype tooling and materials, and software platform costs. Research and development expense was \$12.4 million, \$15.2 million, and \$11.5 million for the year ended December 31, 2025, 2024, and 2023, respectively.

We continue to expect our general and administrative expenses, including our research and development expenses and external legal and accounting expenses, to vary as a percentage of revenue from period to period. As we continue to manage our investments to support our innovation and enhance our product offerings, we expect to leverage these expenses over time to achieve profitability and expand revenue opportunities. In addition, as a result of the cost-reduction actions implemented under Project Gravity, we anticipate a reduction in overall operating expenditures, including a decrease in general and administrative expenses.

Amortization of Intangible Assets

Amortization of intangible assets primarily consists of amortization of identified finite-lived customer relationships, distributor relationships, and trademark assets that were allocated a considerable portion of the purchase price from the corporate reorganization and acquisition of our Company in 2017, as well as the July 2021 acquisition of Apption Labs pursuant to the share purchase agreement (the "Share Purchase Agreement"). These costs are amortized on a straight-line basis over 5 to 25 year useful lives and, as a result, amortization expense on these assets is expected to remain stable over the coming years. Future business acquisitions may result in incremental amortization of intangible assets acquired in any such transactions.

Goodwill Impairment

Goodwill represents the excess of consideration transferred over the fair value of tangible and identifiable intangible net assets acquired and the liabilities assumed in a business combination. Substantially all of our goodwill was recognized in the purchase price allocations when our Company was acquired in 2017 and when Apption Labs was acquired in July 2021, with smaller incremental amounts recognized in subsequent business combinations. Goodwill is not amortized, but is tested for impairment at the reporting unit level annually or more frequently if events or changes in circumstances indicate that it is more likely than not that the fair value of the reporting unit is less than its carrying amount. In conducting the impairment test, we first review qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. We currently operate as a single reporting unit under the guidance in Topic 350, Intangibles - Goodwill and Other.

When testing goodwill for impairment, we have the option of first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If we elect to bypass the qualitative assessment, or if a qualitative assessment indicates it is more likely than not that carrying value exceeds its fair value, we perform a quantitative goodwill impairment test. Under the quantitative goodwill impairment test, if our reporting unit's carrying amount exceeds its fair value, we will record an impairment charge based on that difference.

During the third quarter of 2025, we identified a potential indicator of impairment due to the sustained decrease of our stock price and market capitalization which led to the conclusion that a triggering event had occurred and therefore we performed a quantitative test for the single reporting unit. Based on the quantitative impairment test of goodwill, we determined that the carrying value of the reporting unit was in excess of its fair value after considering a control premium and recorded a non-cash impairment charge of \$74.7 million. For details associated with our interim goodwill impairment, see Note 2 – *Summary of Significant Accounting Policies* to the accompanying consolidated financial statements included in this Annual Report on Form 10-K.

Restructuring and Other Costs

On May 15, 2025, the Board of Directors of the Company approved a comprehensive enterprise initiative designed to streamline our organizational structure and rebalance its cost base to achieve profitability and cash flow generation. As part of this initiative, we have identified potential opportunities to deliver cost savings and efficiencies. These savings are expected to

be achieved through Project Gravity, which includes a reduction in force and the centralization and streamlining of our operations.

As a result of these initiatives, we have recorded \$21.8 million of expenses within restructuring and other costs in the accompanying consolidated statements of operations and comprehensive loss for the year ended December 31, 2025. Of these total costs, \$13.9 million, \$7.2 million and \$0.8 million are related to consulting fees, severance and other personnel costs, and other restructuring related costs for the year ended December 31, 2025, respectively.

Total Other Expense

Total other expense consists of interest expense and other income, net. Interest expense includes interest and other fees associated with our Credit Facilities, Receivables Financing Agreement (each as defined below) as well as the amortization of amounts recorded within accumulated other comprehensive income prior to the dedesignation of the interest rate swap derivative contracts as a cash flow hedge. Other income, net consists of any realized and unrealized gains (losses) from our interest rate swap derivative contract subsequent to the dedesignation of the swap contract from a cash flow hedge, the benefit recognized associated with the employee retention tax credit, foreign currency realized and unrealized gains and losses resulting from exchange rate fluctuations on transactions denominated in a currency other than the U.S. Dollar and the foreign currency contracts that we use to manage our exposure to foreign currency exchange rate risk related to our purchases and international operations.

Results of Operations

The following tables summarize key components of our results of operations for the periods presented (dollars in thousands). The period-to-period comparisons of our historical results are not necessarily indicative of the results that may be expected in the future.

	Year-ended December 31,		Change	
	2025	2024	Amount	%
Revenue	\$ 559,520	\$ 604,072	\$ (44,552)	(7.4)%
Cost of revenue	340,174	348,603	(8,429)	(2.4)%
Gross profit	219,346	255,469	(36,123)	(14.1)%
Operating expense:				
Sales and marketing	90,217	109,656	(19,439)	(17.7)%
General and administrative	95,031	113,483	(18,452)	(16.3)%
Amortization of intangible assets	35,260	35,274	(14)	— %
Goodwill impairment	74,725	—	74,725	*
Restructuring and other costs	21,840	—	21,840	*
Total operating expense	317,073	258,413	58,660	22.7 %
Loss from operations	(97,727)	(2,944)	94,783	3219.5 %
Other income (expense):				
Interest expense	(31,350)	(33,500)	(2,150)	(6.4)%
Other income, net	9,755	480	9,275	1932.3 %
Total other expense	(21,595)	(33,020)	(11,425)	(34.6)%
Loss before benefit from income taxes	(119,322)	(35,964)	83,358	231.8 %
Benefit from income taxes	(4,141)	(1,956)	(2,185)	111.7 %
Net loss	\$ (115,181)	\$ (34,008)	\$ 81,173	238.7 %

* Not meaningful

Comparison of the Year Ended December 31, 2025 and 2024

Revenue

	Year-ended December 31,		Change	
	2025	2024	Amount	%
<i>(dollars in thousands)</i>				
Revenue:				
Grills	\$ 298,026	\$ 324,702	\$ (26,676)	(8.2)%
Consumables	127,474	119,299	8,175	6.9 %
Accessories	134,020	160,071	(26,051)	(16.3)%
Total Revenue	\$ 559,520	\$ 604,072	\$ (44,552)	(7.4)%

Revenue decreased by \$44.6 million, or 7.4%, to \$559.5 million for the year ended December 31, 2025 compared to \$604.1 million for the year ended December 31, 2024. This decrease was primarily driven by lower sales from our grills and accessories, partially offset by higher sales from our consumables.

Revenue from our grills decreased by \$26.7 million, or 8.2%, to \$298.0 million for the year ended December 31, 2025 compared to \$324.7 million for the year ended December 31, 2024. The decrease was primarily driven by a mid-single digit decline in average selling price and mid-single digit reduction in unit volume. The lower average selling price (“ASP”) reflected a mix shift to lower priced grills, while the decrease in unit volume was driven by the impact of pricing actions on demand, partially offset by higher orders of lower ASP grills.

Revenue from our consumables increased by \$8.2 million, or 6.9%, to \$127.5 million for the year ended December 31, 2025 compared to \$119.3 million for the year ended December 31, 2024. The increase was primarily driven by a high-single digit increase in wood pellet and food consumable sales. The wood pellet sales were driven by high-single digit increase in average selling price from our strategic alignment with certain wholesale partners. The food consumables increase in sales was primarily due to expansion in distribution.

Revenue from our accessories decreased by \$26.1 million, or 16.3%, to \$134.0 million for the year ended December 31, 2025 compared to \$160.1 million for the year ended December 31, 2024. This decrease was driven primarily by lower sales of MEATER smart thermometers, partially offset by low-double digit increases in average selling prices and unit volumes in Traeger branded accessories.

Gross Profit

	Year-ended December 31,		Change	
	2025	2024	Amount	%
<i>(dollars in thousands)</i>				
Gross profit	\$ 219,346	\$ 255,469	\$ (36,123)	(14.1)%
Gross margin (Gross profit as a percentage of revenue)	39.2 %	42.3 %		

Gross profit decreased by \$36.1 million, or 14.1%, to \$219.3 million for the year ended December 31, 2025 compared to \$255.5 million for the year ended December 31, 2024. Gross profit as a percentage of revenue decreased to 39.2% for the year ended December 31, 2025 from 42.3% for the year ended December 31, 2024. The decrease in gross margin was primarily driven by tariff related costs and obsolescence adjustments, partially offset by supply chain efficiencies.

Sales and Marketing

	Year-ended December 31,		Change	
	2025	2024	Amount	%
	<i>(dollars in thousands)</i>			
Sales and marketing	\$ 90,217	\$ 109,656	\$ (19,439)	(17.7)%
<i>As a percentage of revenue</i>	16.1 %	18.2 %		

Sales and marketing expense decreased by \$19.4 million, or 17.7%, to \$90.2 million for the year ended December 31, 2025 compared to \$109.7 million for the year ended December 31, 2024. As a percentage of revenue, sales and marketing expense decreased to 16.1% for the year ended December 31, 2025 from 18.2% for the year ended December 31, 2024. The decrease in sales and marketing expense was primarily driven by lower demand creation spending, as well as reductions in employee-related costs and professional fees as a result of Project Gravity.

General and Administrative

	Year-ended December 31,		Change	
	2025	2024	Amount	%
	<i>(dollars in thousands)</i>			
General and administrative	\$ 95,031	\$ 113,483	\$ (18,452)	(16.3)%
<i>As a percentage of revenue</i>	17.0 %	18.8 %		

General and administrative expense decreased by \$18.5 million, or 16.3%, to \$95.0 million for the year ended December 31, 2025 compared to \$113.5 million for the year ended December 31, 2024. As a percentage of revenue, general and administrative expense decreased to 17.0% for the year ended December 31, 2025 from 18.8% for the year ended December 31, 2024. The decrease in general and administrative expense was primarily driven by a reduction of \$11.2 million in stock-based compensation expense following a change in compensation structure from equity awards to cash bonuses, lower legal costs, as well as decreases in professional fees and employee-related costs as a result of Project Gravity.

Goodwill Impairment

	Year-ended December 31,		Change	
	2025	2024	Amount	%
	<i>(dollars in thousands)</i>			
Goodwill impairment	\$ 74,725	\$ —	\$ 74,725	*
<i>As a percentage of revenue</i>	13.4 %	— %		

* Not meaningful

We recorded non-cash goodwill impairment of \$74.7 million during the year ended December 31, 2025, whereas no goodwill impairment was recorded for the year ended December 31, 2024. The goodwill impairment resulted from a quantitative impairment assessment in which the estimated fair value of our single reporting unit was determined to be below its carrying amount.

Restructuring and Other Costs

	Year-ended December 31,		Change	
	2025	2024	Amount	%
	<i>(dollars in thousands)</i>			
Restructuring and other costs	\$ 21,840	\$ —	\$ 21,840	*
<i>As a percentage of revenue</i>	3.9 %	— %		

* Not meaningful

We recorded \$21.8 million of restructuring and other costs for the year ended December 31, 2025 whereas there were no restructuring costs for the year ended December 31, 2024. These costs are related to Project Gravity which primarily related to

consulting fees associated with the execution of these initiatives, as well as severance and other personnel costs and other restructuring related costs.

Total Other Expense

	Year-ended December 31,		Change	
	2025	2024	Amount	%
	<i>(dollars in thousands)</i>			
Interest expense	\$ (31,350)	\$ (33,500)	\$ (2,150)	(6.4)%
Other income, net	9,755	480	9,275	1,932.3 %
Total other expense	\$ (21,595)	\$ (33,020)	\$ (11,425)	(34.6)%
<i>As a percentage of revenue</i>	(3.9)%	(5.5)%		

Total other expense decreased by \$11.4 million, or 34.6%, to \$21.6 million for the year ended December 31, 2025 compared to \$33.0 million for the year ended December 31, 2024. This decrease was primarily due to the benefit recognized from the employee retention tax credit and favorable impacts from foreign currency exchange rates and related contracts, partially offset by lower realized gains on our interest rate swap.

Liquidity and Capital Resources

Historically, our cash requirements have principally been for working capital purposes, capital expenditures, and debt service payments. We have funded our operations through cash flows from operating activities, cash on hand, and borrowings under our credit facilities and receivables financing agreement. Market conditions can impact the viability of these institutions. In the event of failure of any of the financial institutions where we maintain our cash and cash equivalents, there can be no assurance that we would be able to access uninsured funds in a timely manner or at all. Any inability to access or delay in accessing these funds could adversely affect our business and financial position.

As of December 31, 2025, we had cash and cash equivalents of \$19.6 million, \$112.5 million borrowing capacity under our Revolving Credit Facility (as defined below), and up to \$30.0 million borrowing capacity under our Receivables Financing Agreement (as defined below). As of December 31, 2025, we had no outstanding loan amounts under the Revolving Credit Facility and the Receivables Financing Agreement. As of December 31, 2025, the total principal amount outstanding under our First Lien Term Loan Facility (as defined below) was \$403.3 million. Based on our current business plan and revenue prospects, we continue to believe that our existing cash and cash equivalents, availability under our Revolving Credit Facility and Receivables Financing Agreement, and our anticipated cash flows from operating activities will be sufficient to meet our working capital and operating resource expenditure requirements for at least the next twelve months from the date of this Annual Report on Form 10-K. However, our future working capital requirements will depend on many factors, including our rate of revenue growth and ability to achieve profitability, the timing and size of future acquisitions, and the timing of introductions of new products and investments in our supply chain and implementation of technologies.

We may from time to time seek to raise additional equity or debt financing to support our growth or in connection with the acquisition of complementary businesses. Any equity financing we may undertake could be dilutive to our existing stockholders, and any additional debt financing we may undertake could require debt service and financial and operational requirements that could adversely affect our business. There is no assurance we would be able to obtain future financing on acceptable terms or at all.

Cash Flows

The following table sets forth cash flow data for the periods indicated therein (in thousands):

	Year-ended December 31,	
	2025	2024
Net cash provided by operating activities	\$ 20,520	\$ 23,888
Net cash used in investing activities	(7,332)	(12,331)
Net cash used in financing activities	(8,545)	(26,497)
Net increase (decrease) in cash and cash equivalents	\$ 4,643	\$ (14,940)

Cash Flow from Operating Activities

Cash flows related to operating activities are dependent on net loss, non-cash adjustments to net loss, and changes in working capital. The decrease in cash provided by operating activities during the year ended December 31, 2025 compared to the year ended December 31, 2024 is primarily due to the cash payments related to Project Gravity initiatives and tariff related costs, along with the increase in net loss, increase in non-cash adjustments, and changes in net working capital.

Cash Flow from Investing Activities

The decrease in cash used in investing activities during the year ended December 31, 2025 was primarily related to lower expenditures on internal-use software, reduced purchases of tooling equipment, and lower costs associated with wood pellet production machinery and equipment.

Cash Flow from Financing Activities

The decrease in cash used in financing activities during the year ended December 31, 2025 was primarily attributable to lower net borrowings under our Receivables Financing Agreement as compared to the prior year. These funds were used to support general corporate and working capital purposes.

Credit Facilities

On June 29, 2021, we refinanced our existing credit facilities and entered into a new first lien credit agreement, as borrower, with Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent, and other lenders party thereto as joint lead arrangers and joint bookrunners (as amended from time to time, the “First Lien Credit Agreement”). The First Lien Credit Agreement provides for a senior secured term loan facility (the “First Lien Term Loan Facility”), and a revolving credit facility (the “Revolving Credit Facility” and, together with the First Lien Term Loan Facility, the “Credit Facilities”). We entered into an agency transfer agreement on April 30, 2024, pursuant to which Morgan Stanley Senior Funding, Inc. succeeded Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent for the Credit Facilities. Our obligations under the First Lien Credit Agreement are substantively unchanged.

On August 5, 2025, we entered into an amendment to our First Lien Credit Agreement (the “Amendment”) to, among other things, extend the maturity date of a portion of the Revolving Credit Facility, reduce the size of the Revolving Credit Facility by 10% and modify other provisions of the Revolving Credit Facility, as described below.

First Lien Credit Agreement

The First Lien Credit Agreement originally provided for a \$560.0 million First Lien Term Loan Facility (including a \$50.0 million delayed draw term loan) and a \$125.0 million Revolving Credit Facility.

The First Lien Term Loan Facility accrues interest at a rate per annum that incorporates both fixed and floating components. The fixed component ranges from 3.00% to 3.25% per annum based on our Public Debt Rating (as defined in the First Lien Credit Agreement). The floating component is based on the Term SOFR (as defined in the First Lien Credit Agreement) for the relevant interest period. The First Lien Term Loan Facility requires periodic principal payments from December 2021 through June 2028, with any remaining unpaid principal and any accrued and unpaid interest due on the maturity date of June 29, 2028. As of December 31, 2025, the total principal amount outstanding on the First Lien Term Loan Facility was \$403.3 million.

Loans under the Revolving Credit Facility accrue interest at a rate per annum that considers both fixed and floating components. The fixed component ranges from 2.75% to 3.25% per annum based on our most recently determined First Lien Net Leverage Ratio (as defined in the First Lien Credit Agreement). The floating component is based on the Term SOFR for the relevant interest period. The Revolving Credit Facility also has a variable commitment fee, which is based on our most recently determined First Lien Net Leverage Ratio and ranges from 0.25% to 0.50% per annum on undrawn amounts. Letters of credit may be issued under the Revolving Credit Facility in an amount not to exceed \$15.0 million which, when issued, lower the overall borrowing capacity of the facility.

The Amendment made several material modifications to the Revolving Credit Facility. The overall size of the Revolving Credit Facility has been reduced by 10% to \$112.5 million, and has been split into two tranches: a \$30.0 million tranche expiring on June 29, 2026 and a \$82.5 million tranche expiring on December 29, 2027 (the “Extended Revolving Facility”). No payment of outstanding principal amounts under either tranche is due prior to the respective expiration date of each tranche. As of December 31, 2025, we had no outstanding loan amounts under the Revolving Credit Facility.

Except as noted below, the Credit Facilities are collateralized by substantially all of the assets of TGP Holdings III LLC, TGPX Holdings II LLC, TPC Traeger Blocker, LP, Traeger Pellet Grills Holdings LLC and certain subsidiaries of Traeger Pellet Grills Holdings LLC, including intellectual property, mortgages and the equity interest of each of these respective entities. The assets of Traeger SPE LLC, substantively consisting of our accounts receivable, collateralize the receivables financing agreement discussed below and do not collateralize the Credit Facilities. There are no guarantees from parent entities above Traeger, Inc.

The First Lien Credit Agreement contains certain affirmative and negative covenants that limit our ability to, among other things, incur additional indebtedness or liens (with certain exceptions), make certain investments, engage in fundamental changes or transactions including changes of control, transfer or dispose of certain assets, make restricted payments (including dividends), engage in new lines of business, make certain prepayments and engage in certain affiliate transactions. Pursuant to the Amendment, we have agreed to certain additional negative covenant restrictions for the benefit of the lenders under the Extended Revolving Facility. All lenders under the Revolving Credit Facility are the beneficiaries of a First Lien Net Leverage Ratio (as defined in the First Lien Credit Agreement) test of 6.20 to 1.00, which is only applicable if our utilization of the Revolving Credit Facility in excess of a threshold set forth in the First Lien Credit Agreement. The lenders under the Extended Revolving Facility are the beneficiaries of a 6.20 to 1.00 First Lien Net Leverage Ratio covenant with a reduced trigger threshold for testing, as set forth in the Amendment, and a minimum liquidity covenant requiring the maintenance of liquidity of at least \$15.0 million, which is tested monthly. As of December 31, 2025, we were in compliance with the covenants under the Credit Facilities.

Accounts Receivable Credit Facility

On November 2, 2020, we entered into a receivables financing agreement (as amended, the "Receivables Financing Agreement"). Through the Receivables Financing Agreement, we participate in a trade receivables securitization program, administered on our behalf by MUFG Bank Ltd., using outstanding accounts receivables balances as collateral, which have been contributed by us to our wholly owned subsidiary, Traeger SPE LLC (the "SPE"). While we provide operational services to the SPE, the receivables are owned by the SPE once contributed to it by us. We are the primary beneficiary and hold all equity interests of the SPE, thus we consolidate the SPE without any significant judgments.

The maximum borrowing capacity under the Receivables Financing Agreement is between \$30.0 million and \$75.0 million. The Receivables Financing Agreement allows for seasonal adjustments to the maximum borrowing capacity and further adjustments can be made up to two times annually at our discretion (with consent of the lenders under the Receivables Financing Agreement). We are required to pay fixed interest on outstanding cash advances of 2.5%, a floating interest based on the CP Rate or Adjusted Term SOFR (each as defined in the Receivables Financing Agreement), and an unused capacity charge that ranges from 0.25% to 0.5%. The Receivables Financing Agreement also includes a liquidity threshold of \$42.5 million and if our liquidity falls below this threshold, it may result in an increase in the required level of reserves, which would result in a reduction of the borrowing base under the Receivables Financing Agreement during such a liquidity shortfall.

On August 6, 2024, we entered into Amendment No. 10 to the Receivables Financing Agreement in order to extend the expiration of the facility to August 6, 2027. As part of the amendment, we are required to pay an upfront fee for the facility, along with a fixed interest rate on outstanding cash advances of approximately 2.6% and a floating interest rate based on the CP Rate or Adjusted Term SOFR (each as defined in the Receivables Financing Agreement). We were in compliance with the covenants under the Receivables Financing Agreement as of December 31, 2025.

As of December 31, 2025, we had no outstanding loan amounts under the Receivables Financing Agreement.

Contractual Obligations

As of December 31, 2025, we had \$403.3 million of principal borrowings and \$72.8 million of projected interest associated with its outstanding debt obligations. Any remaining unpaid principal and any accrued or unpaid interest will become due on the maturity date of June 29, 2028. The projected interest costs on variable rate instruments are based on market rates as of December 31, 2025. See Note 12 – *Notes Payable* to the accompanying consolidated financial statements for additional information regarding our Credit Facilities.

We have various lease agreements related to office space, warehouses, vehicles, and office equipment that expire at various dates through 2037. As of December 31, 2025, the future minimum rental payments under non-cancelable operating leases were \$39.3 million. See Note 4 – *Leases* to the accompanying consolidated financial statements for additional information regarding our non-cancellable operating leases.

We also have purchase obligations consisting of agreements to purchase goods and services entered into in the ordinary course of business. As of December 31, 2025, the future minimum value of our non-cancellable unconditional purchase obligations was \$5.0 million. See Note 14 – *Commitments and Contingencies* to the accompanying consolidated financial statements for additional information regarding our purchase obligations.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with U.S. GAAP. The preparation of our financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period.

While our significant accounting policies are described in further detail in Note 2 – *Summary of Significant Accounting Policies* to the accompanying consolidated financial statements included in this Annual Report on Form 10-K, we believe that the following critical accounting policies reflect our more significant judgments and estimates used that management believes are particularly important in the preparation of our consolidated financial statements and that require the use of estimates, assumptions, and judgments to determine matters that are inherently uncertain.

Revenue Recognition

We derive substantially all of our revenue from the sale of grills, consumables, and accessories as well as associated shipping charges billed to customers. We recognize revenue at the amount to which we expect to be entitled when a contract exists with a customer that specifies the goods and services to be provided at an agreed upon sales price and when the performance obligation is satisfied. The performance obligation for most of our sales transactions are considered complete when control transfers, which is determined when products are shipped or delivered to the customer depending on the terms of the contract. Sales are made on normal and customary short-term credit terms or upon delivery for point-of-sale transactions.

Shipping charges billed to customers are included in net sales and related shipping costs are included in cost of sales. We elected to account for shipping and handling activities performed after control has been transferred to the customer as a fulfillment cost.

We enter into contractual arrangements with customers in the form of individual customer orders which specify the goods, quantity, pricing, and associated order terms. We do not have long-term contracts that are satisfied over time. Due to the nature of the contracts, no significant judgment exists in relation to the identification of the customer contract or satisfaction of the performance obligation. We expense incremental costs of obtaining a contract due to the short-term nature of the contracts.

We have various contractual programs and practices with customers that give rise to elements of variable consideration such as customer cooperative advertising and volume incentive rebates. We estimate the variable consideration using the most likely amount method based on sales and contractual rates with each customer and record the estimated amount of credits for these programs as a reduction to revenue. Actual credits and their impact on reported revenue could differ from our estimates and could materially affect our results of operations.

We have entered into contracts with some customers that allow for credits to be claimed for certain matters of operational compliance or for returns to the retail customer from its end consumers. Credits that will be issued associated with these items are estimated using the expected value method and are based on actual historical experience and are recorded as a reduction of revenue at the time of recognition or when circumstances change resulting in a change in estimated returns. Actual credits and their respective impacts on reported revenue could differ from our estimates and could materially affect our results of operations.

Valuation of Goodwill

Goodwill represents the excess of consideration transferred over the fair value of tangible and identifiable intangible net assets acquired and the liabilities assumed in a business combination. Substantially all of our goodwill was recognized in the purchase price allocations when we were acquired in 2017 and when Apption Labs Limited (together with its subsidiaries, “Apption Labs”) was acquired in July 2021, with smaller incremental amounts recognized in subsequent business combinations. Goodwill is not amortized, but is tested for impairment at the reporting unit level annually or more frequently if events or changes in circumstances indicate that it is more likely than not that the fair value of the reporting unit is less than its carrying amount. In conducting the impairment test, we first reviews qualitative factors to determine whether it is more likely

than not that the fair value of the reporting unit is less than its carrying amount. The Company currently operates as a single reporting unit under the guidance in Topic 350, Intangibles - Goodwill and Other.

When testing goodwill for impairment, we have the option of first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If we elect to bypass the qualitative assessment, or if a qualitative assessment indicates it is more likely than not that carrying value exceeds its fair value, we will perform a quantitative goodwill impairment test. Under the quantitative goodwill impairment test, if the reporting unit's carrying amount exceeds its fair value, it will record an impairment charge based on that difference.

We conduct annual goodwill impairment tests in the fourth quarter of each fiscal year or whenever an indicator of impairment exists. For the annual impairment test conducted in the fourth quarter of 2024, we performed a qualitative assessment of goodwill and determined that it was more likely than not that the fair value of goodwill was greater than its carrying value. Therefore the quantitative impairment test was not performed and no impairment of goodwill was recorded in connection with the annual impairment test.

However, as part of the June 30, 2025 and September 30, 2025 interim goodwill impairment test, we identified a potential indicator of impairment due to the sustained decrease of the Company's stock price which led to the conclusion that a triggering event had occurred and therefore we performed a quantitative test for the single reporting unit.

To estimate the reporting unit fair value as part of the quantitative impairment test, we applied a weighted valuation analysis using both an income approach and a market-based approach. The income approach utilizes a discounted cash flow analysis, and the market-based approach utilizes comparable public company information, key valuation multiples, and considers a market control premium associated with cost synergies and other cash flow benefits that arise from obtaining control over a reporting unit, and guideline transactions, when applicable. The significant assumptions used in these approaches include revenue growth rates, profit margins, and discount rates under the income approach as well as valuation multiples derived from comparable public companies under the market approach.

Based on the June 30, 2025 interim impairment test of goodwill, the Company determined there was no goodwill impairment. Based on the September 30, 2025 interim impairment test of goodwill, we determined the carrying value of the reporting unit was in excess of its fair value after consideration of a control premium and recorded a non-cash impairment charge of \$74.7 million. Significant negative industry or economic trends, disruptions to our businesses, significant unexpected or planned changes in use of the assets, divestitures, and market capitalization declines may result in impairments to the carrying value of our long-lived assets.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk in the ordinary course of business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in interest rates, foreign currency exchange risk, and commodity price risk. We do not hold or issue financial instruments for speculative or trading purposes.

Interest Rate Risk

We had cash and cash equivalents of \$19.6 million and \$15.0 million as of December 31, 2025 and 2024, respectively. We hold cash and cash equivalents for working capital purposes. We do not have material exposure to market risk with respect to investments. We had \$403.3 million and \$403.6 million of outstanding debt as of December 31, 2025 and 2024, respectively. Certain amounts under our Credit Facilities accrue interest at a floating interest rate. Based on the outstanding balance of the Credit Facilities as of December 31, 2025, for every 100 basis point increase in the interest rates, we would incur approximately \$4.0 million of additional annual interest expense. In February 2022, we entered into a floating-to-fixed interest rate swap contract to hedge or otherwise protect fluctuations on a portion of our variable rate debt as described in further detail in Note 8 – *Derivatives* to the accompanying consolidated financial statements, and we may in the future use caps, collars, structured collars, or other common derivative financial instruments to further reduce interest rate risk. It is difficult to predict the effect that future hedging activities would have on our operating results.

Foreign Currency Exchange Risk

We have foreign currency risks related to certain of our foreign subsidiaries. The operating expenses of these subsidiaries are recorded in the currency of the countries where these subsidiaries are located. However, we believe that the exposure to

foreign currency fluctuation from operating expenses is relatively minor at this time as the related costs do not constitute a significant portion of our total expenses.

In addition, our manufacturers and suppliers may incur costs, including labor costs, in other currencies. To the extent that exchange rates move unfavorably for our manufacturers and suppliers, they may seek to pass these additional costs on to us, which could have a material impact on our gross margin. In addition, a strengthening of the U.S. Dollar may increase the cost of our products to our customers outside of the United States. Our results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates.

Our primary foreign currency exchange risk relates to the purchase of inventory from manufacturers denominated in Chinese Renminbi, as well as our international sales primarily denominated in the Canadian dollar, Euro, and British pound. We utilize foreign currency contracts to manage foreign currency risk in purchasing inventory and capital equipment, and future settlement of foreign denominated assets and liabilities. The volume of our foreign currency contract activity is limited by the amount of transaction exposure in each foreign currency and our election as to whether to hedge the respective transactions. We had outstanding foreign currency contracts as of December 31, 2025 and 2024 but did not elect hedge accounting for any of these contracts. All outstanding contracts are with the same counterparty, and thus the fair market value of the contracts in an asset position are offset by the fair market value of the contracts in a liability position to reach a net position. For periods where the net position is an asset balance, the balance is recorded within prepaid expenses and other current assets in our accompanying consolidated balance sheets, and for periods where the net position is a liability balance, the balance is recorded within other current liabilities in the accompanying consolidated balance sheets. Changes in the net fair value of contracts are recorded in other income, net in the accompanying consolidated statements of operations and comprehensive loss. As of December 31, 2025 and 2024, the net asset and liability fair values of our foreign currency contract positions were \$0.2 million and \$2.9 million, respectively. These foreign currency contract positions resulted in a net gain and loss of \$0.7 million and \$4.0 million for the year ended December 31, 2025 and 2024, respectively. At December 31, 2025, a 10% favorable or unfavorable exchange rate movement in the Chinese Renminbi in our portfolio of foreign currency contracts would have resulted in an incremental unrealized gain of approximately \$4.1 million or unrealized loss of approximately \$2.9 million, respectively.

Commodity Price Risk

We are exposed to commodity price fluctuations primarily as a result of the cost of steel that is used by our manufacturers. For example, steel is the primary raw material used in manufacturing of our grills. Under our current agreements with our primary contract manufacturers, we have the ability to periodically fix the cost of our grills so that the manufacturers bear the risk of steel price fluctuation for a period of time. During such periods, increases in the price of steel would not impact our costs. However, our business can be affected by sustained dramatic movements in steel prices, including as a result of the 50% tariff on all steel imports other than those from the United Kingdom, which are subject to a 25% tariff, put in place by the current administration.

Inflation Risk

We are exposed to inflationary factors such as increases in the costs of our products and overhead costs that may adversely affect our operating results. While inflation has had a manageable impact on our financial position and results of operations to date, a sustained high rate of inflation may have an adverse effect on our gross margin and operating expenses if the selling prices of our products do not increase with these increased costs.

Item 8. Financial Statements and Supplementary Data.

The financial statements required to be filed pursuant to this Item 8 are appended to this report. An index of those financial statements is found in Item 15 of Part IV of this Annual Report on Form 10-K.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures.

None.

Item 9A. Controls and Procedures.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, evaluated, as of the end of the period covered by this Annual Report on Form 10-K, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2025, our disclosure controls and procedures were effective at the reasonable assurance level.

Management’s Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

Management has assessed the effectiveness of the Company’s internal control over financial reporting as of December 31, 2025. In making this assessment, management used the criteria set forth by COSO in the Internal Control - Integrated Framework (2013). Based on that assessment, management concluded that as of December 31, 2025, the Company’s internal control over financial reporting was effective.

This Annual Report on Form 10-K does not include an attestation report of our independent registered accounting firm on management’s assessment regarding internal control over financial reporting due to the exemption from such requirements established by rules of the SEC for emerging growth companies, as defined in the JOBS Act.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

(a) Disclosure in lieu of reporting on a Current Report on Form 8-K.

None.

(b) Insider Trading Arrangements and Policies.

During the three months ended December 31, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III**Item 10. Directors, Executive Officers and Corporate Governance.**

The following table provides information regarding our executive officers and members of our Board (ages as of the date of this Annual Report on Form 10-K):

<u>Name</u>	<u>Age</u>	<u>Position(s)</u>
Executive Officers		
Jeremy Andrus	54	Chief Executive Officer, Chairman of the Board of Directors
Michael J. Hord	46	Chief Financial Officer
Cole VandenAkker	43	Chief Sales Officer
Non-Employee Directors		
Raul Alvarez	70	Lead Independent Director
Wendy A. Beck	61	Director
Martin Eltrich	53	Director
James Ho	48	Director
Daniel James	61	Director
Elizabeth C. Lempres	65	Director
Steven Richman	66	Director

Executive Officers

Jeremy Andrus has served as our Chief Executive Officer and a member of our Board since January 2014 and as the chairman of our Board since July 2021. Prior to joining us, Mr. Andrus served as the President and Chief Executive Officer of Skullcandy, Inc. Mr. Andrus received a B.S. in International Relations from Brigham Young University and an M.B.A. from Harvard Business School. We believe Mr. Andrus is qualified to serve on our Board because of his perspective and experience as our Chief Executive Officer and his extensive experience in corporate strategy, brand leadership, general management processes, and operational leadership.

Michael J. Hord has served as our Chief Financial Officer since March 2025. Mr. Hord served as Senior Vice President of Finance and Strategy at the Company since April 2023, and, prior to that, as Vice President of Finance and Strategy from September 2021 until March 2023. Before his time at Traeger, Mr. Hord spent 16 years at NIKE, Inc. in various leadership roles, including Senior Director of Global Business Planning from April 2020 to September 2021, CFO of Nike Southern Cone, and CFO of Nike Brazil. Mr. Hord holds a B.A. in Accounting and Finance from the University of Portland and has completed an Executive Leadership program at Stanford University's Graduate School of Business.

Cole VandenAkker has served as our Chief Sales Officer since September 2022. Mr. VandenAkker previously served as our Executive Vice President from May 2020 until September 2022. Prior to these roles, has served as Vice President of Sales and Director of Key Accounts, joining the Company in 2014. Before his time at Traeger, Mr. VandenAkker spent 3 years at Backcountry.com as the Director of Corporate Development. Mr. VandenAkker holds a B.A. in Economics from the University of Utah and an M.B.A. from Harvard Business School.

Non-Employee Directors

Raul Alvarez has served as a member of our Board since May 2018 and as our lead independent director since July 2021. Mr. Alvarez is an Operating Partner of Advent International Corporation, a global private equity firm, a position he has held since July 2017. Mr. Alvarez has served on the board of directors of Eli Lilly and Company since 2009 and of Lowe's Companies, Inc. since 2010, and he has served as the Chairman of First Watch Restaurant Group, Inc. since August 2017. Mr. Alvarez also serves on the board of directors of several private companies. Mr. Alvarez previously served on the board of directors of Dunkin' Brands Group, Inc., McDonald's Corporation, KeyCorp, Skylark Co., Ltd, and Realogy Holdings Corp. Mr. Alvarez received a B.B.A. in Accounting from the University of Miami. We believe Mr. Alvarez is qualified to serve on our Board because of his extensive leadership experience, strong business acumen, and public company board experience.

Wendy A. Beck has served as a member of our Board since July 2021. Ms. Beck most recently served as Executive Vice President and Chief Financial Officer for Norwegian Cruise Line Holdings, Inc., from 2010 until 2018. Prior to that, Ms. Beck

served as Executive Vice President and Chief Financial Officer of Domino's Pizza Inc. from 2008 to 2010, as Senior Vice President, Chief Financial Officer and Treasurer of Whataburger Restaurants, LP from 2004 through 2008 and as their Vice President and Chief Accounting Officer from 2001 through 2004, and as Vice President, Chief Financial Officer and Treasurer of Checkers Drive-In Restaurants, Inc. from 2000 through 2001 and previously served in other financial positions since 1993. Ms. Beck joined the board of directors of Academy Sports and Outdoors, Inc. in December 2020 and serves on the audit committee and as chair of the nominating and corporate governance committee. She also previously served on the board of directors and the audit committee of Hawaiian Holdings Inc. from July 2022 to September 2024, on the board of directors and compensation committee of Bloomin' Brands, Inc. from February 2018 until April 2022, on the board of directors and chaired the audit committee of At Home Group Inc. from September 2014 to July 2021, and on the board of directors and audit committee of SpartanNash Company from September 2010 to December 2013. Ms. Beck received her B.S. in Accounting from the University of South Florida and has been a Certified Public Accountant since 1992. We believe Ms. Beck is qualified to serve on our Board because of her executive leadership and her extensive financial and public company executive and board experience.

Martin Eltrich has served as a member of our Board since September 2017. Mr. Eltrich is a Partner with AEA Investors, which he joined in June 2001, and leads its consumer/retail investment practice. Mr. Eltrich served on the board of directors of At Home Group Inc. from October 2011 to October 2020. He currently serves on the board of directors of several private companies, including Jack's Family Restaurants, Chemical Guys, AmeriVet, and ThreeSixty. Mr. Eltrich received a B.S. in Economics from the University of Pennsylvania. We believe Mr. Eltrich is qualified to serve on our Board because of his extensive knowledge and understanding of our business, corporate finance, strategic planning, and investments.

James Ho has served as a member of our Board since September 2017. Mr. Ho is a Partner at AEA Investors, which he joined in August 2001, and focuses on AEA's investments in the consumer and services sectors. Currently, Mr. Ho serves on the board of directors of several private companies, including Chemical Guys, ThreeSixty, and TileBar. Mr. Ho received a B.A. in Economics and an MMSS from Northwestern University. We believe Mr. Ho is qualified to serve on our Board because of his extensive knowledge and understanding of our business, consumer businesses, corporate strategy, corporate finance, and governance.

Daniel James has served as a member of our Board since 2014. Mr. James is a Managing Partner and CEO of Trilantic North America, which he co-founded in 2009. Currently, Mr. James serves on the board of directors of several private companies, including Ortholite and Sunrise Strategic Partners. Mr. James received a B.A. in Chemistry from the College of the Holy Cross. We believe Mr. James is qualified to serve on our Board because of his knowledge of our business and his extensive experience in corporate finance and investing.

Elizabeth C. Lempres has served as a member of our Board since July 2021. Most recently, Ms. Lempres served as Senior Partner at McKinsey & Company, a management consulting firm, until her retirement in August 2017. Ms. Lempres has served on the board of directors of General Mills, Inc. since June 2019, Great-West Lifeco. Inc. since May 2018 until April 2022 and Axalta Coating Systems Ltd. from April 2017 until September 2022. Ms. Lempres also serves on the board of directors of several private companies. Ms. Lempres received an A.B. from Dartmouth College, a B.S. from Dartmouth College Thayer School of Engineering, and an M.B.A. from Harvard Business School. We believe Ms. Lempres is qualified to serve on our Board because of her extensive leadership experience, strong business acumen, and public company board experience.

Steven Richman has served as a member of our Board since October 2022. Mr. Richman has served as Chief Executive Officer of Techtronic Industries (TTI), a global manufacturer of power tools and equipment, since May 2024 and previously served as Group President of The Milwaukee Electric Tool Corporation, a manufacturer of power tools and subsidiary of TTI, from 2007 to May 2024. Previously, Mr. Richman served as Chief Executive Officer of Werner Co. from 2005 to 2007, and as President of SKIL and Bosch Power Tools Corporation from 1998 to 2004. Mr. Richman received a B.A. from the University of California, Los Angeles. We believe Mr. Richman is qualified to serve on our Board due to his experience as a chief executive officer and other leadership positions in the consumer products and manufacturing industry.

Code of Business Conduct and Ethics

We have adopted a written code of business conduct and ethics that applies to our directors, officers, and employees, including our principal executive officers, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A current copy of the code is posted on our investor relations website under the Governance tab, available at investors.traeger.com. In addition, we intend to post on our website all disclosures that are required by law or the NYSE listing standards concerning any amendments to, or waivers from, any provision of our Code of Business Conduct and Ethics. The information contained on our website is not incorporated by reference into this Annual Report on Form 10-K.

The remaining information required by this item will be included in our definitive proxy statement for our 2026 Annual Meeting of Stockholders, and such required information is incorporated herein by reference.

Item 11. Executive Compensation.

The information required by this item will be included in our definitive proxy statement for our 2026 Annual Meeting of Stockholders, and such information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owner and Management and Related Stockholder Matters.**Securities Authorized for Issuance Under Equity Compensation Plans (as of December 31, 2025)**

Plan category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights	Number of Securities Available for Future Issuance Under Equity Compensation Plans (excludes securities reflected in first column)
Equity compensation plans approved by security holders ⁽¹⁾	10,285,867 ⁽²⁾	—	9,133,851 ⁽³⁾
Equity compensation plans not approved by security holders	—	—	—
Total	10,285,867	—	9,133,851

(1) Consists of the 2021 Plan.

(2) Consists of 10,285,867 outstanding RSUs and PSUs (determined based on the achievement of the "maximum" goal) under the 2021 Plan.

(3) The number of shares of our common stock available for issuance under the 2021 Plan increases annually on the first day of each calendar year, beginning on and including January 1, 2025 and ending on and including January 1, 2031, equal to the lesser of (i) 5% of the aggregate number of shares of common stock outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of shares of common stock as is determined by our Board.

The remaining information required by this item will be included in our definitive proxy statement for our 2026 Annual Meeting of Stockholders, and such required information is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item will be included in our definitive proxy statement for our 2026 Annual Meeting of Stockholders, and such information is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services.

The information required by this item will be included in our definitive proxy statement for our 2026 Annual Meeting of Stockholders, and such information is incorporated herein by reference.

PART IV**Item 15. Exhibits and Financial Statement Schedules.**

(a)(1) Financial Statements.

The following documents are included on pages F-1 through F-31 attached hereto and are filed as part of this Annual Report on Form 10-K.

Index To Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm (PCAOB ID: 42)	Page F-2
Consolidated Balance Sheets	F-3
Consolidated Statements of Operations and Comprehensive Loss	F-4
Consolidated Statements of Stockholders' Equity	F-5
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(a)(2) Financial Statement Schedules.

Financial statement schedules have been omitted because they are not required, not applicable, not present in amounts sufficient to require submission of the schedule, or the required information is shown in the Consolidated Financial Statements or Notes thereto.

(a)(3) Exhibits.

The following is a list of exhibits filed as part of this Annual Report on Form 10-K.

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed/Furnished Herewith
		Form	Date	Number	
3.1	Amended and Restated Certificate of Incorporation of Traeger, Inc.	8-K	08/03/21	3.1	
3.1(a)	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Traeger, Inc., dated June 12, 2024	8-K	06/17/24	3.1	
3.2	Amended and Restated Bylaws of Traeger, Inc.	8-K	08/30/23	3.1	
4.1	Form of Certificate of Common Stock	S-1/A	07/21/21	4.1	
4.2	Stockholders Agreement	8-K	08/03/21	10.2	
4.3	Amendment No. 1 to Stockholders Agreement, dated April 30, 2024, by and among Traeger, Inc. and the Stockholders party thereto.	10-Q	08/07/24	4.1	
4.4	Management Stockholders Agreement	8-K	08/03/21	10.3	
4.5	Registration Rights Agreement	8-K	08/03/21	10.1	
4.6	Description of Securities	10-K	03/28/22	4.5	
10.1†	Form of Indemnification Agreement between Traeger, Inc. and its directors and officers	S-1	07/06/21	10.1	
10.2†	Traeger, Inc. 2021 Incentive Award Plan	10-K	03/28/22	10.2	
10.3†	Form of Restricted Stock Unit Award Agreement (Andrus IPO Award) under 2021 Incentive Award Plan	S-1/A	07/21/21	10.10	
10.4†	Form of Restricted Stock Unit Award Agreement under 2021 Incentive Award Plan	S-1/A	07/21/21	10.12	
10.5†	Traeger, Inc. Deferred Compensation Plan	S-1/A	07/21/21	10.13	

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10.6†	Form of Restricted Stock Unit Award Agreement (Deferred RSUs) under 2021 Incentive Award Plan	S-1/A	07/21/21	10.14
10.7†	Form of Option Award Agreement under 2021 Incentive Award Plan	S-1/A	07/21/21	10.15
10.8†	Form of 2024 Performance-Based Restricted Stock Unit Agreement	10-Q	08/07/24	10.2
10.9†	Form of 2025 Performance-Based Restricted Stock Unit Agreement	10-Q	05/02/25	10.3
10.10†	Form of 2025 Restricted Stock Unit Agreement	10-Q	05/02/25	10.4
10.11†	Traeger, Inc. Non-Employee Director Compensation Program	S-1/A	07/21/21	10.3
10.12†	Traeger, Inc. Executive Change in Control Severance Plan	8-K	04/26/22	10.1
10.13†	Amended and Restated Employment Agreement, by and between Jeremy Andrus and Traeger Pellet Grills LLC, dated September 25, 2017	S-1	07/06/21	10.4
10.14†	Offer of Employment Letter, by and between Dominic Blosil and Traeger Pellet Grills LLC, dated January 28, 2014.	S-1	07/06/21	10.5
10.15†	Separation Agreement, by and between Dominic Blosil and Traeger Pellet Grills, LLC, dated March 11, 2025	10-Q	05/02/25	10.1
10.16†	Offer of Employment Letter, by and between Joey Hord and Traeger Pellet Grills LLC dated March 7, 2025	10-Q	05/02/25	10.2
10.17†	Offer of Employment Letter, by and between Jim Hardy and Traeger Pellet Grills LLC, dated February 25, 2021.	10-K	03/28/22	10.14
10.18†	Performance-Based Restricted Stock Agreement by and between Traeger, Inc. and Jeremy Andrus, dated February 6, 2024.	10-Q	05/08/24	10.1
10.19†	Performance-Based Restricted Stock Agreement by and between Traeger, Inc. and Jeremy Andrus, dated April 10, 2025	10-Q	05/02/25	10.5
10.20†	Restricted Stock Agreement by and between Traeger, Inc. and Jeremy Andrus, dated April 10, 2025	10-Q	05/02/25	10.6
10.21†	Jim Hardy Letter Agreement, dated December 4, 2023.	8-K/A	12/07/23	10.1
10.22†	Letter Agreement, dated April 10, 2025, by and between the Company and Jeremy Andrus	8-K	04/16/25	10.1
10.23**†	Jim Hardy Separation Agreement, dated December 16, 2025, as amended on February 25, 2026.			*
10.24	First Lien Credit Agreement by and among TGP Holdings III LLC, Traeger Pellet Grills Holdings LLC, TGPX Holdings II LLC, Credit Suisse AG, as administrative agent, and the lenders party thereto, dated June 29, 2021.	S-1	07/06/21	10.14
10.25	Amendment to First Lien Credit Agreement by and among TGP Holdings III LLC, Traeger Pellet Grills Holdings LLC, TGPX Holdings II LLC, Credit Suisse AG, as administrative agent, and the lenders party thereto, dated August 18, 2021.	10-Q	09/10/21	10.10

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10.26	Amendment No. 2 to First Lien Credit Agreement by and among TGP Holdings III LLC, Traeger Pellet Grills Holdings LLC, TGPX Holdings II LLC, Credit Suisse AG, as administrative agent, and the lenders party thereto, dated August 9, 2022.	10-Q	08/15/22	10.3
10.27	Amendment No. 3 to First Lien Credit Agreement by and among TGP Holdings III LLC, Traeger Pellet Grills Holdings LLC, TGPX Holdings II LLC, Credit Suisse AG, as administrative agent, and the lenders party thereto, dated June 2, 2023.	10-Q	08/07/23	10.3
10.28	Amendment No. 4 to First Lien Credit Agreement by and among TGP Holdings III LLC, Traeger Pellet Grills Holdings LLC, TGPX Holdings II LLC, Credit Suisse AG, as administrative agent, and the lenders party thereto, dated August 5, 2025.	10-Q	08/07/25	10.1
10.29	Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated November 2, 2020.	S-1	07/06/21	10.16
10.30	Amendment No. 1 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated June 29, 2021.	S-1	07/06/21	10.17
10.31	Amendment No. 2 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated February 18, 2022.	10-K	03/28/22	10.19
10.32	Amendment No. 3 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated July 20, 2022.	10-Q	08/15/22	10.2
10.33	Amendment No. 4 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated August 19, 2022.	10-Q	11/14/22	10.3
10.34	Amendment No. 5 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated September 21, 2022.	10-Q	11/14/22	10.5
10.35	Amendment No. 6 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated September 30, 2022.	10-Q	11/14/22	10.6
10.36	Waiver and Amendment No. 7 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated November 8, 2022.	10-Q	11/14/22	10.7

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10.37	Amendment No. 8 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated June 23, 2023.	10-Q	08/08/23	10.2	
10.38	Amendment No. 9 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated November 8, 2023.	10-Q	11/09/23	10.3	
10.39	Amendment No. 10 to the Receivables Financing Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated August 6, 2024.	10-Q	08/07/24	10.3	
10.40	Purchase and Contribution Agreement, by and among Traeger SPE LLC, MUFG Bank, Ltd., Traeger Pellet Grills LLC and the lenders party thereto, dated November 2, 2020.	S-1	07/06/21	10.18	
10.41	Current Office Lease dated January 23, 2015, as amended April 1, 2015, February 8, 2016, November 22, 2016, December 4, 2017, and August 28, 2018.	S-1	07/06/21	10.19	
10.42	Sublease, dated as of October 29, 2021, by and between Traeger Pellet Grills LLC and Verkada, Inc.	8-K	01/19/21	10.1	
10.43^	Planned Office Lease, dated November 4, 2020, as amended February 8, 2021.	10-K	03/28/22	10.23	
10.44^	Second Amendment to Planned Office Lease, dated September 1, 2021.	10-K	03/28/22	10.24	
10.45	Agency Transfer Lender Consent to the First Lien Credit Agreement by and among TGP Holdings III LLC, Traeger Pellet Grills Holdings LLC, TGPX Holdings II LLC, Credit Suisse AG, as administrative agent and collateral agent, and certain of the lenders party thereto, dated April 30, 2024.	10-Q	05/09/24	10.2	
19	Traeger Inc. Insider Trading Compliance Policy and Procedures				*
21.1	List of Subsidiaries				
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm	10-K	03/28/22	21.1	*
31.1	Certificate of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a)				*
31.2	Certificate of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a)				*
32.1	Certificate of Chief Executive Officer pursuant to 18 U.S.C. Section 1350				**
32.2	Certificate of Chief Financial Officer pursuant to 18 U.S.C. Section 1350				**
97	Traeger, Inc. Policy for Recovery of Erroneously Awarded Compensation	10-K	03/08/24	97	
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				*

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101.SCH	Inline XBRL Taxonomy Extension Schema Document	*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	*

* Filed herewith.

** Furnished herewith.

† Indicates management contract or compensatory plan.

^ Certain portions of this exhibit have been redacted pursuant to Regulation S-K, Item 601(b)(10)(iv).

Item 16. Form 10-K Summary.

None.

TRAEGER, INC.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Traeger, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Traeger, Inc. (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2017.

Salt Lake City, Utah

March 5, 2026

TRAEGER, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

	December 31,	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 19,624	\$ 14,981
Accounts receivable, net	82,122	85,331
Inventories	98,831	107,367
Prepaid expenses and other current assets	14,272	35,444
Total current assets	214,849	243,123
Property, plant, and equipment, net	33,703	36,949
Operating lease right-of-use assets	38,201	44,370
Goodwill	—	74,725
Intangible assets, net	387,050	428,536
Other long-term assets	2,173	2,974
Total assets	\$ 675,976	\$ 830,677
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 14,135	\$ 27,701
Accrued expenses	62,668	82,143
Line of credit	—	5,000
Current portion of notes payable	250	250
Current portion of operating lease liabilities	2,650	3,790
Other current liabilities	382	3,357
Total current liabilities	80,085	122,241
Notes payable, net of current portion	399,590	398,445
Operating lease liabilities, net of current portion	23,040	26,646
Deferred tax liability	1,861	6,376
Other non-current liabilities	552	539
Total liabilities	505,128	554,247
Commitments and contingencies (see Note 14)		
Stockholders' equity		
Preferred stock, \$0.0001 par value; 25,000,000 shares authorized and no shares issued or outstanding as of December 31, 2025 and 2024	—	—
Common stock, \$0.0001 par value; 1,000,000,000 shares authorized		
Issued and outstanding shares - 137,068,259 and 130,648,819 as of December 31, 2025 and 2024	14	13
Additional paid-in capital	974,372	960,966
Accumulated deficit	(804,066)	(688,885)
Accumulated other comprehensive income	528	4,336
Total stockholders' equity	170,848	276,430
Total liabilities and stockholders' equity	\$ 675,976	\$ 830,677

The accompanying notes are an integral part of these consolidated financial statements

TRAEGER, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)

	Year-ended December 31,		
	2025	2024	2023
Revenue	\$ 559,520	\$ 604,072	\$ 605,882
Cost of revenue	340,174	348,603	382,325
Gross profit	219,346	255,469	223,557
Operating expense:			
Sales and marketing	90,217	109,656	108,727
General and administrative	95,031	113,483	129,800
Amortization of intangible assets	35,260	35,274	35,554
Goodwill impairment	74,725	—	—
Restructuring and other costs	21,840	—	225
Change in fair value of contingent consideration	—	—	4,698
Total operating expense	317,073	258,413	279,004
Loss from operations	(97,727)	(2,944)	(55,447)
Other income (expense):			
Interest expense	(31,350)	(33,500)	(31,275)
Other income, net	9,755	480	4,305
Total other expense	(21,595)	(33,020)	(26,970)
Loss before provision (benefit) for income taxes	(119,322)	(35,964)	(82,417)
Provision (benefit) for income taxes	(4,141)	(1,956)	1,985
Net loss	\$ (115,181)	\$ (34,008)	\$ (84,402)
Net loss per share, basic and diluted	\$ (0.87)	\$ (0.27)	\$ (0.68)
Weighted-average common shares outstanding, basic and diluted	133,095,964	127,443,657	123,726,252
Other comprehensive income (loss):			
Foreign currency translation adjustments	\$ (68)	\$ 62	\$ 129
Change in cash flow hedge	—	—	(2,088)
Amortization of dedesignated cash flow hedge	(3,740)	(6,666)	(10,364)
Total other comprehensive loss	(3,808)	(6,604)	(12,323)
Comprehensive loss	\$ (118,989)	\$ (40,612)	\$ (96,725)

The accompanying notes are an integral part of these consolidated financial statements

TRAEGER, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount				
Balance at January 1, 2023	122,624,414	\$ 12	\$ 882,069	\$ (570,475)	\$ 23,263	\$ 334,869
Issuance of common stock under stock plan	3,240,889	1	—	—	—	1
Stock-based compensation	—	—	53,203	—	—	53,203
Net loss	—	—	—	(84,402)	—	(84,402)
Foreign currency translation adjustments	—	—	—	—	129	129
Change in cash flow hedge	—	—	—	—	(2,088)	(2,088)
Amortization of dedesignated cash flow hedge	—	—	—	—	(10,364)	(10,364)
Balance at December 31, 2023	125,865,303	\$ 13	\$ 935,272	\$ (654,877)	\$ 10,940	\$ 291,348
Issuance of common stock under stock plan	5,449,476	—	—	—	—	—
Shares withheld related to net share settlement	(665,960)	—	(2,207)	—	—	(2,207)
Stock-based compensation	—	—	27,901	—	—	27,901
Net loss	—	—	—	(34,008)	—	(34,008)
Foreign currency translation adjustments	—	—	—	—	62	62
Amortization of dedesignated cash flow hedge	—	—	—	—	(6,666)	(6,666)
Balance at December 31, 2024	130,648,819	\$ 13	\$ 960,966	\$ (688,885)	\$ 4,336	\$ 276,430
Issuance of common stock under stock plan	7,783,492	1	—	—	—	1
Shares withheld related to net share settlement	(1,364,052)	—	(1,848)	—	—	(1,848)
Stock-based compensation	—	—	15,254	—	—	15,254
Net loss	—	—	—	(115,181)	—	(115,181)
Foreign currency translation adjustments	—	—	—	—	(68)	(68)
Amortization of dedesignated cash flow hedge	—	—	—	—	(3,740)	(3,740)
Balance at December 31, 2025	137,068,259	\$ 14	\$ 974,372	\$ (804,066)	\$ 528	\$ 170,848

The accompanying notes are an integral part of these consolidated financial statements

TRAEGER, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year-ended December 31,		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$ (115,181)	\$ (34,008)	\$ (84,402)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation of property, plant, and equipment	12,143	13,870	15,011
Amortization of intangible assets	41,992	42,458	42,770
Amortization of deferred financing costs	2,028	1,977	2,016
Loss (gain) on disposal of property, plant, and equipment	(83)	649	2,188
Stock-based compensation expense	15,254	27,901	53,203
Unrealized loss on derivative contracts	5,095	9,971	3,997
Amortization of dedesignated cash flow hedge	(3,740)	(6,666)	(10,364)
Change in contingent consideration	—	(15,000)	4,478
Goodwill impairment	74,725	—	—
Other non-cash adjustments	(2,690)	(233)	(2,022)
Change in operating assets and liabilities:			
Accounts receivable	3,150	(25,396)	(17,735)
Inventories	8,536	(11,192)	57,295
Prepaid expenses and other current assets	14,355	(7,573)	(4,199)
Other non-current assets	114	148	(568)
Accounts payable and accrued expenses	(35,178)	26,982	2,374
Net cash provided by operating activities	20,520	23,888	64,042
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant, and equipment	(6,934)	(11,996)	(19,946)
Capitalization of patent costs	(506)	(448)	(460)
Proceeds from sale of property, plant, and equipment	108	113	3,028
Net cash used in investing activities	(7,332)	(12,331)	(17,378)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from line of credit	59,000	63,000	115,900
Repayments on line of credit	(64,000)	(86,400)	(171,209)
Repayments of long-term debt	(250)	(250)	(250)
Payment of deferred financing costs	(904)	(119)	—
Principal payments on finance lease liabilities	(543)	(521)	(514)
Payments of acquisition related contingent consideration	—	—	(12,225)
Taxes paid related to net share settlement of equity awards	(1,848)	(2,207)	—
Net cash used in financing activities	(8,545)	(26,497)	(68,298)
Net increase (decrease) in cash and cash equivalents	4,643	(14,940)	(21,634)
Cash and cash equivalents at beginning of period	14,981	29,921	51,555
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 19,624	\$ 14,981	\$ 29,921

The accompanying notes are an integral part of these consolidated financial statements

TRAEGER, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

(Continued)

	Year-ended December 31,		
	2025	2024	2023
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the period for interest	\$ 33,220	\$ 38,512	\$ 40,060
NON-CASH FINANCING AND INVESTING ACTIVITIES			
Equipment purchased under finance leases	\$ 450	\$ 292	\$ 460
Property, plant, and equipment included in accounts payable and accrued expenses	\$ 2,748	\$ 678	\$ 3,975

The accompanying notes are an integral part of these consolidated financial statements

Notes to Consolidated Financial Statements

1 – DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Nature of Operations – Traeger, Inc. and its wholly owned Subsidiaries (collectively “Traeger” or the “Company”) design, source, sell, and support wood pellet fueled barbecue grills and Flatrock flat top grills sold to retailers, distributors, and direct to consumers. The Company produces and sells the pellets used to fire the wood pellet barbecue grills and also sells Traeger-branded rubs, spices, and sauces, as well as grill accessories (including MEATER smart thermometers, P.A.L. Pop-And-Lock accessory rails, grill covers, liners, tools, apparel, and other ancillary items). A significant portion of the Company’s sales are generated from customers throughout the United States (“U.S.”), and the Company continues to develop distribution in Canada and Europe. The Company’s headquarters are in Salt Lake City, Utah.

Basis of Presentation and Principles of Consolidation – The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates – The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates and assumptions made by management that present the greatest amount of estimation uncertainty include customer credits and returns, obsolete reserves, valuation and impairment of intangible assets including goodwill, and reserves for warranty. Actual results could differ from these estimates.

Cash and Cash Equivalents – The Company considers cash on deposit and short-term investments with remaining maturities at acquisition of three months or less to be cash and cash equivalents.

Concentrations – Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash in banks, trade accounts receivable, and foreign currency contracts. Credit is extended to customers based on an evaluation of the customer’s financial condition and collateral is not generally required in the Company’s sales transactions. Three customers that accounted for a significant portion of revenue are as follows for the fiscal periods indicated:

	December 31,		
	2025	2024	2023
Customer A	29 %	24 %	18 %
Customer B	14 %	18 %	16 %
Customer C	8 %	8 %	10 %

Concentrations of credit risk exist to the extent credit terms are extended with four large customers that account for a significant portion of our trade accounts receivables. As of December 31, 2025, there were four large customers A, B, C, and D that accounted for 38%, 15%, 4%, and 16% of the Company’s trade accounts receivable as compared to 31%, 28%, 4%, and 13% as of December 31, 2024. A disruption to a business that would impact its ability to meet its financial obligations on the part of any one of these four customers could result in a material amount of exposure to the Company. No other single customer accounted for greater than 10% of the Company’s trade accounts receivable as of December 31, 2025 and 2024. Additionally, no other single customer accounted for greater than 10% of the Company’s revenue for the years ended December 31, 2025, 2024, and 2023.

The Company’s international sales to dealers and distributors located in the European Union, the United Kingdom, and Canada are denominated in Euros, British Pounds, and Canadian Dollars, respectively.

The Company relies on a limited number of suppliers for its contract manufacturing of grills and accessories. A significant disruption in the operations of certain of these manufacturers, or in the transportation of parts and accessories would impact the production of the Company’s products for a substantial period of time, which could have a material adverse effect on the Company’s business, financial condition, and results of operations.

Accounts Receivable, Net – The Company reports its accounts receivable based on the amount that is expected to be collected from its sales to customers. The accounts receivable balance is comprised of the amounts invoiced to customers and reduced by an estimated credit loss and a reserve for estimated returns, discounts, and allowances. The Company estimates its credit losses over the contractual term of the receivable and establishes an allowance for credit losses based on historical experience, current available information, and expectations of future economic conditions. The Company mitigates credit loss risk from accounts receivable by assessing customers for credit worthiness, including ongoing credit evaluations and their payment trends. As the risk of loss is determined to be similar based on the credit risk factors, we aggregate receivables on a collective basis when assessing credit losses. Accounts receivable are uncollateralized customer obligations due under normal trade terms. Receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded to income when received. The Company estimates the reserve for returns, discounts, and allowances based on historical experience, contractual terms, and agreed upon arrangements.

Inventories – Inventories consist of finished goods, work-in-process, and raw materials. Inventories are stated at the lower of cost or net realizable value, with cost for raw materials and finished goods stated as an approximate cost determined on the first-in first-out basis. Net realizable value is defined as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Assessments to value the inventory at the lower of the cost to purchase the inventory, or the net realizable value of the inventory, are based upon assumptions about future demand, physical deterioration, changes in price levels, and market conditions. As a result of the Company’s assessments, when the net realizable value of inventory is less than the carrying value, the inventory cost is written down to the net realizable value and the write down is recorded as a charge to cost of revenue. Inventories include indirect acquisition and production costs that are incurred to bring the inventories to their present condition and location. Inventories are recorded net of reserves for obsolescence. Once established, the original cost of the inventory less the related inventory reserve represents the new cost basis of such products.

Derivative Instruments – The Company is exposed to the impact of changes in foreign currency exchange rates and benchmark interest rates. The Company uses foreign exchange option contracts for the purpose of economically hedging exposure to changes in currency fluctuations between the U.S. Dollar and the Chinese Renminbi, as well as a floating-to-fixed interest rate swap agreement to hedge a portion of the Company’s variable rate debt. The Company accounts for these contracts in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 815, *Derivatives and Hedging*, which requires that all derivatives be recognized at fair value in the accompanying consolidated balance sheets, and that corresponding gains and losses are recognized within other income, net in the accompanying consolidated statements of operations and comprehensive loss. The Company applies hedge accounting to the interest rate swap agreement and does not apply hedge accounting to the foreign exchange option contracts. For details associated with the Company’s dedsignated interest rate swap hedging relationship, see Note 8 – *Derivatives*.

Property, Plant, and Equipment – Property, plant, and equipment is stated at cost less accumulated depreciation and amortization. Additions and betterments to property, plant, and equipment that improve economic performance, extend the useful life, or improve the quality of units or services produced of the component asset are capitalized.

The Company does not depreciate amounts recorded for land. Depreciation and amortization on individual components of property is computed using the straight-line method over the estimated useful lives of the assets as follows:

	Years
Buildings	15
Machinery and equipment	3-20
Leasehold improvements	Shorter of useful lives or lease term
Office equipment and fixtures	2-10
Vehicles	2-10
Computer hardware and software	3

When assets are sold or otherwise disposed of, the cost and related accumulated depreciation or amortization are derecognized from the respective accounts. The remaining carrying value along with any proceeds are considered and recognized as a gain or loss within general and administrative expense or selling and marketing expense in the accompanying consolidated statements of operations and comprehensive loss. The cost of maintenance and repairs are expensed as incurred.

The Company capitalizes costs for internal-use software incurred during the application development stage. Software costs related to preliminary project activities and post implementation activities are expensed as incurred. The Company capitalizes costs incurred for software purchases and certain costs related to website development. Capitalized costs related to internal-use

software, software purchases, and website development are amortized on a straight-line basis over the estimated useful life of the software, not to exceed three years. Capitalized costs less accumulated amortization are included within property, plant, and equipment, net on the accompanying consolidated balance sheets.

Leases – The Company primarily leases office space, vehicles, and equipment from third parties. The Company determines if a contract is a lease at inception. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term begins on the commencement date, which is the date the Company takes possession of the asset, and may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Certain of the Company’s leases contain renewal options for varying periods, which can be exercised both by mutual agreement and at the Company’s sole discretion. Leases are classified as operating or finance leases based on factors such as the lease term, lease payments, and the economic life, fair value, and estimated residual value of the asset. Where leases include options to purchase the leased asset at the end of the lease term, this is assessed as a part of the Company’s lease classification determination. As of December 31, 2025, the Company’s leases have remaining lease terms ranging from 1 month to 12 years.

Under ASC 842, the Company recognizes a right-of-use (“ROU”) asset and lease liability to account for its leases. ROU assets represent the Company’s right to use an underlying asset for the lease term and lease liabilities represent the Company’s obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized on the commencement date based on the present value of lease payments over the noncancellable lease term. ROU assets are based on the lease liability and are increased by prepaid lease payments and decreased by lease incentives received. Lease incentives are amortized through the lease asset as reductions of expense over the lease term. For leases where the Company is reasonably certain to exercise a renewal option, such option periods have been included in the determination of the Company’s ROU assets and lease liabilities.

When lease agreements provide allowances for leasehold improvements, the Company assesses whether it is the owner of the leasehold improvements for accounting purposes. When the Company concludes that it is the owner, it capitalizes the leasehold improvement assets and recognizes the related depreciation expense on a straight-line basis over the lesser of the lease term or the estimated useful life of the asset. Additionally, the Company recognizes the amounts of allowances to be received from the lessor as a reduction of the lease liability and the associated right of use asset. When the Company concludes that it is not the owner, the payments that the Company makes towards the leasehold improvements are capitalized and ultimately recognized within the ROU asset upon lease commencement. Amounts recorded within ROU asset are recognized as a component of straight-line rent expense over the term of the lease.

Leases typically contain rent escalations over the lease term. The Company recognizes expense for these leases on a straight-line basis over the lease term. Some of the leases include rent escalations based on inflation indexes. Operating lease liabilities are calculated using the prevailing index or rate at lease commencement. Subsequent escalations in the index or rate and contingent rental payments are recognized as variable lease expenses. Certain leases require the Company to pay taxes, insurance, maintenance and other operating expenses associated with the leased asset. Such amounts are not included in the measurement of the ROU assets and lease liabilities to the extent they are variable in nature. These variable lease costs are recognized as a variable lease expense when incurred.

The Company’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

As a practical expedient, lease agreements with lease and non-lease components are accounted for as a single lease component for all asset classes. The Company elected the short-term lease recognition exemption for all leases that qualify. Therefore, leases with an initial term of 12 months or less are not recorded on the consolidated balance sheets; instead, lease payments are recognized as lease expense on a straight-line basis over the lease term. The depreciable life of the ROU assets and leasehold improvements are limited by the expected lease term unless the Company is reasonably certain of a transfer of title or purchase option.

The Company uses the rate implicit in the lease, when known, to discount future lease payments based on the information available on the commencement date for each lease. If the rate implicit in the lease is not known, the Company uses its incremental borrowing rate as the discount rate. The determination of the incremental borrowing rate requires judgment and is determined using the Company’s current secured borrowing rate, considering various factors aligned with the lease including total lease payments and lease term.

The Company subleases portions of its previous headquarters in three separate phases until the lease expires in 2026. Income from the subleased property is recognized on a straight-line basis and presented as a reduction of costs, allocated against general

and administrative expenses in the Company's accompanying consolidated statements of operations and comprehensive loss. Sublease income for the years ended December 31, 2025, 2024, and 2023 was immaterial.

Deferred Financing Costs – Costs incurred in connection with long-term debt financing are deferred and reflected net of notes payable and are amortized to interest expense utilizing the effective-interest method over the term of the related financing. Costs incurred in connection with the refinancing to the revolving credit facility, and amendments to the Receivables Financing Agreement are capitalized and recorded as other long-term assets on the accompanying consolidated balance sheets. These costs are being amortized to interest expense on a straight-line basis over the term of each respective credit facility.

Intangible Assets – Finite-lived intangible assets are initially recorded at fair value and presented net of accumulated amortization. Intangible assets are amortized on a straight-line basis over their estimated useful lives. The Company is currently amortizing acquired intangible assets, including customer relationships, distributor relationships, business trademarks, and technology over periods ranging between 5.0 years and 25 years. Amortization related to acquired patent technology and to capitalized patent costs are recorded as a component of cost of revenue, and amortization related to acquired business trademarks, customer relationships, and distributor relationships are recorded in amortization of intangible assets in the accompanying consolidated statements of operations and comprehensive loss.

Goodwill – Goodwill represents the excess of consideration transferred over the fair value of tangible and identifiable intangible net assets acquired and the liabilities assumed in a business combination. Substantially all of the Company's goodwill was recognized in the purchase price allocations when the Company was acquired in 2017 and when Apption Labs Limited (together with its subsidiaries, "Apption Labs") was acquired in July 2021, with smaller incremental amounts recognized in subsequent business combinations. Goodwill is not amortized, but is tested for impairment at the reporting unit level annually or more frequently if events or changes in circumstances indicate that it is more likely than not that the fair value of the reporting unit is less than its carrying amount. In conducting the impairment test, the Company first reviews qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. The Company currently operates as a single reporting unit under the guidance in Topic 350, Intangibles - Goodwill and Other.

When testing goodwill for impairment, the Company has the option of first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If the Company elects to bypass the qualitative assessment, or if a qualitative assessment indicates it is more likely than not that carrying value exceeds its fair value, the Company performs a quantitative goodwill impairment test. Under the quantitative goodwill impairment test, if the Company's reporting unit's carrying amount exceeds its fair value, it will record an impairment charge based on that difference.

The Company conducts annual goodwill impairment tests in the fourth quarter of each fiscal year or whenever an indicator of impairment exists. For the annual impairment tests conducted in the fourth quarter of 2024, the Company performed a qualitative assessment of goodwill and determined that it was more likely than not that the fair value of goodwill was greater than its carrying value. Therefore the quantitative impairment test was not performed and no impairment of goodwill was recorded in connection with the annual impairment test.

However, as part of the June 30, 2025 and September 30, 2025 interim goodwill impairment test, the Company identified a potential indicator of impairment due to the sustained decrease of the Company's stock price which led to the conclusion that a triggering event had occurred and therefore the Company performed a quantitative test for the single reporting unit in each respective period.

To estimate the reporting unit fair value as part of the quantitative impairment test, the Company applied a weighted valuation analysis using both an income approach and a market-based approach. The income approach utilizes a discounted cash flow analysis, and the market-based approach utilizes comparable public company information, key valuation multiples, and considers a market control premium associated with cost synergies and other cash flow benefits that arise from obtaining control over a reporting unit, and guideline transactions, when applicable. The significant assumptions used in these approaches include revenue growth rates, profit margins, and discount rates under the income approach as well as valuation multiples derived from comparable public companies under the market approach.

Based on the June 30, 2025 interim impairment test of goodwill, the Company determined there was no goodwill impairment. Based on the September 30, 2025 interim impairment test of goodwill, the Company determined the carrying value of the reporting unit was in excess of its fair value after consideration of a control premium and recorded a non-cash impairment charge of \$74.7 million, which fully impaired the Company's goodwill balance. For details associated with the Company's interim goodwill impairment, see Note 11 – *Goodwill and Intangibles*.

Impairment of Assets – Long-lived assets, including property, plant, and equipment, operating right-of-use assets, and finite-lived intangible assets subject to amortization, are evaluated for impairment whenever events or changes in circumstances indicate that the carrying value of an asset or asset group may not be recoverable. An impairment is considered to exist if the total estimated future cash flows on an undiscounted basis are less than the carrying amount of the asset or asset group. If impairment exists, the impairment loss is measured and recorded based on discounted estimated future cash flows. In estimating future cash flows, assets are grouped at the lowest levels for which there are identifiable cash flows that are largely independent of cash flows from other asset groups. The Company concluded there were no indicators of impairment identified at December 31, 2024. As part of the June 30, 2025 and September 30, 2025 interim goodwill impairment testing, the Company conducted additional analysis related to its long-lived assets. As a result of these analysis as well as additional qualitative analysis as of December 31, 2025, the Company concluded there were no events or changes in circumstances which indicated that the carrying value of the long-lived assets may not be recoverable and no impairment was recorded.

Fair Value of Financial Instruments – For financial assets and liabilities recorded at fair value on a recurring or a non-recurring basis. Fair value is the price the Company would receive to sell an asset, or pay to transfer a liability, in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In the absence of such data, fair value is estimated using internal information consistent with what market participants would use in a hypothetical transaction. In determining fair value, observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value hierarchy:

- Level 1: Quoted prices for identical instruments in active markets.
- Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3: Significant inputs to the valuation model are unobservable.

The carrying amounts reported in the Company's accompanying consolidated balance sheets for cash and cash equivalents, accounts receivable, prepaid expenses, and other current assets, accounts payable, and accrued expenses approximate their fair values due to the short-term nature of these instruments. The carrying amounts reported in the Company's accompanying consolidated balance sheets for the variable rate Revolving Credit Facility and Receivables Financing Agreement (defined below) also approximate their fair value. The fair value of the fixed rate First Lien Term Loan Facility (defined below) is considered a Level 2 instrument in the fair value hierarchy due to the unobservable nature of the inputs. For details associated with the Company's fair value measurement of financial instruments, see Note 9 – *Fair Value Measurements*.

Contingent Consideration – The purchase consideration associated with the acquisition of Apption Labs included contingent cash consideration payable to the sellers based on achievement of certain revenue, earnings, and successful product launch thresholds for fiscal years 2021, 2022 and 2023. The fair value of contingent consideration obligation was estimated based on the probability assessments with respect to the likelihood of achieving the performance targets and discount rates consistent with the level of risk of achievement. The Company included the fair value of this contingent obligation in current and non-current contingent consideration in the accompanying consolidated balance sheets.

At each reporting period, the Company revalued the contingent consideration obligation to its fair value and recorded increases and decreases in fair value within the change in fair value of contingent consideration in the accompanying consolidated statements of operations and comprehensive loss. Changes in the fair value of the contingent consideration obligation resulted from changes in discount periods and rates and changes in probability assumptions with respect to the likelihood of achieving the performance targets. In April 2024, the Company paid the remaining \$15.0 million of contingent consideration based on the achievement of certain earnings and product launch thresholds for fiscal year 2023.

Revenue Recognition and Sales Reserves and Allowances – The Company recognizes revenue at the amount to which it expects to be entitled when a contract exists with a customer that specifies the goods and services to be provided at an agreed upon sales price and when the performance obligation is satisfied. The performance obligation for most of the Company's sales transactions is considered complete when control transfers, which is determined when products are shipped or delivered to the customer depending on the terms of the contract. Sales are made on normal and customary short-term credit terms or upon delivery of point-of-sale transactions.

Shipping charges billed to customers are included in net sales and related shipping costs are included in cost of sales. The company has elected to account for shipping and handling activities performed after control has been transferred to the customer as a fulfillment cost.

The Company enters into contractual arrangements with customers in the form of individual customer orders which specify the goods, quantity, pricing, and associated order terms. The Company does not have long-term contracts that are satisfied over time. Due to the nature of the contracts, no significant judgment exists in relation to the identification of the customer contract or satisfaction of the performance obligation. The Company expenses incremental costs of obtaining a contract due to the short-term nature of the contracts.

The Company has certain contractual programs and practices with customers that can give rise to elements of variable consideration such as customer cooperative advertising and volume incentive rebates. The Company estimates the variable consideration using the most likely amount method based on sales and contractual rates with each customer and records the estimated amount of credits for these programs as a reduction to net sales.

The Company has entered into contracts with some customers that allow for credits to be claimed for certain matters of operational compliance, promotional discounts or for returns to the retail customer from end consumers. Credits that will be issued associated with these items are estimated using the expected value method and are based on actual historical experience and are recorded as a reduction of revenue at the time of recognition or when circumstances change resulting in a change in estimated returns. Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to governmental authorities.

The Company also offers assurance-type warranties relating to its products sold to end customers that are accounted for under ASC Topic 460, *Guarantees*. See *Warranty Costs* below.

Cost of Revenue – Cost of revenue consists of product costs, including costs of products from third-party contract manufacturers of grills, consumables, and accessories, costs of components, direct and indirect manufacturing costs of wood pellet production, packaging, inbound freight and duties, warehousing and fulfillment, warranty costs, product quality testing and inspection costs, excess and obsolete inventory write-downs, cloud-hosting costs for connected devices, depreciation of tooling and manufacturing equipment, amortization of internal use software and patented technology, and certain employee-related expenses.

Warranty Costs – The Company generally provides its customers with a three-year limited warranty on residential model pellet grills and a one-year warranty on accessories for defects in material and workmanship under normal use and maintenance. Warranty liabilities are recorded on the basis of grills and accessories sold and reflect management's estimate of warranty-related costs expected to be incurred during the respective unexpired warranty periods. Management's estimates of warranty costs are based on historical as well as current product replacement and related delivery costs incurred and warranty policies. Warranty claims expense is included in cost of revenue on the accompanying consolidated statements of operations and comprehensive loss.

On December 14, 2023, the Company announced a voluntary recall of its Flatrock flat top grill. Consequently, the impact on operating results was \$0.3 million and \$2.6 million for years ended December 31, 2024 and 2023, respectively. These costs were primarily due to product returns, recall charges, inventory-write offs, and expenses related to logistics, rework, and legal fees. There were no such amounts recorded for the fiscal year ended 2025.

Sales and Marketing – Sales and marketing expenses consist primarily of the advertising and marketing of the Company's products and personnel-related expenses, including salaries, benefits, and stock-based compensation expense, as well as sales incentives and professional services. These costs are included in sales and marketing expenses within total operating expenses in the accompanying consolidated statements of operations and comprehensive loss.

Advertising Costs – The Company incurs non-direct response advertising costs which are expensed as incurred. Advertising expense was \$15.7 million, \$20.1 million, and \$39.8 million for the years ended December 31, 2025, 2024, and 2023, respectively, and is included within sales and marketing expense in the accompanying consolidated statements of operations and comprehensive loss.

General and Administrative – General and administrative expense consist primarily of personnel-related expenses, including salaries, benefits, and stock-based compensation and facilities for executive, finance, accounting, legal, human resources, and information technology functions. General and administrative expense also includes fees for professional services principally comprised of legal, audit, tax and accounting services, and insurance. These costs are included in general and administrative expenses within total operating expenses in the accompanying consolidated statements of operations and comprehensive loss.

Research and Development – Research and development expenses consist primarily of personnel-related expenses, including salaries, benefits, and stock-based compensation expense, as well as professional services, prototype materials, and software

platform costs. Research and development expense was \$12.4 million, \$15.2 million, and \$11.5 million for the years ended December 31, 2025, 2024, and 2023, respectively, and is included within general and administrative expenses in the accompanying consolidated statements of operations and comprehensive loss.

Income Taxes – The Company accounts for income taxes using the asset and liability method. The asset and liability method requires recognition of deferred tax assets and liabilities for expected future tax consequences of temporary differences that currently exist between tax bases and financial reporting bases of the Company’s assets and liabilities. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is established on deferred tax assets if it is determined by management that it is more-likely-than-not that such deferred tax assets will not be realized.

Income and loss for tax purposes may differ from the financial statement amounts and may be allocated to the members on a different basis for tax purposes than for financial statement purposes.

The preparation of consolidated financial statements in conformity with ASC 740, *Income Taxes*, requires the Company to report information regarding its exposure to various tax positions taken by the Company. The Company has determined whether any tax positions have met the recognition threshold and has measured the Company’s exposure to those tax positions. Management believes that the Company has adequately addressed all relevant tax positions and that there are no uncertain tax positions that would require adjustment to the consolidated financial statements to comply with the provisions of the guidance. The Company has elected to record any interest and penalties related to uncertain tax positions within interest expense on the accompanying consolidated statements of operations and comprehensive loss. No interest and penalties related to uncertain tax positions were recorded for either the year-ended December 31, 2025, 2024, or 2023, respectively.

The Company has recorded research and development tax credits that are available for developing new or improved or innovative products, processes, software, or inventions.

CARES Act – On March 27, 2020, the U.S. government enacted the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) to provide certain relief as a result of the coronavirus pandemic (“COVID-19”). The CARES Act provides tax relief, along with other stimulus measures, including a provision for an Employee Retention Tax Credit (“ERTC”). As there is no authoritative guidance under U.S. GAAP on accounting for government assistance to for-profit business entities, the Company accounts for the ERTC by analogy to International Accounting Standard (“IAS”) 20, Accounting for Government Grants and Disclosure of Government Assistance.

In 2023, the Company submitted claims to the Internal Revenue Service (“IRS”) for the ERTC. In accordance with IAS 20, the Company will recognize the claimed amounts once it has obtained reasonable assurance of receipt, defined as the point at which the claims have been accepted by the IRS and the corresponding cash payments have been received. For the year ended December 31, 2025, the Company received \$6.0 million from the IRS in connection with these tax credits, of which \$1.3 million represented interest. These amounts were recorded within other income, net in the accompanying consolidated statements of operations and comprehensive loss. There were no such amounts recorded for the fiscal years ended 2024 and 2023.

In January 2026, the Company received the final benefit associated with the remaining ERTC claims submitted to the IRS, totaling \$11.6 million, of which \$2.8 million represented interest. The full amount will be recorded within other income, net in the consolidated statements of operations and comprehensive loss for fiscal year 2026.

Stock-Based Compensation – The Company awards stock-based compensation to employees and directors under the Traeger, Inc. 2021 Incentive Award Plan (the “2021 Plan”), which is described in Note 15 – *Stock-Based Compensation*.

The Company recognizes compensation expense for time-based restricted stock units (“RSUs”) and time-based restricted shares (“RSAs”) on a straight-line basis over the requisite service period. For the performance-based restricted stock units (“PSUs”) and performance-based restricted shares (“Performance Shares”), the compensation expense is recognized on an accelerated basis over the requisite service period. The compensation expense related to the PSUs and Performance Shares with a performance condition could increase or decrease depending on the estimated probability of achieving the applicable adjusted EBITDA goals over the requisite service period. For PSUs and Performance Shares with a market condition, the Company uses a Monte Carlo pricing model to estimate the fair value of the awards as of the grant date, using various simulations of future stock prices through a stochastic model to estimate the fair value over the remaining term of the performance period. In addition, when an award is forfeited prior to the vesting date, the Company will recognize an adjustment for the previously

recognized expense in the period of the forfeiture, with the exception of awards with market conditions for which the requisite service period has been satisfied.

Comprehensive Loss – The Company’s comprehensive loss is determined based on net loss adjusted for gains and losses on foreign currency translation adjustments and the interest rate swap, as well as amortized gains and losses associated with the dedesignated interest rate swap.

Foreign Currency – The Company has foreign subsidiaries for which the net sales generated, as well as most of the related expenses directly incurred from those operations, are denominated in local currencies. The functional currency of these foreign subsidiaries that either operate or support these operations are generally the same as the Company’s functional currency. Results of operations for the Company’s consolidated foreign subsidiaries are remeasured from the local currency to the U.S. dollar using average exchange rates during the period, while monetary assets and liabilities are remeasured at the exchange rate in effect at the reporting date. Non-monetary assets and liabilities and equity accounts of consolidated foreign subsidiaries are carried at historical values. Resulting gains or losses from remeasuring foreign currency financial statements are recorded within other income, net in the accompanying consolidated statements of operations and comprehensive loss.

Foreign currency transaction gains and losses resulting from exchange rate fluctuations on transactions denominated in a currency other than the U.S. Dollar are included within other income, net in the accompanying consolidated statements of operations and comprehensive loss. The Company recorded a net foreign exchange gain of \$1.1 million and losses of \$1.0 million, and \$0.1 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Retirement Plan – The Company maintains a defined contribution retirement plan (“401(k) plan”) for all full-time employees in the United States. This 401(k) plan allows employees to contribute a portion of their eligible compensation up to the certain maximum dollar limits set by the Internal Revenue Service. The Company made matching contributions to the 401(k) plan of \$1.9 million, \$2.1 million, and \$2.0 million for the years ended December 31, 2025, 2024, and 2023, respectively. The expenses are recorded consistent with the payroll expense associated to each individual employee to whom the matching contributions pertains.

Recently Issued Accounting Standards

As an “emerging growth company,” the Jumpstart Our Business Startups Act (“JOBS Act”), allows the Company to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. The Company has elected to use this extended transition period under the JOBS Act. The adoption dates discussed below reflect this election.

New Accounting Pronouncements Recently Adopted

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. The Company elected to early adopt ASU 2023-09 effective January 1, 2025, and applied the new disclosure requirements prospectively in this Annual Report for the fiscal year ended December 31, 2025. Prior period disclosures have not been adjusted to reflect the new disclosure requirements. For further information, refer to Note 16 – *Income Taxes*.

New Accounting Pronouncements Issued but Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

In September 2025, the FASB issued ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) which modifies the accounting guidance for costs incurred in connection with internal-use software. The amendments in this update are intended to improve the operability of the guidance by removing references to software development project stages, thereby making the guidance neutral to different software development methodologies. Under the revised standard, entities will apply a single model for capitalizing and expensing costs related to internal-use software, regardless of the development approach. ASU 2025-06 is effective for annual periods beginning after December 15, 2027, including interim

periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-06.

3 – REVENUE

The following table disaggregates revenue by product category, geography, and sales channel for the fiscal periods indicated (in thousands):

Revenue by product category	Year-ended December 31,		
	2025	2024	2023
Grills	\$ 298,026	\$ 324,702	\$ 299,346
Consumables	127,474	119,299	114,901
Accessories	134,020	160,071	191,635
Total revenue	\$ 559,520	\$ 604,072	\$ 605,882

Revenue by geography	Year-ended December 31,		
	2025	2024	2023
North America	\$ 514,686	\$ 542,381	\$ 536,496
Rest of world	44,834	61,691	69,386
Total revenue	\$ 559,520	\$ 604,072	\$ 605,882

Revenue by sales channel	Year-ended December 31,		
	2025	2024	2023
Retail	\$ 468,452	\$ 482,812	\$ 451,759
Direct to consumer	91,068	121,260	154,123
Total revenue	\$ 559,520	\$ 604,072	\$ 605,882

4 – LEASES

The Company has various lease agreements related to office space, warehouses, vehicles, and office equipment. The leases expire at various dates through 2037, which are primarily accounted for as operating leases.

The following table presents the components of lease costs (in thousands):

	Year-ended December 31,		
	2025	2024	2023
Operating lease costs	\$ 7,428	\$ 7,476	\$ 6,293
Variable lease costs	1,566	1,379	1,311

The following table presents lease terms and discount rates:

	Year-ended December 31,		
	2025	2024	2023
Weighted average remaining lease term	10.28	10.14	10.67
Weighted average discount rate	8.32 %	8.04 %	7.83 %

At December 31, 2025, future lease payments (receipts) under operating leases were as follows (in thousands):

	Operating Lease Liabilities	Operating Sublease
2026	\$ 4,627	\$ (1,035)
2027	3,510	—
2028	3,279	—
2029	3,358	—
2030	3,018	—
Thereafter	21,529	—
Total lease payments (receipts)	39,321	(1,035)
Less: Effect of discounting to net present value	(13,631)	
Present value of lease liabilities	<u>\$ 25,690</u>	

The following table presents supplemental cash flow information (in thousands):

	Year-ended December 31,		
	2025	2024	2023
Cash payments used in operating cash flows from lease arrangements	\$ 5,984	\$ 5,806	\$ 6,112
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 9	\$ 376	\$ 40,589
Derecognition of right-of-use assets due to reassessment of lease term	\$ (32)	\$ (276)	\$ (33)

5 – ACCOUNTS RECEIVABLES, NET

Accounts receivables, net consists of the following (in thousands):

	December 31,	
	2025	2024
Trade accounts receivable	\$ 98,096	\$ 104,138
Allowance for expected credit losses	(434)	(449)
Sales reserves, discounts and allowances	(15,540)	(18,358)
Total accounts receivable, net	<u>\$ 82,122</u>	<u>\$ 85,331</u>

6 – INVENTORIES

Inventories consisted of the following (in thousands):

	December 31,	
	2025	2024
Raw materials	\$ 2,393	\$ 4,975
Work in process	4,395	6,526
Finished goods	92,043	95,866
Inventories	<u>\$ 98,831</u>	<u>\$ 107,367</u>

Included within inventories are adjustments of \$3.6 million and \$1.0 million for the years ended December 31, 2025 and 2024, respectively, to record inventory to net realizable value.

7 – ACCRUED EXPENSES

Accrued expenses consisted of the following (in thousands):

	December 31,	
	2025	2024
Accrual for inventories in-transit	\$ 4,292	\$ 13,013
Warranty accrual	5,975	6,239
Accrued compensation and bonus	12,854	8,483
Accrual for legal matter	—	15,000
Other	39,547	39,408
Accrued expenses	<u>\$ 62,668</u>	<u>\$ 82,143</u>

The changes in the Company's warranty accrual, included within accrued expenses in the accompanying consolidated balance sheets, were as follows for the fiscal periods indicated (in thousands):

	December 31,		
	2025	2024	2023
Warranty accrual, beginning of period	\$ 6,239	\$ 7,240	\$ 7,368
Warranty claims	(4,895)	(4,694)	(6,262)
Warranty costs accrued	4,631	3,693	6,134
Warranty accrual, end of period	<u>\$ 5,975</u>	<u>\$ 6,239</u>	<u>\$ 7,240</u>

8 – DERIVATIVES

Interest Rate Swap

On February 25, 2022, the Company entered into a floating-to-fixed interest rate swap agreement to hedge or otherwise protect against fluctuations on a portion of the Company's variable rate debt. The agreement provides for a notional amount of \$379.2 million, fixed rate of 2.08% and a maturity date of February 28, 2026. This agreement was designated as a cash flow hedge on the exposure of the variability of future cash flows subject to the variable monthly interest rates on \$379.2 million of the term loan portion under the First Lien Term Loan Facility (as defined below). The Company assessed hedge effectiveness at the time of entering into the agreement, utilizing a regression analysis, and determined the hedge is expected to be highly effective.

In January 2023, the Company changed the interest reset period from one month to three months on the term loan portion under the First Lien Term Loan Facility (as defined below). As a result, the Company dedesignated its hedging relationship. At the time of dedesignation, the total amount recorded within accumulated other comprehensive income ("AOCI") was \$21.3 million and will be amortized into earnings as a reduction of interest expense over the term of the previously hedged interest payments. As of December 31, 2025 the Company had \$0.6 million remaining within AOCI to be amortized into earnings as a reduction of interest expense.

For periods where the net position is in an asset balance, the balance is recorded within prepaid expenses and other current assets in the accompanying consolidated balance sheets. The gross and net balances from the interest rate swap contract position were as follows (in thousands):

	December 31,	
	2025	2024
Gross asset fair value	\$ 1,047	\$ 9,223
Gross liability fair value	—	—
Net asset fair value	<u>\$ 1,047</u>	<u>\$ 9,223</u>

Foreign Currency Contracts

The Company is exposed to foreign currency exchange rate risk related to its purchases and international operations. The Company utilizes foreign currency contracts to manage foreign currency risk in purchasing inventory and capital equipment, and future settlement of foreign-denominated assets and liabilities. The volume of the Company's foreign currency contract activity is limited by the amount of transaction exposure in each foreign currency and the Company's election as to whether to hedge the transactions. There are no derivative instruments entered into for speculative purposes.

The Company had outstanding foreign currency contracts as of December 31, 2025 and 2024. The Company did not elect hedge accounting for any of these contracts. All outstanding contracts are with the same counterparty and thus the fair market value of the contracts in an asset position are offset by the fair market value of the contracts in a liability position to reach a net position. For periods where the net position is an asset balance, the balance is recorded within prepaid expenses and other current assets in the accompanying consolidated balance sheets, and for periods where the net position is a liability balance, the balance is recorded within other non-current liabilities in the accompanying consolidated balance sheets. Changes in the net fair value of contracts are recorded within other income, net in the accompanying consolidated statements of operations and comprehensive loss.

The gross and net balances from foreign currency contract positions were as follows (in thousands):

	December 31,	
	2025	2024
Gross asset fair value	\$ 210	\$ —
Gross liability fair value	—	2,871
Net fair value	<u>\$ 210</u>	<u>\$ 2,871</u>

Gains (losses) from foreign currency contracts were recorded within other income, net in the accompanying consolidated statements of operations and comprehensive loss as follows for the fiscal periods indicated (in thousands):

	December 31,		
	2025	2024	2023
Realized loss	\$ (2,419)	\$ (1,020)	\$ (3,080)
Unrealized gain (loss)	3,081	(2,947)	1,033
Total gain (loss)	<u>\$ 662</u>	<u>\$ (3,967)</u>	<u>\$ (2,047)</u>

9 – FAIR VALUE MEASUREMENTS

The following table presents information about the fair value measurement of the Company's financial instruments (in thousands):

Financial Instruments Recorded at Fair Value on a Recurring Basis:	Fair Value Measurement Level	As of December 31,	
		2025	2024
Assets:			
Derivative assets—foreign currency contracts ⁽¹⁾	2	\$ 210	\$ —
Derivative assets—interest rate swap contract ⁽²⁾	2	1,047	9,223
Total assets		<u>\$ 1,257</u>	<u>\$ 9,223</u>
Liabilities:			
Derivative liabilities—foreign currency contracts ⁽³⁾	2	\$ —	\$ 2,871
Total liabilities		<u>\$ —</u>	<u>\$ 2,871</u>

(1) Included within prepaid expenses and other current assets in the accompanying consolidated balance sheets.

(2) Included within prepaid expenses and other current assets in the accompanying consolidated balance sheets.

(3) Included within other current liabilities in the accompanying consolidated balance sheets.

Transfers of assets and liabilities among Level 1, Level 2, and Level 3 are recorded as of the actual date of the events or change in circumstances that caused the transfer. For the years ended December 31, 2025 and 2024, there were no transfers between levels of the fair value hierarchy of the Company's assets or liabilities measured at fair value.

The fair value of the Company's derivative assets and liabilities through its foreign currency contracts is based upon observable market-based inputs that reflect the present values of the differences between estimated future foreign currency rates versus fixed future settlement prices per the contracts and therefore are classified within Level 2. The fair value of the Company's interest rate swap contract held with a financial institution is classified as a Level 2 financial instrument, which is valued using observable underlying interest rates and market-determined risk premiums at the reporting date.

Certain assets are measured at fair value on a non-recurring basis and are subject to fair value adjustments under certain circumstances. These assets include goodwill, which is evaluated using Level 3 inputs when written down to fair value and thus impaired. Once impaired, such assets are not subsequently adjusted to fair value unless further impairment occurs. During an interim goodwill impairment test, the Company determined that the carrying value of goodwill was in excess of its fair value after consideration of a control premium and recorded a non-cash impairment charge of \$74.7 million. For further details, see Note 2 – *Summary of Significant Accounting Policies*.

The following financial instruments are recorded at their carrying amount (in thousands):

Financial Instruments Recorded at Carrying Amount:	As of December 31, 2025		As of December 31, 2024	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Liabilities:				
Debt—Credit Facilities ⁽¹⁾	\$ 403,325	\$ 377,613	\$ 403,575	\$ 395,421
Total liabilities	\$ 403,325	\$ 377,613	\$ 403,575	\$ 395,421

(1) Included within the current portion of notes payable and notes payable, net of current portion in the accompanying consolidated balance sheets. Due to the unobservable nature of the inputs these financial instruments are considered to be Level 2 instruments in the fair value hierarchy.

Due to the short-term nature of the borrowings under the Receivables Financing Agreement (as defined below), the carrying amounts approximate their fair values.

10 – PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consisted of the following (in thousands):

	December 31,	
	2025	2024
Land and buildings	\$ 2,062	\$ 2,062
Machinery and equipment	29,642	28,563
Leasehold improvements	12,398	12,396
Office equipment and fixtures	23,455	21,921
Vehicles	2,617	2,832
Computer software and hardware	28,568	27,183
Property, plant, and equipment, gross	98,742	94,957
Plus: construction in progress	9,220	5,877
Less: accumulated depreciation	(74,259)	(63,885)
Property, plant, and equipment, net	\$ 33,703	\$ 36,949

Depreciation expense related to property, plant, and equipment recorded within cost of revenue was \$6.4 million, \$7.2 million, and \$7.1 million for the years ended December 31, 2025, 2024, and 2023, respectively. Depreciation expense related to property, plant, and equipment recorded within general and administrative expense was \$5.8 million, \$6.6 million, and \$7.9 million for the years ended December 31, 2025, 2024, and 2023, respectively.

11 – GOODWILL AND INTANGIBLES

Goodwill is primarily attributable to the allocations of the purchase price from the acquisition of Traeger Pellet Grills Holdings LLC on September 25, 2017 (the “Transaction”) and the acquisition of Apption Labs on July 1, 2021.

The changes in the carrying amount of goodwill were as follows (in thousands):

	December 31,	
	2025	2024
Goodwill, beginning of period	\$ 74,725	\$ 74,725
Goodwill impairment	(74,725)	—
Goodwill, end of period	\$ —	\$ 74,725

The Company's intangible assets consisted of the following at the dates indicated below (dollars in thousands):

December 31, 2025				
	Weighted Average Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer relationships	17	\$ 378,394	\$ (184,665)	\$ 193,728
Trademark	24	281,700	(95,261)	186,439
Technology	5	36,300	(33,070)	3,230
Distributor relationships	8	2,400	(1,350)	1,050
Favorable lease position	8	51	(50)	1
Other intangible assets	10	3,623	(1,021)	2,602
Total		<u>\$ 702,467</u>	<u>\$ (315,417)</u>	<u>\$ 387,050</u>

December 31, 2024				
	Weighted Average Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer relationships	17	\$ 378,394	\$ (162,070)	\$ 216,324
Trademark	24	281,700	(82,931)	198,769
Technology	5	36,300	(26,610)	9,690
Distributor relationships	8	2,400	(1,050)	1,350
Favorable lease position	8	51	(48)	3
Other intangible assets	10	3,250	(850)	2,400
Total		<u>\$ 702,094</u>	<u>\$ (273,558)</u>	<u>\$ 428,536</u>

The preponderance of the customer relationships and trademark were pushed down from the purchase accounting in the Transaction (as defined above) in 2017.

Estimated annual amortization expense for the next five years and thereafter for the years ending December 31, (in thousands):

2026	\$ 38,719
2027	35,470
2028	35,445
2029	34,643
2030	34,468
Thereafter	207,311
Total	<u>\$ 386,056</u>

Amortization expense related to intangible assets recorded within cost of revenue was \$6.7 million for the year ended December 31, 2025 and \$7.2 million for the years ended December 31, 2024 and 2023. Amortization expense related to intangible assets recorded within amortization of intangible assets was \$35.3 million, \$35.3 million, and \$35.6 million for the years ended December 31, 2025, 2024, and 2023, respectively.

12 – NOTES PAYABLE

Notes payable refers to the corporate level debt facilities. The Company's corporate debt is incurred and guaranteed by certain of its operating subsidiaries, but it is not guaranteed by the Company or any parent entities above the borrower and guarantors in the ownership structure.

The Company's corporate level consolidated outstanding debt is as follows (dollars in thousands):

	December 31,		Interest rate as of December 31, 2025
	2025	2024	
First lien credit agreement:			
First lien term loan facility, matures June 2028	\$ 403,325	\$ 403,575	7.3 %
Revolving credit facility, matures June 2026 and December 2027 (as defined below)	—	—	n/a
Total notes payable	403,325	403,575	
Less: unamortized deferred financing costs	(3,485)	(4,880)	
Less: current maturities	(250)	(250)	
Notes payable, net of current portion	\$ 399,590	\$ 398,445	

On June 29, 2021, the Company refinanced its existing credit facilities and entered into a First Lien Credit Agreement, as borrower, with Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent, and other lenders party thereto as joint lead arrangers and joint bookrunners (the "First Lien Credit Agreement"). The First Lien Credit Agreement originally provided for (i) a \$560.0 million senior secured term loan facility (the "First Lien Term Loan Facility"), which includes a \$50.0 million delayed draw term loan and (ii) a \$125.0 million revolving credit facility (the "Revolving Credit Facility" and, together with the First Lien Term Loan Facility, the "Credit Facilities"). The Company entered into an agency transfer agreement on April 30, 2024, pursuant to which Morgan Stanley Senior Funding, Inc. succeeded Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent for the Credit Facilities. The Company's obligations under the First Lien Credit Agreement were substantively unchanged.

On August 5, 2025, the Company entered into an amendment to the First Lien Credit Agreement (the "Amendment") to, among other things, extend the maturity date of a portion of the Revolving Credit Facility, reduce the size of the Revolving Credit Facility by 10% and modify other provisions of the Revolving Credit Facility, as described below.

The First Lien Term Loan Facility accrues interest at a rate per annum that considers both fixed and floating components. The fixed component ranges from 3.00% to 3.25% per annum based on the Company's Public Debt Rating (as defined in the First Lien Credit Agreement). The floating component is based on the Term SOFR (as defined in the First Lien Credit Agreement) for the relevant interest period. The First Lien Term Loan Facility requires quarterly principal payments from December 2021 through June 2028, with any remaining unpaid principal and any accrued and unpaid interest due on the maturity date of June 29, 2028.

Loans under the Revolving Credit Facility accrue interest at a rate per annum that considers both fixed and floating components. The fixed component ranges from 2.75% to 3.25% per annum based on the Company's most recently determined First Lien Net Leverage Ratio (as defined in the First Lien Credit Agreement). The floating component is based on the Term SOFR for the relevant interest period. The Revolving Credit Facility also has a variable commitment fee, which is based on the Company's most recently determined First Lien Net Leverage Ratio and ranges from 0.25% to 0.50% per annum on undrawn amounts. Letters of credit may be issued under the Revolving Credit Facility in an amount not to exceed \$15.0 million which, when issued, lower the overall borrowing capacity of the facility.

The Amendment made several material modifications to the Revolving Credit Facility. The overall size of the Revolving Credit Facility has been reduced by 10% to \$112.5 million, and has been split into two tranches: a \$30.0 million tranche expiring on June 29, 2026 and a \$82.5 million tranche expiring on December 29, 2027 (the "Extended Revolving Facility"). No payment of outstanding principal amounts under either tranche is due prior to the respective expiration date of each tranche.

Except as noted below, the Credit Facilities are collateralized by substantially all of the assets of TGP Holdings III LLC, TGPX Holdings II LLC, Traeger Pellet Grills Holdings LLC, and certain subsidiaries of Traeger Pellet Grills Holdings LLC, including intellectual property, mortgages, and the equity interest of each of these respective entities. Upon event of default, the assets of Traeger SPE LLC, substantially consisting of the Company's accounts receivable, collateralize the receivables financing agreement discussed below and do not collateralize the Credit Facilities. There are no guarantees from any entities above TGPX Holdings II LLC, including Traeger, Inc.

The First Lien Credit Agreement contains certain affirmative and negative covenants that limit the Company's ability to, among other things, incur additional indebtedness or liens (with certain exceptions), make certain investments, engage in fundamental changes or transactions including changes of control, transfer or dispose of certain assets, make restricted payments (including dividends), engage in new lines of business, make certain prepayments, and engage in certain affiliate transactions. Pursuant to

the Amendment, the Company has agreed to certain additional negative covenant restrictions for the benefit of the lenders under the Extended Revolving Facility. All lenders under the Revolving Credit Facility are the beneficiaries of a First Lien Net Leverage Ratio (as defined in the First Lien Credit Agreement) test of 6.20 to 1.00, which is only applicable if the Company's utilization of the Revolving Credit Facility in excess of a threshold set forth in the First Lien Credit Agreement. The lenders under the Extended Revolving Facility are the beneficiaries of a 6.20 to 1.00 First Lien Net Leverage Ratio covenant with a lower trigger threshold for testing, as set forth in the Amendment, and a minimum liquidity covenant requiring the maintenance of liquidity of at least \$15.0 million, which is tested monthly. As of December 31, 2025, the Company was in compliance with the covenants under the Credit Facilities.

Future maturities of the notes payable are as follows as of December 31, (in thousands):

2026	\$	250
2027		250
2028		402,825
2029		—
2030		—
Thereafter		—
Total	\$	<u>403,325</u>

13 – RECEIVABLES FINANCING AGREEMENT

On November 2, 2020, the Company entered into a receivables financing agreement (the "Receivables Financing Agreement"). Through the Receivables Financing Agreement, the Company participates in a trade receivables securitization program administered on its behalf by MUFG Bank Ltd. ("MUFG"). Through this arrangement, the Company has secured short-term capital requirements financing using outstanding accounts receivable balances as collateral, which have been contributed by the Company to a wholly owned subsidiary, Traeger SPE LLC. As a special purpose entity (the "SPE"), Traeger SPE LLC has been structured so that its assets (substantively the accounts receivable contributed by the Company to the SPE) are outside the reach of other creditors, including the lenders under the Company's New First Lien Credit Agreement. While the Company provides services to the SPE through continuing involvement in the aspects of collection and cash application of the receivables, the receivables are owned by the SPE once contributed to it by the Company. The Company is the primary beneficiary and holds all equity interests of the SPE, thus the Company consolidates the SPE without any significant judgments.

The maximum borrowing capacity under the Receivables Financing Agreement is between \$30.0 million and \$75.0 million. The Receivables Financing Agreement allows for seasonal adjustments to the maximum borrowing capacity and further adjustments can be made up to two times annually at the discretion of the Company (with consent of the lenders under the Receivables Financing Agreement). The Company is required to pay fixed interest on outstanding cash advances of 2.5%, a floating interest based on the CP Rate or Adjusted Term SOFR (each as defined in the Receivables Financing Agreement), and an unused capacity charge that ranges from 0.25% to 0.5%. The Receivables Financing Agreement also includes a liquidity threshold of \$42.5 million and if the Company's liquidity falls below this threshold, it may result in an increase in the required level of reserves, which would result in a reduction of the borrowing base under the Receivables Financing Agreement during such a liquidity shortfall.

On August 6, 2024, the Company entered into Amendment No. 10 to the Receivables Financing Agreement in order to extend the expiration of the facility to August 6, 2027. As part of the amendment, the Company is required to pay an upfront fee for the facility, along with a fixed interest rate on outstanding cash advances of approximately 2.6% and a floating interest rate based on the CP Rate or Adjusted Term SOFR (each as defined in the Receivables Financing Agreement). The Company was in compliance with the covenants under the Receivables Financing Agreement as of December 31, 2025.

As of December 31, 2025, the Company had no outstanding borrowings under this facility. As of December 31, 2024, the Company had \$5.0 million of borrowings outstanding, which were used for general corporate and working capital purposes.

14 – COMMITMENTS AND CONTINGENCIES

Unconditional purchase commitments

The Company has unconditional purchase commitments for cloud-hosting costs, distribution contracts, software licenses, and other professional fees. Future minimum payments under these unconditional purchase commitments are as follows as of December 31, (in thousands):

2026		\$	2,755
2027			2,066
2028			144
2029			—
2030			—
Thereafter			—
Total		\$	4,965

Legal Matters

In the normal course of business, the Company is involved in legal proceedings and other potential loss contingencies, some of which are covered by insurance. In accordance with ASC Topic 450, *Contingencies* (“Topic 450”), the Company establishes accruals for contingencies when it is probable that a loss will be incurred and the amount, or range of amounts, can be reasonably estimated. If the reasonable estimate is a range, the Company will accrue the best estimate in that range. When no amount within the range is a better estimate than any other amount, the Company will accrue the minimum amount in the range. Legal proceedings and other contingencies for which no accrual has been established are disclosed to the extent required by Topic 450.

In August 2024, the Company received an offer of compromise to reach an out-of-court settlement for a product liability matter. A formal settlement agreement was finalized in February 2025 and the matter was paid in March 2025 through the Company’s insurance policies in the amount of \$15.0 million.

15 – STOCK-BASED COMPENSATION

The Traeger, Inc. 2021 Incentive Award Plan (the “2021 Plan”) became effective as of July 28, 2021, the day prior to the first public trading date of the Company’s common stock. The 2021 Plan provides for the grant of stock options, including incentive stock options, and nonqualified stock options, restricted stock, dividend equivalents, restricted stock units, stock appreciation rights, and other stock or cash awards to the Company’s employees and consultants and directors of the Company and its subsidiaries. Subject to the adjustment described in the following sentence, the initial number of shares of common stock available for issuance under awards granted pursuant to the 2021 Plan was equal to 14,105,750 shares, which shares may be authorized but unissued shares, treasury shares, or shares purchased in the open market. On January 1, 2026 and January 1, 2025, an additional 6,853,413 shares and 6,532,441 shares of common stock became available for issuance under awards granted pursuant to the 2021 Plan, respectively, as a result of the operation of an automatic annual increase provision in the 2021 Plan.

The Company grants time-based restricted stock units (“RSUs”) and time-based restricted shares (“RSAs”) to employees which generally vest over a three-year vesting period, with one-third of the RSUs or RSAs vesting on the first, second and third anniversaries of the grant date subject to continued employment or service with the Company and its affiliates. In 2024, the Company granted performance-based restricted stock units (“PSUs”) and performance-based restricted shares (“Performance Shares”) which cliff vested based on the achievement of certain annual adjusted EBITDA goals over an annual performance period subject to continued employment. In 2025, the Company granted PSUs and Performance Shares which will cliff vest based on the achievement of certain relative total shareholder return (“Relative TSR”) goals at the end of a three-year performance period subject to continued employment or, solely with respect to the Performance Shares, service.

For RSUs and RSAs, the compensation expense is recognized on a straight-line basis over the requisite service period. For the PSUs and Performance Shares, the compensation expense is recognized on an accelerated basis over the requisite service period. The compensation expense related to the PSUs and Performance Shares with a performance condition could increase or decrease depending on the estimated probability of achieving the applicable adjusted EBITDA goals over the requisite service period. For PSUs and Performance Shares with a market condition, the Company uses a Monte Carlo pricing model to estimate the fair value of the awards as of the grant date, using various simulations of future stock prices through a stochastic model to estimate the fair value over the remaining term of the performance period. In addition, when an award is forfeited prior to the vesting date, the Company will recognize an adjustment for the previously recognized expense in the period of the forfeiture, with the exception of awards with market conditions for which the requisite service period has been satisfied.

A summary of the RSU and RSA activity during the year ended December 31, 2025 was as follows:

	Number of Units and Shares	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2024	9,000,295	\$ 3.23
Modified ⁽¹⁾	(570,619)	3.40
Granted	6,928,741	1.50
Vested	(3,946,897)	3.32
Forfeited	(2,577,048)	2.44
Outstanding at December 31, 2025	<u>8,834,472</u>	<u>\$ 2.06</u>

- (1) On March 6, 2025, as part of the Separation Agreement between the Company and Dominic Blosil, the Company's former Chief Financial Officer, the Board of Directors of the Company approved the modification of Mr. Blosil's then-outstanding and unvested RSUs, such that the RSUs continued to vest pursuant to their terms, with any then-remaining unvested RSUs vesting in full on December 31, 2025, subject to Mr. Blosil continuing to provide advisory services to the Company through such date. The modification has a negligible impact on the accompanying condensed consolidated statements of operations and comprehensive loss for all periods presented.

As of December 31, 2025, the Company had \$8.6 million of unrecognized stock-based compensation expense related to unvested RSUs and RSAs that is expected to be recognized over a weighted-average period of 1.85 years.

A summary of the PSU and Performance Share activity during the year ended December 31, 2025 was as follows:

	Number of Units and Shares	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2024	3,152,807	\$ 2.21
Modified ⁽¹⁾	(492,908)	2.17
Granted ⁽²⁾	5,465,174	1.07
Vested	(3,068,721)	2.21
Forfeited or cancelled	(761,627)	0.98
Outstanding at December 31, 2025	<u>4,294,725</u>	<u>\$ 0.97</u>

- (1) In March 2025 the Board of Directors of the Company, acting upon the unanimous recommendation of its compensation committee, approved a modification to the then outstanding Performance Shares and PSUs to provide for certain adjustments to the applicable adjusted EBITDA goals. As a result of the modification, the Company recorded \$1.1 million of incremental expense during the year ended December 31, 2025.
- (2) Represents the target number of Performance Shares and PSUs granted in 2025, and the corresponding grant-date fair value of those awards.

As of December 31, 2025, the Company had \$2.7 million of unrecognized stock-based compensation expense related to unvested PSUs and Performance Shares that are expected to be recognized over a weighted-average period of 2.31 years.

Summary of Stock-Based Compensation

The Company's stock-based compensation was classified as follows in the accompanying consolidated statements of operations and comprehensive loss for the fiscal periods indicated (in thousands):

	Year-ended December 31,		
	2025	2024	2023
Cost of revenue	\$ 50	\$ 72	\$ 74
Sales and marketing	1,667	3,087	4,115
General and administrative	13,537	24,742	49,014
Total stock-based compensation	<u>\$ 15,254</u>	<u>\$ 27,901</u>	<u>\$ 53,203</u>

During the years ended December 31, 2025, 2024, and 2023 the Company paid \$1.8 million, \$2.2 million, and \$0, respectively, for the net settlement of income tax obligations related to employee equity awards that vested during the period.

16 – INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

The components of loss before income taxes were as follows for the fiscal periods indicated (in thousands):

	Year-ended December 31,		
	2025	2024	2023
Domestic	\$ (65,971)	\$ (35,546)	\$ (96,517)
Foreign	(53,351)	(418)	14,100
Loss before provision (benefit) for income taxes	<u>\$ (119,322)</u>	<u>\$ (35,964)</u>	<u>\$ (82,417)</u>

Provision (benefit) for income taxes consisted of the following components for the fiscal periods indicated (in thousands):

	Year-ended December 31,		
	2025	2024	2023
Current:			
Federal	\$ 46	\$ 6	\$ 12
State	(53)	36	95
Foreign	712	(114)	4,018
Total current tax expense	<u>\$ 705</u>	<u>\$ (72)</u>	<u>\$ 4,125</u>
Deferred expense:			
Federal	\$ —	\$ —	\$ (26)
State	—	—	26
Foreign	(4,846)	(1,884)	(2,140)
Total deferred tax benefit	<u>\$ (4,846)</u>	<u>\$ (1,884)</u>	<u>\$ (2,140)</u>
Provision (benefit) for income taxes	<u>\$ (4,141)</u>	<u>\$ (1,956)</u>	<u>\$ 1,985</u>

A reconciliation of the differences between the effective and statutory income tax rates after the adoption of ASU 2023-09 are as follows for the fiscal period indicated (dollars in thousands):

	Year-ended December 31, 2025	
Federal statutory rate	\$ (25,058)	21.0 %
State income taxes, net of federal benefit ⁽¹⁾	89	(0.1)%
Foreign tax effects		
United Kingdom		
Rate differential	(557)	0.5 %
Goodwill impairment	8,444	(7.1)%
Other	(1,319)	1.1 %
Other foreign jurisdictions	380	(0.3)%
Effect of cross-border tax laws		
Global intangible low-taxed income	192	(0.2)%
Tax Credits		
Research and development credits	(547)	0.5 %
Change in valuation allowance	12,478	(10.5)%
Nontaxable and nondeductible items		
Stock-based compensation	1,545	(1.3)%
Other	907	(0.8)%
Changes in unrecognized tax benefits	247	(0.2)%
Change in partnership investment	(1,089)	0.9 %
Other	147	(0.1)%
	<u>\$ (4,141)</u>	<u>3.4 %</u>

(1) The state and local jurisdictions that contribute to the majority (greater than 50%) of the tax effect in this category include California, Georgia, Illinois, New Jersey, and Texas.

A reconciliation of the differences between the effective and statutory income tax rates prior to the adoption of ASU 2023-09 are as follows for the fiscal periods indicated:

	Year-ended December 31,	
	2024	2023
Federal statutory rate	21.0 %	21.0 %
State income taxes, net of federal benefit	3.8	0.3
Foreign rate differential	(0.1)	(0.5)
Stock-based compensation	(5.5)	(15.3)
Global intangible low-taxed income	(4.9)	(5.3)
Non-deductible items	(2.9)	(2.3)
Research and development credits	3.0	1.0
Change in partnership investment	3.1	15.7
Changes in valuation allowance	(22.5)	(25.6)
Changes in tax rates	0.3	0.5
Return to provision	7.6	3.2
Other	2.6	4.9
	<u>5.5 %</u>	<u>(2.4)%</u>

The differences between the U.S. statutory rate and the Company's effective tax rate for the years ended December 31, 2025, 2024, and 2023 are primarily due to the changes in valuation allowance, nondeductible goodwill impairment, state taxes, and stock-based compensation.

Cash paid for income taxes, net of refunds received, by jurisdiction after the adoption of ASU 2023-09 are as follows for the fiscal period indicated (in thousands):

	Year-ended December 31, 2025
Federal	\$ —
State	108
Foreign	
United Kingdom	2,605
Canada	570
Other foreign jurisdictions	119
Income taxes paid, net of refunds	\$ 3,401

Cash paid for income taxes, net of refunds received, during the years ended December 31, 2024 and 2023 was \$2.0 million and \$3.1 million, respectively.

The amounts that comprised deferred income tax assets, net are as follows for the fiscal periods indicated (in thousands):

	Year-ended December 31,	
	2025	2024
Deferred tax assets:		
Net operating loss carryforwards	\$ 44,616	\$ 34,280
Sec. 163(j) interest	21,922	18,719
Tax credits	3,753	2,882
Stock-based compensation	—	17
Property and equipment	252	101
Operating lease liabilities	29	35
Investments	72,575	71,382
Other	231	197
Less: valuation allowance	(141,360)	(127,347)
Total deferred tax assets	\$ 2,018	\$ 266
Deferred tax liabilities:		
Property and equipment	\$ —	\$ (971)
Intangible assets	(3,504)	(5,636)
Operating right-of-use assets	(25)	(35)
Total deferred tax liabilities	\$ (3,529)	\$ (6,642)
Net deferred tax liability	\$ (1,511)	\$ (6,376)

As of December 31, 2025, the Company has net operating loss carryforwards of approximately \$162.3 million for federal income tax purposes, which will be available to offset future taxable income. Due to recent tax legislation, approximately \$159.0 million of these net operating losses are eligible for indefinite carryforward, limited by certain taxable income limitations. The federal net operating losses will begin to expire in 2037 if not utilized. The Company is not aware of any restrictions or limitations on use of the net operating losses under Internal Revenue Code Section 382. The Company has net operating loss carryforwards of approximately \$133.8 million for state income tax purposes, which will be available to offset future taxable income. The state net operating losses will begin to expire in 2026 if not utilized. Due to cumulative losses, the Company has recorded a valuation allowance against its net deferred tax assets as of December 31, 2025, 2024, and 2023, respectively.

The Company also has federal research and development tax credit carryforwards of \$4.4 million and state research and development tax credit carryforwards of \$1.1 million, which begin to expire in 2038 and 2032, respectively, if not utilized.

The Company annually conducts an analysis of its tax positions and does not recognize certain tax benefits from uncertain tax positions within the provision for income taxes. A tax benefit is recognized only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. For such positions, the largest benefit that has a greater than 50% likelihood of being realized upon settlement is recognized in the financial statements.

The following summarizes activity related to unrecognized tax benefits for the fiscal periods indicated (in thousands):

	Year-ended December 31,		
	2025	2024	2023
Unrecognized benefit—beginning of the year	\$ 1,734	\$ 1,419	\$ 1,056
Gross increases—current period positions	209	262	184
Gross increases—prior period positions	153	53	179
Gross decreases—prior period positions	—	—	—
Unrecognized benefit—end of the year	<u>\$ 2,096</u>	<u>\$ 1,734</u>	<u>\$ 1,419</u>

The Company does not expect any significant change in its unrecognized tax benefits within the next 12 months. At December 31, 2025, the Company had \$2.1 million of total unrecognized tax benefits recorded against research and development tax credit carryforwards, none of which would impact the effective tax rate if recognized.

The Company has elected to recognize interest and penalties related to uncertain tax positions as a component of interest expense from continuing operations in the accompanying consolidated statements of operations and comprehensive loss. No interest or penalties have been recorded through the year ended December 31, 2025.

The Company files tax returns in the United States and in various foreign and state jurisdictions. The Company is not currently under examination by any taxing jurisdiction as of December 31, 2025. With exception for years generating net operating loss carryforwards, the Company is no longer subject to U.S. federal, state, or local income tax examinations by tax authorities for years before 2021.

17 – RELATED PARTY TRANSACTIONS

The Company outsources a portion of its customer service and support through a third party who is an affiliate of the Company through common ownership. The total amount of expenses the Company recorded associated with such services totaled \$3.6 million, \$5.3 million, and \$5.8 million for the years ended December 31, 2025, 2024, and 2023, respectively. Amounts payable to the third party at December 31, 2025 and 2024 was \$0.7 million and \$0.8 million, respectively.

18 – EARNINGS (LOSS) PER SHARE

The Company computes basic earnings (loss) per share (“EPS”) attributable to common stockholders by dividing net income (loss) attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted EPS is calculated by adjusting weighted average shares outstanding for the dilutive effect of potential common shares, determined using the treasury-stock method. For purposes of the diluted EPS calculation, restricted stock units, restricted stock awards, performance stock units and performance shares are considered to be potential common shares.

The following table sets forth the computation of the Company’s basic and diluted EPS attributable to common stockholders for the fiscal periods indicated (in thousands, except share and per share amounts):

	Year-ended December 31,		
	2025	2024	2023
Net loss	<u>\$ (115,181)</u>	<u>\$ (34,008)</u>	<u>\$ (84,402)</u>
Weighted-average common shares outstanding—basic	133,095,964	127,443,657	123,726,252
Effect of dilutive securities:			
Restricted stock units, restricted stock awards, performance stock units and performance shares	—	—	—
Weighted-average common shares outstanding—diluted	<u>133,095,964</u>	<u>127,443,657</u>	<u>123,726,252</u>
Loss per share			
Basic and diluted	<u>\$ (0.87)</u>	<u>\$ (0.27)</u>	<u>\$ (0.68)</u>

The following table includes the number of units and shares that may be dilutive common shares in the future, and were not included in the computation of diluted loss per share because the effect was anti-dilutive for the fiscal periods indicated:

	Year-ended December 31,		
	2025	2024	2023
Restricted stock units, restricted stock awards, performance stock units and performance shares	13,129,197	12,153,102	8,098,660

19 – RESTRUCTURING PLAN

On May 15, 2025, the Board of Directors of the Company approved a comprehensive enterprise initiative designed to streamline the Company’s organizational structure and rebalance its cost base to achieve profitability and cash flow generation. As part of this initiative, the Company plans to identify opportunities to deliver cost savings and operational efficiencies. These savings are expected to be achieved through a multi-step strategic optimization plan (“Project Gravity”).

Project Gravity, in its entirety, is expected to be substantially completed by the end of fiscal year 2026, with the majority of the total charges incurred in fiscal year 2025. All restructuring charges recognized to date have been substantially settled in cash and the Company does not currently anticipate significant non-cash charges associated with Project Gravity.

The following table summarizes the Project Gravity costs recorded in the accompanying consolidated statements of operations and comprehensive loss for the fiscal period indicated (in thousands):

	Year-ended December 31, 2025
Costs recorded in cost of revenue:	
Supplier settlement costs	\$ 3,102
Total costs recorded in cost of revenue	3,102
Costs recorded in restructuring and other costs:	
Consulting fees	13,899
Severance and other personnel costs	7,178
Other restructuring related costs	763
Total costs recorded in restructuring and other costs	21,840
Total restructuring and other costs	\$ 24,942

The following table presents a roll-forward of restructuring-related liabilities recorded within accrued expenses in the accompanying consolidated balance sheets (in thousands):

	Consulting Fees	Severance and Other Personnel Costs	Other Restructuring Related Costs	Supplier Settlement Costs	Total
Balance at December 31, 2024	\$ —	\$ —	\$ —	\$ —	\$ —
Charges incurred	13,899	7,178	218	629	21,924
Cash payments	(11,714)	(3,554)	(218)	—	(15,486)
Balance at December 31, 2025	\$ 2,185	\$ 3,624	\$ —	\$ 629	\$ 6,438

20 – SEGMENT INFORMATION

The Company operates as one operating and reportable segment. The Company’s one operating segment derives revenues from customers through the design, sourcing, sales, and support of wood pellet fueled barbecue grills, the pellets used to fire the grills as well as rubs, spices, sauces, and grill accessories. The operational structure, including sales, research, product design, operations, marketing, and administrative functions, is focused on the entire product suite rather than individual product categories, channels, and geographies. The accounting policies of the Company’s one operating segment are the same as those described in the summary of significant accounting policies. The Company’s chief operating decision maker (“CODM”), the CEO, regularly reviews segment assets and liabilities on the consolidated balance sheets as total consolidated assets. The CODM assesses performance for the Company’s one operating segment and decides how to allocate resources based on consolidated revenue, gross margin, demand creation costs, and net loss, by comparing actual results to historical results and previously forecasted financial information. As there is a single operating segment, the Company does not have intra-entity sales or transfers that impact the consolidated financials.

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The following table presents segment information for revenue, segment profit (loss), and significant expenses with respect to the Company's single reportable segment (in thousands):

	Year-ended December 31,		
	2025	2024	2023
Revenue	\$ 559,520	\$ 604,072	\$ 605,882
Cost of revenue	340,174	348,603	382,325
Gross profit	219,346	255,469	223,557
Demand creation ⁽¹⁾	30,687	43,233	44,120
Other operating expenses ⁽²⁾	189,821	215,180	234,884
Other segment items ⁽³⁾	114,019	31,064	28,955
Net loss	\$ (115,181)	\$ (34,008)	\$ (84,402)

- (1) Represents expenses directly associated with building brand awareness and driving consumer demand for the Company's products, which primarily include advertising, promotional campaigns, sponsorships, digital and social media initiatives, and other marketing activities designed to enhance consumer engagement, expand market reach, and strengthen the brand's market presence. Demand creation costs are recorded within sales and marketing in the accompanying consolidated statements of operations and comprehensive loss.
- (2) Represents total operating expenses, excluding demand creation, goodwill impairment and restructuring and other costs, as presented in the accompanying consolidated statements of operations and comprehensive loss. These expenses primarily include employee-related costs such as salaries, wages, benefits and stock-based compensation, as well as amortization of intangible assets, research and development costs, external professional service fees, depreciation expense.
- (3) Represents consolidated goodwill impairment, restructuring and other costs, interest expense, other income, net, and provision (benefit) for income taxes as presented in the accompanying consolidated statement of operations and comprehensive loss.

February 25, 2026

Re: Separation Agreement Amendment

Dear James:

Reference is made to the Separation Agreement, dated as of December 16, 2025, between you and Traeger Pellet Grills, LLC (the "**Company**") on its own behalf and on behalf of its wholly owned subsidiary, Apption Labs Limited (d/b/a MEATER) (the "**Separation Agreement**"). This letter amendment (this "**Amendment**") amends the Separation Agreement. Capitalized terms not defined herein shall have the meanings given to them in the Separation Agreement. Capitalized terms defined herein shall be incorporated into the Separation Agreement as amended herein.

Effective as of the date above, this Separation Agreement is hereby amended as follows:

1. Section 1.2 of the Separation Agreement is hereby amended and restated in its entirety as follows:

"1.2. Equity Awards. Employee and the Company acknowledge and agree that as of the Effective Date, Employee holds 529,783 unvested time-based restricted stock units and 131,385 unvested performance stock units (collectively, the "**Equity Awards**") granted to Employee under the 2021 Incentive Award Plan (the "**Plan**") maintained by Traeger, Inc. ("**Parent**") and, in each case, subject to the terms and conditions set forth in an award agreement by and between Parent and Employee (each, an "**Award Agreement**"). For the avoidance of doubt, the time-vesting restricted stock unit Equity Award granted to Employee on April 10, 2025 (the "**2025 RSUs**") and the performance-vesting restricted stock unit Equity Award granted to Employee on April 10, 2025 (the "**2025 PSUs**" and, together with the 2025 RSUs, the "**2025 Equity Awards**"), will remain outstanding and continue to vest in accordance with their terms."

2. Section 2.1 of the Separation Agreement is hereby amended and restated in its entirety as follows:

"2.1. If Employee remains employed until the Termination Date then, subject to Employee executing a second release of claims in substantially the form attached hereto as Exhibit A (a "**Retirement Release**"), on or within 21 days following the Termination Date, and non-revocation of the Retirement Release during the seven day period following the date on which the Retirement Release is executed, then (a) Employee shall be entitled to full accelerated vesting of the 2025 RSUs (b) the 2025 PSUs shall remain outstanding and eligible to vest as set forth in Section 2.3(b) of the Award Agreement evidencing such Equity Award (the "**Retirement Vesting**")."

3. This Amendment shall be and hereby is incorporated into and forms a part of the Separation Agreement.
 4. Except as specifically set forth herein, all terms and conditions of the Separation Agreement shall remain in full force and effect.
-

Please indicate your acceptance and acknowledgement of, and agreement to, the foregoing by signing below.

Sincerely,

Traeger Pellet Grills, LLC

By: /s/ Courtland Astill

Courtland Astill
General Counsel

Agreed and Acknowledged:

/s/ James H. Hardy, Jr.

James H. Hardy, Jr.

SEPARATION AGREEMENT

This Separation Agreement (this “**Agreement**”), dated as of December 16, 2025 (the “**Effective Date**”) is entered into by and between James H. Hardy, Jr., an individual (“**Employee**”), and Traeger Pellet Grills, LLC (the “**Company**”) on its own behalf and on behalf of its wholly owned subsidiary, Apption Labs Limited (d/b/a MEATER) (“**MEATER**”). Each of Employee and the Company are collectively referred to herein as the “**Parties**,” and each individually as a “**Party**.”

A. WHEREAS, the Company and Employee are party to that certain Offer of Employment Letter, dated February 25, 2021 (as amended, the “**Offer Letter**”), as amended by that certain Letter Agreement, dated December 4, 2023 (the “**Letter Agreement**”) and that certain Non-competition, Confidentiality, Non-Solicitation Agreement, and Assignment of Invention, dated March 11, 2021 (the “**NDA**”);

B. WHEREAS, pursuant to the terms and conditions of the Letter Agreement, Employee is currently employed by the Company as President of MEATER (“**MEATER President**”);

C. WHEREAS, on December 3, 2025, the Company and Employee will jointly announce that Employee will step down as MEATER President effective December 31, 2025 (the “**Transition Date**”) and will terminate employment with the Company no later than April 30, 2026 (the “**Termination Date**”); and

D. WHEREAS, from the Transition Date through the Termination Date, Employee will provide to the Company advisory and other services to facilitate a smooth transition of the MEATER President position and for other business purposes, as requested by the Company.

NOW, THEREFORE, for good and adequate consideration, the receipt and sufficiency of which are hereby acknowledged, Employee and the Company hereby agree as follows:

1. **Employment Through and Following the Transition Date.**

1.1. **Employment Generally.**

(a) From the Effective Date through the Transition Date, Employee will continue to be employed by the Company in the role of President of MEATER on the same terms and conditions of employment as of immediately prior to the Effective Date. During such period, Employee will fulfill all his regular job duties and responsibilities as MEATER President and will transition such job duties and responsibilities to the MEATER general manager.

(b) Effective as of the Transition Date, Employee will (i) cease serving as MEATER President, (ii) be deemed to have resigned from all offices and directorships held at the Company, MEATER and each of their affiliates and (iii) remain employed on a full-time basis as a non-officer employee of Traeger (providing advisory and transition services).

Employee agrees to execute any documentation requested by the Company to effectuate any resignation(s) described in the preceding sentence.

(c) From the Transition Date through the Termination Date, subject to and conditioned upon Employee's execution and delivery of an effective release of claims in substantially the form attached hereto as Exhibit A (the "**Release**") on or within 21 days following the Transition Date, and the non-revocation of the Release during the seven day period following the date on which the Release is executed, Employee shall continue to (i) receive Employee's base salary, payable on the Company's regularly scheduled payroll periods, (ii) be eligible for the tax equalization payments, as set forth in the first bullet of the section of the Letter Agreement titled "Tax Equalization and Tax Preparation" and subject to the terms thereof, (iii) participate in the Company's employee benefit plans in accordance with the terms of those plans (collectively, the "**Continuing Compensation**"), (iv) be eligible for the tax preparation reimbursements, as set forth in the second bullet of the section of the Letter Agreement titled "Tax Equalization and Tax Preparation" and subject to the terms thereof (the "**U.K. Tax Reimbursement Benefit**") and (v) eligible to vest in the Equity Awards according to the terms and conditions of the Plan and the applicable Award Agreement (each, as defined below). Employee further agrees and acknowledges that, other than the Continuing Compensation, the U.K. Tax Reimbursement Benefit, and his Equity Awards, Employee will not be eligible for any other compensation or benefits set forth in the Offer Letter or Letter Agreement, including, without limitation, any annual discretionary bonus in respect of calendar year 2025 (and, for clarity, any calendar year thereafter). Regular payroll and tax withholdings, together with all other deferrals or deductions authorized by Employee, and other deductions and tax consequences required by law shall continue to apply to the Continuing Compensation (based on Employee's most recent form W-4).

1.2. Equity Awards. Employee and the Company acknowledge and agree that as of the Effective Date, Employee holds 529,783 unvested time-based restricted stock units and 131,385 unvested performance stock units (collectively, the "**Equity Awards**") granted to him under the 2021 Incentive Award Plan (the "**Plan**") maintained by Traeger, Inc. ("**Parent**") and, in each case, subject to the terms and conditions set forth in an award agreement by and between Parent and Employee (each, an "**Award Agreement**").

1.3. Certain Acknowledgements. Employee acknowledges and agrees that none of (i) Employee's cessation of serving as MEATER President and resignation from all offices and directorships held at the Company, MEATER and each of their affiliates on the Transition Date, in each case, (ii) the appointment of a new MEATER President on or after the Transition Date, and/or (iii) entering into this Agreement (including any changes herein to Employee's compensation and/or duties and responsibilities), in any case and whether taken individually or in any combination, constitute or will constitute an event giving rise to "Good Reason" for purposes of this Agreement or any other agreement between Employee and the Company and/or its affiliates (including, without limitation, Parent's Executive Change in Control Severance Plan and the Award Agreements).

1.4. **Termination of Employment.** Notwithstanding anything to the contrary in this Agreement, the Company may terminate Employee's employment for Cause at any time before the Termination Date. If the Company terminates Employee's employment for Cause (as defined in Section 19 of this Agreement), Employee will not be eligible to receive any Continuing Compensation following the date on which Employee's employment with the Company terminates.

2. **Retirement Vesting.**

2.1. If Employee remains employed until the Termination Date then, subject to Employee executing a second release of claims in substantially the form attached hereto as Exhibit A (a "**Retirement Release**"), on or within 21 days following the Termination Date, and non-revocation of the Retirement Release during the seven day period following the date on which the Retirement Release is executed, then (a) Employee shall be entitled to vesting of one-third of the time-vesting restricted stock unit Equity Award granted to him on April 10, 2025 (total vesting (118,472 RSUs) and (b) the performance-vesting restricted stock unit Equity Award granted to him on April 10, 2025 shall remain outstanding and eligible to vest as set forth in Section 2.3(b) of the Award Agreement evidencing such Equity Award (the "**Retirement Vesting**").

2.2. Notwithstanding the foregoing, if Employee materially breaches any provision of this Agreement, the NDA or any other written agreement between Employee and Parent or its subsidiaries (including, without limitation, the Company and MEATER) that contains restrictive covenants (e.g., confidentiality, invention assignment, non-solicitation, non-disparagement), or is terminated for Cause, Employee shall forfeit the compensation and benefits set forth in Section 1.1(c) and the Retirement Vesting (such that all restricted units that vested or remain outstanding and eligible to vest pursuant to the Retirement Vesting shall automatically be forfeited and terminated as of the date of such breach) and Employee shall promptly reimburse the Company for any payment or property received in connection with the foregoing upon demand from the Company.

3. **Clawback Policy.** Notwithstanding anything in this Agreement or any other agreement between Employee and the Company, Employee agrees that Employee remains subject to, and any compensation paid to Employee under this Agreement or otherwise will be subject to any clawback or recoupment policy adopted by the Company or Parent from time to time that is, by its terms, applicable to Employee, including the Parent's Policy for Recovery of Erroneously Awarded Compensation, as may be amended from time to time.

4. **Compliance.** Employee represents and warrants to the Company that up through the Effective Date, Employee performed Employee's duties in compliance with all Company policies and all applicable local, state and federal laws and regulations.

5. **Further Assurances.** Each Party agrees to execute and deliver, or cause to be executed and delivered, all such documents and instruments and to take, or cause to be taken all

such further or other actions as are reasonably necessary or desirable upon the request of any other Party to more fully effectuate the purposes and intent of this Agreement.

6. **Governing Law and Venue.** The Parties expressly agree that this Agreement shall be governed solely by the laws of the State of Florida, without regard to its principles of conflict of laws. Any legal proceedings arising out of or relating to this Agreement shall be exclusively brought in the state or federal courts located in Pensacola, Florida.

7. **Severability.** If any part of this Agreement is construed or determined by a court of competent jurisdiction to be in violation of any applicable law, such part shall be modified to achieve the objective of the Parties to the fullest extent permitted by applicable law and the balance of this Agreement shall remain in full force and effect. The Parties agree that in the event that any provision in the NDA is deemed by a court of competent jurisdiction to be overbroad, unduly restrictive, or otherwise unenforceable, such court may modify such provision as necessary to make such modified provision enforceable under applicable law or, if such provision cannot be modified to comply with applicable law, then to delete such portions of the provision that are unenforceable, which will not affect the enforceability of the remaining provisions of the NDA.

8. **Costs.** The Parties shall each bear their own costs, attorneys' fees, and other fees incurred in connection with this Agreement.

9. **Attorneys' Fees.** If any action in law or in equity is brought by any Party to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, costs, and disbursements, including without limitation expert witness fees, paralegal fees, deposition transaction fees, and other related fees and expenses, in addition to any other relief to which such Party may be entitled, up through a final appeal.

10. **Assignment.** Employee may not assign any of Employee's rights or obligations under this Agreement without the prior written consent of the Company. The Company may assign any or all of its rights or obligations under this Agreement without the prior written consent of Employee.

11. **Advice of Counsel and Knowing Execution.** Employee acknowledges that Employee has been advised by the Company to consult with, and seek the advice of, a personal attorney of Employee's choice prior to executing this Agreement in connection with the negotiation, drafting and execution of this Agreement, including, without limitation, the choice of law provision contained in Section 6 and his obligations under the NDA. Employee represents and warrants that Employee has, in fact, retained a personal attorney for such purpose and has received the advice of such attorney with respect to the terms of this Agreement and the NDA, and the negotiation of this Agreement, prior to entering into either and including, without limitation, with respect to the provisions noted in the preceding sentence. Employee acknowledges that this Agreement is written in a manner understandable to Employee. Employee acknowledges and understands this is a legal contract and that Employee is signing this Agreement knowingly, freely and voluntarily and that Employee has not been threatened,

coerced or intimidated into making the same. Employee acknowledges that Employee has had ample and reasonable time to consider this Agreement and the effects and import of it and that Employee has fully dwelt on it in Employee's mind and has had such counsel and advice, legal or otherwise, as Employee desires in order to make this Agreement. Employee has read and fully considered this Agreement and understands and desires to enter into it. The terms of this Agreement were derived through mutual compromise and are fully understood.

12. **Entire Agreement.** This Agreement, including any exhibits, the NDA and the Award Agreements, contains the entire agreement among the Parties with respect to Employee's transition to a non-executive employee and his ultimate separation from employment, and there are no promises or understandings outside of this Agreement with respect to Employee's separation from employment with the Company, and any prior discussions and negotiations with respect to the subject matter of this Agreement are superseded by this Agreement (including the Offer Letter and Letter Agreement, other than as expressly set forth herein with respect to the section of the Letter Agreement titled "Tax Equalization and Tax Preparation"). Nothing herein shall supersede or constitute a waiver of Employee's obligations under the NDA and the Parties confirm that the NDA remains binding on, and enforceable by, them during Employee's employment and after termination of Employee's employment with Company, as outlined in the NDA.

13. **Amendment; Waiver.** No provision of this Agreement shall be amended, waived or modified except by an instrument in writing signed by the Parties. Any waiver by a Party of a breach by the other Party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

14. **Third Party Beneficiary.** All of the Releasees (as defined in the Release) are intended third-party beneficiaries to the terms of this Agreement. Other than with respect to the Releasees, no third party shall have any rights under this Agreement and none of the terms, covenants, obligations, or rights contained in this Agreement are or shall be deemed to be for the benefit of any person or entity other than the Parties and their respective successors and assigns.

15. **Counterparts.** This Agreement may be executed in counterparts, all of which, when taken together, shall constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile, by electronic mail (e-mail) in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document will have the same effect as physical delivery of the paper document bearing an original signature.

16. **No Representations or Statements of Inducement.** Employee acknowledges that neither the Company, any of the Releasees, nor any officer, agent, representative, or attorney of or for any of them, has made any statement or representation to Employee regarding any fact relied upon in entering into this Agreement, and Employee has not relied upon any statement, representation or promise in executing this Agreement or in making the settlement provided for herein, except as expressly stated in this Agreement.

17. **No Admission of Wrongdoing.** The Parties agree that neither this Agreement nor the furnishing of the consideration for this Agreement will be deemed or construed at any time for any purpose as an admission by the Company or any of its affiliates (including Parent or MEATER) of wrongdoing or evidence of any liability or unlawful conduct of any kind. Neither this Agreement nor anything in this Agreement will be admissible in any proceeding as evidence of liability or wrongdoing by the Releasees. This Agreement may be introduced, however, in any proceeding to enforce the Agreement, and any such introduction shall be pursuant to an order protecting its confidentiality.

18. **Breach of Agreement by Employee.** It will be a breach of this Agreement for Employee to engage in any of the below conduct and the occurrence of any one or more of the following shall constitute "**Cause**" for purposes of this Agreement:

- (a) Employee's willful misconduct or gross negligence in the performance of Employee's duties, in either case, which causes Parent or any of its subsidiaries (including the Company and MEATER) material harm;
- (b) Employee's repeated willful failure to follow the lawful directives of the Parent's Board of Directors that are not inconsistent with Employee's position (other than as a result of death or physical or mental incapacity), in either case, which causes Parent or any of its subsidiaries (including the Company and MEATER) material harm;
- (c) Employee's conviction of, or pleading of guilty or nolo contendere to, a felony or any crime involving moral turpitude if it impacts the reputation or goodwill of Parent or any of its subsidiaries (including the Company and MEATER);
- (d) Employee's performance of any material act of theft, embezzlement, fraud, dishonesty or misappropriation of the property of Parent or any of its subsidiaries (including the Company and MEATER);
- (e) Employee's use of illegal drugs, or Employee's abuse of alcohol that materially impairs Employee's ability to perform Employee's duties contemplated hereunder; or
- (f) Employee's breach of any obligation under Employee's NDA or any other written agreement with Parent or any of its subsidiaries (including the Company and MEATER) or under any applicable policy of Parent or any of its subsidiaries (including the Company and MEATER) that has been provided to or made available to Employee (including any code of conduct or harassment policies) which could cause Parent or any of its subsidiaries (including the Company and MEATER) material harm.

[Remainder of page intentionally left blank; signature page to follow]

IN WITNESS WHEREOF, the Company has executed this Agreement on the date indicated above and Employee has executed this Agreement as of the Effective Date.

COMPANY:

Traeger Pellet Grills, LLC

By: /s/ Courtland Astill
Courtland Astill
General Counsel

EMPLOYEE:

/s/ James H. Hardy, Jr.
James H. Hardy, Jr.

[Signature page to Separation Agreement]

EXHIBIT A
GENERAL RELEASE

1. Release. In consideration of the payments and benefits set forth in Section [0]¹ of that certain Separation Agreement, dated December [], 2025, by and between the undersigned (“**Employee**”) and Traeger Pellet Grills, LLC (the “**Company**”), to which this Release is attached, and other good and valid consideration (the “**Release Consideration**”), the receipt and adequacy of which is hereby acknowledged, Employee does hereby release and forever discharge the “**Releasees**” hereunder, consisting of the Company’s parent, Traeger, Inc. (“**Parent**”), and Parent’s partners, subsidiaries (including, without limitation, the Company and Apption Labs Limited (d/b/a MEATER)), associates, affiliates, successors, heirs, assigns, directors, officers and employees of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, losses, costs, attorneys’ fees or expenses, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called “**Claims**”), which Employee now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof. The Claims released herein include, without limiting the generality of the foregoing, any Claims in any way arising out of, based upon, or related to the employment or service, or termination of employment or service, of Employee by the Releasees, or any of them; any alleged breach of any express or implied contract of employment or service; any alleged torts or other alleged legal restrictions on Releasees’ right to terminate the employment or service of Employee; and any alleged violation of any federal, state or local statute or ordinance including, without limitation, Title VII of the Civil Rights Act of 1964, the Age Discrimination In Employment Act (“**ADEA**”), the Americans With Disabilities Act.

2. Claims Not Released. Notwithstanding the foregoing, this general release (the “**Release**”) shall not operate to release any rights or claims of Employee (i) to the Release Consideration, (ii) to payment or benefits as a holder of any securities of Parent or any of its subsidiaries, (iii) to accrued or vested benefits Employee may have, if any, as of the date hereof under any applicable plan, policy, practice, program, contract or agreement with Parent or any of its subsidiaries, (iv) to any Claims, including claims for indemnification and/or advancement of expenses arising under any indemnification agreement between Employee and Parent or any of its subsidiaries, under any directors’ and officers’ liability insurance policy or under the bylaws, certificate of incorporation or other similar governing document of Parent or any of its subsidiaries, (v) to any Claims which cannot be waived by an employee under applicable law or (vi) with respect to Employee’s right to communicate directly with, cooperate with, or provide information to, any federal, state or local government regulator.

3. Exceptions. Notwithstanding anything in this Release to the contrary, nothing contained in this Release shall prohibit Employee from (i) filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation and/or (ii) communicating directly with,

¹ **Note to Draft:** Include Section “1.1(c)” for the Release to be signed on or within 21 days following the Transition Date and Section “2.1” for the Release to be signed on or within 21 days the Termination Date.

cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to Employee's attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding. Pursuant to 18 USC Section 1833(b), (1) Employee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (y) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and (2) Employee acknowledges that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

4. Representations. Employee represents and warrants that there has been no assignment or other transfer of any interest in any Claim which Employee may have against Releasees, or any of them, and Employee agrees to indemnify and hold Releasees, and each of them, harmless from any liability, Claims, demands, damages, costs, expenses and attorneys' fees incurred by Releasees, or any of them, as the result of any such assignment or transfer or any rights or Claims under any such assignment or transfer. It is the intention of the parties that this indemnity does not require payment as a condition precedent to recovery by the Releasees against Employee under this indemnity.

5. No Action. Employee agrees that if Employee hereafter commences any suit arising out of, based upon, or relating to any of the Claims released hereunder or in any manner asserts against Releasees, or any of them, any of the Claims released hereunder, then Employee agrees to pay to Releasees, and each of them, in addition to any other damages caused to Releasees thereby, all attorneys' fees incurred by Releasees in defending or otherwise responding to said suit or Claim. Notwithstanding the foregoing, this provision shall not apply to any suit or Claim to the extent it challenges the effectiveness of the Release with respect to a claim under the ADEA.

6. No Admission. Employee further understands and agrees that neither the payment of any sum of money nor the execution of this Release shall constitute or be construed as an admission of any liability whatsoever by the Releasees, or any of them, who have consistently taken the position that they have no liability whatsoever to Employee.

7. OWBPA. Employee agrees and acknowledges that this Release constitutes a knowing and voluntary waiver and release of all Claims Employee has or may have against the Company and/or any of the Releasees as set forth herein, including, but not limited to, all Claims arising under the Older Worker's Benefit Protection Act and the ADEA. In accordance with the Older Worker's Benefit Protection Act, Employee is hereby advised as follows:

7.1. Employee has read the terms of this Release, and understands its terms and effects, including the fact that Employee agreed to release and forever discharge the Company and each of the Releasees, from any Claims released in this Release;

7.2. Employee understands that, by entering into this Release, Employee does not waive any Claims that may arise after the date of Employee's execution of this Release, including without limitation any rights or claims that Employee may have to secure enforcement of the terms and conditions of this Release;

7.3. Employee has signed this Release voluntarily and knowingly in exchange for the Release Consideration, which Employee acknowledges is adequate and satisfactory to Employee and which Employee acknowledges is in addition to any other benefits to which Employee is otherwise entitled;

7.4. The Company advises Employee to consult with an attorney prior to executing this Release;

7.5. Employee has been given at least 21 days in which to review and consider this Release. To the extent that Employee chooses to sign this Release prior to the expiration of such period, Employee acknowledges that Employee has done so voluntarily, had sufficient time to consider the Release, to consult with counsel and that Employee does not desire additional time and hereby waives the remainder of the 21-day period; and

7.6. Employee may revoke this Release within seven days from the date Employee signs this Release and this Release will become effective upon the expiration of that revocation period if Employee has not revoked this Release during such seven-day period. If Employee revokes this Release during such seven-day period, this Release will be null and void and of no force or effect on either the Company or Employee and Employee will not be entitled to any of the payments or benefits which are expressly conditioned upon the execution and non-revocation of this Release. Any revocation must be in writing and sent to the Company's General Counsel, Courtland Astill, via electronic mail at castill@Traeger.com, on or before 11:59 p.m. Mountain time on the seventh day after this Release is executed by Employee.

8. Acknowledgement. Employee acknowledges that different or additional facts may be discovered in addition to what is now known or believed to be true by Employee with respect to the matters released in this Release, and Employee agrees that this Release shall be and remain in effect in all respects as a complete and final release of the matters released, notwithstanding any different or additional facts.

9. Governing Law. This Release is deemed made and entered into in the State of Florida, and in all respects shall be interpreted, enforced and governed under the internal laws of the State of Florida, to the extent not preempted by federal law.

IN WITNESS WHEREOF, the undersigned has executed this Release this ____ day of _____, ____.

James H. Hardy Jr.

Traeger, Inc.
Insider Trading Compliance Policy and Procedures

Federal and state laws prohibit trading in the securities of a company while in possession of material nonpublic information and in breach of a duty of trust or confidence. These laws also prohibit anyone who is aware of material nonpublic information from providing this information to others who may trade. Violating such laws can undermine investor trust, harm the reputation and integrity of Traeger, Inc. (together with its subsidiaries, the "Company"), and result in dismissal from the Company or even serious criminal and civil charges against the individual and the Company. The Company reserves the right to take whatever disciplinary or other measure(s) it determines in its sole discretion to be appropriate in any particular situation, including disclosure of wrongdoing to governmental authorities.

Persons Covered and Administration of Policy

This Insider Trading Compliance Policy and Procedures (this "Policy") applies to all officers, directors and employees of the Company. For purposes of this Policy, "officers" refer to those individuals who meet the definition of "officer" under Section 16 of the Securities Exchange Act of 1934 (as amended, the "Exchange Act"). Individuals subject to this Policy are responsible for ensuring that members of their household comply with this Policy. This Policy also applies to any entities controlled by individuals subject to the Policy, including any corporations, limited liability companies, partnerships or trusts, and transactions by these entities should be treated for the purposes of this Policy as if they were for the individual's own account. The Company may determine that this Policy applies to additional persons with access to material nonpublic information, such as contractors or consultants. Officers, directors and employees, together with any other person designated as being subject to this Policy by the General Counsel or his or her designee (the "Compliance Officer"), are referred to collectively as "Covered Persons."

Questions regarding the Policy should be directed to the Compliance Officer, who is responsible for the administration of this Policy.

Policy Statement

No Covered Person shall purchase or sell any type of security while in possession of material nonpublic information relating to the security or the issuer of such security in breach of a duty of trust or confidence, whether the issuer of such security is the Company or any other company. In addition, if a Covered Person is in possession of material nonpublic information about other publicly-traded companies, such as suppliers, customers, competitors or potential acquisition targets, the Covered Person may not trade in such other companies' securities until the information becomes public or is no longer material. Further, no Covered Person shall purchase or sell any security of any other company, including another company in the Company's industry, while in possession of material nonpublic information if such

information is obtained in the course of the Covered Person's employment or service with the Company.

In addition, Covered Persons shall not directly or indirectly communicate material nonpublic information to anyone outside the Company (except in accordance with the Company's policies regarding confidential information) or to anyone within the Company other than on a "need-to-know" basis.

"Securities" includes stocks, bonds, notes, debentures, options, warrants, equity and other convertible securities, as well as derivative instruments.

"Purchase" and "sale" are defined broadly under the federal securities law. "Purchase" includes not only the actual purchase of a security, but also any contract to purchase or otherwise acquire a security. "Sale" includes not only the actual sale of a security, but also any contract to sell or otherwise dispose of a security. These definitions extend to a broad range of transactions, including conventional cash-for-stock transactions, conversions, the exercise of stock options, transfers, gifts, pledging and margin loans, and acquisitions and exercises of warrants or puts, calls, or other derivative securities.

The laws and regulations concerning insider trading are complex, and Covered Persons are encouraged to seek guidance from the Compliance Officer prior to considering a transaction in Company securities.

Blackout Periods

No director, officer or employee listed on Schedule J, as amended from time to time, (as well as any individual or entity covered by this Policy by virtue of their relationship to such director, officer or employee) shall purchase or sell any security of the Company during the period beginning at 11:59 p.m., Eastern time, on the 14th calendar day before the end of any fiscal quarter of the Company and ending after completion of the second full trading day after the public release of earnings data for such fiscal quarter or during any other trading suspension period declared by the Company, such period, a "blackout period." A "trading day" is a day on which U.S. national stock exchanges are open for trading. If, for example, the Company were to make an announcement on Monday *prior* to 9:30 a.m. Eastern Time, then the blackout period would terminate *after* the close of trading on Tuesday. If an announcement were made on Monday after 9:30 a.m. Eastern Time, then the blackout period would terminate after the close of trading on Wednesday. If you have any question as to whether information is publicly available, please direct an inquiry to the Compliance Officer.

These prohibitions do not apply to:

- purchases of the Company's securities from the Company, or sales of the Company's securities to the Company;
- exercises of stock options or other equity awards or the surrender of shares to the Company in payment of the exercise price or in satisfaction of any tax withholding obligations in a manner permitted by the applicable equity award

agreement, or vesting of equity-based awards, in each case, that do not involve a market sale of the Company's securities (the "cashless exercise" of a Company stock option or other equity award through a broker does involve a market sale of the Company's securities, and therefore would not qualify under this exception);

- *bona fide* gifts of the Company's securities, unless the individual making the gift knows, or is reckless in not knowing, the recipient intends to sell the securities while the donor is in possession of material nonpublic information about the Company; or
- purchases or sales of the Company's securities made pursuant to a plan adopted to comply with the Exchange Act Rule 10b5-1 ("Rule 10b5-1").

Exceptions to the blackout period policy may be approved by the Compliance Officer or, in the case of exceptions for directors, the Board of Directors.

The Compliance Officer may recommend that directors, officers, employees or others suspend trading in Company securities because of developments that have not yet been disclosed to the public. Subject to the exceptions noted above, all of those individuals affected should not trade in the Company's securities while the suspension is in effect, and should not disclose to others that the Company has suspended trading.

Preclearance of Trades by Directors, Officers and Employees

All transactions in the Company's securities by directors, officers, and employees listed on Schedule II (each, a "Preclearance Person") must be precleared by the Compliance Officer, the Chief Financial Officer for transactions by the Compliance Officer, and the Audit Committee of the Board of Directors (the "Audit Committee") for transactions by the Chief Executive Officer. Preclearance should not be understood to represent legal advice by the company that a proposed transaction complies with the law.

A request for preclearance must be in writing, should be made at least two business days in advance of the proposed transaction, and should include the identity of the Preclearance Person, a description of the proposed transaction, the proposed date of the transaction, and the number of shares or other securities involved. In addition, the Preclearance Person must execute a certification that he or she is not aware of material nonpublic information about the Company. The Compliance Officer, the Chief Financial Officer for transactions by the Compliance Officer, or the Audit Committee for transactions by the Chief Executive Officer, shall have sole discretion to decide whether to clear any contemplated transaction. All trades that are precleared must be effected within five business days of receipt of the preclearance. A precleared trade (or any portion of a precleared trade) that has not been effected during the five business day period must be submitted for preclearance determination again prior to execution. Notwithstanding receipt of preclearance, if the Preclearance Person becomes aware of material nonpublic information, or becomes subject to a blackout period before the transaction is effected, the transaction may not be completed. Transactions under a previously established Rule 10b5-1 Trading Plan that has been preapproved in accordance with this Policy are not subject to further preclearance.

None of the Company, the Audit Committee, the Compliance Officer, or the Company's other employees will have any liability for any delay in reviewing, or refusal of, a request for preclearance.

Material Nonpublic Information

Information is considered "material" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell, or hold a security, or if the information is likely to have a significant effect on the market price of the security. Material information can be positive or negative, and can relate to virtually any aspect of a company's business or to any type of security, debt, or equity. Also, information that something is likely to happen in the future—or even just that it may happen—could be deemed material.

Examples of material information may include (but are not limited to) information about:

- corporate earnings or earnings forecasts;
- possible mergers, acquisitions, tender offers, or dispositions;
- major new products or product developments;
- important business developments, such as developments regarding strategic collaborations;
- management or control changes;
- significant financing developments including pending public sales or offerings of debt or equity securities;
- defaults on borrowings;
- bankruptcies;
- cybersecurity or data security incidents; and
- significant litigation or regulatory actions.

Information is "nonpublic" if it is not available to the general public. In order for information to be considered "public," it must be widely disseminated in a manner that makes it generally available to investors in a Regulation FD-compliant method, such as through a press release, a filing with the U.S. Securities and Exchange Commission (the "SEC") or a Regulation FD-compliant conference call. The Compliance Officer shall have sole discretion to decide whether information is public for purposes of this Policy.

The circulation of rumors, even if accurate and reported in the media, does not constitute public dissemination. In addition, even after a public announcement, a reasonable period of time may need to lapse in order for the market to react to the information. Generally, the passage of two full trading days following release of the information to the public, is a reasonable waiting period before such information is deemed to be public.

Post-Termination Transactions

If an individual is in possession of material nonpublic information when the individual's service terminates, the individual may not trade in the Company's securities until that information has become public or is no longer material.

Prohibited Transactions

The Company has determined that there is a heightened legal risk and the appearance of improper or inappropriate conduct if persons subject to this Policy engage in certain types of transactions. Therefore, Covered Persons shall comply with the following policies with respect to certain transactions in the Company's securities.

Short Sales

Short sales of the Company's securities are prohibited by this Policy. Short sales of the Company's securities, or sales of shares that the insider does not own at the time of sale, or sales of shares against which the insider does not deliver the shares within 20 days after the sale, evidence an expectation on the part of the seller that the securities will decline in value, and, therefore, signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, Section 16(c) of the Exchange Act prohibits Section 16 reporting persons (i.e., directors, officers, and the Company's 10% stockholders) from making short sales of the Company's equity securities.

Options

Transactions in puts, calls, or other derivative securities involving the Company's equity securities, on an exchange, on an over-the-counter market, or in any other organized market, are prohibited by this Policy. A transaction in options is, in effect, a bet on the short-term movement of the Company's stock and, therefore, creates the appearance that a Covered Person is trading based on material nonpublic information. Transactions in options, whether traded on an exchange, on an over-the-counter market, or any other organized market, also may focus a Covered Person's attention on short-term performance at the expense of the Company's long-term objectives.

Hedging Transactions

Hedging transactions involving the Company's securities, such as prepaid variable forward contracts, equity swaps, collars and exchange funds, or other transactions that hedge or offset, or are designed to hedge or offset, any decrease in the market value of the Company's equity securities, are prohibited by this Policy. Such transactions allow the Covered Person to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the Covered Person may no longer have the same objectives as the Company's other stockholders.

Margin Accounts and Pledging

Individuals are prohibited from pledging Company securities as collateral for a loan, purchasing Company securities on margin (i.e., borrowing money to purchase the securities), or placing Company securities in a margin account. This prohibition does not apply to cashless exercises of stock options under the Company's equity plans, nor to situations approved in advance by the Compliance Officer.

Partnership Distributions

Nothing in this Policy is intended to limit the ability of an investment fund, venture capital partnership or other similar entity with which a director is affiliated to distribute Company securities to its partners, members, or other similar persons. It is the responsibility of each affected director and the affiliated entity, in consultation with their own counsel (as appropriate), to determine the timing of any distributions, based on all relevant facts and circumstances, and applicable securities laws.

Rule 10b5-1 Trading Plans

The trading restrictions set forth in this Policy, other than those transactions described under "Prohibited Transactions," do not apply to transactions under a previously established contract, plan or instruction to trade in the Company's securities entered into in accordance with Rule 10b5-1 (a "Trading Plan") that:

- has been submitted to and preapproved by the Compliance Officer or, in the case of the Chief Executive Officer, by the Audit Committee;
- includes a "Cooling Off Period" for
 - Section 16 reporting persons that extends to the later of 90 days after adoption or modification of a Trading Plan or two business days after filing the Form 10-K or Form 10-Q covering the fiscal quarter in which the Trading Plan was adopted, up to a maximum of 120 days; and
 - employees and any other persons, other than the Company, that extends 30 days after adoption or modification of a Trading Plan;
- for Section 16 reporting persons, includes a representation in the Trading Plan that the Section 16 reporting person is (1) not aware of any material nonpublic information about the Company or its securities; and (2) adopting the Trading Plan in good faith and not as part of a plan or scheme to evade Rule 10b-5;
- has been entered into in good faith at a time when the individual was not in possession of material nonpublic information about the Company and not otherwise in a blackout period, and the person who entered into the Trading Plan has acted in good faith with respect to the Trading Plan;

- either (1) specifies the amounts, prices, and dates of all transactions under the Trading Plan; or (2) provides a written formula, algorithm, or computer program for determining the amount, price, and date of the transactions, and (3) prohibits the individual from exercising any subsequent influence over the transactions; and
- complies with all other applicable requirements of Rule 10b5-1.

The Compliance Officer or, in the case of the Chief Executive Officer, the Audit Committee, may impose such other conditions on the implementation and operation of the Trading Plan as the Compliance Officer deems necessary or advisable. Individuals may not adopt more than one Trading Plan at a time except under the limited circumstances permitted by Rule 10b5-1 and subject to preapproval by the Compliance Officer or, in the case of the Chief Executive Officer, the Audit Committee.

An individual may only modify a Trading Plan outside of a blackout period and, in any event, when the individual does not possess material nonpublic information. Modifications to and terminations of a Trading Plan are subject to preapproval by the Compliance Officer and modifications of a Trading Plan that change the amount, price, or timing of the purchase or sale of the securities underlying a Trading Plan will trigger a new Cooling-Off Period.

The Company reserves the right to publicly disclose, announce, or respond to inquiries from the media regarding the adoption, modification, or termination of a Trading Plan and non-Rule 10b5-1 trading arrangements, or the execution of transactions made under a Trading Plan. The Company also reserves the right from time to time to suspend, discontinue, or otherwise prohibit transactions under a Trading Plan if the Compliance Officer or the Board of Directors, in its discretion, determines that such suspension, discontinuation, or other prohibition is in the best interests of the Company.

Compliance of a Trading Plan with the terms of Rule 10b5-1 and the execution of transactions pursuant to the Trading Plan are the sole responsibility of the person initiating the Trading Plan, and none of the Company, the Audit Committee, the Compliance Officer, or the Company's other employees assumes any liability for any delay in reviewing and/or refusing to approve a Trading Plan submitted for approval, nor the legality or consequences relating to a person entering into, informing the Company of, or trading under, a Trading Plan.

Interpretation, Amendment, and Implementation of this Policy

The Compliance Officer shall have the authority to interpret and update this Policy and all related policies and procedures. In particular, such interpretations and updates of this Policy, as authorized by the Compliance Officer, may include amendments to or departures from the terms of this Policy, to the extent consistent with the general purpose of this Policy and applicable securities laws.

Actions taken by the Company, the Audit Committee, the Compliance Officer, or any other Company personnel do not constitute legal advice, nor do they insulate you from the consequences of noncompliance with this Policy or with securities laws.

Certification of Compliance

All directors, officers, employees and others subject to this Policy may be asked periodically to certify their compliance with the terms and provisions of this Policy.

Individuals Subject to Quarterly Trading Blackouts

All Company employees

Individuals Subject to Preclearance Requirement

[**]

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-263920) pertaining to the 2021 Incentive Award Plan of Traeger, Inc.,
- (2) Registration Statement (Form S-8 No. 333-270631) pertaining to the 2021 Incentive Award Plan of Traeger, Inc.,
- (3) Registration Statement (Form S-8 No. 333-277762) pertaining to the 2021 Incentive Award Plan of Traeger, Inc., and
- (4) Registration Statement (Form S-8 No. 333-285626) pertaining to the 2021 Incentive Award Plan of Traeger, Inc.

of our report dated March 5, 2026, with respect to the consolidated financial statements of Traeger, Inc. included in this Annual Report (Form 10-K) of Traeger, Inc. for the year ended December 31, 2025.

/s/ Ernst & Young LLP

Salt Lake City, UT
March 5, 2026

CERTIFICATION

I, Jeremy Andrus, certify that:

1. I have reviewed this Annual Report on Form 10-K of Traeger, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.
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Date: March 5, 2026

By:

/s/ Jeremy Andrus

Jeremy Andrus

Chief Executive Officer

(Principal Executive Officer)

CERTIFICATION

I, Michael J. Hord, certify that:

1. I have reviewed this Annual Report on Form 10-K of Traeger, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.
-

Date: March 5, 2026

By:

/s/ Michael J. Hord

Michael J. Hord
Chief Financial Officer
*(Principal Financial Officer and
Principal Accounting Officer)*

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Traeger, Inc. (the "Company") on Form 10-K for the fiscal year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeremy Andrus, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 5, 2026

By: _____
/s/ Jeremy Andrus
Jeremy Andrus
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Traeger, Inc. (the "Company") on Form 10-K for the fiscal year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael J. Hord, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 5, 2026

By: _____ /s/ Michael J. Hord

Michael J. Hord
Chief Financial Officer
*(Principal Financial Officer and
Principal Accounting Officer)*