

A photograph of the open bed of a silver pickup truck parked in a forest. The truck bed is filled with various Yeti products: a large tan Yeti cooler on the right, a smaller tan Yeti cooler in the center, a grey Yeti soft cooler on the left, and a white Yeti cooler at the bottom left. A yellow and black backpack is also visible. The truck's tailgate is open, and the Yeti logo is visible on the inside of the tailgate. The background consists of dense green trees.

# YETI®

Fourth Quarter 2020 Highlights



# SAFE HARBOR STATEMENT

## Disclaimer

We are not making any representations or warranties, express or implied, with respect to the information (financial, business, legal or otherwise) contained in this presentation. No person has been authorized to give any information other than that contained in this presentation.

## Forward-Looking Statements

This presentation, as well as other written or oral communications made from time to time by us, may contain certain forward-looking statements. Forward-looking statements refer to our current expectations and projections relating to our financial condition, results of operations, plans, objectives, strategies, future performance, and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. Forward-looking statements include statements containing words such as “anticipate,” “assume,” “believe,” “can,” “have,” “contemplate,” “continue,” “could,” “design,” “due,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “likely,” “may,” “might,” “objective,” “plan,” “predict,” “project,” “potential,” “seek,” “should,” “target,” “will,” “would,” and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operational performance or other events. For example, all statements made relating to growth strategies, estimated and projected costs, expenditures, and growth rates, plans and objectives for future operations, growth, or initiatives, or strategies are forward-looking statements.

All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that are expected. The risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these forward-looking statements include but are not limited to: (i) uncertainty regarding global economic conditions, particularly the uncertainty related to the duration and impact of the rapidly evolving COVID-19 pandemic, including its impact on global economic conditions; (ii) our ability to maintain and strengthen our brand and generate and maintain ongoing demand for our products; (iii) our ability to successfully design, develop and market new products; (iv) our ability to effectively manage our growth; (v) our ability to expand into additional consumer markets, and our success in doing so; (vi) the success of our international expansion plans; (vii) our ability to compete effectively in the outdoor and recreation market and protect our brand; (viii) the level of customer spending for our products, which is sensitive to general economic conditions and other factors; (ix) problems with, or loss of, our third-party contract manufacturers and suppliers, or an inability to obtain raw materials; (x) fluctuations in the cost and availability of raw materials, equipment, labor, and transportation and subsequent manufacturing delays or increased costs; (xi) our ability to accurately forecast demand for our products and our results of operations; (xii) our relationships with our national, regional, and independent retail partners, who account for a significant portion of our sales; (xiii) the impact of natural disasters and failures of our information technology on our operations and the operations of our manufacturing partners; (xiv) our ability to attract and retain skilled personnel and senior management and to maintain the continued efforts of our management and key employees; (xv) the impact of our indebtedness on our ability to invest in the ongoing needs of our business; and (xvi) the other risk factors detailed in our most recent Form 10-Q and Form 8-K filed with the Securities and Exchange Commission (the “SEC”), along with the associated press release.

These forward-looking statements are made based upon detailed assumptions and reflect management’s current expectations and beliefs as of the date hereof. While we believe that these assumptions underlying the forward-looking statements are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect actual results. Readers of this presentation should consider these factors in evaluating, and are cautioned not to place undue reliance on, the forward-looking statements contained therein. YETI undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

## Non-GAAP Financial Measures

We present Adjusted Selling, General and Administrative (“SG&A”) Expenses, Adjusted Operating Income, Adjusted Net Income and Adjusted Net Income per Diluted Share to help us describe our operating performance. We define Adjusted SG&A as SG&A expenses adjusted for the impact of non-cash stock-based compensation expense, asset impairment charges, and loss on modification and extinguishment of debt, including accelerated amortization of deferred financing fees resulting from the early prepayment of debt. We define Adjusted Operating Income and Adjusted Net Income as operating income and net income, adjusted for non-cash stock-based compensation expense, asset impairment charges, accelerated amortization of deferred financing fees and loss on modification and extinguishment of debt, including accelerated amortization of deferred financing fees resulting from the early prepayment of debt. We use Adjusted SG&A, Adjusted Operating Income, Adjusted Net Income and Adjusted Net Income per Diluted Share as a measure of profitability. Adjusted SG&A, Adjusted Operating Income, Adjusted Net Income and Adjusted Net Income per Diluted Share have limitations as a profitability measure in that it does not include the effect of non-cash stock-based compensation expense, the effect of asset impairments, and loss on modification and extinguishment of debt. Our presentation of Adjusted SG&A, Adjusted Operating Income, Adjusted Net Income and Adjusted Net Income per Diluted Share should not be construed as a basis to infer that our future results will be unaffected by extraordinary, unusual or non-recurring items. See Appendix for reconciliation of GAAP to Non-GAAP financial measures and see investors.yeti.com for recast 2019 Non-GAAP financial results, as discussed below.

Free cash flow represents cash flow from operating activities less capital expenditures.

## Revised Non-GAAP Financial Measures Beginning in Fiscal 2020

As previously disclosed, following YETI’s initial full year as a public company and beginning with the first quarter of Fiscal 2020, YETI revised its definitions of certain non-GAAP financial measures by eliminating various adjustments. These revisions are intended to align with how management will evaluate the performance of the business going forward. Specifically, YETI no longer includes adjustments for investments in new retail locations and international market expansion, transition to the ongoing senior management team, and transition to a public company.

YETI has recast its historical 2019 non-GAAP financial measures to conform to the revised definitions on its investor relations website at investors.yeti.com.

# STRATEGIC PRIORITIES

## 1 EXPANDING OUR CUSTOMER BASE

Successful integration of the “Haulidays” campaign across print, digital, and omni-channel  
Expanded *YETI Dispatch* magalog distribution and extended content across digital channels  
Reinforced holiday messaging with impactful lifestyle and product-driven TV ads

## 2 INTRODUCE NEW PRODUCTS

Strong Q4 2020 YoY growth across Coolers & Equipment (+31%) and Drinkware (+23%)  
Limited releases: *Folds of Honor* tumbler, *Wild Sheep* coffee table book, YETI BUFF® gaiters  
Announced new collection of bags across backpacks, duffels, and luggage, premiering mid-February

## 3 ACCELERATE DTC

Total DTC grew +46% YoY during Q4 2020 to reach record 58% channel mix  
All DTC channels posted 20%+ YoY growth in Q4 2020  
Announced development of new mobile-first website experience in 2021

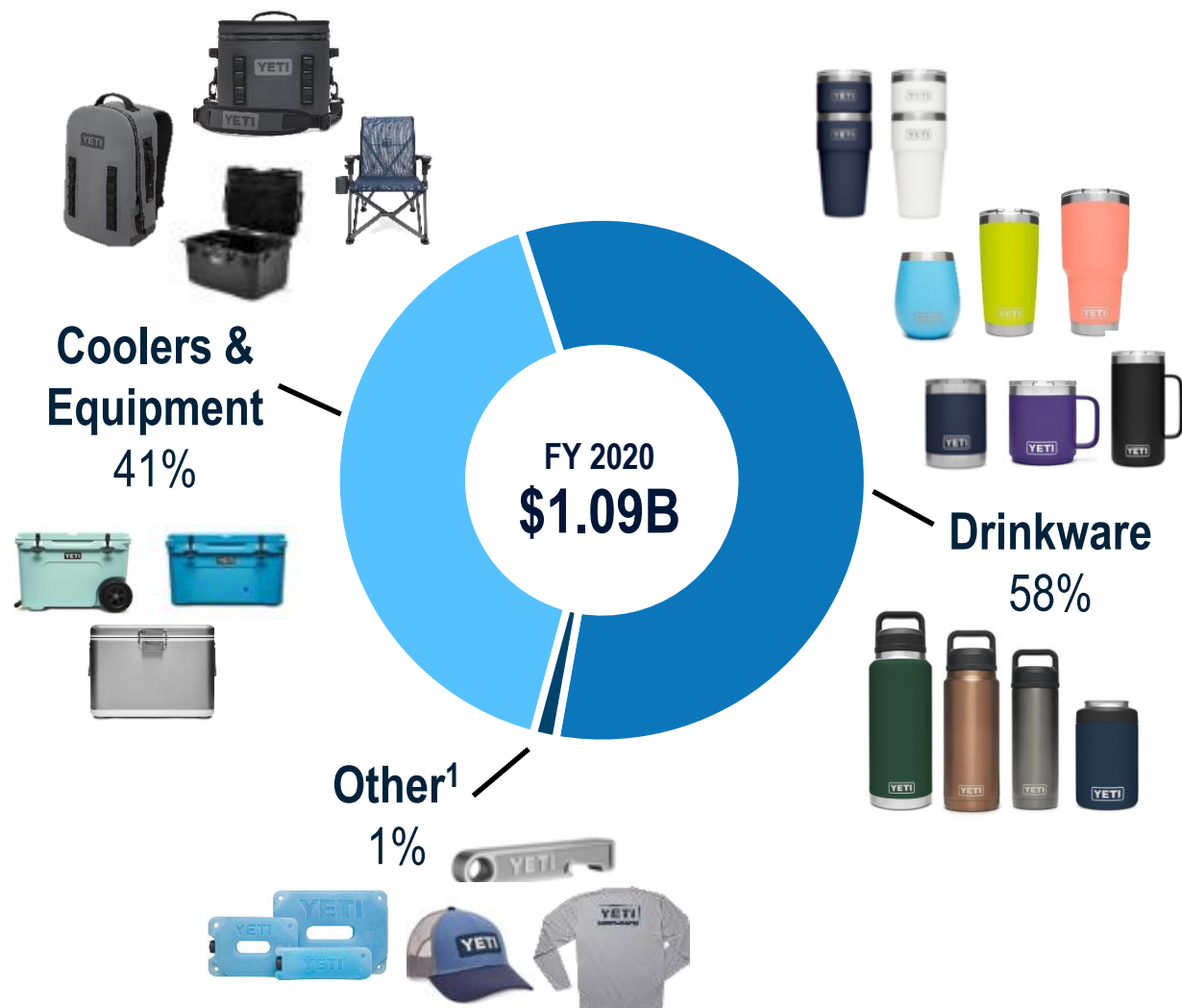
## 4 EXPAND INTERNATIONALLY

International grew +81% YoY during Q4 2020 to match a YETI-high of 7% of net sales  
Announced plans to extend DTC and targeted wholesale rollout strategies in each region



# AT A GLANCE

## FY 2020 Net Sales



## KEY FY 2020 FINANCIAL METRICS

**\$1.09B**

Net Sales

**19%**

Net Sales Growth

**21%**

Coolers & Equipment Growth

**19%**

Drinkware Growth

**50%**

DTC Growth

**-3%**

Wholesale Growth

**\$224MM**

Adjusted Operating Income<sup>2</sup>

**20.5%**

Adjusted Operating Margin

<sup>1</sup> Other includes apparel, bottle openers, ice substitutes, and other accessories.

<sup>2</sup> Please refer to Appendix for reconciliation of GAAP to non-GAAP measures.



# BRAND & PRODUCT





# BUILDING DIVERSE YETI COMMUNITIES

## 2006 Community Reach



FISHING



HUNTING

## 2020 Community Reach



FISHING



HUNTING



BEER & BBQ



CULINARY



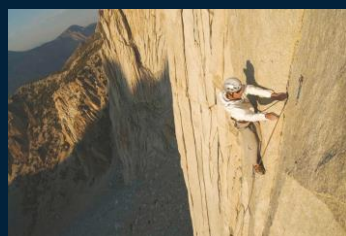
SKI/SNOWBOARD



SKATEBOARD



SURF/PADDLE



CLIMB/ALPINE



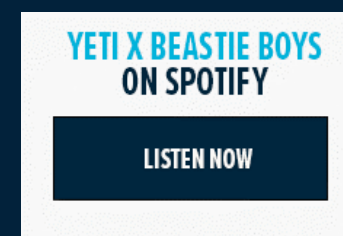
RODEO



RANCH



WELLNESS



MUSIC



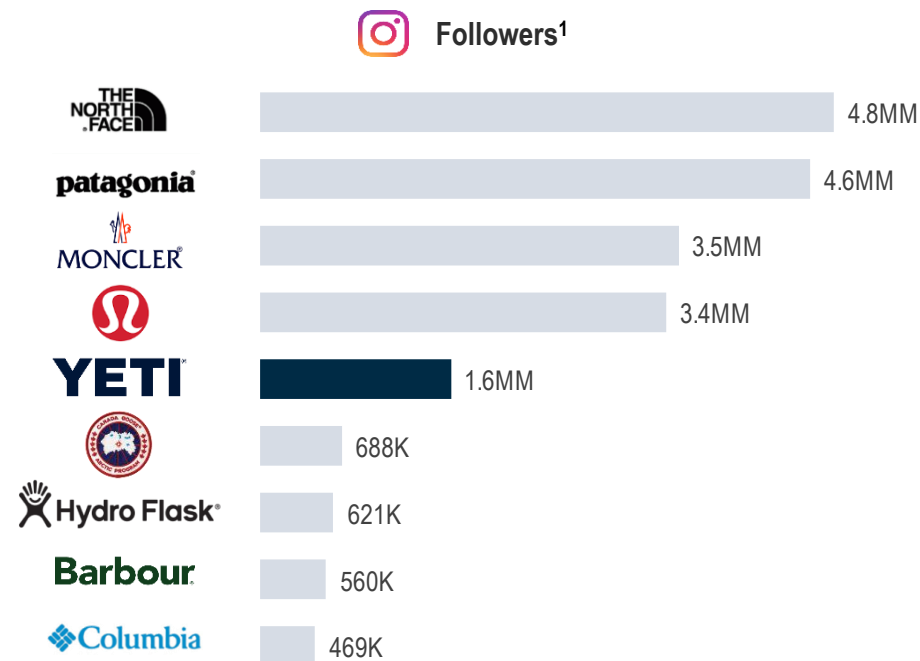
SPORTS

## Relevance Through Breadth & Depth

**13** / **137**  
Communities / Ambassadors

# STRONG, DIVERSE MEDIA REACH

## LARGE AND GROWING SOCIAL MEDIA PRESENCE



## EARNED MEDIA AWARDS



V SERIES



ROADIE 24



ROADIE 24

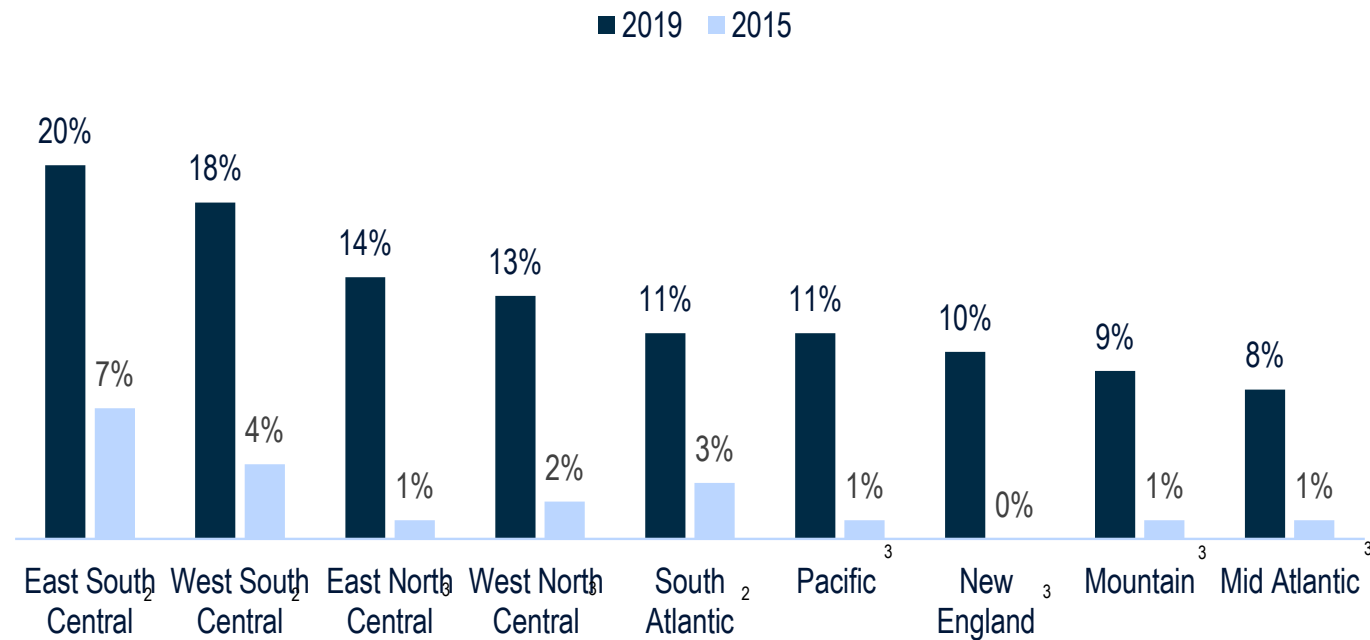
## BROAD EARNED MEDIA COVERAGE



<sup>1</sup> Instagram followers as of February 2, 2021.

# BROADENING AWARENESS AND DEMOGRAPHICS

## DOMESTIC UNAIDED BRAND AWARENESS BY REGION



## BRAND OWNER STUDY<sup>1</sup>

**9% → 33%**

2015 % Female      2019 % Female

**69% → 35%**

2015 % Hunters      2019 % Hunters

**64% → 64%**

2015 % Aged <45      2019 % Aged <45






























































<sup>1</sup> Per YETI's January 2019 Brand Tracking Study.

<sup>2</sup> Heritage market region.

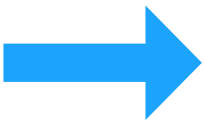
<sup>3</sup> Non-heritage market region.



# PRODUCT & CATEGORY EVOLUTION 2015-2020

Coolers & Equipment	Hard Cooler	 Sherpa™, Roadie®, Tundra®, YETI Tank™	 Tundra® 210	 Limited Edition	 Limited Edition	 Limited Edition	 Haul™ Silo®	 Reef Blue	 River Green YETI V Series™	 Roadie® 24 Navy	 Sagebrush Ice Pink												
	Soft Cooler	 Hopper® One	 Field Tan Colorway	 Hopper Flip®	 Hopper® Two		 Hopper Flip® 8 & Flip® 18		 Hopper BackFlip™	 Charcoal	 Daytrip® Lunch Bag Hopper® M30	 Daytrip® Lunch Box											
	Bags				 Panga® Duffel	 Camino® Carryall	 Panga® Backpack	 Tocayo™ Backpack		 Crossroads™ Backpack	 Crossroads™ Tote Bag												
	Cargo				 LoadOut® Bucket		 LoadOut GoBox™																
	Outdoor Living				 Hondo® Base camp Chair		 Boomer™ 8	 Lowlands™ Blanket		 Trailhead™ Dog Bed		 Boomer™ 4	 Trailhead™ Camp Chair										
	Drinkware	Rambler®	 Tumbler	 Colster®	 Lowball	 Bottle	 Colored Drinkware	 Jug	 Mug		 Wine Tumbler		 Navy	 Stackable Pint	 24 Oz. Mug	 Canyon Red	 Jr. Kids Bottle	 12 Oz. Bottle	 Stackable Mug	 Elements Collection	 26 Oz. Stackable	 New Colster Sizes	
Other	 Shirts / Hats			 YETI ICE		 Brick	 Hoodie	 Howler		 Cooler Cuts Women's Tank		 Bait Shop T-Shirt		 Spring Badge T-Shirt		 Fishing Club Rope Hat		 Steer Hat and T-Shirts					

INNOVATION CREATES REASON TO BUY  
AND INCREASES ADDRESSABLE  
MARKETS



CUSTOMIZATION, COLORWAYS, AND LIMITED  
EDITION OFFERINGS ENCOURAGE NEW AND  
REPEAT PURCHASES



# CHANNEL & SUPPLY CHAIN



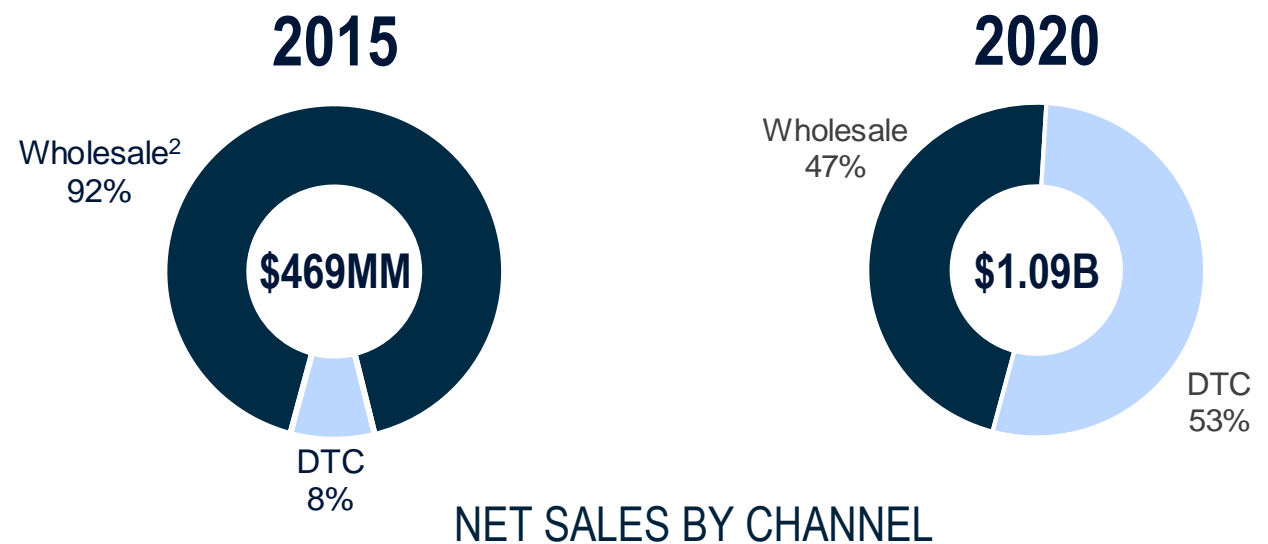


# POWERFUL, BALANCED OMNI-CHANNEL STRATEGY

## HIGHLIGHTS

- Diverse omni-channel business
- Faster growing DTC business
- Diverse group of U.S. wholesale partners with nationwide coverage; no account exceeds 10% of gross sales<sup>1</sup>
- Successful entries into Australia, Japan, Europe, U.K., and New Zealand

## STRATEGIC CHANNEL MIX CREATES STABLE, HIGH MARGIN PROFILE

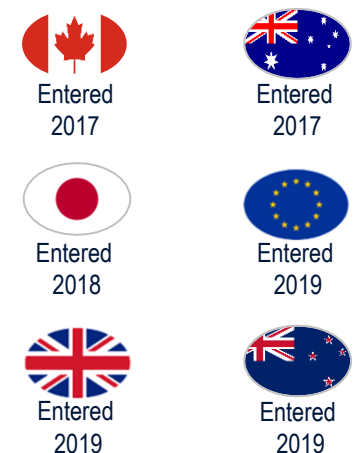
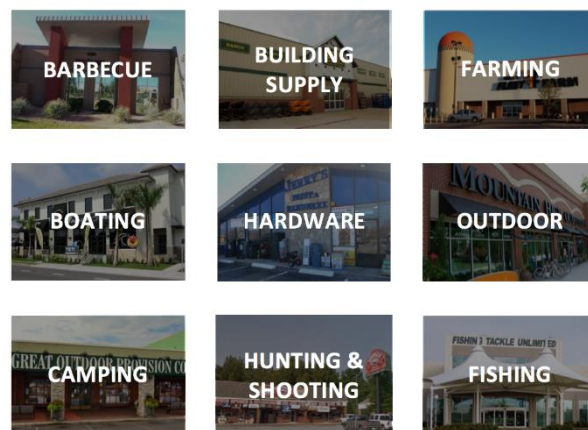


## NATIONAL AND REGIONAL

## INDEPENDENT SPECIALTY ~4,500 ACCOUNTS<sup>3</sup>

## DIRECT-TO-CONSUMER

## INTERNATIONAL



<sup>1</sup> As a percent of FY 2020 gross sales.

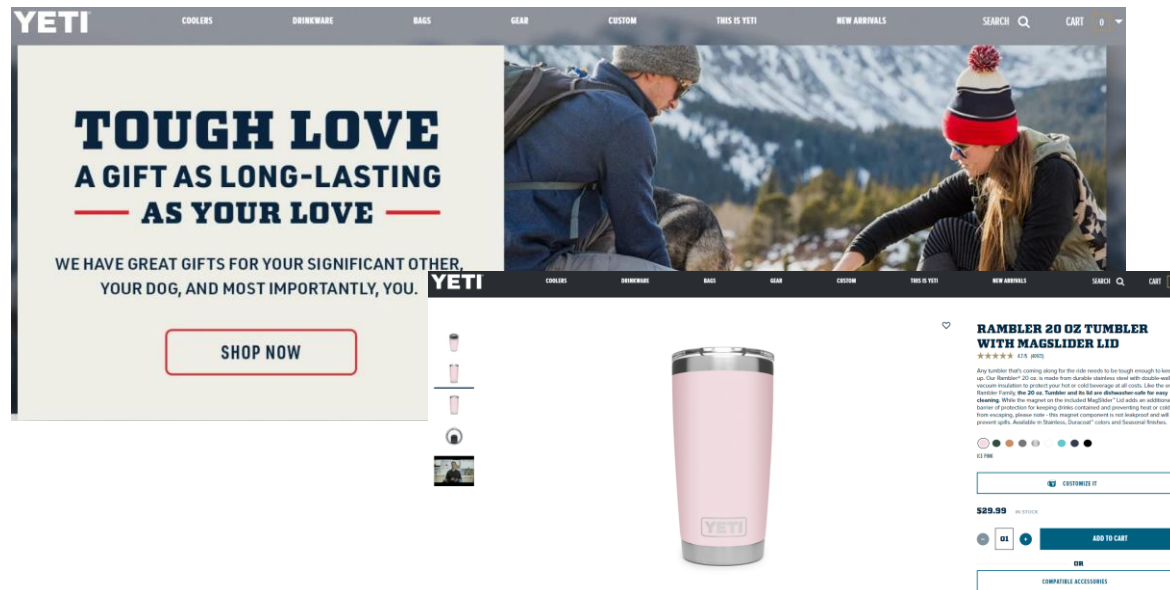
<sup>2</sup> Wholesale includes \$8.3 million of sales to Rambler On.

<sup>3</sup> As of January 2, 2021.



# DTC CHANNEL

## YETI.COM



## RETAIL

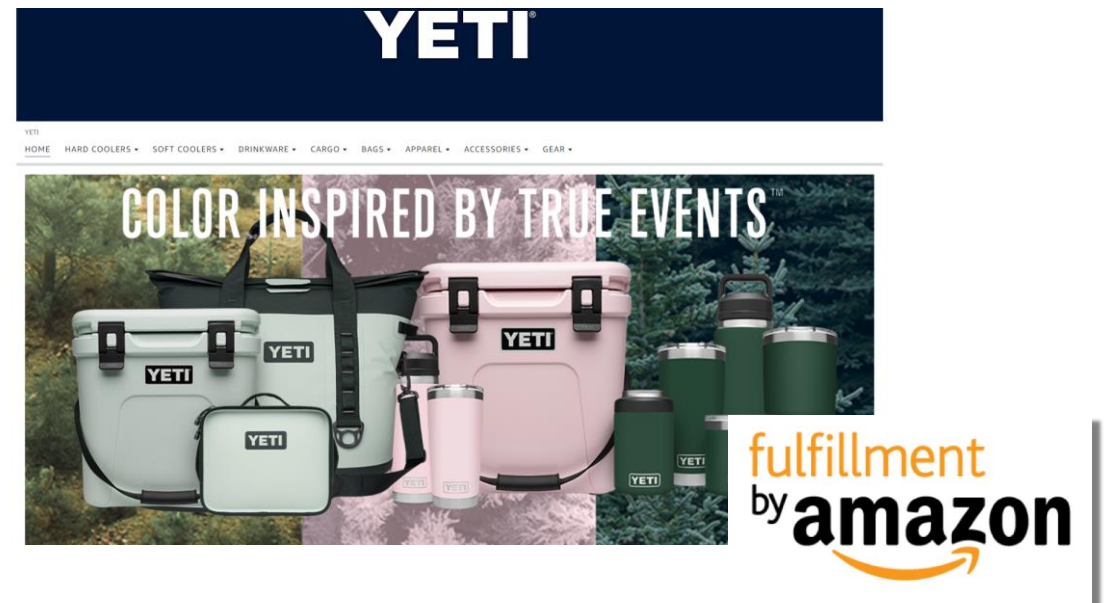


**AUSTIN - AUSTIN Domain - CHARLESTON  
CHICAGO - DALLAS - DENVER - LAS OLAS  
WEST PALM BEACH**

## CORPORATE SALES



## YETI AUTHORIZED

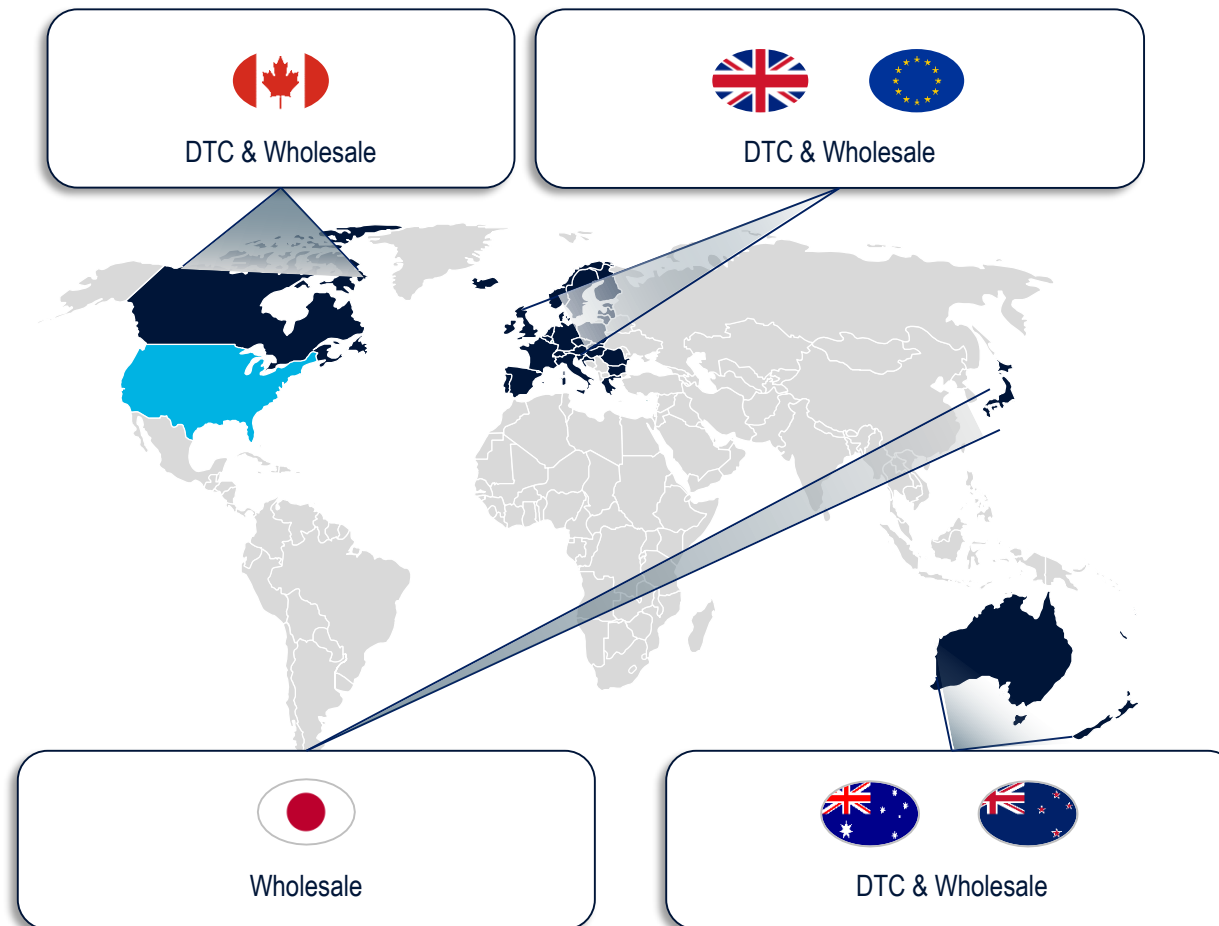


**YETI**



# EXPAND INTERNATIONALLY

## GROWING GLOBAL SALES

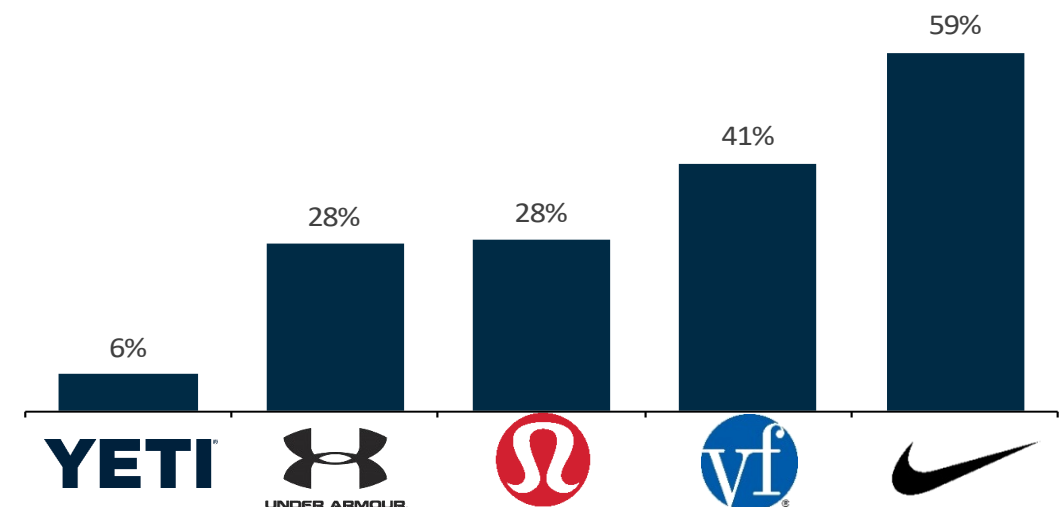


## EXPANSION STRATEGY

- Capitalize on global digital, e-commerce, and mobile trends
- Enter international markets via DTC and select wholesale
- Push global brand via Ambassador, influencer, and event marketing

## Considerable International Opportunity

International Percentage of Sales<sup>1</sup>



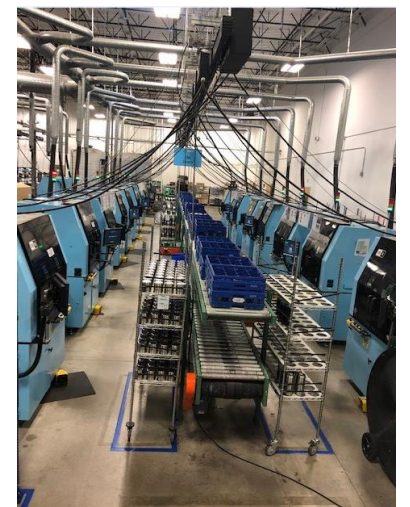
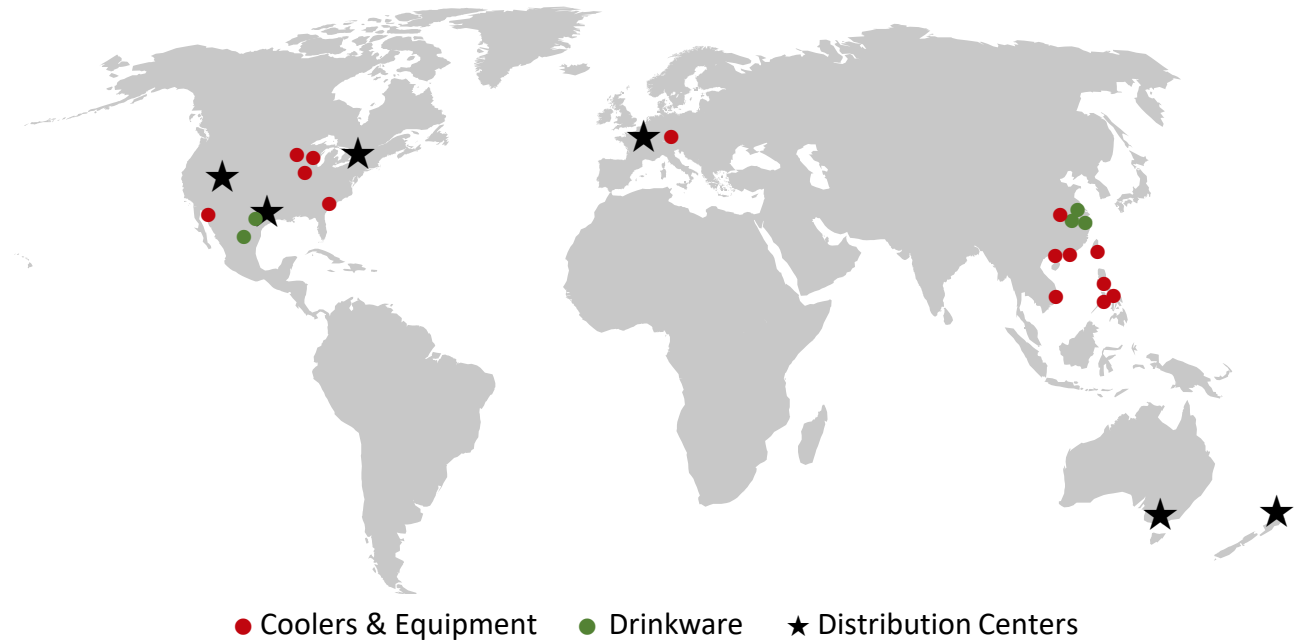


# GLOBAL, LEADING SUPPLY CHAIN

## GLOBAL INFRASTRUCTURE

- Leading third-party manufacturing and logistics partners
- Focused on optimizing quality, delivery and best cost
- Completed “should cost” analysis and supplier negotiations
- Soft coolers and bag supply chain transitioned out of China
- 3PL facilities in Dallas, Salt Lake City, Australia, New Zealand, Canada, and the Netherlands; strategic transition from Dallas to Memphis in 2021
- Opened additional customization facilities (third-party manufacturing partnerships)

## GLOBAL FOOTPRINT





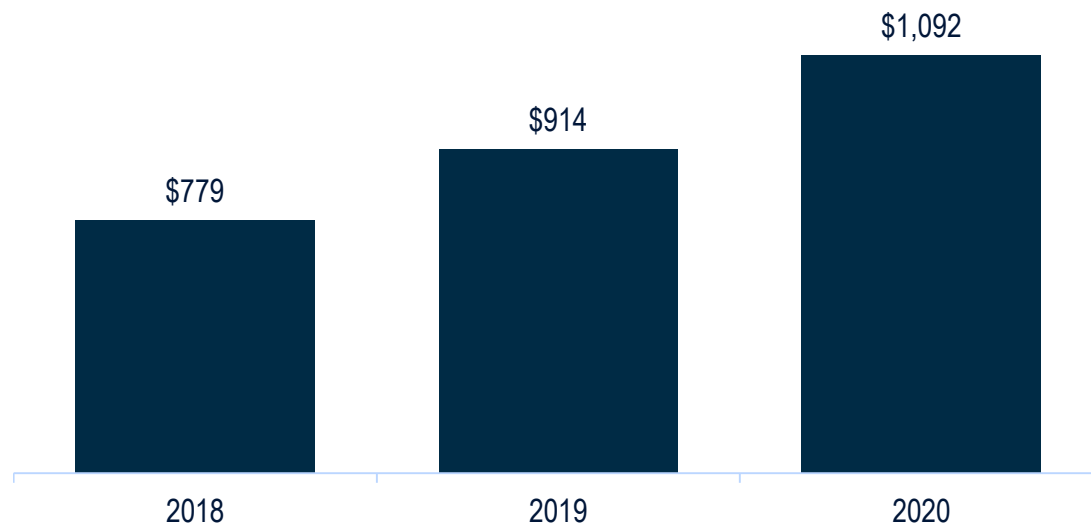
# FINANCIALS



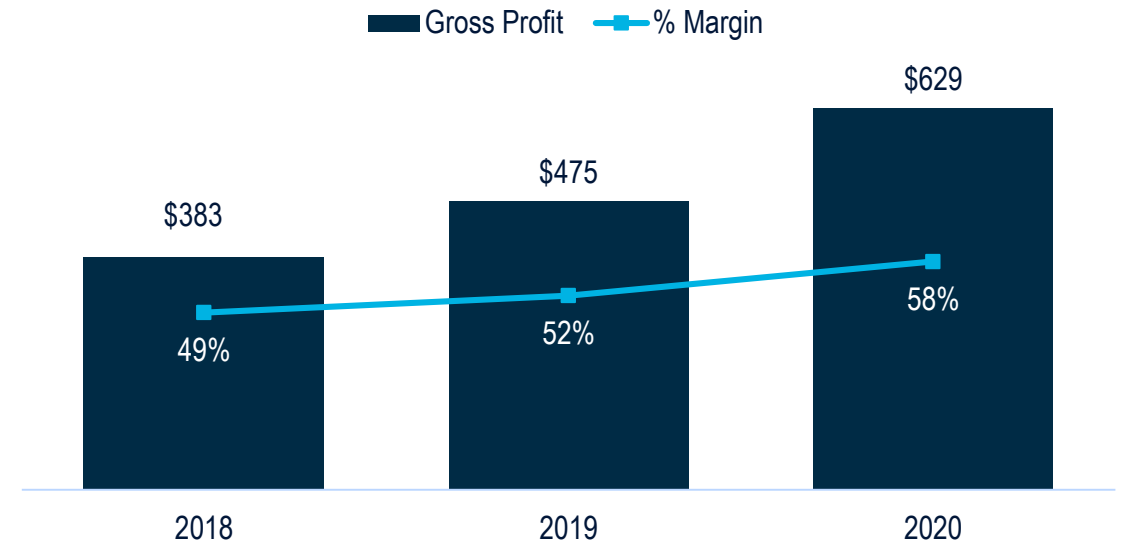


# FISCAL YEAR RESULTS

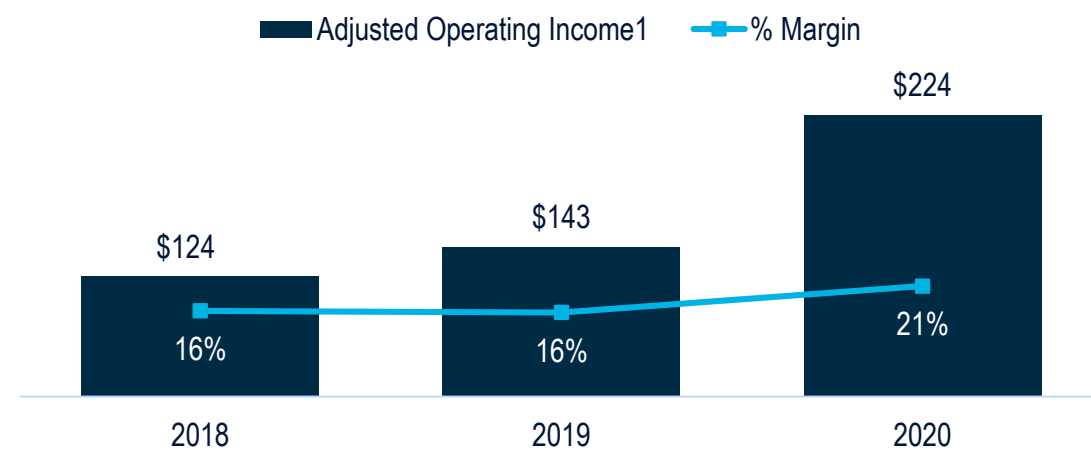
## NET SALES



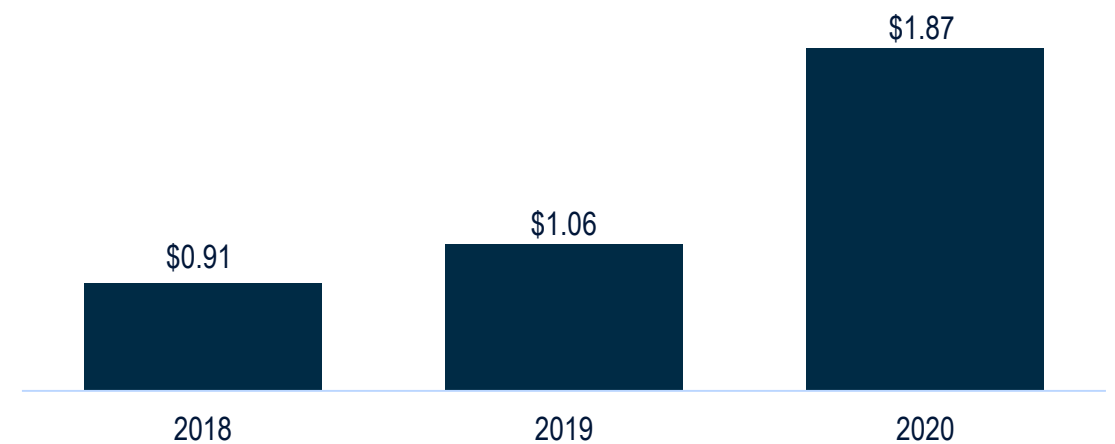
## GROSS PROFIT



## ADJUSTED OPERATING INCOME<sup>1</sup>



## ADJUSTED NET INCOME PER DILUTED SHARE<sup>1</sup>



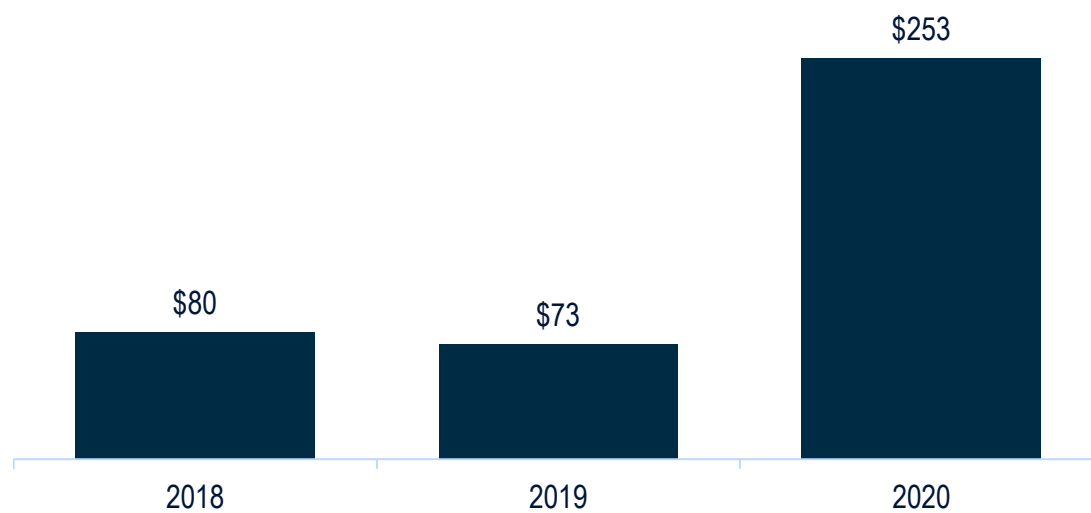
Note: \$ in millions, except per share amounts.

1. Please refer to Appendix for reconciliation of GAAP to non-GAAP measures.

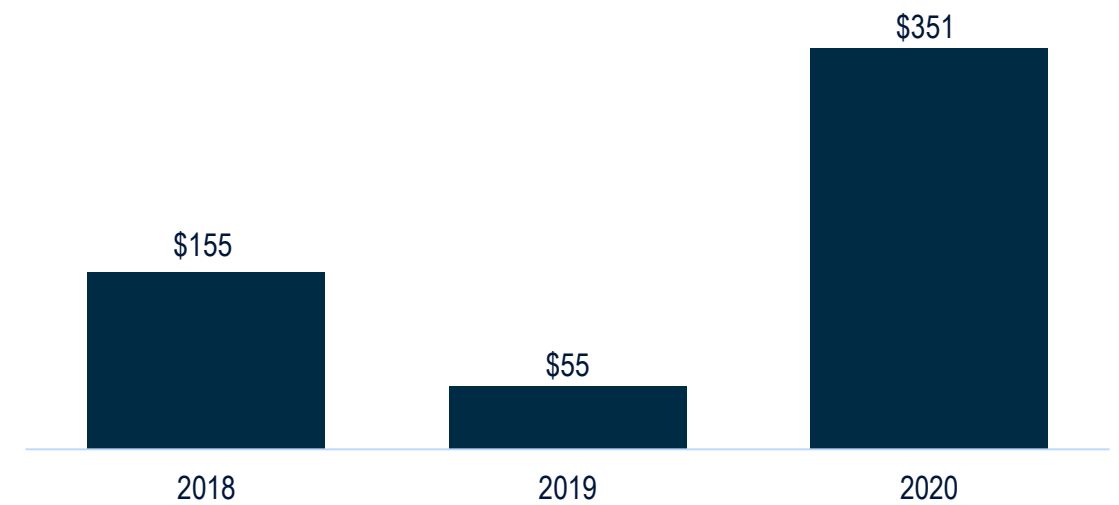


# FISCAL YEAR RESULTS (CONT'D)

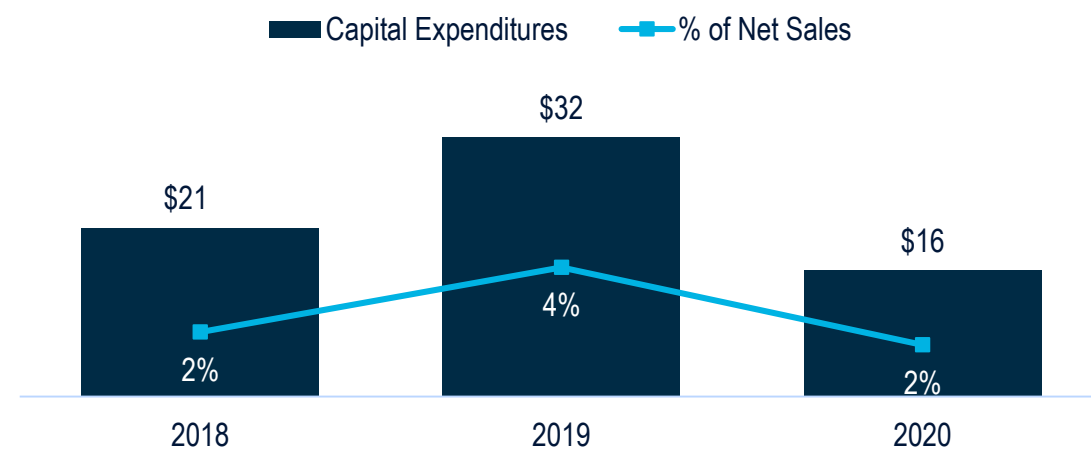
## CASH



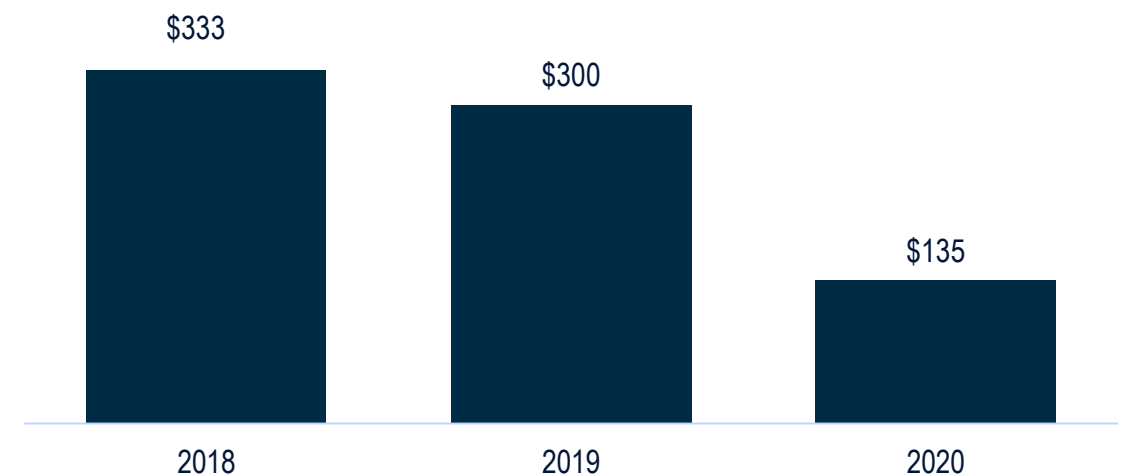
## FREE CASH FLOW<sup>1</sup>



## CAPITAL EXPENDITURES



## TOTAL DEBT<sup>2</sup>



Note: \$ in millions.

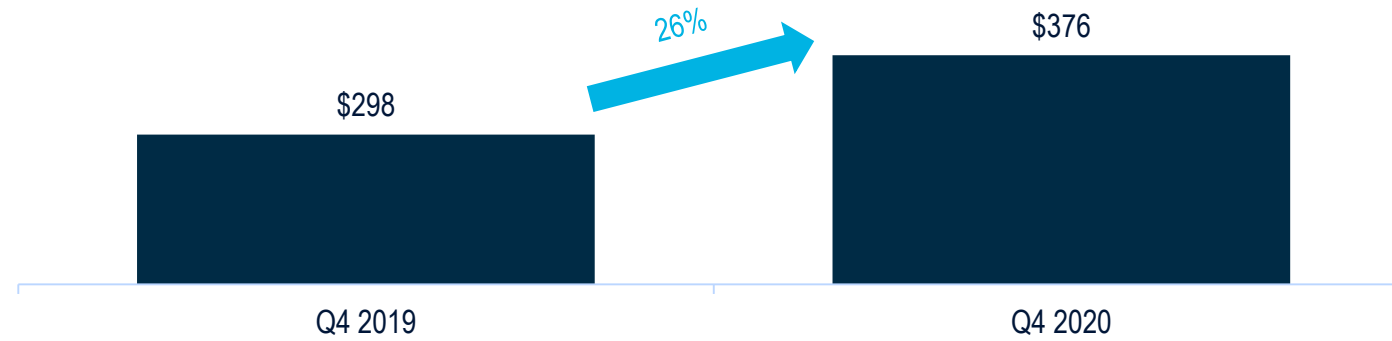
1 Operating cash flow less capital expenditures

2 Excludes finance leases and unamortized deferred financing fees.



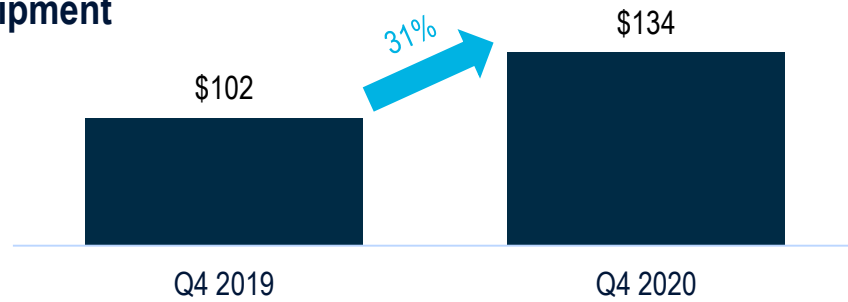
# Q4 2020 RESULTS

## NET SALES

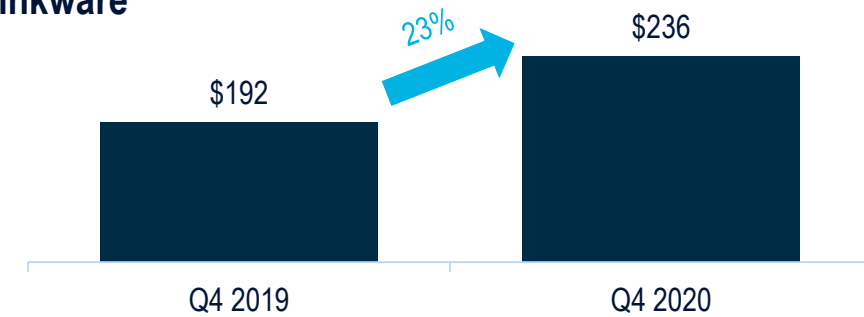


## CATEGORY NET SALES GROWTH

### Coolers & Equipment

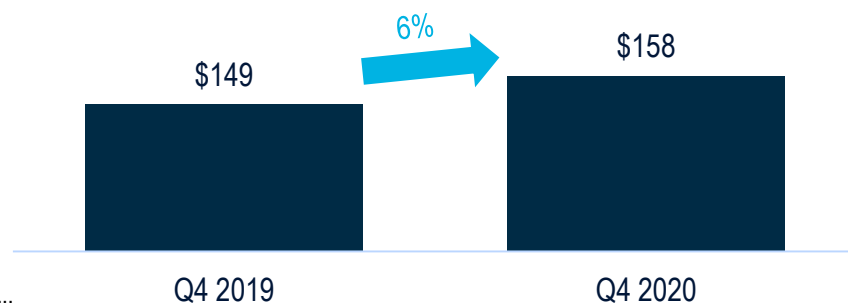


### Drinkware

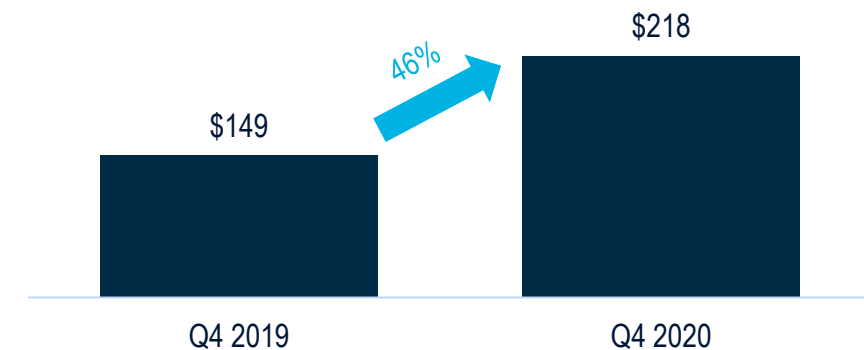


## CHANNEL NET SALES GROWTH

### Wholesale



### Direct-to-Consumer

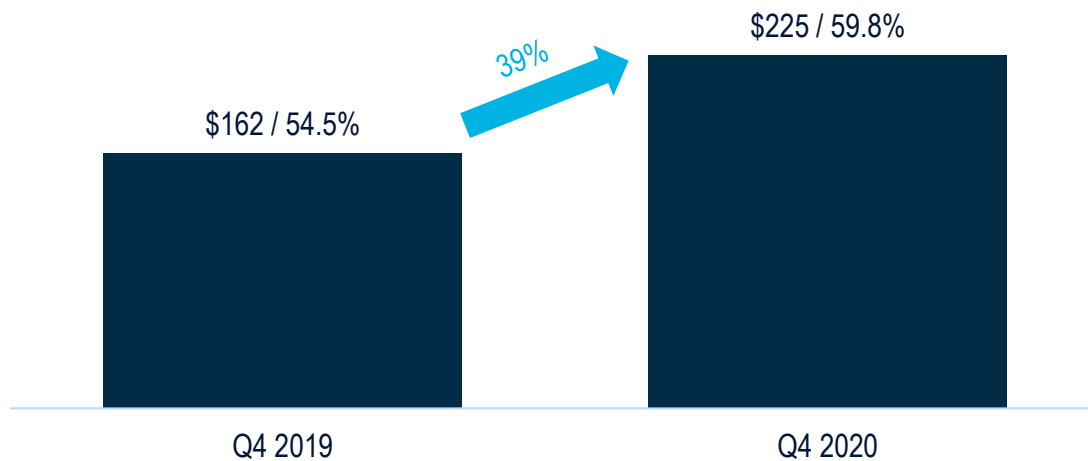


Note: \$ in millions.

# Q4 2020 RESULTS (CONT'D)

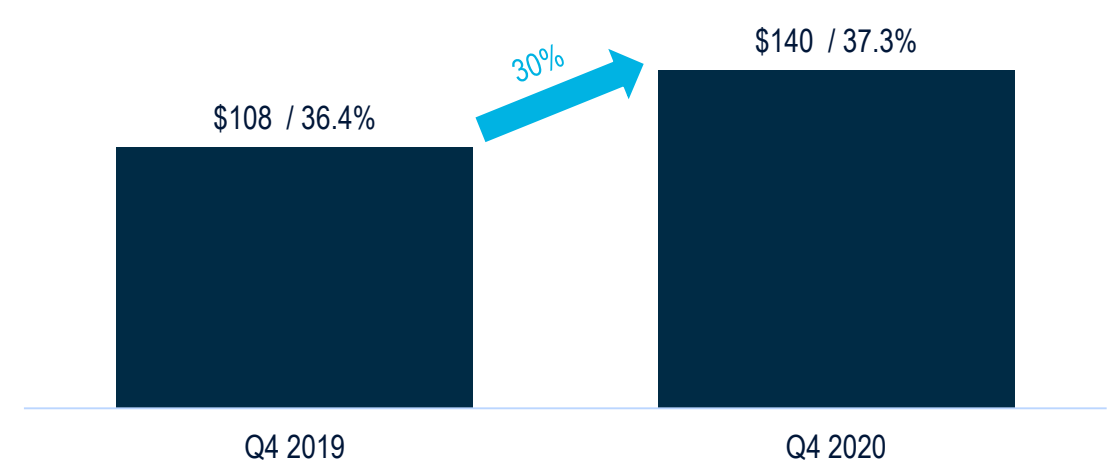
## GROSS PROFIT

Gross Profit \$ / % Margin



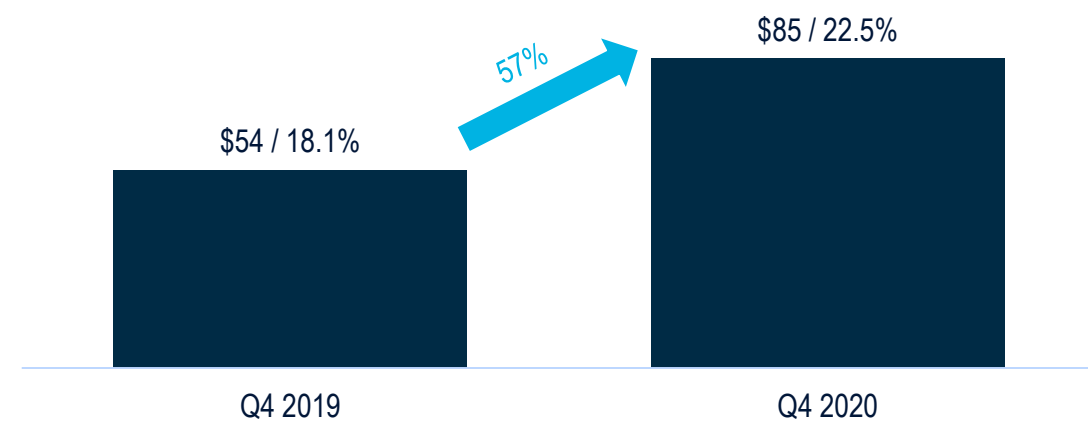
## ADJUSTED SG&A<sup>1</sup>

Adjusted SG&A<sup>1</sup> \$ / % Margin

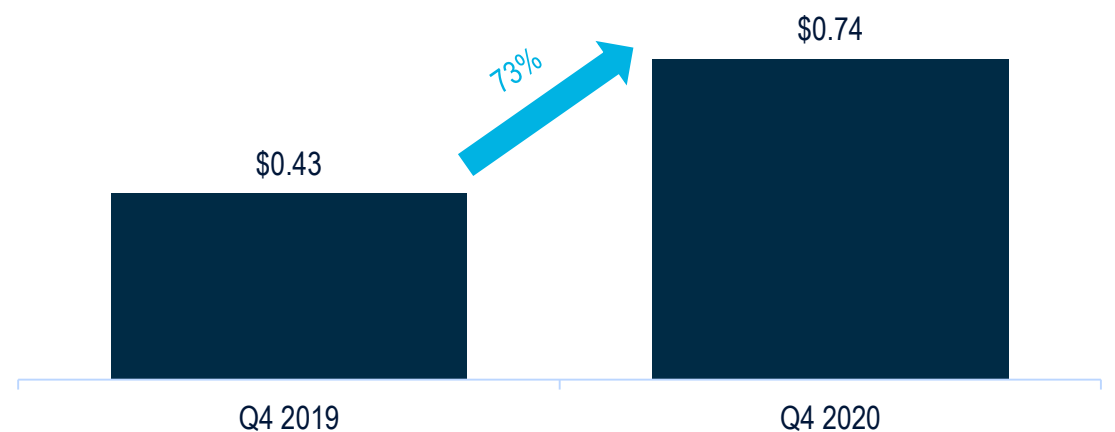


## ADJUSTED OPERATING INCOME<sup>1</sup>

Adjusted Operating Income<sup>1</sup> \$ / % Margin



## ADJUSTED NET INCOME PER DILUTED SHARE<sup>1</sup>



Note: \$ in millions, except per share amounts.

1. Please refer to Appendix for reconciliation of GAAP to non-GAAP measures.



# APPENDIX



# NON-GAAP RECONCILIATION

	2018 <sup>(1)</sup>	2019	2020
<b>Operating income</b>	<b>\$ 102.2</b>	<b>\$ 89.8</b>	<b>\$ 214.2</b>
Non-cash stock-based compensation expense <sup>(2)(3)</sup>	13.2	52.3	9.0
Long-lived asset impairment <sup>(2)</sup>	1.2	0.6	1.1
Investments in new retail locations and international market expansion <sup>(2)(4)</sup>	0.8	—	—
Transition to Cortec majority ownership <sup>(2)(5)</sup>	0.8	—	—
Transition to the ongoing senior management team <sup>(2)(6)</sup>	1.8	—	—
Transition to a public company <sup>(2)(7)</sup>	4.2	—	—
<b>Adjusted operating income</b>	<b>\$ 124.2</b>	<b>\$ 142.7</b>	<b>\$ 224.3</b>
<b>Net income</b>	<b>\$ 57.8</b>	<b>\$ 50.4</b>	<b>\$ 155.8</b>
Non-cash stock-based compensation expense <sup>(2)(3)</sup>	13.2	52.3	9.0
Long-lived asset impairment	1.2	0.6	1.1
Loss on prepayment, modification, and extinguishment of debt <sup>(8)</sup>	1.3	0.6	1.1
Investments in new retail locations and international market expansion <sup>(2)(4)</sup>	0.8	—	—
Transition to Cortec majority ownership <sup>(2)(5)</sup>	0.8	—	—
Transition to the ongoing senior management team <sup>(2)(6)</sup>	1.8	—	—
Transition to a public company <sup>(2)(7)</sup>	4.2	—	—
Tax impact of adjusting items <sup>(9)</sup>	(5.5)	(12.3)	(2.7)
<b>Adjusted net income</b>	<b>\$ 75.7</b>	<b>\$ 91.8</b>	<b>\$ 164.2</b>
Adjusted net income per diluted share	\$ 0.91	\$ 1.06	\$ 1.87
Weighted average common shares outstanding - diluted	83.5	86.3	87.8

Note: \$ in millions, except per share amounts.

- 1) Beginning with the first quarter of Fiscal 2020, YETI revised its definitions of certain non-GAAP financial measures by eliminating various adjustments, specifically investments in new retail locations and international market expansion, transition to the ongoing senior management team, and transition to a public company. The Fiscal 2019 non GAAP financial results have been recast to conform to these revised definitions.
- 2) These costs are reported in SG&A expenses.
- 3) Includes \$40.7 million of one-time non-cash stock-based compensation expense related to pre-IPO restricted stock units ("RSUs") that vested and were fully recognized during the three and twelve months ended December 28, 2019. The vesting of the RSUs was triggered when Cortec ceased to own more than 35% of the voting power of our outstanding common stock following the closing of our November 2019 secondary offering.
- 4) Represents retail store pre-opening expenses and costs for expansion into new international markets.
- 5) Represents management service fees paid to Cortec, our majority stockholder at the time. The management services agreement with Cortec was terminated immediately following the completion of our initial public offering in October 2018.
- 6) Represents severance, recruiting, and relocation costs related to the transition to our ongoing senior management team.
- 7) Represents fees and expenses in connection with our transition to a public company, including consulting fees, recruiting fees, salaries, and travel costs related to members of our Board of Directors, fees associated with Sarbanes-Oxley Act compliance, incremental audit and legal fees associated with being a public company.
- 8) Represents the accelerated amortization of deferred financing fees resulting from the voluntary prepayments of our term loan in Fiscal 2020 and the loss on modification and extinguishment related to the amendment of our credit facility in Fiscal 2019.
- 9) Represents the tax impact of adjustments calculated at an expected statutory tax rate of 24.5%, 22.9%, and 23.3% for the twelve months ended January 2, 2021, December 28, 2019, and December 29, 2018, respectively. The tax impact of adjustments is net of a \$0.9 million discrete income tax expense related to the recognition of \$40.7 million one-time non-cash stock-based compensation expense associated with pre-IPO RSUs that vested and were fully recognized during the three and twelve months ended December 28, 2019.
- 10) Depreciation and amortization expenses are reported in SG&A expenses and cost of goods sold.



# NON-GAAP RECONCILIATION (CONT'D)

	Q4 2019	Q4 2020
<b>Selling, General, and Administrative</b>	<b>\$ 150.4</b>	<b>\$ 143.4</b>
Non-cash stock-based compensation expense <sup>(1)(2)</sup>	(41.9)	(2.7)
Long-lived asset impairment <sup>(1)</sup>	(0.1)	(0.4)
<b>Adjusted Selling, General, and Administrative</b>	<b>\$ 108.4</b>	<b>\$ 140.3</b>
<b>Operating income</b>	<b>\$ 12.0</b>	<b>\$ 81.4</b>
Non-cash stock-based compensation expense <sup>(1)(2)</sup>	41.9	2.7
Long-lived asset impairment <sup>(1)</sup>	0.1	0.4
<b>Adjusted operating income</b>	<b>\$ 54.0</b>	<b>\$ 84.5</b>
<b>Net income</b>	<b>4.7</b>	<b>62.4</b>
Non-cash stock-based compensation expense <sup>(1)(2)</sup>	41.9	2.7
Long-lived asset impairment <sup>(1)</sup>	0.1	0.4
Loss on prepayment, modification, and extinguishment of debt <sup>(3)</sup>	0.6	0.6
Tax impact of adjusting items <sup>(4)</sup>	(9.6)	(0.9)
<b>Adjusted net income</b>	<b>\$ 37.8</b>	<b>\$ 65.2</b>
Adjusted net income per diluted share	\$ 0.43	\$ 0.74
Weighted average common shares outstanding - diluted	86.9	88.3

Note: \$ in millions, except per share amounts.

- 1) These costs are reported in SG&A expenses.
- 2) Includes \$40.7 million of one-time non-cash stock-based compensation expense related to pre-IPO restricted stock units ("RSUs") that vested and were fully recognized during the three and twelve months ended December 28, 2019. The vesting of the RSUs was triggered when Cortec ceased to own more than 35% of the voting power of our outstanding common stock following the closing of our November 2019 secondary offering.
- 3) Represents the accelerated amortization of deferred financing fees resulting from the voluntary prepayments of our term loan in Fiscal 2020 and the loss on modification and extinguishment related to the amendment of our credit facility in Fiscal 2019.
- 4) Represents the tax impact of adjustments calculated at an expected statutory tax rate of 24.5% and 22.5% for the three months ended January 2, 2021 and December 28, 2019, respectively. The tax impact of adjustments is net of a \$0.9 million discrete income tax expense related to the recognition of \$40.7 million one-time non-cash stock-based compensation expense associated with pre-IPO RSUs that vested and were fully recognized during the three and twelve months ended December 28, 2019.
- 5) Depreciation and amortization expenses are reported in SG&A expenses and cost of goods sold.