

REFINITIV

DELTA REPORT

10-Q

YETI - YETI HOLDINGS, INC.

10-Q - MARCH 30, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 2105

■ CHANGES	175
■ DELETIONS	801
■ ADDITIONS	1129

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended **September 30, 2023** **March 30, 2024**

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 001-38713

YETI Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware

45-5297111

(State or other jurisdiction of incorporation or organization)

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

7601 Southwest Parkway
Austin, Texas 78735

(Address of principal executive offices) (Zip Code)

(Registrant's telephone number, including area code) **(512) 394-9384**

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01	YETI	New York Stock Exchange

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 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, 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 Accelerated filer

Non-accelerated filer Smaller reporting company

Emerging growth 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

There were **86,852,881** **85,238,498** shares of Common Stock (\$0.01 par value) outstanding as of **November 2, 2023** **May 3, 2024**.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical or current fact included in this Quarterly Report on Form 10-Q are forward-looking statements. 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 our future expectations relating to our voluntary recalls, recent acquisitions, expected market or macroeconomic environment, 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 and, therefore, you should not unduly rely on such statements. 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 economic conditions or consumer confidence in future economic conditions; our ability to maintain and strengthen our brand and generate and maintain ongoing demand and prices for our products; our ability to successfully design, develop and market new products; our ability to accurately forecast demand for our products and our results of operations; our ability to effectively manage our growth and supply chain; our ability to expand into additional consumer markets, and our success in doing so; the success of our international expansion plans; our ability to compete effectively in the outdoor and recreation market and protect our brand; the level of customer spending for our products, which is sensitive to general economic conditions and other factors; our ability to attract and retain skilled personnel and senior management, and to maintain the continued efforts of our management and key employees; our ability to protect our intellectual property; claims by third parties that we have infringed on their intellectual property rights; our involvement in legal or regulatory proceedings or audits; product recalls, warranty liability, product liability, or other claims against us; problems with, or loss of, our third-party contract manufacturers and suppliers, or an inability to obtain raw materials; our ability to timely obtain shipments and deliver products; risks related to manufacturer concentrations; fluctuations in the cost and availability of raw materials, equipment, labor, and transportation and subsequent manufacturing delays or increased costs; legal, regulatory, economic, political and public health risks associated with international trade; risks associated with tariffs; the impact of currency exchange rate fluctuations; our ability to appropriately address emerging environmental, social and governance matters and meet our environmental, social and governance goals; our and our suppliers' and partners' ability to comply with applicable laws and regulations; our relationships with our national, regional, and independent retail partners, who account for a significant portion of our sales; seasonal and quarterly variations in our business; financial difficulties facing our retail partners; the impact of catastrophic events or failures of our information systems, including due to cybersecurity incidents, on our operations and the operations of our manufacturing partners; our ability to raise additional capital on acceptable terms; the impact of our indebtedness on our ability to invest in the ongoing needs of our business; impairment to our goodwill or other intangible assets; changes in tax laws or unanticipated tax liabilities; changes to our estimates or judgments; our ability to successfully execute our share repurchase program and its impact on stockholder value and the volatility of the price of our common stock; strategic transactions targeting us; the impact of stockholder activism, takeover proposals, proxy contests or short sellers; disruptions or diversions of our management's attention due to acquisitions or investments in other companies; and the risks and uncertainties listed below under "Risk Factors Summary" and further described under the heading "Risk Factors" in detail in Part II, Item 1A of this Quarterly Report on Form 10-Q, 10-K for the year ended December 30, 2023, as such risk factors may be amended, supplemented or superseded from time to time by other reports we file with the United States Securities and Exchange Commission.

These forward-looking statements are made based upon detailed assumptions and reflect management's current expectations and beliefs. 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.

The forward-looking statements included herein are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events, or otherwise, except as required by law.

WEBSITE REFERENCES

In this Quarterly Report on Form 10-Q, we make references to our website at YETI.com. References to our website through this Form 10-Q are provided for convenience only and the content on our website does not constitute a part of, and shall not be deemed incorporated by reference into, this Quarterly Report on Form 10-Q.

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Risk Factors Summary TRADEMARKS AND SERVICE MARKS

Investing Solely for convenience, certain trademark and service marks referred to in our securities involves a high degree of risk. The following is a summary of this Quarterly Report on Form 10-Q appear without the principal factors ® or ™ symbols, but those references are not intended to indicate, in any way, that make an investment in our securities speculative or risky, all of which are further described below in the section titled "Risk Factors" in Part I, Item 1A of this Report. This summary should be read in conjunction with the "Risk Factors" section and should we will not be relied upon as an exhaustive summary of the material risks facing our business. In addition assert, to the following summary, you should consider the information set forth in the "Risk Factors" section fullest extent under applicable law, our rights to these trademarks and the other information contained in this service marks. This Quarterly Report before investing in our securities.

Risks Related to Our Business, Operations and Industry

- If we fail to attract new customers and maintain our brand image, we on Form 10-Q may be unable to maintain demand for our products, which could harm our results also contain additional trademarks or service marks of operations.
- If we are unable to successfully design, develop and market new products, our business may be harmed.
- Our business could be harmed if we are unable to accurately forecast our results of operations or our growth rate and demand for our products.
- We may not be able to effectively manage our growth.
- We may not be successful in expanding into additional markets.
- If we fail to compete effectively, we could lose our market position.
- Unauthorized use or invalidation of our intellectual property or proprietary rights could damage our brand and harm our results of operations.

- We may be subject to liability if we infringe upon the intellectual property rights of third parties.
- Problems with, or loss of, our suppliers or an inability to obtain raw materials could harm our business and results of operations.
- If we fail to timely and effectively obtain shipments of products from our manufacturers and deliver products to our retail partners and customers, our business and results of operations could be harmed.
- Our business is subject to the risk of manufacturer concentrations.
- Our business could be harmed if we fail to execute our internal plans to transition our supply chain and certain other business processes to a global scale.
- If we cannot maintain prices or effectively implement price increases, our margins may decrease.
- Fluctuations in the cost and availability of raw materials, equipment, labor, and transportation could cause manufacturing delays or increase our costs.
- 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.
- As current tariffs are implemented, or if additional tariffs or other restrictions are placed on foreign imports or any related counter-measures are taken by other countries, our business and results of operations could be harmed.
- If we fail to appropriately address emerging environmental, social and governance matters, or if we fail, or are perceived to fail, to meet our goals regarding environmental, social and governance matters, our reputation and our business could be harmed.
- Climate change, and related legislative and regulatory responses to climate change, may adversely impact our business.
- A significant portion of our sales are to national, regional, and independent retail partners, and if they cease to carry our current products or choose not to promote or carry new products that we develop, our brand as well as our results of operations and financial condition could be harmed.
- If our plans to increase sales through our direct-to-consumer e-commerce channel are not successful, our business and results of operations could be harmed.
- If we do not successfully implement our retail store expansion plans, our growth and profitability could be harmed.
- Insolvency, credit problems or other financial difficulties that could confront our retail partners could expose us to financial risk.
- If our independent suppliers and manufacturing partners do not comply with ethical business practices or with applicable laws and regulations, our reputation, business, and results of operations could be harmed.
- 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.
- Our limited operating experience and limited brand recognition in new markets may make it more difficult to execute our international expansion plan and cause our business and growth to suffer.
- Our financial results and future growth could be harmed by currency exchange rate fluctuations.
- We may become involved in legal or regulatory proceedings and audits.
- Our business involves the potential for product recalls, warranty liability, product liability, and other claims against us, which could adversely affect our reputation, earnings and financial condition.

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- Our business is subject to the risk of catastrophic events and to interruption by problems such as terrorism, public health crises, cyberattacks, or failure of key information technology systems.
- Our results of operations are subject to seasonal and quarterly variations, which could cause the price of our common stock to decline.
- 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.

Risks Related to Market and Global Economic Conditions

- Public health crises could negatively impact our business, sales, financial condition, results of operations and cash flows.
- Adverse economic conditions, such as a downturn in the economy or inflationary conditions resulting in rising prices, could adversely affect consumer purchases of discretionary items, which could materially harm our sales, profitability, and financial condition.

Risks Related to Information Technology and Security

- We rely significantly on information technology and any failure, inadequacy or interruption of that technology could harm our business.
- We collect, store, process, and use personal and payment information and other customer data, which subjects us to regulation and other legal obligations related to privacy, information security, and data protection.

Risks Related to our Financial Condition and Tax Matters

- 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.
- Our indebtedness may limit our ability to invest in the ongoing needs of our business and if we are unable to comply with the covenants in our current Credit Facility, our liquidity and results of operations could be harmed.
- If our goodwill, other intangible assets, or fixed assets become impaired, we may be required to record a charge to our earnings.
- Changes in tax laws or unanticipated tax liabilities could adversely affect our effective income tax rate and profitability.
- Our results of operations could be harmed if a material number of our retail partners were not able to meet their payment obligations.

Risks Related to Ownership of Our Common Stock

- Any future failure to maintain effective internal control over financial reporting could harm us.
- Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of the Company more difficult, limit attempts by our stockholders to replace or remove our current management, and limit the market price of our common stock.
- Our Amended and Restated Certificate of Incorporation provides that the Court of Chancery of the State of Delaware is the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.
- YETI Holdings, Inc. is a holding company with no operations of its own and, as such, it depends on its subsidiaries for cash to fund its operations and expenses, including future dividend payments, if any.

General Risk Factors

- 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.
- 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.
- We may be the target of strategic transactions, which could divert our management's attention and otherwise disrupt our operations and adversely affect our business.
- We may be the target of stockholder activism, an unsolicited takeover proposal, a proxy contest, or short sellers, which could negatively impact our business.
- We may acquire or invest in other companies, which could divert our management's attention, result in dilution to our stockholders, and otherwise disrupt our operations and harm our results are the property of operations their respective owners.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

YETI HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In thousands, except shares and par value)

		September 30, 2023	December 31, 2022		
		March 30, 2024		March 30, 2024	December 30, 2023
ASSETS	ASSETS				
Current assets	Current assets				
Current assets	Current assets				
Cash	Cash				
Cash	Cash				
Cash	Cash	\$ 281,360	\$ 234,741		
Accounts receivable, net	Accounts receivable, net	127,896	79,446		
Inventory	Inventory	341,348	371,412		
Prepaid expenses and other current assets	Prepaid expenses and other current assets	40,728	33,321		
Total current assets	Total current assets	791,332	718,920		
Property and equipment, net	Property and equipment, net	132,215	124,587		
Operating lease right-of-use assets	Operating lease right-of-use assets	60,376	55,406		
Goodwill	Goodwill	54,293	54,293		
Intangible assets, net	Intangible assets, net	114,140	99,429		
Other assets	Other assets	3,526	24,130		
Other assets	Other assets				
Total assets	Total assets	\$ 1,155,882	\$ 1,076,765		
LIABILITIES AND STOCKHOLDERS' EQUITY	LIABILITIES AND STOCKHOLDERS' EQUITY				
LIABILITIES AND STOCKHOLDERS' EQUITY	LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities	Current liabilities				
Current liabilities	Current liabilities				
Accounts payable	Accounts payable				
Accounts payable	Accounts payable				
Accounts payable	Accounts payable	\$ 179,086	\$ 140,818		
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	130,333	211,399		
Taxes payable	Taxes payable	11,962	15,289		

Accrued payroll and related costs	Accrued payroll and related costs	19,570	4,847
Current operating lease liabilities	Current operating lease liabilities	13,366	12,076
Current maturities of long-term debt	Current maturities of long-term debt	6,512	24,611
Total current liabilities	Total current liabilities	360,829	409,040
Long-term debt, net of current portion	Long-term debt, net of current portion	79,529	71,741
Operating lease liabilities, non-current	Operating lease liabilities, non-current	60,212	55,649
Other liabilities	Other liabilities	16,527	13,858
Total liabilities	Total liabilities	517,097	550,288
Commitments and contingencies (Note 10)	Commitments and contingencies (Note 10)		
Commitments and contingencies (Note 10)	Commitments and contingencies (Note 10)		
Stockholders' Equity	Stockholders' Equity		
Common stock, par value \$0.01; 600,000,000 shares authorized; 88,523,065 and 86,846,514 shares issued and outstanding at September 30, 2023, respectively, and 88,107,787 and 86,431,236 shares issued and outstanding at December 31, 2022, respectively	885	881	
Treasury stock, at cost; 1,676,551 shares	(100,025)	(100,025)	
Stockholders' Equity			
Stockholders' Equity			
Common stock, par value \$0.01; 600,000,000 shares authorized; 88,906,143 and 85,231,091 shares issued and outstanding at March 30, 2024, respectively, and 88,592,761 and 86,916,210 shares issued and outstanding at December 30, 2023, respectively			
Common stock, par value \$0.01; 600,000,000 shares authorized; 88,906,143 and 85,231,091 shares issued and outstanding at March 30, 2024, respectively, and 88,592,761 and 86,916,210 shares issued and outstanding at December 30, 2023, respectively			

Common stock, par value \$0.01; 600,000,000 shares authorized; 88,906,143 and 85,231,091 shares issued and outstanding at March 30, 2024, respectively, and 88,592,761 and 86,916,210 shares issued and outstanding at December 30, 2023, respectively			
Treasury stock, at cost; 3,675,052 shares at March 30, 2024 and 1,676,551 at December 30, 2023			
Preferred stock, par value \$0.01; 30,000,000 shares authorized; no shares issued or outstanding	Preferred stock, par value \$0.01; 30,000,000 shares authorized; no shares issued or outstanding	—	—
Additional paid-in capital	Additional paid-in capital	378,556	357,490
Retained earnings	Retained earnings	359,843	268,551
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(474)	(420)
Total stockholders' equity	Total stockholders' equity	638,785	526,477
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	\$ 1,155,882	\$ 1,076,765

See Notes to Unaudited Condensed Consolidated Financial Statements

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YETI HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Three Months Ended				
Three Months Ended				
Three Months Ended				
March 30, 2024				
March 30, 2024				
March 30, 2024				
Net sales				
Net sales				
Net sales	Net sales	\$ 433,561	\$ 433,556	\$ 1,138,920
Cost of goods sold	Cost of goods sold	182,310	211,149	510,961
Cost of goods sold				

Cost of goods sold						
Gross profit						
Gross profit						
Gross profit	Gross profit					
		251,251	222,407	627,959	596,366	
Selling, general, and administrative expenses	Selling, general, and administrative expenses	189,374	153,940	500,653	426,263	
Selling, general, and administrative expenses						
Selling, general, and administrative expenses						
Operating income	Operating income	61,877	68,467	127,306	170,103	
Interest expense, net		(285)	(1,495)	(1,610)	(3,221)	
Other expense		(4,032)	(7,281)	(2,782)	(12,202)	
Operating income						
Operating income						
Interest income (expense), net						
Interest income (expense), net						
Interest income (expense), net						
Other (expense) income, net						
Other (expense) income, net						
Other (expense) income, net						
Income before income taxes						
Income before income taxes						
Income before income taxes	Income before income taxes	57,560	59,691	122,914	154,680	
Income tax expense	Income tax expense	(14,903)	(14,171)	(31,622)	(37,249)	
Income tax expense						
Income tax expense						
Net income						
Net income						
Net income	Net income	\$ 42,657	\$ 45,520	\$ 91,292	\$ 117,431	
Net income per share	Net income per share					
Net income per share						
Basic	Basic	\$ 0.49	\$ 0.53	\$ 1.05	\$ 1.36	
Basic						
Basic						
Diluted						
Diluted	Diluted	\$ 0.49	\$ 0.52	\$ 1.05	\$ 1.35	
Weighted-average common shares outstanding	Weighted-average common shares outstanding					
Weighted-average common shares outstanding						
Weighted-average common shares outstanding						

Basic					
Basic					
Basic	Basic	86,783	86,208	86,663	86,580
Diluted	Diluted	87,589	86,831	87,290	87,305
Diluted					
Diluted					

See Notes to Unaudited Condensed Consolidated Financial Statements

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YETI HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(In thousands)

		Three Months Ended		Nine Months Ended	
		September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Three Months Ended					
Three Months Ended					
Three Months Ended					
March 30, 2024					
March 30, 2024					
March 30, 2024					
Net income					
Net income					
Net	Net				
income	income	\$		\$	
Other	Other				
comprehensive	comprehensive				
income (loss)	income (loss)				
Other comprehensive income (loss)					
Other comprehensive income (loss)					
Foreign currency translation adjustments					
Foreign currency translation adjustments					
Foreign currency translation adjustments	Foreign currency translation adjustments				
Foreign currency translation adjustments	Foreign currency translation adjustments				
1,713			921		
Total comprehensive income	Total comprehensive income				
\$ 44,370			\$ 46,441		
Total comprehensive income	Total comprehensive income				
\$ 91,238			\$ 91,238		
Total comprehensive income	Total comprehensive income				
\$ 119,563					

See Notes to Unaudited Condensed Consolidated Financial Statements

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YETI HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)
(In thousands, including shares)

	Three Months Ended September 30, 2023										
	Common Stock			Additional Paid-In Capital		Treasury Stock			Accumulated Other Comprehensive Income		
	Shares	Amount				Shares	Amount	Retained Earnings			
Balance, July 1, 2023	88,407	\$ 884	\$ 371,348			(1,677)	\$ (100,025)	\$ 317,186	\$ (2,187)	\$ 587,206	
Stock-based compensation	—	—	7,805			—	—	—	—	—	7,805
Common stock issued under employee benefit plans	129	1	(1)			—	—	—	—	—	—
Common stock withheld related to net share settlement of stock-based compensation	(13)	—	(596)			—	—	—	—	—	(596)
Other comprehensive income	—	—	—			—	—	—	1,713	1,713	
Net income	—	—	—			—	—	42,657	—	42,657	
Balance, September 30, 2023	88,523	\$ 885	\$ 378,556			(1,677)	\$ (100,025)	\$ 359,843	\$ (474)	\$ 638,785	
Three Months Ended October 1, 2022											
	Common Stock			Additional Paid-In Capital		Treasury Stock			Accumulated Other Comprehensive Income (Loss)		
	Shares	Amount				Shares	Amount	Retained Earnings			
	87,851	\$ 878	\$ 346,675			(1,677)	\$ (100,025)	\$ 250,769	\$ 1,564	\$ 499,861	
Stock-based compensation	—	—	4,662			—	—	—	—	—	4,662
Common stock issued under employee benefit plans	86	1	277			—	—	—	—	—	278
Common stock withheld related to net share settlement of stock-based compensation	(13)	—	(581)			—	—	—	—	—	(581)
Other comprehensive income	—	—	—			—	—	—	921	921	
Net income	—	—	—			—	—	45,520	—	45,520	
Balance, October 1, 2022	87,924	\$ 879	\$ 351,033			(1,677)	\$ (100,025)	\$ 296,289	\$ 2,485	\$ 550,661	

See Notes to Unaudited Condensed Consolidated Financial Statements

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YETI HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)
(In thousands, including shares)

	Three Months Ended March 30, 2024						Three Months Ended				
	Common Stock			Additional Paid-In Capital		Treasury Stock		Accumulated Other Comprehensive Income			Total Stockholders' Equity
	Shares					Shares	Amount	Retained Earnings			
Balance, December 30, 2023											
Balance, December 30, 2023											
Balance, December 30, 2023											
Stock-based compensation	—										

Common stock issued under employee benefit plans	
Common stock withheld related to net share settlement of stock-based compensation	
Repurchase of common stock, including excise tax	
Other comprehensive income	
Net income	
Balance, March 30, 2024	

Nine Months Ended September 30, 2023										
Accumulated										
		Common Stock		Additional Paid-In Capital		Treasury Stock		Other		Total Stockholders' Equity
		Shares	Amount	Shares	Amount	Shares	Amount	Retained Earnings	Comprehensive Loss	
Three Months Ended April 1, 2023										
Three Months Ended April 1, 2023										
Three Months Ended April 1, 2023										
Common Stock										
Shares										
Balance, December 31, 2022	Balance, December 31, 2022									
Balance, December 31, 2022	Balance, December 31, 2022	88,108	\$ 881	\$357,490		(1,677)		(100,025)	\$ 268,551	\$ (420) \$ 526,477
Stock-based compensation	Stock-based compensation	—	—	21,918		—		—	—	— 21,918
Common stock issued under employee benefit plans	Common stock issued under employee benefit plans	475	4	1,569		—		—	—	— 1,573
Common stock withheld related to net share	Common stock withheld related to net share									
settlement of stock-based compensation	settlement of stock-based compensation	(60)	—	(2,421)		—		—	—	— (2,421)
Other comprehensive loss										
Other comprehensive loss										
Other comprehensive loss	Other comprehensive loss	—	—	—		—		—	(54)	(54)
Net income	Net income	—	—	—		—		—	91,292	— 91,292
Balance, September 30, 2023	88,523	\$ 885	\$378,556		(1,677)		\$ (100,025)	\$ 359,843	\$ (474)	\$ 638,785

Nine Months Ended October 1, 2022											
	Common Stock			Treasury Stock			Accumulated Other			Total Stockholders' Equity	
	Additional Paid-In Capital		Shares	Amount	Shares	Amount	Retained Earnings	Comprehensive Income			
	Shares	Amount									
Balance, January 1, 2022	87,727	\$ 877	\$337,735	—	—	—	\$178,858	\$ 353	\$ 517,823		
Stock-based compensation	—	—	14,883	—	—	—	—	—	—	14,883	
Common stock issued under employee benefit plans	229	2	276	—	—	—	—	—	—	278	
Common stock withheld related to net share settlement of stock-based compensation	(32)	—	(1,861)	—	—	—	—	—	—	(1,861)	
Repurchase of common stock	—	—	—	(1,677)	(100,025)	—	—	—	—	(100,025)	
Other comprehensive income	—	—	—	—	—	—	—	2,132	2,132		
Net income	—	—	—	—	—	—	117,431	—	117,431		
Balance, October 1, 2022	87,924	\$ 879	\$351,033	(1,677)	\$100,025	\$296,289	\$ 2,485	\$ 550,661			
Balance, April 1, 2023											

See Notes to Unaudited Condensed Consolidated Financial Statements

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YETI HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

Cash Flows from Operating Activities:	Nine Months Ended			
	Three Months Ended		Three Months Ended	
	September 30, 2023	October 1, 2022	March 30, 2024	April 1, 2023
Net income	Net income	\$ 91,292	\$ 117,431	
Net income				
Net income				
Adjustments to reconcile net income to cash provided by (used in) operating activities:	Adjustments to reconcile net income to cash provided by (used in) operating activities:			
Depreciation and amortization				
Depreciation and amortization				
Depreciation and amortization	Depreciation and amortization	34,391	28,504	
Amortization of deferred financing fees	Amortization of deferred financing fees	441	458	
Stock-based compensation	Stock-based compensation	21,918	14,883	
Deferred income taxes	Deferred income taxes	20,699	(1,138)	

Impairment of long-lived assets	Impairment of long-lived assets	1,963	181
Loss on modification and extinguishment of debt		330	—
Product recalls		8,538	—
Other			
Other	Other	239	10,215
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:		
Changes in operating assets and liabilities:			
Accounts receivable	Accounts receivable	(48,836)	14,679
Inventory	Inventory	28,180	(127,362)
Other current assets	Other current assets	(6,505)	(2,944)
Accounts payable and accrued expenses	Accounts payable and accrued expenses	(36,288)	(121,515)
Taxes payable	Taxes payable	(3,323)	(6,773)
Other	Other	1,730	1,166
Net cash provided by (used in) operating activities		114,769	(72,215)
Net cash used in operating activities			
Cash Flows from Investing Activities:	Cash Flows from Investing Activities:		
Purchases of property and equipment	Purchases of property and equipment	(38,983)	(32,493)
Purchases of property and equipment			
Purchases of property and equipment			
Business acquisition, net of cash acquired			
Additions of intangibles, net	Additions of intangibles, net	(19,280)	(7,924)
Net cash used in investing activities	Net cash used in investing activities	(58,263)	(40,417)
Net cash used in investing activities			
Net cash used in investing activities			
Cash Flows from Financing Activities:	Cash Flows from Financing Activities:		

Repayments of long-term debt	Repayments of long-term debt	(6,680)	(16,875)
Payments of deferred financing fees		(2,824)	—
Repayments of long-term debt			
Repayments of long-term debt			
Taxes paid in connection with employee stock transactions			
Taxes paid in connection with employee stock transactions			
Taxes paid in connection with employee stock transactions	Taxes paid in connection with employee stock transactions	(2,421)	(1,861)
Proceeds from employee stock transactions	Proceeds from employee stock transactions	1,573	278
Finance lease principal payment	Finance lease principal payment	(1,579)	(1,730)
Repurchase of common stock			
Repurchase of common stock			
Repurchase of common stock	Repurchase of common stock	—	(100,025)
Net cash used in financing activities	Net cash used in financing activities	(11,931)	(120,213)
Net cash used in financing activities			
Net cash used in financing activities			
Effect of exchange rate changes on cash	Effect of exchange rate changes on cash	2,044	(1,581)
Net increase (decrease) in cash		46,619	(234,426)
Net decrease in cash			
Cash, beginning of period	Cash, beginning of period	234,741	312,189
Cash, end of period	Cash, end of period	\$ 281,360	\$ 77,763

See Notes to Unaudited Condensed Consolidated Financial Statements

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YETI HOLDINGS, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization and Business

Headquartered in Austin, Texas, YETI Holdings, Inc. is a global designer, retailer, and distributor of innovative outdoor products. From coolers and drinkware to bags and apparel, YETI products are built to meet the unique and varying needs of diverse outdoor pursuits, whether in the remote wilderness, at the beach, or anywhere life takes you. We sell our products through our wholesale channel, including independent retailers, national, and regional accounts across a wide variety of end user markets, as well as through our direct-to-consumer ("DTC") channel, primarily on YETI.com, country and region-specific YETI which includes our websites, YETI Authorized on the Amazon Marketplace, our corporate sales program, and our retail stores. We operate in the U.S., Canada, Australia, New Zealand, Europe, Hong Kong, China, Singapore, and Japan. In the first quarter of 2024, we acquired Mystery Ranch, LLC, which is a designer and manufacturer of durable load-bearing backpacks, bags, and pack accessories.

The terms "we," "us," "our," "YETI," "YETI" and "the Company" as used herein and unless otherwise stated or indicated by context, refer to YETI Holdings, Inc. and its subsidiaries.

Basis of Presentation and Principles of Consolidation

The unaudited condensed consolidated financial statements and the accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the rules of the U.S. Securities and Exchange Commission ("SEC"). Accordingly, our financial statements reflect all normal and recurring adjustments that are, in the opinion of management, necessary for a fair statement of our results of operations for the interim periods. Intercompany balances and transactions are eliminated in consolidation. Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to applicable rules and regulations of the SEC. The consolidated balance sheet as of December 31, 2022 December 30, 2023 is derived from the audited financial statements included in our Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2022 December 30, 2023, which should be read in conjunction with these unaudited consolidated financial statements and notes thereto.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires our management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses during the reporting period and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements. Estimates and assumptions about future events and their effects cannot be made with certainty. Estimates may change as new events occur, when additional information becomes available and if our operating environment changes. Actual results could differ from our estimates.

Fiscal Year End

We have a 52- or 53-week fiscal year that ends on the Saturday closest in proximity to December 31, such that each quarterly period will be 13 weeks in length, except during a 53-week year when the fourth quarter will be 14 weeks. Our fiscal year ending December 30, 2023 December 28, 2024 ("2023" 2024") is a 52-week period. The first quarter of our fiscal year 2023 2024 ended on April 1, 2023 March 30, 2024, the second quarter ended on July 1, 2023 June 29, 2024, and the third quarter ended on September 30, 2023 ends September 28, 2024. Our fiscal year ended December 31, 2022 December 30, 2023 ("2022" 2023") was also a 52-week period. Unless otherwise stated, references to particular years, quarters, months and periods refer to our fiscal years and the associated quarters, months, and periods of those fiscal years. The unaudited condensed consolidated financial results presented herein represent the three and nine months ended September 30, 2023 March 30, 2024 and October 1, 2022 April 1, 2023.

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Accounts Receivable

Accounts receivable are carried at original invoice amount less recorded net of estimated credit losses. Upon initial recognition of a receivable, we estimate credit losses over the contractual term of the receivable and establish an allowance for credit losses based on historical experience, current available information, and expectations of future economic conditions. We mitigate credit loss risk from accounts receivable by assessing customers for credit worthiness, including ongoing credit evaluations and their payment trends. Credit risk is limited due to ongoing monitoring, high geographic customer distribution, and low concentration of risk. 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 typically requiring payment within 30 to 90 days of sale. Receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded to income when received. Our allowance for credit losses was \$0.5 million \$0.6 million as of September 30, 2023 March 30, 2024 and \$0.7 \$0.5 million as of December 31, 2022 December 30, 2023, respectively.

Business Combinations

We account for business combinations using the acquisition method of accounting. We allocate the purchase consideration to the identifiable assets acquired and liabilities assumed in a business combination based on their acquisition-date fair values. We use our best estimates and assumptions to determine the fair value of tangible and intangible assets acquired and liabilities assumed, as well as the uncertain tax positions and tax-related valuation allowances that are initially recorded in connection with a business combination. These estimates are reevaluated and adjusted, if needed, during the measurement period of up to one year from the acquisition date, and are recorded as adjustments to goodwill. Any adjustments to the acquired assets and liabilities assumed that are identified subsequent to the measurement period are recorded in earnings.

Inventory

Inventories are comprised primarily of finished goods and are carried at the lower of cost (weighted-average (primarily using weighted-average cost method) or market (net realizable value). At September 30, 2023 March 30, 2024 and December 31, 2022 December 30, 2023, inventory reserves were \$2.9 \$2.7 million and \$37.3 million, \$2.2 million, respectively. The balance at December 31, 2022 primarily consisted of reserves related to unsalable inventory on-hand in connection with our voluntary recalls. The decrease in the inventory reserve is primarily related to the physical scrapping of the unsalable inventory. See Note 10 for further discussion of our voluntary recalls.

Fair Value of Financial Instruments

For financial assets and liabilities recorded at fair value on a recurring or non-recurring basis, fair value is the price we would receive to sell an asset, or pay to transfer a liability, in an orderly transaction with a market participant at 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 our market assumptions; preference is given to observable inputs. 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.

Our financial instruments consist principally of cash, accounts receivable, accounts payable, and bank indebtedness. The carrying amount of cash, accounts receivable, and accounts payable, approximates fair value due to the short-term maturity of these instruments. The carrying amount of our long-term bank indebtedness approximates fair value based on Level 2 inputs since our senior secured credit facility ("Credit" (the "Credit Facility") carries a variable interest rate that is based on the Secured Overnight Financing Rate ("SOFR").

Supplier Finance Program Obligations

We have a supplier finance program ("SFP") with a financial institution which provides certain suppliers the option, at their sole discretion, to participate in the program and sell their receivables due from us for early payment. Participating eligible suppliers negotiate the terms directly with the financial institution and we have no involvement in establishing those terms nor are we a party to these agreements. Our payments associated with the invoices from the suppliers participating in the SFP are made to the financial institution according to the original invoice. The outstanding payment obligations under the SFP program recorded within accounts payable in our condensed consolidated balance sheets at **September 30, 2023** **March 30, 2024** and **December 31, 2022** **December 30, 2023** were **\$60.9** **\$63.5** million and **\$70.7** **\$77.3** million, respectively.

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Recently Adopted Accounting Pronouncements

In **March 2020**, **September 2022**, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The ASU is intended to ease the potential accounting and financial reporting burden of reference rate reform, including the expected market transition from the London Interbank Offering Rate ("LIBOR") and other interbank offered rates to alternative reference rates. The guidance provides optional expedients and scope exceptions for transactions if certain criteria are met. These transactions include contract modifications, hedge accounting, and the sale or transfer of debt securities classified as held-to-maturity. We adopted this ASU in the first quarter of 2023. Adoption of this new standard did not have a material impact on our consolidated financial statements.

In **September 2022**, the FASB issued ASU 2022-04, *Liabilities-Supplier Finance Programs (Topic 405-50) - Disclosure of Supplier Finance Program Obligations*, which requires disclosures intended to enhance the transparency of supplier finance programs. The ASU requires buyers in a supplier finance program to disclose sufficient information about the program to allow a user of financial statements to understand the program's nature, activity during the period, changes from period to period, and potential magnitude. The ASU is effective for fiscal years beginning after December 15, 2022, including interim

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periods within those fiscal years, except for the amendment on rollforward information, which is effective for our Annual Report on Form 10-K for fiscal years beginning after December 15, 2023. We adopted provisions of this ASU in the first quarter of 2023, with the exception of the amendment on rollforward information, which **will be** **we** adopted in the first quarter of 2024. Adoption of the new standard did not have a material impact on our consolidated financial statements.

In **July 2023**, the FASB issued ASU 2023-03 to amend various SEC paragraphs in the Accounting Standards Codification to conform to past SEC announcements and guidance issued by the SEC. The ASU does not provide any new guidance so there is no transition or effective dates associated with it, resulting in the ASU being effective upon issuance. Consequently, the adoption of this ASU did not have a material impact on our consolidated financial statements.

Recent Accounting Guidance Not Yet Adopted

In **November 2023**, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The new standard requires enhanced disclosures about significant segment expenses and other **new** segment items and requires companies to provide all annual disclosures about segments in interim periods. All disclosure requirements under ASU 2023-07 are also required for public entities with a single reportable segment. The ASU is effective for the Company's Annual Report on Form 10-K for the fiscal year ending December 28, 2024, and subsequent interim periods, with early adoption permitted. We are currently evaluating the impact of adopting this ASU on our consolidated financial statements and related disclosures.

In **December 2023**, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments in this update are intended to enhance the transparency and decision usefulness of income tax disclosures primarily through changes to the rate reconciliation and income taxes paid information. This update is effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the ASU to determine its impact on our consolidated financial statements and related disclosures.

2. ACQUISITIONS

Mystery Ranch Acquisition

On February 2, 2024, we completed the acquisition of all of the equity interests of Mystery Ranch, LLC ("Mystery Ranch"), a designer and manufacturer of durable load-bearing backpacks, bags, and pack accessories. The total purchase price consideration was \$36.2 million, net of a preliminary working capital adjustment and cash acquired of \$2.1 million.

We plan to integrate the Mystery Ranch operations and products into our business to further expand our capabilities in our bags category. The acquisition was funded with cash on hand.

We accounted for the acquisition as a business combination using the acquisition method of accounting pronouncements issued or effective which requires, among other things, assets acquired and liabilities assumed be recognized at fair value as of **September 30, 2023** the acquisition date. The purchase price allocation is preliminary and based upon valuation information available to determine the fair value of certain assets and liabilities, including goodwill, and is subject to change, primarily for final adjustments to net working capital as additional information is obtained about the facts and circumstances that existed at the valuation date.

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The following table summarizes the preliminary amounts recorded for acquired assets and assumed liabilities at the acquisition date (in thousands):

Cash	\$ 2,051
Accounts receivable, net	3,940
Inventory (1)	17,164
Prepaid expenses and other current assets	3,858
Property and equipment	512
Operating lease right-of-use assets	1,087
Goodwill	18,600
Intangible assets	5,500
Total assets acquired	52,712
Current liabilities	(13,744)
Non-current liabilities	(753)
Total liabilities assumed	(14,497)
Net assets acquired	\$ 38,215

(1) Includes a \$4.8 million step up of inventory to fair value, which will be expensed as the related inventory is sold.

The goodwill recognized is attributable to the expansion of our backpack and bag offerings and expected synergies from integrating Mystery Ranch's products into our product portfolio. The goodwill will be deductible for income tax purposes. The intangible assets recognized consist of a trade name and customer relationships and have had, or useful lives which range from 8 to 15 years.

Pro forma results are **expected** not presented as the impact of this acquisition is not material to **have**, our consolidated financial results. The net sales and earnings impact of this acquisition was not significant to our consolidated financial results for the three months ended March 30, 2024.

Butter Pat Acquisition

During the three months ended March 30, 2024, we acquired substantially all of the assets of Butter Pat Industries, LLC ("Butter Pat"), a designer and manufacturer of cast iron cookware. We plan to integrate Butter Pat products into our product portfolio to further expand our capabilities in the cookware category. This transaction was accounted for as an asset acquisition and is not material **impact on** to our consolidated financial statements.

2.3. REVENUE

Contract Balances

Accounts receivable represent an unconditional right to receive consideration from a customer and are recorded at net invoiced amounts, less an estimated allowance for credit losses.

Contract liabilities are recorded when the customer pays consideration before the transfer of a good to the customer and thus represent our obligation to transfer the good to the customer at a future date. Our contract liabilities include advance cash deposits received from customers for certain customized product orders and unredeemed gift card liabilities. As products are shipped and control transfers, we recognize contract liabilities as revenue.

During the second quarter of 2023, we began issuing gift cards as remedies in connection with our voluntary recalls. We recognize sales from gift cards as they are redeemed for products. As of **September 30, 2023** **March 30, 2024**, **\$7.8 million** **\$4.0 million** of our contract liabilities represented unredeemed gift card liabilities. See Note 10 for further discussion.

[Table of our recalls](#) [Contents](#)

The following table provides information about accounts receivable and contract liabilities at the periods indicated (in thousands):

	September 30, 2023	December 31, 2022		
	March 30, 2024	March 30, 2024	December 30, 2023	
Accounts receivable, net	\$127,896	\$79,446		
Contract liabilities	\$(17,004)	\$(7,702)		

For the **nine** **three** months ended **September 30, 2023** **March 30, 2024**, we recognized **\$7.7 million** **\$19.7 million** of revenue that was previously included in the contract liability balance at the beginning of the period.

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Disaggregation of Revenue

The following table disaggregates our net sales by channel, product category, and geography (based on end-consumer location) for the periods indicated (in thousands):

	Three Months Ended		Nine Months Ended	
	September 30, 2023 ⁽¹⁾	October 1, 2022	September 30, 2023 ⁽¹⁾	October 1, 2022
Net Sales by Channel				
Wholesale	\$ 174,062	\$ 206,153	\$ 486,066	\$ 539,014
Direct-to-consumer	259,499	227,403	652,854	608,212
Total net sales	<u>\$ 433,561</u>	<u>\$ 433,556</u>	<u>\$ 1,138,920</u>	<u>\$ 1,147,226</u>
Net Sales by Category				
Coolers & Equipment	\$ 171,547	\$ 185,657	\$ 432,511	\$ 482,030
Drinkware	253,274	238,987	676,978	639,055
Other	8,740	8,912	29,431	26,141
Total net sales	<u>\$ 433,561</u>	<u>\$ 433,556</u>	<u>\$ 1,138,920</u>	<u>\$ 1,147,226</u>
Net Sales by Geographic Region				
United States	\$ 365,695	\$ 377,067	\$ 964,569	\$ 1,005,238
International	67,866	56,489	174,351	141,988
Total net sales	<u>\$ 433,561</u>	<u>\$ 433,556</u>	<u>\$ 1,138,920</u>	<u>\$ 1,147,226</u>

(1) Includes an unfavorable impact from the recall reserve adjustment. See Note 10 for further discussion of our recalls.

	Three Months Ended	
	March 30, 2024	April 1, 2023
Net Sales by Channel		
Wholesale	\$ 153,568	\$ 135,829
Direct-to-consumer	187,826	166,967
Total net sales	<u>\$ 341,394</u>	<u>\$ 302,796</u>
Net Sales by Category		
Coolers & Equipment	\$ 119,906	\$ 104,354
Drinkware	214,580	190,287
Other	6,908	8,155
Total net sales	<u>\$ 341,394</u>	<u>\$ 302,796</u>

Net Sales by Geographic Region			
United States		\$ 275,796	\$ 252,986
International		65,598	49,810
Total net sales		\$ 341,394	\$ 302,796

For the three and nine months ended September 30, 2023 March 30, 2024 and April 1, 2023, no single customer represented over 10% of gross sales. For both the three and nine months ended October 1, 2022, our largest single customer represented approximately 12% of gross sales.

3.4. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets include the following (in thousands):

	September 30, 2023	December 31, 2022		March 30, 2024	March 30, 2024	December 30, 2023
Prepaid expenses	Prepaid expenses	\$ 20,767	\$ 18,149			
Prepaid taxes	Prepaid taxes	14,807	10,222			
Other	Other	5,154	4,950			
Total prepaid expenses and other current assets	Total prepaid expenses and other current assets	\$ 40,728	\$ 33,321			

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4.5. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following at the dates indicated (in thousands):

	September 30, 2023	December 31, 2022
Product recall reserves ⁽¹⁾	\$ 25,930	\$ 94,807
Accrued freight and other operating expenses	33,868	56,354
Contract liabilities	17,004	7,702
Customer discounts, allowances, and returns	13,631	9,948
Advertising and marketing	11,505	11,547
Warranty reserve	9,783	9,996
Interest payable	164	941
Accrued capital expenditures	844	895
Other	17,604	19,209
Total accrued expenses and other current liabilities	\$ 130,333	\$ 211,399

	March 30, 2024	December 30, 2023
Product recall reserves ⁽¹⁾	\$ 9,176	\$ 13,090
Accrued freight and other operating expenses	27,017	45,228
Contract liabilities	11,084	22,437
Customer discounts, allowances, and returns	11,130	11,515
Advertising and marketing	8,446	9,945
Warranty reserve	8,891	9,808
Interest payable	157	159

Accrued capital expenditures	1,140	590
Other	20,317	17,254
Total accrued expenses and other current liabilities	\$ 97,359	\$ 130,026

(1) See Note 10 for further discussion of our product recall reserves.

5. LONG-TERM DEBT

Long-term debt consisted of the following at the dates indicated (in thousands):

	September 30, 2023	December 31, 2022
Term Loan A, due 2028	\$ 83,320	\$ 90,000
Finance lease debt	5,731	7,309
Total debt	89,051	97,309
Current maturities of long-term debt	(4,219)	(22,500)
Current maturities of finance lease debt	(2,293)	(2,111)
Total long-term debt	82,539	72,698
Unamortized deferred financing fees	(3,010)	(957)
Total long-term debt, net	\$ 79,529	\$ 71,741

At September 30, 2023, the future maturities of principal amounts of our debt obligations, excluding finance lease obligations, for the next five years and in total consisted of the following (in thousands):

	Amount
2023	1,054
2024	4,219
2025	4,219
2026	4,219
2027	4,219
2028	65,390
Total	\$ 83,320

Credit Facility

On March 31, 2023, we amended the Credit Facility, leaving the material terms of the Credit Facility substantially unchanged, with the exception of certain changes to implement the replacement of LIBOR with SOFR.

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On June 22, 2023, we further amended the Credit Facility, which extended the maturity date of both the term loan (the "Term Loan A") and the revolving credit facility (the "Revolving Credit Facility") from December 17, 2024 to June 22, 2028; refinanced and replaced the existing Term Loan A in full with a new \$84.4 million Term Loan A; and increased the commitments under the Revolving Credit Facility from \$150.0 million to \$300.0 million. As a result of the amendment, we recognized a \$0.3 million loss on modification and extinguishment of debt and we capitalized \$2.8 million of new lender and third-party fees in the second quarter of 2023.

Pursuant to the agreement governing the Credit Facility (the "Credit Agreement"), we are required to make quarterly principal payments equal to 1.25% of the then-outstanding aggregate principal amount of the Term Loan A. As amended, the scheduled quarterly principal payments begin on September 30, 2023 and are due each December 31, March 31, June 30 and September 30 thereafter, with the remaining principal balance due on the maturity date. Borrowings under the Term Loan A and the Revolving Credit Facility bear interest at Term SOFR or the Alternate Base Rate (each as defined in the Credit Agreement) plus an applicable rate ranging from 1.75% to 2.50% for Term SOFR-based loans and from 0.75% to 1.50% for Alternate Base Rate-based loans, depending upon our total Net Leverage Ratio (as defined in the Credit Agreement).

6. INCOME TAXES

Income tax expense was \$14.9 \$6.5 million and \$14.2 \$3.9 million for the three months ended September 30, 2023 March 30, 2024 and October 1, 2022 April 1, 2023, respectively. The effective tax rate for the three months ended September 30, 2023 was 26% compared to 24% for the three months ended October 1, 2022. The increase in both the income tax expense and the effective tax rate was primarily due to a discrete tax expense related to a change in the reserve estimate for an uncertain tax position in the three months ended September 30, 2023.

Income tax expense was \$31.6 million and \$37.2 million for the nine months ended September 30, 2023 and October 1, 2022, respectively. The decrease in income tax expense was due to lower a higher income before income taxes. The effective tax rate for the nine three months ended September 30, 2023 March 30, 2024 was 26%, 29% compared to 24% 27% for the nine three months ended October 1, 2022 April 1, 2023. The higher effective tax rate was primarily due to higher discrete tax expenses, including an unfavorable tax

impact related to the vesting of certain stock-based stock compensation and a change in the reserve estimate for an uncertain tax position in the nine three months ended September 30, 2023 March 30, 2024.

Deferred tax assets liabilities were \$2.6 \$4.2 million as of September 30, 2023 March 30, 2024 and \$23.2 million \$4.0 million as of December 31, 2022 December 30, 2023, which is presented in other assets liabilities on our unaudited condensed consolidated balance sheet.

The Organization for Economic Co-operation and Development enacted model rules for a new global minimum tax framework, also known as Pillar Two, and certain governments globally have enacted, or are in the process of enacting, legislation to address Pillar Two. For the three months ended March 30, 2024, the impact of Pillar Two on our consolidated financial statements was not material.

For interim periods, our income tax expense and resulting effective tax rate are based upon an estimated annual effective tax rate adjusted for the effects of items required to be treated as discrete to the period, including changes in tax laws, changes in estimated exposures for uncertain tax positions, and other items.

7. STOCK-BASED COMPENSATION

We award stock-based compensation to employees and directors under the 2018 Equity and Incentive Compensation Plan ("2018 Plan"), which was adopted by our Board of Directors and became effective upon the completion of our initial public offering in October 2018. The 2018 Plan replaced the 2012 Equity and Performance Incentive Plan, ("2012 Plan"), as amended and restated on June 20, 2018 (the "2012 Plan"). Any remaining shares available for issuance under the 2012 Plan as of the date of our initial public offering in October 2018 are not available for future issuance. However, shares subject to stock awards granted under the 2012 Plan (a) that expire or terminate without being exercised or (b) that are forfeited under an award, return to the 2018 Plan.

We recognized non-cash stock-based compensation expense of \$7.8 million and \$4.7 million for the three months ended September 30, 2023 March 30, 2024 and October 1, 2022, respectively. For the nine months ended September 30, 2023 and October 1, 2022 April 1, 2023, we recognized stock-based compensation expense of \$21.9 \$8.5 million and \$14.9 million \$6.8 million, respectively. At September 30, 2023 March 30, 2024, total unrecognized stock-based compensation expense of \$56.7 \$75.4 million for all stock-based compensation plans is expected to be recognized over a weighted-average period of 2.1 2.3 years.

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Stock-based activity for the nine three months ended September 30, 2023 March 30, 2024 is summarized below (in thousands, except per share data):

	Stock Options		Performance-Based			Restricted Stock Units, Restricted Stock Awards, and Deferred Stock Units		
	Number of Options	Weighted Average Exercise Price	Restricted Stock Awards and Units		Weighted Average Grant Date Fair Value	Number of RSUs, RSAs, and DSUs	Weighted Average Grant Date Fair Value	
			Number of PBRSS and PRSUs	Date Fair Value				
Balance, December 31, 2022	642	\$ 20.10	233	\$ 53.63		812	\$ 51.28	
Stock Options								
Stock Options								
Stock Options								
Number of Options								
Number of Options								
Number of Options								
Balance, December 30, 2023								
Balance, December 30, 2023								
Balance, December 30, 2023								
Granted								
Granted	Granted	—	—	279	38.59	962	38.50	
Exercised/released	Exercised/released	(64)	24.41	(99)	32.84	(312)	52.90	
Exercised/released								
Exercised/released								
Performance adjustment ⁽¹⁾								
Performance adjustment ⁽¹⁾								
Performance adjustment ⁽¹⁾								
Forfeited/expired	Forfeited/expired	—	—	(15)	64.98	(112)	46.45	
Forfeited/expired								
Forfeited/expired								
Balance, September 30, 2023	578	\$ 19.64	398	\$ 48.14	1,350	\$ 42.22		
Forfeited/expired								
Forfeited/expired								

Balance, March 30, 2024

Balance, March 30, 2024

Balance, March 30, 2024

(1) Represents adjustment due to the actual achievement of performance-based awards.

8. EARNINGS PER SHARE

Basic income per share is computed by dividing net income by the weighted-average number of common shares outstanding during the period. Diluted income per share includes the effect of all potentially dilutive securities, which include dilutive stock options and other stock-based awards.

The following table sets forth the calculation of earnings per share and weighted-average common shares outstanding at the dates indicated (in thousands, except per share data):

		Three Months Ended		Nine Months Ended	
		September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Net income					
Net income					
Net income	Net income	\$ 42,657	\$ 45,520	\$ 91,292	\$ 117,431
Weighted-average common shares outstanding—basic	Weighted-average common shares outstanding—basic	86,783	86,208	86,663	86,580
Weighted-average common shares outstanding—basic					
Weighted-average common shares outstanding—basic					
Effect of dilutive securities	Effect of dilutive securities	806	623	627	725
Effect of dilutive securities					
Effect of dilutive securities					
Weighted-average common shares outstanding—diluted					
Weighted-average common shares outstanding—diluted					
Weighted-average common shares outstanding—diluted	Weighted-average common shares outstanding—diluted	87,589	86,831	87,290	87,305
Earnings per share	Earnings per share				
Earnings per share					
Earnings per share					
Basic					
Basic					
Basic	Basic	\$ 0.49	\$ 0.53	\$ 1.05	\$ 1.36
Diluted	Diluted	\$ 0.49	\$ 0.52	\$ 1.05	\$ 1.35

Diluted
Diluted

Effects of potentially dilutive securities are presented only in periods in which they are dilutive. For the three and nine months ended September 30, 2023 March 30, 2024 and April 1, 2023, outstanding stock-based awards representing less than 0.1 million and 0.2 million shares of common stock, respectively, were excluded from the calculation of diluted earnings per share, because their effect would be anti-dilutive. For the three and nine months ended October 1, 2022, outstanding stock-based awards representing 0.5 million and 0.4 million 0.3 million shares of common stock, respectively, were excluded from the calculation of diluted earnings per share, because their effect would be anti-dilutive.

9. STOCKHOLDERS' EQUITY

On February 27, 2022, the Board of Directors authorized a common stock repurchase program of up to \$100.0 million. During the three months ended April 2, 2022, we repurchased 1,676,551 shares for an aggregate purchase price of \$100.0 million, including fees and commissions, at an average repurchase price of \$59.66 per share. Following the repurchases, no shares remained available under the program. All of the common stock repurchased is held as treasury stock.

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9. STOCKHOLDERS' EQUITY

On February 1, 2024, our Board of Directors authorized the repurchase of up to \$300 million of the Company's common stock (the "Share Repurchase Program"). As of March 30, 2024, \$200 million remained under the Share Repurchase Program.

As part of the Share Repurchase Program, on February 27, 2024, we entered into an accelerated share repurchase agreement (the "ASR Agreement") with Goldman Sachs & Co. LLC ("Goldman Sachs") to repurchase \$100 million of YETI's common stock. Pursuant to the ASR Agreement, we made a payment of \$100 million to Goldman Sachs and received an initial delivery of 1,998,501 shares of YETI's common stock (the "Initial Shares"), representing 80% of the total shares that we expected to receive under the ASR Agreement based on the market price of \$40.03 per share at the time of delivery of the Initial Shares. The ASR Agreement was accounted for as an equity transaction. The fair value of the Initial Shares were recorded as a treasury stock transaction. The remaining \$20.0 million was recorded as a reduction to additional paid-in capital. Upon delivery of the Initial Shares, there was an immediate reduction in the weighted average common shares calculation for basic and diluted earnings per share.

On April 25, 2024, we settled the transactions contemplated by the ASR Agreement, resulting in a final delivery of 642,674 shares, with a fair value of \$23.6 million. The total number of shares repurchased under the ASR Agreement was 2,641,175 at an average cost per share of \$37.86, based on the volume-weighted average share price of YETI's common stock during the calculation period of the ASR Agreement.

10. COMMITMENTS AND CONTINGENCIES

Claims and Legal Proceedings

We are involved in various claims and legal proceedings, some of which are covered by insurance. We believe that our existing claims and proceedings, and the potential losses relating to such contingencies, will not have a material adverse effect on our consolidated financial position, results of operations, or cash flows.

Product Recall Reserves

In January 2023, we notified the U.S. Consumer Product Safety Commission ("CPSC") of a potential safety concern regarding the magnet-lined closures of our Hopper® Hopper M30 Soft Cooler, Hopper® Hopper M20 Soft Backpack Cooler, and SideKick Dry® Dry gear case (the "affected products") and initiated a global stop sale of the affected products. In February 2023, we proposed a voluntary recall of the affected products to the CPSC, and other relevant global regulatory authorities. Accordingly, authorities, which we established a reserve for expected future returns and refer to as the estimated cost of recall remedies for consumers with affected products on our consolidated balance sheet as of December 31, 2022.

"voluntary recalls" herein unless otherwise indicated. In March 2023, we announced separate, voluntary recalls of the affected products in collaboration with the CPSC. During the second quarter of 2023, we CPSC and subsequently began processing recall claims and returns, and based on such experience and observed trends, we reevaluated our prior assumptions and adjusted our estimated product recall reserve. These trends included higher than anticipated elections by consumers to receive gift cards in lieu of product replacement remedies, variations in individual product participation rates, and lower logistics costs than previously estimated. As a result, we updated our initial recall reserve assumptions, which increased the estimated recall expense reserve by \$8.5 million during the three months ended July 1, 2023. However, the overall consumer recall participation rate has remained consistent with our expectations.

The product recalls, which includes the recall reserve adjustment and other incurred costs, had the following effect on our income before income taxes (in thousands):

	Three Months Ended	Nine Months Ended
	September 30, 2023	September 30, 2023
Decrease to net sales ⁽¹⁾	\$ (18)	\$ (24,524)
Decrease to cost of goods sold ⁽²⁾	843	7,148
Increase (decrease) to gross profit	825	(17,376)
Decrease to selling, general and administrative expenses ⁽³⁾	—	10,549
Increase (decrease) to income before income taxes	\$ 825	\$ (6,827)

(1) Primarily reflects the unfavorable impact of the recall reserve adjustment related to higher estimated future recall remedies (i.e., estimated gift card elections). Of the total net sales impact, \$8.1 million and \$16.4 million was allocated to our DTC and wholesale channels, respectively, for the nine months ended September 30, 2023. These amounts were allocated based on the historical channel sell-in basis of the affected products.

(2) For the three months ended September 30, 2023, reflects a benefit of \$0.8 million related to lower than anticipated recall-related costs. For the nine months ended September 30, 2023, reflects favorable impacts of \$5.0 million primarily due to the favorable impact of the recall reserve adjustment related to lower estimated costs of future product replacement remedy elections and logistics costs, \$1.3 million from an inventory reserve adjustment, and \$0.8 million related to lower recall-related costs.

(3) Primarily reflects the favorable impact of the recall reserve adjustment related to lower estimated other recall-related costs, including logistics costs.returns.

The reserve for the estimated product recall expenses costs is included within accrued expenses and other current liabilities on our consolidated balance sheets. Estimating The reserve for the cost of estimated product recall remedies required significant judgment and costs is primarily based on i) expected consumer participation rates; and ii) the estimated costs of the consumer's elected remedy in the recalls, including either the estimated cost of offered either product replacements or the gift card elections, to receive gift cards, logistics costs, and other recall-related costs. We will reevaluate these assumptions each period, and the related reserves may be adjusted when factors indicate that the reserve is either not sufficient to cover or exceeds the estimated product recall costs.

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The following table summarizes the activity of the reserve for the estimated product recall expenses (in thousands):

	September 30, 2023	March 30, 2024
Balance, January 1, 2023	\$ 94,807	13,090
Actual product refunds, replacements and recall-related costs	(50,707)	(2,488)
Gift card issuances ⁽¹⁾	(26,685)	(1,437)
Balance, September 30, 2023	\$ 25,930	9,165

(1) For the three and nine months ended September 30, 2023, we recognized net sales of \$6.3 million and \$18.8 million, respectively, from redeemed recall-related gift cards. As of September 30, 2023 March 30, 2024, we had \$7.8 million \$4.0 million in unredeemed recall-related gift card liabilities, which are included in contract liabilities within accrued expenses and other current liabilities on our consolidated balance sheet.

The ultimate impact For the three months ended March 30, 2024, we recognized net sales of \$2.0 million from the recalls may differ materially from our estimates, and may harm our business, financial condition, and results of operations. See Part I, Item 1A "Risk Factors - Risks Related to Our Business, Operations and Industry." redeemed recall-related gift cards.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis contains forward-looking statements within the meaning of the federal securities laws, and should be read in conjunction with the disclosures we make concerning risks and other factors that may affect our business and operating results, including those described in more detail in Part I "Item 1A. Risk Factors" included in our Annual Report on Form 10-K for the year ended December 30, 2023. The information contained in this section should also be read in conjunction with our consolidated financial statements and related notes and the information contained elsewhere in this Report. See also "Cautionary Note Regarding Forward-Looking Statements" immediately prior to Part I, Item I in this Quarterly Report on Form 10-Q.

The terms "we," "us," "our," "YETI," and "the Company" as used herein, and unless otherwise stated or indicated by context, refer to YETI Holdings, Inc. and its subsidiaries.

Cautionary Note Regarding Forward-Looking Statements

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and the related notes to those statements included elsewhere in this Quarterly Report on Form 10-Q. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those described in more detail in Part I "Item 1A. Risk Factors" included in this Quarterly Report on Form 10-Q. See also "Cautionary Statement Regarding Forward-Looking Statements" immediately prior to Part I, Item I in this Quarterly Report on Form 10-Q.

Business Overview

Headquartered in Austin, Texas, YETI is a global designer, retailer, and distributor of innovative outdoor products. From coolers and drinkware to bags and apparel, YETI products are built to meet the unique and varying needs of diverse outdoor pursuits, whether in the remote wilderness, at the beach, or anywhere life takes you. By consistently delivering high-performing, exceptional products, we have built a strong following of brand loyalists throughout the world, ranging from serious outdoor enthusiasts to individuals who simply value products of uncompromising quality and design. We have an unwavering commitment to outdoor and recreation communities, and we are relentless in our pursuit of building superior products for people to confidently enjoy life outdoors and beyond.

We distribute our products through a balanced omni-channel platform, consisting of our wholesale and direct-to-consumer ("DTC") channels. In our wholesale channel, we sell our products through select national and regional accounts and an assemblage of independent retail partners throughout the United States, Canada, Australia, New Zealand, Europe, and Japan, among others. We carefully evaluate and select retail partners that have an image and approach that are consistent with our premium brand and pricing. Our domestic national and regional specialty retailers include Dick's Sporting Goods, REI, Academy Sports + Outdoors, Bass Pro Shops, Ace Hardware, Scheels, and Scheels, Tractor Supply Company. We sell our products in our DTC channel to customers on YETI.com, country and region specific YETI through our websites and YETI Authorized on the Amazon Marketplace, as well as in our retail stores. Additionally, we offer customized products with licensed trademarks and original artwork through our websites and our corporate sales program and at YETI.com program. Our corporate sales program offers customized products to corporate customers for a wide-range of events and activities, and in certain instances may also offer products to re-sell. In the first quarter of 2024, we acquired Mystery Ranch, LLC, which is a designer and manufacturer of durable load-bearing backpacks, bags, and pack accessories.

Product Introductions and Updates

During the first quarter of 2023, we expanded our cargo offerings with the launch of the new LoadOut® GoBox in three sizes, introduced the new stackable Rambler® Lowball, built new customization capabilities for our Yonder™ bottles, and introduced new seasonal colorways.

During the second quarter of 2023, 2024, we expanded our drinkware offerings with the launch of the a new Rambler™ beverage bucket, stackable 16 oz. Rambler cup, and introduced new color-matched straw lid Rambler® bottles and our first ever cast iron skillet, and continued to expand our seasonal colorways.

In October 2023, we introduced our redesigned and improved Hopper® M30 Soft Cooler and Hopper® M20 Soft Backpack Cooler, and also launched two new sizes with the Hopper® M15 Soft Cooler and the Hopper® M12 Soft Backpack Cooler (collectively, the "Hopper M Series Soft Cooler line"). We believe the improved design of the Hopper M Series Soft Cooler line adequately addresses the potential safety concerns caused by the magnet-lined closures of the previous-generation products, which were affected by the product recalls discussed below.

Credit Facility Amendment

On June 22, 2023, we amended our senior secured credit agreement (the "Credit Facility") to, among other matters, extend its maturity to June 22, 2028 and increase the commitments under the revolving credit facility (the "Revolving Credit Facility") from \$150.0 million to \$300.0 million. For additional information on the Credit Facility, see "Liquidity and Capital Resources - Credit Facility" below.

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Product Recall Update

In January 2023, we notified the Consumer Products Safety Commission ("CPSC") of a potential safety concern regarding the magnet-lined closures of our Hopper® M30 Soft Cooler, Hopper® M20 Soft Backpack Cooler, and SideKick Dry® gear case (the "affected products") and initiated a global stop sale of the affected products. In February 2023, we proposed a voluntary recall of the affected products to the CPSC and other relevant global regulatory authorities. Accordingly, we established reserves for unsalable inventory on-hand, as well as expected future returns and the estimated cost of recall remedies for consumers with affected products as of December 31, 2022.

In March 2023, we announced separate, voluntary recalls of the affected products in collaboration with the CPSC. During the second quarter of 2023, we began processing recall returns and claims and based on such experience and trends, we reevaluated our assumptions and adjusted our estimated recall expense reserve. These trends included higher than anticipated elections to receive gift cards in lieu of product replacement remedies, variations in individual product participation rates, and lower logistics costs than previously estimated. As a result, we updated our initial recall reserve assumptions, which increased the estimated recall expense reserve by \$8.5 million in the second quarter of 2023. However, the overall consumer recall participation rate has remained consistent with our expectations. Acquisitions

During the three first quarter of 2024, we completed the acquisitions of Mystery Ranch, LLC ("Mystery Ranch"), a designer and nine months ended September 30, 2023 manufacturer of durable load-bearing backpacks, bags, and pack accessories, and Butter Pat Industries, LLC ("Butter Pat"), we recorded a designer and manufacturer of cast iron cookware. We plan to integrate Mystery Ranch and Butter Pat operations and products into our business to further expand our capabilities in the following impacts as a result bags and cookware categories. See Note 2— Acquisitions of the recall reserve adjustments and other incurred costs: Notes to Consolidated Financial Statements included herein for additional information about these acquisitions.

- **Net sales-** For the three months ended September 30, 2023, an immaterial reduction to sales for higher returns-related costs. For the nine months ended September 30, 2023, a reduction to net sales for higher estimated future recall remedies (i.e., estimated gift card elections) of \$24.5 million, of which \$8.1 million and \$16.4 million was allocated to our DTC and wholesale channels, respectively. These amounts were allocated based on the historical channel sell-in basis of the affected products;
- **Cost of goods sold-** For the three months ended September 30, 2023, a benefit of \$0.8 million related to lower than anticipated recall-related costs. For the nine months ended September 30, 2023, favorable impacts of \$5.0 million primarily related to lower estimated costs of future product replacement remedy elections and logistics costs, \$1.3 million from an inventory reserve adjustment, and \$0.8 million related to lower recall-related costs; and
- **SG&A-** For the nine months ended September 30, 2023, a benefit of \$10.5 million primarily related to lower estimated other recall-related costs including logistics costs.

The ultimate impact from the recalls may differ materially from our estimates, and may harm our business, financial condition and results of operations. See Part I, Item 1A "Risk Factors - Risks Related to Our Business, Operations and Industry."

In addition, our sales have also been materially adversely impacted by the stop sale of the affected products. We have developed solutions to address the potential safety concern of the affected products. In October 2023, we introduced our redesigned and improved Hopper® M30 Soft Cooler and Hopper® M20 Soft Backpack Cooler, as discussed above.

Macroeconomic Conditions

During 2021 and 2022, we experienced challenges associated with the complex and uncertain macroeconomic environment in which we operate. Consistent across many industries, we experienced inflationary pressures and supply chain challenges, including port congestion, container and labor shortages, which resulted in longer transit times, higher distribution, logistics, and product input costs. As a result, we experienced decreased profitability and delayed product availability for certain products in 2022. However, in the second half of 2022, these inflationary pressures and supply chain challenges, including inbound freight rates, began improving. In 2023, freight rates have stabilized at near pre-pandemic levels. The reduction in freight rates has resulted in an improvement to our gross margin during the first nine months of 2023 compared to the prior year period. We continue to expect to see improvements in our gross margin for the remainder of 2023 due to these lower freight rates.

There is significant uncertainty regarding how macroeconomic trends, including sustained high levels of inflation and higher interest rates, and heightened concerns about a recession, will impact consumer demand. While some of these conditions have negatively impacted consumer discretionary spending behavior, we continue to see strong consumer overall demand for our products. We have, however, seen instances of consumer sensitivity to higher price points, which has negatively impacted our financial results.

In addition, recent disruptions of container shipping traffic through the Red Sea and surrounding waterways are negatively affecting transit times and freight costs for goods manufactured in Asia and destined to Europe and to a smaller extent the trends discussed above, foreign exchange rate fluctuations Americas. As a result, we have experienced shipping delays and geopolitical issues add moderately higher freight costs. Although such effects have not materially impacted our business to significant uncertainty in the macroeconomic environment, date, such conditions could worsen.

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A worsening of any of the macroeconomic trends or uncertainties discussed herein may adversely impact our business, operations, and financial results in the future. We will continue to monitor and, if necessary, strive to mitigate the effects of the macroeconomic environment on our business.

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General

Components of Our Results of Operations

Net Sales. Net sales are comprised of wholesale channel sales to our retail partners and sales through our DTC channel. Net sales in both channels reflect the impact of product returns as well as discounts for certain sales programs or promotions.

We discuss the net sales of our products in our two primary categories: Coolers & Equipment and Drinkware. Our Coolers & Equipment category includes hard coolers, soft coolers, bags, outdoor equipment, and cargo, as well as accessories and replacement parts for these products. Our Drinkware category is primarily composed of our stainless-steel drinkware products and related accessories. In addition, our Other category is primarily comprised of ice substitutes and YETI-branded gear, such as shirts, hats, and other miscellaneous products.

Gross profit. Gross profit reflects net sales less cost of goods sold, which primarily includes the purchase cost of our products from our third-party contract manufacturers, inbound freight and duties, product quality testing and inspection costs, depreciation expense of our molds, tooling, and equipment, and the cost of customizing products. We calculate gross margin as gross profit divided by net sales. Our DTC channel generally generates higher gross margin than our wholesale channel due to differentiated pricing between these channels.

Selling, general, and administrative expenses. Selling, general, and administrative ("SG&A") expenses consist primarily of marketing costs, employee compensation and benefits costs, costs of our outsourced warehousing and logistics operations, costs of operating on third party third-party DTC marketplaces, professional fees and services, non-cash stock-based compensation, cost of product shipment to our customers, depreciation and amortization expense, and general corporate infrastructure expenses. Our variable expenses, including outbound freight, online marketplace fees, third-party logistics fees, and credit card processing fees, will vary as they are dependent on our sales volume and our channel mix. Our DTC channel variable SG&A costs are generally higher as a percentage of net sales than our wholesale channel distribution costs.

Fiscal Year. We have a 52- or 53-week fiscal year that ends on the Saturday closest in proximity to December 31, such that each quarterly period will be 13 weeks in length, except during a 53-week year when the fourth quarter will be 14 weeks. Our fiscal year ending December 30, 2023 December 28, 2024 ("2023" 2024") is a 52-week period. The first quarter of our fiscal year 2023 2024 ended on April 1, 2023 March 30, 2024, the second quarter ended on July 1, 2023 June 29, 2024, and the third quarter ended on September 30, 2023 September 28, 2024. Our fiscal year ended December 31, 2022 December 30, 2023 ("2022" 2023") was also a 52-week period. Unless otherwise stated, references to particular years, quarters, months and periods refer to our fiscal years and the associated quarters, months, and periods of those fiscal years. The unaudited condensed consolidated financial results presented herein represent the three and nine months ended September 30, 2023 March 30, 2024 and October 1, 2022 April 1, 2023.

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Results of Operations

The discussion below should be read in conjunction with the following table and our unaudited condensed consolidated financial statements, and related notes, notes contained elsewhere in this Report. The following table sets forth selected statement of operations data, and their corresponding percentage of net sales, for the periods indicated (dollars in

thousands):

Three Months Ended														Nine Months Ended																																		
September 30, 2023							October 1, 2022							September 30, 2023							October 1, 2022																											
Three Months Ended							Three Months Ended							Three Months Ended							Three Months Ended																											
Three Months Ended							Three Months Ended							Three Months Ended							Three Months Ended																											
March 30, 2024							March 30, 2024							March 30, 2024							March 30, 2024																											
Statement of Operations																																																
Statement of Operations																																																
Statement of Operations	Statement of Operations																																															
Net sales	Net sales	\$	433,561	100	%	\$	433,556	100	%	\$	1,138,920	100	%	\$	1,147,226	100	%	\$	1,147,226	100	%	\$	1,147,226	100	%	\$	1,147,226																					
Net sales	Net sales																																															
Net sales	Net sales																																															
Cost of goods sold	Cost of goods sold																																															
Cost of goods sold	Cost of goods sold	\$	182,310	42	%	\$	211,149	49	%	\$	510,961	45	%	\$	550,860	48	%	\$	550,860	48	%	\$	550,860	48	%	\$	550,860																					
Gross profit	Gross profit	\$	251,251	58	%	\$	222,407	51	%	\$	627,959	55	%	\$	596,366	52	%	\$	596,366	52	%	\$	596,366	52	%	\$	596,366																					
Gross profit	Gross profit																																															
Selling, general, and administrative expenses	Selling, general, and administrative expenses																																															
Selling, general, and administrative expenses	Selling, general, and administrative expenses	\$	189,374	44	%	\$	153,940	36	%	\$	500,653	44	%	\$	426,263	37	%	\$	426,263	37	%	\$	426,263	37	%	\$	426,263																					
Operating income	Operating income	\$	61,877	14	%	\$	68,467	16	%	\$	127,306	11	%	\$	170,103	15	%	\$	170,103	15	%	\$	170,103	15	%	\$	170,103																					
Interest expense	Interest expense	\$	(285)	—	%	\$	(1,495)	—	%	\$	(1,610)	—	%	\$	(3,221)	—	%	\$	(3,221)	—	%	\$	(3,221)	—	%	\$	(3,221)																					
Other expense	Other expense	\$	(4,032)	1	%	\$	(7,281)	2	%	\$	(2,782)	—	%	\$	(12,202)	1	%	\$	(12,202)	1	%	\$	(12,202)	1	%	\$	(12,202)																					
Operating income	Operating income																																															
Interest income (expense)	Interest income (expense)																																															
Interest income (expense)	Interest income (expense)																																															
Interest income (expense)	Interest income (expense)																																															
Other (expense) income, net	Other (expense) income, net																																															
Other (expense) income, net	Other (expense) income, net																																															
Income before income taxes	Income before income taxes																																															
Income before income taxes	Income before income taxes	\$	57,560	13	%	\$	59,691	14	%	\$	122,914	11	%	\$	154,680	13	%	\$	154,680	13	%	\$	154,680	13	%	\$	154,680																					
Income tax expense	Income tax expense	\$	(14,903)	3	%	\$	(14,171)	3	%	\$	(31,622)	3	%	\$	(37,249)	3	%	\$	(37,249)	3	%	\$	(37,249)	3	%	\$	(37,249)																					
Income tax expense	Income tax expense																																															

Net income									
Net income									
Net income	Net income	\$ 42,657	10 %	\$ 45,520	10 %	\$ 91,292	8 %	\$ 117,431	10 %

Comparison of the Three Months Ended September 30, 2023 March 30, 2024 and October 1, 2022

(dollars in thousands)	Three Months Ended				
	September 30, 2023	October 1, 2022	\$	%	
Net sales	\$ 433,561	\$ 433,556	\$ 5	— %	
Gross profit	\$ 251,251	\$ 222,407	\$ 28,844	13 %	
Gross margin (gross profit as a % of net sales)	58.0 %	51.3 %	670 basis points		
Selling, general, and administrative expenses	\$ 189,374	\$ 153,940	\$ 35,434	23 %	
SG&A as a % of net sales	43.7 %	35.5 %	820 basis points		

April 1, 2023

(dollars in thousands)	Three Months Ended				
	March 30, 2024	April 1, 2023	\$	%	
Net sales	\$ 341,394	\$ 302,796	\$ 38,598	13 %	
Gross profit	\$ 194,813	\$ 161,870	\$ 32,943	20 %	
Gross margin (gross profit as a % of net sales)	57.1 %	53.5 %	360 basis points		
Selling, general, and administrative expenses	\$ 168,996	\$ 146,772	\$ 22,224	15 %	
SG&A as a % of net sales	49.5 %	48.5 %	100 basis points		

Net Sales

Net sales were flat at \$433.6 million for the three months ended September 30, 2023 March 30, 2024, compared to the three months ended October 1, 2022 April 1, 2023. Net Sales and adjusted net sales for the three months ended September 30, 2023, first quarter of 2024 include \$36.3 million of sales related to gift card redemptions in connection with recall remedies. Our results have been materially adversely impacted by the stop sale of certain soft coolers included in the recalls initiated during the first quarter of 2023.

Net sales in our two channels were as follows:

- DTC channel net sales increased \$32.1 million, or 14%, to \$259.5 million, compared to \$227.4 million in the prior year quarter, due to growth in both Drinkware and Coolers & Equipment. DTC channel mix remained at 55% for both the first quarter of 2023 compared to 52% in the third quarter of 2022, 2024 and 2023.
- Wholesale channel net sales decreased \$32.1 million, or 16%, to \$174.1 million, compared to \$206.2 million in the same period last year. This decrease was year, due to a decline growth in both Drinkware and Coolers & Equipment and Drinkware. Equipment.

Net sales in our two primary product categories were as follows:

- Drinkware net sales increased by \$14.3 million, or 6%, to \$253.3 million, compared to \$239.0 million in the prior year quarter, reflecting driven by the strong demand for Rambler® straw lid mugs, expanded continued expansion and innovation of our Drinkware product offerings in Rambler® and Yonder® bottles, our new beverage bucket, and our new seasonal colorways.
- Coolers & Equipment net sales decreased increased by \$14.1 million, or 8%, to \$171.5 million, compared to \$185.7 million in the same period last year, primarily due to the stop sale of the products affected by the recalls. Despite strong overall consumer demand, performance in bags, soft coolers, and hard coolers declined year-over-year primarily due to the success in rebuilding channel inventory during the same coolers.

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period last year. These impacts were partially offset by strong performance in our existing Hopper® Flip soft cooler line as well as cargo.

Gross Profit

Gross profit increased \$28.8 million, or 13%, to \$251.3 million, compared to \$222.4 million in the prior year quarter. Gross margin rate increased 360 basis points to 58.0% from 51.3% in the prior year quarter. The components of the change increase in gross margin rate were as follows: was primarily driven by:

- lower inbound freight rates, which favorably impacted gross margin by **480** 370 basis points;
- lower product costs, which favorably impacted gross margin by **150** 190 basis points;

These were partially offset by:

- an increase in the unfavorable impact of the amortization of inventory fair value step-up in connection with the mix of DTC channel net sales, Mystery Ranch acquisition, which favorably impacted gross margin by **110** 50 basis points;
- the favorable unfavorable impact of lower than anticipated recall-related costs, a favorable inventory reserve adjustment in the prior year quarter associated with our voluntary product recalls, which favorably impacted gross margin in the current year quarter by 40 basis points;
- the unfavorable impact of strategic price decreases on certain hard cooler products implemented during the first quarter of 2024, which unfavorably impacted gross margin by 20 basis points;
- the unfavorable impact of customization costs, on higher customization sales mix, which unfavorably impacted gross margin by 60 basis points; and
- other impacts, net of higher customization costs and depreciation and amortization expense, which favorably impacted gross margin by 20 basis points.

These were partially offset by higher promotions in our DTC channel, including Amazon Prime Day promotions, which unfavorably impacted gross margin by **110** 30 basis points.

Selling, General, and Administrative Expenses

SG&A expenses increased **\$35.4** \$22.2 million, or **23%** 15%, to **\$189.4** \$169.0 million for the three months ended **September 30, 2023** March 30, 2024, compared to **\$153.9** \$146.8 million for the three months ended **October 1, 2022** April 1, 2023. As a percentage of net sales, SG&A expenses increased **820** 100 basis points to **43.7%** 49.5% for the three months ended **September 30, 2023** March 30, 2024 from **35.5%** 48.5% for the three months ended **October 1, 2022**, which was partly driven by deleverage due to the impact of the stop sale on our net sales growth, as discussed above. April 1, 2023. The increase in SG&A expenses was primarily driven by:

- an increase in variable expenses of **\$13.7** million (increasing **\$5.4** million (decreasing SG&A as a percent of net sales by **320** 10 basis points) primarily associated with higher net sales, and comprised of:
 - of higher distribution costs including higher outbound freight rates, online marketplace fees, and Amazon Marketplace third-party logistics fees; and
- an increase in non-variable expenses of **\$21.7** million **\$16.8** million (increasing SG&A as a percent of net sales by **500** 110 basis points) comprised of:
 - an increase in of higher employee costs, primarily driven by incentive compensation and, and mainly due to a lesser degree, investments in headcount to support future growth and non-cash stock-based compensation expense, investments in marketing expenses, asset impairments, acquisition-related transition costs, and asset impairments, organizational realignment costs, partially offset by lower warehousing costs.

Non-Operating Expenses

Interest expense, income, net was **\$0.3** \$0.7 million for the three months ended **September 30, 2023** March 30, 2024, compared to **\$1.5** interest expense of **\$0.6** million for the three months ended **October 1, 2022**. This decrease was April 1, 2023, primarily driven by higher interest income, partially offset by due to an increase in interest expense due to income more than offsetting higher interest rates on our outstanding long-term debt, expense.

Other expense was **\$4.0** \$4.1 million for the three months ended **September 30, 2023** March 30, 2024, compared primarily due to other expense of **\$7.3** million foreign currency losses on intercompany balances. Other income was nominal for the three months ended **October 1, 2022** April 1, 2023. The change in other expense was due to a reduction in foreign currency losses on intercompany balances.

Income tax expense was **\$14.9** \$6.5 million for the three months ended **September 30, 2023** March 30, 2024, compared to **\$14.2** \$3.9 million for the three months ended **October 1, 2022**. The effective tax rate for the three months ended September 30, 2023 was 26%, compared to 24% for the three months ended October 1, 2022 April 1, 2023. The increase in both the income tax expense and the effective tax rate was primarily due to a discrete tax expense related to a change in the reserve estimate for an uncertain tax position in the three months ended September 30, 2023.

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Nine Months Ended September 30, 2023 Compared to October 1, 2022

(dollars in thousands)	Nine Months Ended		Change	
	September 30, 2023	October 1, 2022	\$	%
Net sales	\$ 1,138,920	\$ 1,147,226	\$ (8,306)	(1)%
Gross profit	\$ 627,959	\$ 596,366	\$ 31,593	5 %
Gross margin (gross profit as a % of net sales)	55.1 %	52.0 %	310 basis points	
Selling, general, and administrative expenses	\$ 500,653	\$ 426,263	\$ 74,390	17 %
SG&A as a % of net sales	44.0 %	37.2 %	680 basis points	

Net Sales

Net sales decreased \$8.3 million, or 1%, to \$1,138.9 million for the nine months ended September 30, 2023, compared to \$1,147.2 million for the nine months ended October 1, 2022. Net sales for the nine months ended September 30, 2023 were unfavorably impacted by \$24.5 million related to the recall reserve adjustment (See "Product Recall Update" above for additional information). Excluding the unfavorable recall reserve adjustment, net sales increased \$16.2 million, or 1%, primarily due to growth in our DTC channel. Net sales for the nine months ended September 30, 2023, include \$18.8 million of sales related to gift card redemptions in connection with recall remedies. Our results have also been materially adversely impacted by the stop sale of certain soft coolers included in the recalls initiated during the first quarter of 2023.

Net sales in our two channels were as follows:

- DTC channel net sales increased \$44.6 million, or 7%, to \$652.9 million, compared to \$608.2 million in the prior year period, due to growth in Drinkware. Excluding the \$8.1 million unfavorable impact of the recall reserve adjustment (as discussed above), DTC channel net sales increased \$52.8 million, or 9%, due to growth in both Drinkware and Coolers & Equipment. DTC channel mix was 57% in the first nine months of 2023 compared to 53% in the first nine months of 2022.
- Wholesale channel net sales decreased \$52.9 million, or 10%, to \$486.1 million, compared to \$539.0 million in the same period last year. Excluding the \$16.4 million impact of the recall reserve adjustment (as discussed above), wholesale channel net sales decreased \$36.6 million, or 7%, due to a decline in both Coolers & Equipment and Drinkware.

Net sales in our two primary product categories were as follows:

- Drinkware net sales increased by \$37.9 million, or 6%, to \$677.0 million, compared to \$639.1 million in the prior year period, reflecting the strong demand for Rambler® straw lid mugs, expanded offerings in Rambler® bottles, the introductions of our new Yonder® bottles, our new beverage bucket, and new seasonal colorways.
- Coolers & Equipment net sales decreased by \$49.5 million, or 10%, to \$432.5 million, compared to \$482.0 million in the same period last year, and were unfavorably impacted by \$24.5 million due to the recall reserve adjustment (as discussed above). Excluding the \$24.5 million unfavorable impact of the recall reserve adjustment, Coolers & Equipment sales decreased \$25.0 million, or 5%, primarily due to the stop sale of the products affected by the recalls. These impacts were partially offset by strong performance in hard coolers, our existing Hopper® Flip Soft Cooler line, and cargo.

Gross Profit

Gross profit increased \$31.6 million, or 5%, to \$628.0 million compared to \$596.4 million in the prior year period. Gross margin rate increased 310 basis points to 55.1% from 52.0% in the same period last year. Gross margin for the first three quarters of 2023 was unfavorably impacted by \$17.4 million related to the product recalls (See "Product Recall Update" above for additional information), which unfavorably impacted gross margin by 40 basis points. The other components of the change in gross margin rate were as follows:

- lower inbound freight, including the favorable impact of a prior year out-of-period adjustment as well as lower rates, which favorably impacted gross margin by 330 basis points;
- lower product costs, which favorably impacted gross margin by 80 basis points; and
- an increase in the mix of DTC channel net sales, which favorably impacted gross margin by 40 basis points.

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These were partially offset by:

- higher promotions in our DTC channel, including Amazon Prime Day promotions, which unfavorably impacted gross margin by 40 basis points;
- the unfavorable impact of foreign currency exchange rates, which negatively impacted gross margin by 20 basis points; and
- other impacts, including higher depreciation and amortization expense and customization costs, which unfavorably impacted gross margin by 40 basis points.

Selling, General, and Administrative Expenses

SG&A expenses increased by \$74.4 million, or 17%, to \$500.7 million for the nine months ended September 30, 2023 compared to \$426.3 million for the nine months ended October 1, 2022. As a percentage of net sales, SG&A expenses increased by 680 basis points to 44.0% for the nine months ended September 30, 2023 compared to 37.2% for the nine months ended October 1, 2022, which was partly driven by deleverage due to the impact of the stop sale and the recall reserve adjustment on our net sales growth, as discussed above. The increase in SG&A expenses was primarily driven by:

- an increase in variable expenses of \$24.6 million (increasing SG&A as a percent of net sales by 230 basis points) comprised of:
 - higher distribution costs, including outbound freight and Amazon Marketplace fees;
- an increase in non-variable expenses of \$60.3 million (increasing SG&A as a percent of net sales by 540 basis points) comprised of:
 - an increase in employee costs, primarily driven by incentive compensation and, to a lesser degree, investments in headcount to support future growth, investments in marketing expenses, warehousing costs, facility costs, and asset impairments; which were partially offset by
- a favorable \$10.5 million impact related to the recall reserve adjustment (decreasing SG&A as a percent of net sales by 90 basis points). See "Product Recall Update" above for additional information.

Non-Operating Expenses

Interest expense, net was \$1.6 million for the nine months ended September 30, 2023, compared to \$3.2 million for the nine months ended October 1, 2022. The decrease was primarily driven by higher interest income, partially offset by an increase in interest expense due to higher interest rates on our outstanding long-term debt.

Other expense was \$2.8 million for the nine months ended September 30, 2023, compared to \$12.2 million for the nine months ended October 1, 2022. The change in other expense was primarily due to a reduction in foreign currency losses on intercompany balances.

Income tax expense was \$31.6 million for the nine months ended September 30, 2023, compared to \$37.2 million for the nine months ended October 1, 2022. The decrease in income tax expense is due to lower income before income taxes. The effective tax rate for the ~~nine~~ three months ended ~~September 30, 2023~~ March 30, 2024 was ~~26%~~ 29%, compared to ~~24%~~ 27% for the ~~nine~~ three months ended ~~October 1, 2022~~ April 1, 2023. The higher effective tax rate was primarily due to higher discrete tax expenses, including an unfavorable tax impact related to the vesting of certain stock-based stock compensation and a change in the reserve estimate for an uncertain tax position in the ~~nine~~ three months ended ~~September 30, 2023~~ March 30, 2024.

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Liquidity and Capital Resources

General

Our cash requirements have principally been for working capital purposes, long-term debt repayments, and capital expenditures. We fund our working capital, which primarily consists of inventory and accounts receivable, and our capital investments from cash flows from operating activities, cash on hand, and borrowings available under our Revolving credit facility (the "Revolving Credit Facility"). Pursuant to our new share repurchase plan described below, we also plan to use cash to repurchase shares of our common stock. We believe that our current operating performance, operating plan, our strong cash position, and borrowings available under our Revolving Credit Facility, will be sufficient to satisfy our foreseeable liquidity needs and capital expenditure requirements, including for at least the next twelve months.

Current Liquidity

As of ~~September 30, 2023~~ March 30, 2024, we had a cash balance of ~~\$281.4 million~~ \$173.9 million, working capital (excluding cash) of ~~\$149.1 million~~ \$230.5 million, and \$300.0 million of borrowings available under the Revolving Credit Facility.

Credit Facility

Our Credit Facility provides for a \$300.0 million Revolving Credit Facility and ~~a~~ an \$84.4 million term loan ("Term Loan A").

On ~~March 31, 2023~~ February 26, 2024, we amended the Credit Facility, leaving the material terms of the Credit Facility substantially unchanged, with the exception of certain changes a definitional update and a change to implement the replacement of London Interbank Offered Rate ("LIBOR") with the Secured Overnight Financing Rate ("SOFR") as the reference rate therein.

On June 22, 2023, we further amended make a Hedging Agreement (as defined in the Credit Facility, which extended the maturity date of both the Term Loan A and the Revolving Credit Facility from December 17, 2024 to June 22, 2028; refinanced and replaced the existing Term Loan A Facility) entered into in full connection with an accelerated share purchase program a new \$84.4 million Term Loan A; and increased the commitments permitted Hedging Agreement under the Revolving Credit Facility from \$150.0 million to \$300.0 million. As a result of the amendment, we recognized a \$0.3 million loss on modification and extinguishment of debt and we capitalized \$2.8 million of new lender and third-party fees in the second quarter of 2023. Facility.

At ~~September 30, 2023~~ March 30, 2024, we had ~~\$83.3 million~~ \$81.2 million principal amount of indebtedness outstanding under the Term Loan A under the Credit Facility and no outstanding borrowings under the Revolving Credit Facility. Borrowings under the Term Loan A and the Revolving Credit Facility bear interest at Term Secured Overnight Financing Rate ("SOFR") or the Alternate Base Rate (each as defined in the Credit Agreement) plus an applicable rate ranging from 1.75% to 2.50% for Term SOFR-based loans and from 0.75% to 1.50% for Alternate Base Rate-based loans, depending upon our total Net Leverage Ratio (as defined in the Credit Agreement). Additionally, a commitment fee ranging from 0.200% to 0.300%, determined by reference to a pricing grid based on our net leverage ratio, is payable on the average daily unused amounts under the Revolving Credit Facility. The weighted-average interest rate for borrowings under Term Loan A was ~~6.70%~~ 7.09% during the three months ended ~~September 30, 2023~~ March 30, 2024.

The Credit Facility requires us to comply with certain covenants, including financial covenants regarding our total net leverage ratio and interest coverage ratio. Fluctuations in these ratios may increase our interest expense. Failure to comply with these covenants and certain other provisions of the Credit Facility, or the occurrence of a change of control, could result in an event of default and an acceleration of our obligations under the Credit Facility or other indebtedness that we may incur in the future. At ~~September 30, 2023~~ March 30, 2024, we were in compliance with all covenants and expect to remain in compliance with all covenants under the Credit Facility.

Share Repurchase Program

On ~~February 27, 2022~~ February 1, 2024, the our Board of Directors authorized a common stock the repurchase program of up to \$100.0 million. During the three months ended April 2, 2022, we repurchased 1,676,551 shares for an aggregate purchase price \$300 million (exclusive of \$100.0 million, including fees and commissions, commissions) of YETI's common stock (the "Share Repurchase Program"). The common stock may be repurchased from time to time at an average prevailing prices in the open market, through various methods, including, but not limited to, open market, privately negotiated, or accelerated share repurchase transactions. Repurchases under the share repurchase program may also be made pursuant to a plan adopted under Rule 10b5-1 promulgated under the Exchange Act. The timing, manner, price, and actual amount of \$59.66 per share. Following the share repurchases will be determined by management based on various factors, including, but not limited to, stock price, economic and market conditions, other capital allocation needs and opportunities, and corporate and regulatory considerations. YETI has no shares obligation to repurchase any amount of our common stock, and such repurchases may be suspended or discontinued at any time. As of March 30, 2024, \$200 million remained available under the program. All Share Repurchase Program

As part of the Share Repurchase Program, on February 27, 2024, we entered into an accelerated share repurchase agreement (the "ASR Agreement") with Goldman Sachs & Co. LLC ("Goldman Sachs") to repurchase \$100 million of YETI's common stock repurchased is held as treasury stock. Pursuant to the ASR Agreement, we made a payment of \$100 million to Goldman Sachs and received an initial share delivery of 1,998,501 shares of our common stock. We received a final delivery of an additional 642,674 shares on April 25, 2024. The ASR resulted in the total repurchase of 2,641,175 shares. See Note 7-Stockholders' Equity of the Unaudited Condensed Consolidated Financial Statements for additional information about the Share Repurchase Program.

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Material Cash Requirements

Other than as disclosed above, with respect to extension of the maturity date of the Term Loan A, there have been no material changes in our material cash requirements for contractual and other obligations, including capital expenditures, as disclosed under "Material Cash Requirements" included in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2022 December 30, 2023 filed with the U.S. Securities and Exchange Commission ("SEC"). SEC.

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Cash Flows from Operating, Investing, and Financing Activities

The following table summarizes our cash flows from operating, investing and financing activities for the periods indicated (in thousands):

		Nine Months Ended			
		September 30, 2023	October 1, 2022		
		Three Months Ended		Three Months Ended	
		March 30, 2024		March 30, 2024	April 1, 2023
Cash flows provided by (used in):	Cash flows provided by (used in):				
Operating activities	Operating activities	\$ 114,769	\$ (72,215)		
Investing activities	Investing activities	\$ (58,263)	\$ (40,417)		
Financing activities	Financing activities	\$ (11,931)	\$ (120,213)		

Operating Activities

Cash flows related to operating activities are dependent on net income, non-cash adjustments to net income, and changes in working capital. The increase in cash provided used by operating activities during the nine three months ended September 30, 2023 March 30, 2024 compared to cash used by operating activities during the nine three months ended October 1, 2022 April 1, 2023 is primarily due to an increase in net cash provided by used for working capital, partially offset by a decrease an increase in net income, adjusted for non-cash items including the impact of our recalls, for the periods compared. The increase in cash provided by used for working capital was primarily due to a decrease in accounts payable and other accrued expenses, and an increase in inventory, partially offset by an increase in accounts receivable, and a decrease in accounts payable and accrued expenses and taxes payable receivable.

Investing Activities

The increase in cash used in investing activities during the nine three months ended September 30, 2023 March 30, 2024 was primarily related to the acquisition of Mystery Ranch and increased purchases for production molds, tooling and equipment, and leasehold improvements of intangible assets.

Financing Activities

The decrease increase in cash used by financing activities during the nine three months ended September 30, 2023 March 30, 2024 was primarily driven by repurchases of common stock in the prior year period connection with our \$100 million ASR Agreement.

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Critical Accounting Policies and Estimates

Our unaudited condensed consolidated financial statements are prepared in accordance with GAAP. The preparation of these unaudited condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ materially from those estimates. A discussion of the accounting policies that management considers critical in that they involve significant management judgments and assumptions, require estimates about matters that are inherently uncertain and because they are important for understanding and evaluating our reported financial results is included in Part II, Item 7 of our Annual Report on Form 10-K for the year ended **December 31, 2022** **December 30, 2023** filed with the SEC.

Product Recall Reserves

As Other than as described in Note 10 of the Notes to the Unaudited Condensed Consolidated Financial Statements, we announced voluntary recalls for our Hopper® M30 Soft Cooler, Hopper® M20 Soft Backpack Cooler, and SideKick Dry® gear case (the "affected products"). Estimating the cost of recall remedies required significant judgment and is primarily based on i) expected consumer participation rates; and ii) the estimated costs of the consumer's elected remedy in the voluntary recalls, including estimated cost of offered product replacements and elections to receive gift cards in lieu of product replacements, logistics costs and other recall-related costs.

In the second quarter of 2023, we began processing claims and returns for our product recall, and based on such experience and observed trends, we reevaluated our prior assumptions and adjusted our estimated product recall reserve. These trends included higher than anticipated elections by consumers to receive gift cards in lieu of product replacement remedies, variations in individual product participation rates, and lower logistics costs than previously estimated. As a result, we updated our initial recall reserve assumptions, which increased the estimated recall expense reserve by \$8.5 million in the second quarter of 2023. However, the overall consumer recall participation rate has remained consistent with our expectations.

We will continue to reevaluate these assumptions each period, and the related reserves may be adjusted when factors indicate that the reserve is either not sufficient to cover or exceeds the estimated product recall expenses. The ultimate impact from the recalls could differ materially from these estimates. As of September 30, 2023 and December 31, 2022, the reserve for the estimated product recall expenses was \$25.9 million and \$94.8 million, respectively, and is included within accrued expenses and other current liabilities on our consolidated balance sheets. In addition, we recorded an inventory reserve, or write-off, of \$34.1 million for our unsalable inventory on-hand as of December 31, 2022. As of September 30, 2023, the balance of the inventory reserve was nominal and decreased from December 31, 2022 due to physical scrapping of the unsalable inventory on-hand.

There below, there have been no other significant changes to our critical accounting policies.

Business Combinations

We account for business combinations using the acquisition method of accounting. We allocate the purchase consideration to the identifiable assets acquired and liabilities assumed in a business combination based on their acquisition-date fair values. We use our best estimates and assumptions to determine the fair value of tangible and intangible assets acquired and liabilities assumed, as well as the uncertain tax positions and tax-related valuation allowances that are initially recorded in connection with a business combination. These estimates are reevaluated and adjusted, if needed, during the measurement period of up to one year from the acquisition date, and are recorded as adjustments to goodwill. Any adjustments to the acquired assets and liabilities assumed that are identified subsequent to the measurement period are recorded in earnings.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes to our market risk exposures or management of market risk from those disclosed in Quantitative and Qualitative Disclosures About Market Risk included under Item 7A in our Annual Report on Form 10-K for the year ended **December 31, 2022** **December 30, 2023**.

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Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act")) are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and to ensure that information required to be disclosed is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding disclosures. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of **September 30, 2023** **March 30, 2024**.

Changes in Internal Control over Financial Reporting

During the quarter ended **September 30, 2023** **March 30, 2024**, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations in Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures, or our internal controls, will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake or fraud. Additionally, controls can be circumvented by individuals or groups of persons or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements in our public reports due to error or fraud may occur and not be detected.

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PART II. OTHER INFORMATION

Recent Accounting Pronouncements

For a description of recently issued and adopted accounting pronouncements, including the respective dates of adoption and expected effects on our results of operations and financial condition, see "Recently Adopted Accounting Pronouncements" in Note 1 of the Unaudited Condensed Consolidated Financial Statements.

Item 1. Legal Proceedings

We are involved in various claims and legal proceedings, some of which are covered by insurance. We believe that our existing claims and proceedings, and the probability of losses relating to such contingencies, will not have a material adverse effect on our consolidated financial position, results of operations, or cash flows.

Item 1A. Risk Factors

The risks and uncertainties discussed below update and supersede There have been no material changes to the risks and uncertainties previously disclosed risk factors contained in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the SEC on February 27, 2023 December 30, 2023. Other than the addition of a risk factor regarding risks related to our environmental, social and governance goals, there have been no material changes to the risks and uncertainties previously disclosed in such Annual Report on Form 10-K.

Our business, financial condition

Item 2. Unregistered Sales of Equity Securities and operating results can be affected by a number Use of risks and uncertainties, whether currently known or unknown, any one or more of which could, directly or indirectly, cause our actual results of operations and financial condition to vary materially from past, or from anticipated future, results of operations and financial condition. The risks discussed below are not the only ones facing our business but do represent those risks that we believe are material to us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also adversely affect our business, financial condition and results of operations. proceeds

Risks Related to Our Business, Operations and Industry

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

The YETI name and premium brand image are integral to following table sets forth 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 is rooted in passion for the outdoors. To sustain long-term growth, we must continue to successfully promote our products to consumers who align with the values of our brand, as well as to individuals who simply value products of uncompromising quality and design. Our ability to execute our marketing and growth strategy depends on many factors, such as the quality, design, performance, functionality, and durability of our products, the image and reputation of our e-commerce platform, the design of our retail partner floor spaces, the impact of our communication activities, including advertising, social media, and public relations, 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 have made, and we expect that we will continue to make, significant investments in promoting our products and attracting new customers, including through the use of corporate partnerships, YETI Ambassadors, traditional, digital, and social media, original YETI films, and participation in, and sponsorship of, community events. Marketing campaigns can be expensive and may not result in the cost-effective acquisition of customers. Ineffective marketing, ongoing and sustained promotional activities, negative publicity, product diversion to unauthorized distribution channels, product or manufacturing defects, product recalls, 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 YETI brand. Actions taken by individuals that we partner with, such as YETI ambassadors, influencers or our associates, that fail to represent our brand in a manner consistent with our brand image, whether through our social media platforms or their own, could also harm our brand reputation and materially impact our business. Further, as our brand becomes more widely known, future marketing campaigns may not attract new customers at the same rate as past campaigns. Inflation and rising product costs may also affect our ability to provide products in a cost-effective manner and hinder us from attracting new customers. 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 could be harmed.

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If we are unable to successfully design, develop and market new products, our business may be harmed.

The market for products in the outdoor and recreation products industry is characterized by new product introductions, frequent enhancements to existing products, and changing customer demands, needs and preferences. To maintain and increase sales, we must continue to introduce new products and improve or enhance our existing products on a timely basis to respond to new and evolving consumer preferences. The success of our new and enhanced products depends on many factors, including anticipating consumer preferences, finding innovative solutions to consumer problems, differentiating our products from those of our competitors, and maintaining the strength of our brand. The design and development of our products is costly, and we typically have several products in development at the same time. Problems in the design or quality of our products, or delays in product introduction, may harm our brand, business, financial condition, and results of operations. Any new products that we develop and market may not generate sufficient revenues to recoup their development, production, marketing, selling and other costs.

Our business could be materially harmed if we are unable to accurately forecast our growth rate and demand for our products.

To ensure adequate inventory supply, we must forecast inventory needs and place orders with our manufacturers before firm orders are placed by our customers. Forecasts are particularly challenging as we expand into new markets and geographies, develop and market new products, and face uncertainties related to consumer discretionary spending and general market conditions, including current uncertainty related to interest rates, inflation rates, and geopolitical events. Our historical sales, expense levels, and profitability may not be an appropriate basis for forecasting future results. If we fail to accurately forecast customer demand, including relating to our expected growth, we may experience excess inventory levels or a shortage of product to deliver to our customers. Failure to accurately forecast our results of operations and growth rate could also cause us to make poor operating decisions and we may not be able to adjust in a timely manner. Consequently, actual results could be materially lower than anticipated. Even if the markets in which we compete expand, we cannot assure you that our business will grow at similar rates, or at all.

Factors that could affect our ability to accurately forecast demand for our products include: (a) an increase or decrease in consumer demand for our products; (b) our failure to accurately forecast consumer 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 advance orders or a reduction or increase in the rate of reorders or at-once orders placed by retailers; (e) impacts on consumer demand due to unseasonable weather conditions; (f) weakening economic conditions or consumer confidence in future economic conditions or inflationary conditions resulting in rising prices, which could each reduce demand for discretionary items, such as our products; and (g) terrorism or acts of war, or the threat thereof, or political or labor instability or unrest, riots, or public health crises, 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 gross margin. In addition, if we underestimate the demand for our products, our manufacturers may not be able to produce products to meet our customer requirements, and this could result in delays in the shipment of our products and our ability to recognize revenue, lost sales, as well as damage to our reputation and retailer and distributor relationships.

Difficulty in forecasting demand, which we have encountered from time to time as a result of global supply chain constraints, 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.

We may not be able to effectively manage our growth.

As we grow our business, slower growing or reduced demand for our products, increased competition, a decrease in the growth rate of our overall market, failure to develop and successfully market new products, or the maturation of our business or market could harm our business. We have made and expect to continue to make significant investments in our research and development and sales and marketing organizations, expand our operations and infrastructure both domestically and internationally, design and develop new products, and enhance our existing products. If our sales do not increase at a sufficient rate to offset these increases in our operating expenses, our profitability may decline in future periods.

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We have expanded our operations and employee headcount, and the scope and complexity of our business have increased substantially over the past several years. We have only a limited history operating our business at its current scale. Consequently, if our operations continue to grow at a rapid pace, we may experience difficulties in managing our growth and building the appropriate processes and controls. Future rapid growth may increase the strain on our resources, and we could experience operating difficulties, including difficulties in sourcing, logistics, recruiting, maintaining internal controls, marketing, designing innovative products, and meeting consumer needs. If we do not adapt to meet these evolving challenges, the strength of our brand may erode, the quality of our products may suffer, we may not be able to deliver products on a timely basis to our customers, and our corporate culture may be harmed.

Our growth depends, in part, on expanding into additional consumer 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 broaden our retail partner and customer base. The growth of our business will depend, in part, on our ability to continue to expand our retail partner and customer bases in the United States, as well as in international markets, including Canada, Australia, Europe, and Japan. In these markets, we may face challenges that are different from those we currently encounter, including competitive, merchandising, distribution, hiring, and other difficulties. We may also encounter difficulties in attracting customers due to a lack of consumer familiarity with or acceptance of our brand, or a resistance to paying for premium products, particularly in international markets. We continue to evaluate marketing efforts and other strategies to expand the customer base for our products. In addition, although we are investing in sales and marketing activities to further penetrate newer regions, including expansion of our dedicated sales force, we cannot assure you that we will be successful. If we are not successful, our business and results of operations may be harmed.

The markets in which we compete are highly competitive and include numerous other brands and retailers that offer a wide variety of products that compete with our products; if we fail to compete effectively, we could lose our market position.

The markets in which we compete are highly competitive, with low barriers to entry. Numerous other brands and retailers offer a wide variety of products that compete with our coolers, drinkware, and other products, including our bags, cargo, and outdoor lifestyle products and accessories. Competition in these product markets is based on a number of factors including product quality, performance, durability, styling, brand image and recognition, and price. Our competitors may be able to develop and market higher quality products that compete with our products, sell their products for lower prices, adapt to changes in consumers' 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. We believe many of our competitors and potential competitors 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 and retail partners, more established relationships with a larger number of suppliers and manufacturing partners, greater brand recognition, larger or more effective brand ambassador and endorsement relationships, 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 profit margins, or lost market share. If we are not able to overcome these potential competitive challenges, effectively market our current and future products, and otherwise compete effectively against our current or potential competitors, our prospects, results of operations, and financial condition could be harmed.

In addition, our customers have become increasingly technologically savvy and expect a seamless omni-channel experience regardless of whether they are shopping in stores or online. Innovation by existing or new competitors could alter the competitive landscape by improving the customer experience and heightening customer expectations or by transforming other aspects of their business through new technologies. If we are unable to develop and continuously improve our technologies, the efforts of which typically require significant capital investments, we may not be able to provide a convenient and consistent experience to our customers, which could negatively affect our ability to compete with other retailers and could result in diminished loyalty to our brands, which could adversely impact our business.

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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 results of operations.

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 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 significantly on trade secrets, trade and service marks, trade dress, and the strength of our brand. We regard our patents, trade dress, trademarks, copyrights, trade secrets, and similar 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 proprietary rights. Nevertheless, the steps we take to protect our 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, and other intellectual property and proprietary rights worldwide. We also cannot guarantee that others will not independently develop technology with the same or similar function to any proprietary technology we rely on to conduct our business and differentiate ourselves from our competitors. Because a significant portion of our products are manufactured overseas in countries where counterfeiting is more prevalent, and we intend to increase our sales overseas over the long term, we may experience increased counterfeiting of our products. 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 results of operations.

In addition, except in some of the situations where we have a supply contract, our arrangements with our manufacturers are not exclusive. As a result, our manufacturers could produce similar products for our competitors, some of which could potentially purchase products in significantly greater volume. Further, while certain of our long-term contracts stipulate contractual exclusivity, those manufacturers could choose to breach our agreements and work with our competitors. Our competitors could enter into restrictive or exclusive arrangements with our manufacturers that could impair or eliminate our access to manufacturing capacity or supplies.

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, 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, trademarks, copyrights, or other intellectual property 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 or litigation, or other reasons, our brand and reputation could be damaged, and our business may be harmed.

We may be subject to liability if we infringe upon the intellectual property rights of third parties.

Third parties have sued us and may in the future sue us for alleged infringement of their proprietary rights. The party claiming infringement might have greater resources than we do to pursue its claims, and we could be forced to incur substantial costs and devote significant management resources to defend against such litigation, even if the claims are meritless and even if we ultimately prevail. If the party claiming infringement were to prevail, we could be forced to modify or discontinue our products, pay significant damages, or enter into expensive royalty or licensing arrangements with the prevailing party. In addition, any payments we are required to make, and any injunction we are required to comply with as a result of such infringement, could harm our reputation and financial results.

We rely on third-party contract 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 products are produced by third-party contract manufacturers, typically through a series of purchase orders. Manufacturers may breach our agreements with them, including purchase orders, and we may not be able to enforce our rights under these agreements or may incur significant costs attempting to do so. We therefore face the risk that these third-party contract manufacturers may not produce and deliver our products in adequate quantities, on a timely basis or at all, or that they will fail to comply with our quality standards. We have experienced, and will likely continue to experience, operational difficulties with our manufacturers. These difficulties include reductions in the availability of production capacity, errors in complying with product specifications and regulatory and customer requirements, 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

emergencies, or other events. The failure of any manufacturer to perform to our expectations could result in supply shortages or delays for certain products and harm our business. If we experience significantly increased demand, or if we need to replace an existing manufacturer due to lack of performance, we may be unable to supplement or replace our manufacturing capacity on a timely basis or on terms that are acceptable to us, which may

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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. In addition, our manufacturers may raise prices in the future, which would increase our costs and harm our margins. Any of these risks could harm our ability to deliver our products on time, or at all, damage our reputation and our relationships with our retail partners and customers, and increase our product costs thereby reducing our margins.

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 retail partners and customers, 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 contract manufacturers and the delivery of our products to our retail partners and customers.

Our third-party contract manufacturers ship most of our products to our distribution centers in Memphis, Tennessee, and Salt Lake City, Utah. Our reliance on only two geographical locations for our domestic distribution centers makes us more vulnerable to natural disasters, weather-related disruptions, accidents, system failures, public health emergencies, or other unforeseen events that could delay or impair our ability to fulfill retailer orders and/or ship merchandise purchased on our website, which could harm our sales.

We import our products, and rely on the timely and free flow of goods through open and operational ports from our suppliers and manufacturers. Accordingly, we are subject to certain risks, including labor disputes, union organizing activity, inclement weather, public health crises, and increased transportation costs, associated with our third-party contract manufacturers' and carriers' ability to provide products and services to meet our requirements. Such events could result in delayed or canceled orders by customers, unanticipated inventory accumulation or shortages, and harm to our business, results of operations, and financial condition. 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, container and labor shortages, and inspection processes or other port-of-entry limitations or restrictions. Global events may also impact the import of our products.

In order to meet demand for a product, we have chosen in the past, and may choose in the future, to arrange for additional quantities of the product, if available, to be delivered through air freight, which is significantly more expensive than standard shipping by sea and, consequently, adversely impacts our gross margins.

In addition, we rely upon independent land-based and air freight carriers for product shipments from our distribution centers to our retail partners and customers who purchase through our DTC channel. 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 retail partners or customers in a timely and cost-effective manner. Failure to procure our products from our third-party contract manufacturers and deliver merchandise to our retail partners and DTC channel in a timely, effective, and economically viable manner could reduce our sales and gross margins, damage our brand, and harm our business.

Our business is subject to the risk of manufacturer concentrations.

We depend on a limited number of third-party contract manufacturers for the sourcing of our products. For hard coolers, soft coolers, Drinkware, bags, and outdoor living and pet products our two largest manufacturers comprised approximately 71%, 92%, 70%, 79%, and 81%, respectively, of our production volume during the nine months ended September 30, 2023. For cargo, one manufacturer accounted for all of the production during the nine months ended September 30, 2023. As a result of this concentration in our supply chain, our business and operations would be negatively affected if any of our key manufacturers were to experience significant disruption affecting the price, quality, availability, or timely delivery of products. Our manufacturers could also be acquired by our competitors and may become our direct competitors, thus limiting or eliminating our access to manufacturing capacity. The

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partial or complete loss of our key manufacturers, or a significant adverse change in our relationship with any of these manufacturers, could result in lost sales, added costs, and distribution delays that could harm our business and customer relationships.

Our business could be harmed if we fail to execute our internal plans to transition our supply chain and certain other business processes to a global scale.

We continually assess, and re-engineer as needed, our supply chain management and business processes to support our expanding scale. Our expansion to a global scale requires significant investment of capital and human resources, the adaptation and evolution of many business processes, and the attention of many managers and other employees who would otherwise be focused on other aspects of our business. If our globalization efforts fail to produce planned efficiencies, or are not managed effectively, we may

experience excess inventories, inventory shortage, late deliveries, lost sales, or increased costs. Any business disruption arising from our globalization efforts, or our failure to effectively execute our internal plans to expand globally, could harm our results of operations and financial condition.

If we cannot maintain prices or effectively implement price increases, our margins may decrease.

Our ability to maintain prices or effectively implement price increases may be affected by several factors, including pricing pressure due to intense competition in the retail industry, effectiveness of our marketing programs, the continuing growth of our brand, general economic conditions, and changes in consumer demand. For example, in 2022, increasing demand, supply constraints, inflation, and other market conditions resulted in shortages and higher costs for the production of some of our products, which led us to implement a price increase for certain of our products. We effectively implemented this price increase, but there can be no assurance that we will be able to effectively implement future price increases. During challenging economic times, consumers may be less willing or able to pay a price premium for our branded products and may shift purchases to lower-priced or other value offerings, making it more difficult for us to maintain prices and/or effectively implement price increases. In addition, our retail partners and distributors may pressure us to rescind price increases we have announced or already implemented, whether through a change in list price or increased promotional activity. If we cannot maintain prices or effectively implement price increases for our products, or must increase promotional activity, our margins may be adversely affected. Furthermore, price increases generally result in volume losses, as consumers purchase fewer units. If such losses are greater than expected or if we lose distribution due to a price increase, our business, financial condition and results of operations may be materially and adversely affected.

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

The price and availability of key components used to manufacture our products, including polyethylene, polyurethane foam, stainless-steel, polyester fabric, zippers, and other plastic materials and coatings, as well as manufacturing equipment and molds, may fluctuate significantly. In addition, the cost of labor at our third-party contract 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 and available capacity. The effects of the COVID-19 pandemic and the ongoing conflicts in Ukraine and the Middle East have contributed to significant volatility in the price of oil. Global political conditions, threatened or actual acts of war or terrorism, instability or other disruptions in oil producing regions, such as in the Middle East, South America and Europe, and trade, economic or other disagreements involving oil producing nations, can, and recently have, significantly affected the price of oil. 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. If we are unable to successfully mitigate a significant portion of these product cost increases or fluctuations, our results of operations could be harmed.

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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 core products are manufactured in China, the Philippines, Vietnam, Taiwan, Poland, Mexico, Thailand, and Malaysia. In addition, we have other key third-party manufacturing partners in Mexico and Italy. 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) 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; (c) compliance with U.S. and foreign laws relating to foreign operations, including the U.S. Foreign Corrupt Practices Act ("FCPA"), the UK Bribery Act 2010 ("Bribery Act"), regulations of the U.S. Office of Foreign Assets Controls ("OFAC"), and U.S. anti-money laundering regulations, which respectively prohibit U.S. companies from making improper payments to foreign officials for the purpose of obtaining or retaining business, operating in certain countries, or maintaining business relationships with certain restricted parties as well as engaging in other corrupt and illegal practices; (d) economic and political instability and acts of terrorism in the countries where our suppliers are located; (e) public health crises, such as pandemics and epidemics, in the countries where our suppliers and manufacturers are located; (f) transportation interruptions or increases in transportation costs; and (g) the imposition of tariffs or non-tariff barriers on components and products that we import into the United States or other markets. 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 Bribery Act, OFAC restrictions, or other export control, anti-corruption, anti-money laundering, 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.

As current tariffs are implemented, or if additional tariffs or other restrictions are placed on foreign imports or any related counter-measures are taken by other countries, our business and results of operations could be harmed.

Most of our imported products are subject to duties, indirect taxes, quotas and non-tariff trade barriers, any of which may limit the quantity of products that we may import into the U.S. and other countries or may impact the cost of such products. To maximize opportunities, we rely on free trade agreements and other supply chain initiatives, and, as a result, we are subject to government regulations and restrictions with respect to our cross-border activity. For example, we have historically received benefits from duty-free imports on certain products from certain countries pursuant to the Global System of Preferences ("GSP") program. The GSP program expired on December 31, 2020, resulting in additional duties and negatively impacting gross margin. YETI expects the GSP program to be renewed and made retroactive; however if this does not occur, it will continue to have a negative impact on our expected results. Additionally, we are subject to government regulations relating to importation activities, including related to U.S. Customs and Border Protection ("CBP") withhold release orders. The imposition of taxes, duties and quotas, the withdrawal from or material modification to trade agreements, and/or if CBP detains shipments of our goods pursuant to a withhold release order could have a material adverse effect on our business, results of operations and financial condition.

Current and potential additional tariffs have the potential to significantly raise the cost of our products, particularly our Drinkware. In such a case, there can be no assurance that we will be able to shift manufacturing and supply agreements to non-impacted countries, including the United States, to reduce the effects of the tariffs. As a result, we may suffer margin erosion or be required to raise our prices, which may result in the loss of customers, negatively impact our results of operations, or otherwise harm our business. In addition, the imposition of tariffs on products that we export to international markets could make such products more expensive compared to those of our competitors if we pass related additional costs on to our customers, which may also result in the loss of customers, negatively impact our results of operations, or otherwise harm our business.

Our aspirations, disclosures, and actions related to environmental, social and governance (“ESG”) matters expose us to risks that could adversely affect our reputation and performance.

There is an increased focus from investors, customers, associates, business partners and other stakeholders concerning ESG matters. The expectations related to ESG matters are rapidly evolving, and we announce initiatives and goals related to ESG matters from time to time. We have established and publicly announced certain ESG goals, including our commitments to advancing racial and ethnic diversity, achieving gender parity within our workforce and reducing our greenhouse gas emissions. These statements reflect our current plans and aspirations and are not guarantees that we will be able to achieve them. Our failure to accomplish or accurately track and report on these goals on a timely basis, or at all, could adversely affect our reputation, financial performance and growth, and expose us to increased scrutiny from the investment community as well as enforcement authorities. In addition, we could be criticized for the scope of our ESG initiatives or goals.

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Our ability to achieve any ESG objective is subject to numerous risks, many of which are outside of our control. Examples of such risks include:

- the availability and cost of alternative energy sources;
- the evolving regulatory requirements affecting ESG practices and/or disclosures;
- the availability of suppliers that can meet our sustainability, diversity and other ESG standards;
- our ability to recruit, develop and retain diverse talent in our labor markets;
- the locations and usage of our products and the implications on their greenhouse gas emissions; and
- the success of our organic growth and acquisitions.

Standards for tracking and reporting ESG matters are relatively new, have not been formalized and continue to evolve. Collecting, measuring, and reporting ESG information and metrics can be difficult and time consuming. Our selection of voluntary disclosure frameworks and standards, and the interpretation or application of those frameworks and standards, may change from time to time or differ from those of others. This may result in a lack of consistent or meaningful comparative data from period to period or between YETI and other companies in the same industry. In addition, our processes and controls may not comply with evolving standards for identifying, measuring and reporting ESG metrics, including ESG-related disclosures that may be required of public companies by the SEC and other regulators, and such standards may change over time, which could result in significant revisions to our current goals, reported progress in achieving such goals, or ability to achieve such goals in the future, and could cause us to undertake costly initiatives to satisfy such new criteria.

If our ESG practices do not meet evolving investor or other stakeholder expectations and standards, then our reputation, our ability to attract or retain employees, and our attractiveness as an investment, business partner, acquiror or supplier could be negatively impacted. Further, our failure or perceived failure to pursue or fulfill our goals and objectives or to satisfy various reporting standards on a timely basis, or at all, could have similar negative impacts or expose us to government enforcement actions and private litigation.

Climate change, and related legislative and regulatory responses to climate change, may adversely impact our business.

As climate change and other environmental concerns become more prevalent, federal, state and local governments, non-governmental organizations and our customers, consumers and investors are increasingly concerned about these issues. New governmental requirements or changing consumer preferences could negatively impact our ability to obtain raw materials or increase our acquisition and compliance costs, which could make our products more costly, less attractive to consumers than other competitive products or reduce consumer demand. We could also lose revenue if our consumers change brands or our customers move business from us because we have not complied with their preferences and investors may choose not to invest in our securities if we do not comply with their business expectations.

Significant changes in weather patterns, including an increase in the frequency, severity and duration of extreme weather conditions and natural disasters, could also directly impact our business. Physical risks related to these events could disrupt the operation of our supply chain and the productivity of our manufacturers, increase our production costs, impose capacity restraints or impact the types of products that consumers purchase. These events could also compound adverse economic conditions and impact consumer confidence and discretionary spending. As a result, the physical effects of climate change could have a long-term adverse impact on our business and results of operations.

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A significant portion of our sales are to national, regional, and independent retail partners. If these retail partners cease to promote or carry our current products or choose not to promote or carry new products that we develop, our brand as well as our results of operations and financial condition could be harmed.

We sell a significant amount of our products through national, regional, and independent retail partners. Twelve percent of our gross sales were made to independent retail partners for each of 2021 and 2022. For 2021 and 2022, one national retail partner accounted for approximately 10% and 11% of our gross sales, respectively. Because we are a premium brand, our sales depend, in part, on retail partners effectively displaying our products, including providing attractive space and point of purchase displays in their stores, and training their sales personnel to sell our products. If our retail partners 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. Our relationships with these retail partners are important to the authenticity of our brand and the marketing programs we continue to deploy. Our failure to maintain these relationships with our retail partners or financial difficulties experienced by these retail partners could harm our business.

These retail partners may decide to emphasize products from our competitors, to redeploy their retail floor space to other product categories, or to take other actions that reduce or cease their purchases of our products. We do not receive long-term purchase commitments from our independent retail partners, and orders received from our independent retail partners are cancellable. Factors that could affect our ability to maintain or expand our sales to these independent retail partners include: (a) failure to accurately identify the needs

of our customers; (b) a lack of customer acceptance of new products or product expansions; (c) unwillingness of our independent retail partners and customers to attribute premium value to our new or existing products or product expansions relative to competing products; (d) failure to obtain shelf space from our retail partners; (e) new, well-received product introductions by competitors; (f) damage to our relationships with independent retail partners due to brand or reputational harm; (g) delays or defaults on our retail partners' payment obligations to us; (h) store closures, decreased foot traffic, or other adverse effects resulting from public health crises; and (i) economic conditions, including levels of consumer discretionary spending, which may be impacted by rising inflation, unemployment and interest rates.

We cannot assure you that our independent retail partners 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.

If our plans to increase sales through our DTC e-commerce channel are not successful, our business and results of operations could be harmed.

For 2022, our DTC channel accounted for 58% of our net sales, and our sales through the Amazon Marketplace represented approximately 13% of our net sales. Part of our growth strategy involves increasing sales through our DTC e-commerce channel. The level of customer traffic and volume of customer purchases through our country and region-specific YETI websites or other e-commerce initiatives are substantially dependent on our ability to provide a content-rich and user-friendly website, a hassle-free customer experience, sufficient product availability, and reliable, timely delivery of our products. If we are unable to maintain and increase customers' use of our website, allocate sufficient product to our website, and increase any sales through our website, our continued DTC channel growth, our business, and results of operations could be harmed. Furthermore, any adverse change in our relationship with Amazon, including restrictions on the ability to offer products on the Amazon Marketplace or termination of the relationship, could adversely affect our continued DTC channel growth, our business, and results of operations.

Our DTC business subjects us to numerous other risks, including, but not limited to, (i) U.S. or international resellers purchasing our merchandise and reselling it outside of our control, (ii) failure of our DTC operating and support systems, including computer viruses, theft of customer information, privacy concerns, telecommunication failures and electronic break-ins and similar disruptions, (iii) credit card fraud, (iv) diversion of sales from our wholesale customers, (v) difficulty recreating the in-store experience through e-commerce channels, (vi) liability for online content, (vii) changing patterns of consumer behavior and (viii) intense competition from other online retailers. Our failure to successfully respond to these risks might adversely affect sales in our DTC channel, as well as damage our reputation and brand.

We currently have a limited number of country and region-specific YETI websites and have plans to expand our e-commerce platform to others. Expanding into new countries and regions may impose different and evolving laws governing the operation and marketing of e-commerce websites, as well as the collection, storage, and use of information on customers interacting with those websites. We may incur additional costs and operational challenges in complying with these laws, and differences in these laws may cause us to operate our business differently, and less effectively, in different territories. If so, we may incur additional costs and may not fully realize the investment in our international expansion.

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If we do not successfully implement our retail store expansion plans, our growth and profitability could be harmed.

We have and may continue to expand our existing DTC channel by opening new retail stores. We currently operate seventeen retail stores across ten states. Our ability to open new retail stores in a timely manner and operate them profitably depends on a number of factors, many of which are beyond our control, including:

- our ability to manage the financial and operational aspects of our retail growth strategy, including making appropriate investments in our software systems, information technology, and operational infrastructure;
- our ability to identify suitable locations, including our ability to gather and assess demographic and marketing data to accurately determine customer demand for our products in the locations we select;
- our ability to negotiate favorable lease agreements;
- our ability to properly assess the potential profitability and payback period of potential new retail store locations;
- the availability of financing on favorable terms;
- our ability to secure required governmental permits and approvals and our ability to effectively comply with state and local employment and labor laws, rules, and regulations;
- our ability to hire and train skilled store operating personnel, especially management personnel;
- the availability of construction materials and labor and the absence of significant construction delays or cost overruns;
- our ability to provide a satisfactory mix of merchandise that is responsive to the needs of our customers living in the areas where new retail stores are established;
- our ability to establish a supplier and distribution network able to supply new retail stores with inventory in a timely manner;
- our competitors, or our retail partners, building or leasing stores near our retail stores or in locations we have identified as targets for a new retail store;
- customer demand for our products; and
- general economic and business conditions affecting consumer confidence and spending and the overall strength of our business.

We may not be able to successfully address the risks that opening retail stores entails. In order to pursue our retail store strategy, we will be required to expend significant cash resources prior to generating any sales in these stores. We may not generate sufficient sales from these stores to justify these expenses, which could harm our business and profitability. The substantial management time and resources, which any future retail store expansion strategy may require, could also result in disruption to our existing business operations, which may decrease our net sales and profitability.

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

We sell to the large majority of our retail partners on open account terms and do not require collateral or a security interest in the inventory we sell them. Consequently, our accounts receivable with our retail partners are unsecured. Insolvency, credit problems, or other financial difficulties confronting our retail partners could expose us to financial risk. These actions could expose us to risks if they are unable to pay for the products they purchase from us. Financial difficulties of our retail partners 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. Further, economic conditions resulting in diminished liquidity or credit availability, increases in inflation rates, rising interest rates, declines in consumer confidence, declines in economic growth, or uncertainty about economic stability, may lead to a material reduction in sales of our products by our retail partners. Any reduction in sales by, or loss of, our current retail partners or customer demand, or credit risks associated with our retail partners, could harm our business, results of operations, and financial condition.

If our independent suppliers and manufacturing partners 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 retail partners' 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 retail partners and cannot guarantee their compliance with ethical and lawful business practices. If our suppliers, manufacturers, or retail partners 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.

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.

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For our DTC sales, as well as for sales to certain retail partners, we accept a variety of payment methods, including credit cards, debit cards, electronic funds transfers, electronic payment systems, and gift cards. 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 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 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, subject to fines and higher transaction fees, lose our ability to accept credit or debit card payments from our customers, or 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.

Our plans for international expansion may not be successful; our limited operating experience and limited brand recognition in new markets may make it more difficult to execute our expansion strategy and cause our business and growth to suffer.

Continued expansion into markets outside the United States, including Canada, Australia, Europe and Japan, is one of our key long-term strategies for the future growth of our business. There are, however, significant costs and risks inherent in selling our products in international markets, including: (a) failure to effectively translate and establish our core brand identity, particularly in markets with a less-established heritage of outdoor and recreational activities; (b) time and difficulty in building a widespread network of retail partners; (c) increased shipping and distribution costs, which could increase our expenses and reduce our margins; (d) potentially lower margins in some regions; (e) longer collection cycles in some regions; (f) increased competition from local providers of similar products; (g) compliance with foreign laws and regulations, including taxes and duties, enhanced privacy laws, rules, and regulations, and product liability laws, rules, and regulations, particularly in the European Union and Japan; (h) establishing and maintaining effective internal controls at foreign locations and the associated increased costs; (i) increased counterfeiting and the uncertainty of protection for intellectual property rights in some countries and practical difficulties of enforcing rights abroad; (j) compliance with anti-bribery, anti-corruption, sanctions, and anti-money laundering laws, such as the FCPA, the Bribery Act, and OFAC regulations, by us, our employees, and our business partners; (k) currency exchange rate fluctuations and related effects on our results of operations; (l) economic weakness, including inflation, or political instability in foreign economies and markets; (m) compliance with tax, employment, immigration, and labor laws for employees living or traveling abroad; (n) workforce uncertainty in countries where labor unrest is more common than in the United States; (o) business interruptions resulting from geopolitical actions, including war and terrorism, natural disasters, including earthquakes, typhoons, floods, and fires, public health emergencies, including the outbreak of a pandemic or other public health crisis; (p) the imposition of tariffs on products that we import into international markets that could make such products more expensive compared to those of our competitors; (q) that our ability to expand internationally could be impacted by the intellectual property rights of third parties that conflict with or are superior to ours; and (r) other costs and risks of doing business internationally.

These and other factors could harm our international operations and, consequently, harm our business, results of operations, and financial condition. Further, we may incur significant operating expenses as a result of our planned international expansion, and it may not be successful. We have limited experience with regulatory environments and market practices internationally, and we may not be able to penetrate or successfully operate in new markets. We also have limited operating experience outside of the United States and in our expansion efforts we may encounter obstacles we did not face in the United States, including cultural and linguistic differences, differences in regulatory environments, labor practices and market practices, difficulties in keeping abreast of market, business and technical developments, and preferences of foreign customers. Consumer demand and behavior, as well as tastes and purchasing trends, may differ internationally, and, as a result, sales of our products may not be successful, or the margins on those sales may not be in line with those we anticipate. We may also encounter difficulty expanding into international markets because of limited brand recognition, leading to delayed or limited acceptance of our products by customers in these markets and increased marketing and customer acquisition costs to establish our brand. Accordingly, if we are unable to successfully expand internationally or manage the complexity of our global operations, we may not achieve the expected benefits of this expansion and our financial condition and results of operations could be harmed.

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Our financial results and future growth have been, and could in the future be, harmed by currency exchange rate fluctuations.

As our international business grows, our results of operations have been and could in the future be adversely impacted by changes in foreign currency exchange rates. Revenues and certain expenses in markets outside of the United States are recognized in local foreign currencies, and we are exposed to gains or losses from the translation 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 may also be disrupted by currency exchange rate fluctuations by making their purchases of raw materials more expensive and more difficult to finance. As a result, foreign currency exchange rate fluctuations may adversely impact our results of operations.

We may become involved in legal or regulatory proceedings and audits.

Our business requires compliance with many laws and regulations, including labor and employment, sales and other taxes, customs, and consumer protection laws and ordinances that regulate retailers generally and/or govern the importation, promotion, and sale of merchandise, and the operation of stores and warehouse facilities. Failure to comply with these laws and regulations could subject us to lawsuits and other proceedings, and could also lead to damage awards, fines, and penalties. We are periodically involved in, and may in the future become involved in, legal proceedings and audits, including government and agency investigations, and consumer, employment, tort, and other litigation. The outcome of some of these legal proceedings, audits, and other contingencies could require us to take, or refrain from taking, actions that could harm our operations or require us to pay substantial amounts of money, harming our financial condition and results of operations. Additionally, defending against these lawsuits and proceedings may be necessary, which could result in substantial costs and diversion of management's attention and resources, harming our business, financial condition, and results of operations. Any pending or future legal or regulatory proceedings and audits could harm our business, financial condition, and results of operations.

Our business involves the potential for product recalls, warranty liability, product liability, and other claims against us, which could adversely affect our reputation, earnings and financial condition.

As a designer, marketer, retailer, and distributor of consumer products, we are subject to the United States Consumer Products Safety Act of 1972, as amended by the Consumer Product Safety Improvement Act of 2008, which empowers the Consumer Products Safety Commission ("CPSC") to exclude from the market products that are found to be unsafe or hazardous, and similar laws under foreign jurisdictions. Although we extensively and rigorously test new and enhanced products, there can be no assurance we will be able to detect, prevent, or fix all defects. Under certain circumstances, the CPSC, and other relevant global regulatory authorities, could require us to repurchase or recall one or more of our products. Additionally, laws regulating consumer products exist in states and some cities, as well as other countries in which we sell our products, and more restrictive laws and regulations may be adopted in the future. Any repurchase or recall of our products, monetary judgment, fine or other penalty could be costly and damaging to our reputation. If we were required to remove, or we voluntarily removed, our products from the market, our reputation could be tarnished and we may have large quantities of finished products that we could not sell. Furthermore, the occurrence of any material defects in our products could expose us to liability for warranty claims in excess of our current reserves, and if our warranty reserves are inadequate to cover future warranty claims on our products, our financial condition and operating results may be harmed.

In January 2023, we notified the CPSC of a potential safety concern regarding the magnet-lined closures of our Hopper® M30 Soft Cooler, Hopper® M20 Soft Backpack Cooler, and SideKick Dry® gear case (the "affected products") and initiated a global stop sale of the affected products. In February 2023, we proposed a voluntary recall of the affected products to the CPSC and other relevant global regulatory authorities. In March 2023, we announced separate, voluntary recalls of the affected products in collaboration with the CPSC. The global stop sale of the affected products and voluntary recalls has subjected and will continue to subject us to substantial costs, including, but not limited to, product recall remedies, legal and advisory fees, and recall-related logistics costs. These actions may also result in adverse publicity, harm our brand and divert management's attention and resources from our operations. As the voluntary recalls have commenced, we have made certain adjustments to our estimates regarding the impact of the voluntary recalls. Actual costs related to the global stop sale and voluntary recalls of the affected products may vary from our estimates, which are primarily based on expected consumer participation rates and the estimated costs of the consumer's elected remedy in the proposed voluntary recall and may have further negative effects on our business. Any of these events or claims could harm our reputation, business, financial condition and results of operations.

We also face exposure to product liability claims and unusual or significant litigation in the event that one of our products is alleged to have resulted in bodily injury, property damage, or other adverse effects. In addition to the risk of monetary judgments or other penalties that may result from product liability claims, such claims could result in negative publicity that could harm our reputation in the marketplace, adversely impact our brand, or result in an increase in the cost of producing our products. As a result, these types of claims could have a material adverse effect on our business, results of operations, and financial condition.

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Our business is subject to the risk of earthquakes, fire, power outages, floods, 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, floods, 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, such as an earthquake, fire, or flood, could result in substantial losses or other costs, and our insurance coverage may be insufficient or unavailable to compensate us for losses that may occur. Our corporate offices, one of our distribution centers, and one of our data center facilities are located in Texas, a state that frequently experiences floods and storms, and our third-party contract manufacturers ship most of our products to our distribution centers in Memphis, Tennessee, and Salt Lake City, Utah, which are susceptible to floods, earthquakes and wildfires. 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. Facilities of third-party logistics providers located in other countries that warehouse and distribute our finished products internationally also face local extreme weather conditions. Acts of terrorism and public health crises could also cause disruptions in our or our suppliers', manufacturers', and logistics providers' businesses or the economy as a whole. For example, the COVID-19 pandemic contributed significantly to global supply chain issues, with restrictions and limitations on related activities causing disruption and delay. These disruptions and delays strained certain domestic and international supply chains, which affected 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 Texas or other locations where we have operations or store significant inventory. Our servers are also 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. Any such disruptions to our third-party contract manufacturers could have similar effect.

Our results of operations are subject to seasonal and quarterly variations, which could cause the price repurchases of our common stock to decline.

We believe that our sales include a seasonal component. Historically, we have experienced our net sales to be highest in our second and fourth quarters, with during the first quarter generating the lowest sales. However, we expect the stop sale of the products related to the voluntary recalls to impact our traditional seasonal patterns in 2023, with net sales to be highest in the fourth quarter. We expect that this seasonality will continue to be a factor in our results of operations and sales, three months ended March 30, 2024.

Our annual and quarterly results of operations may also fluctuate significantly as a result of a variety of other factors, including, among other things, the timing of the introduction of and advertising for our new products and those of our competitors and changes in our product mix. Our results have also been, and may continue to be, impacted by the voluntary recalls of certain of our products and timing and our ability to provide a remedy with respect to the affected products. Variations in weather conditions may also harm our quarterly results of operations. In addition, we may not be able to adjust our spending in a timely manner to compensate for any unexpected shortfall in our sales. As a result of these seasonal and quarterly fluctuations, we believe that comparisons of our results of operations between different quarters within a single fiscal year, or across different fiscal years, are not necessarily meaningful and that these comparisons cannot be relied upon as indicators of our future performance. In the event that any seasonal or quarterly fluctuations in our net sales and results of operations result in our failure to meet our forecasts or the forecasts of the research analysts that may cover us in the future, the market price of our common stock could fluctuate or decline.

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, 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. For example, our insurance coverage does not cover us for business interruptions as they relate to public health crises and may not offer coverage for such interruptions related to future pandemics or epidemics. In addition, 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.

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Risks Related to Market and Global Economic Conditions

Our net sales and profits depend on the level of customer spending for our products, which is sensitive to general economic conditions and other factors; adverse economic conditions, such as a downturn in the economy or inflationary conditions resulting in rising prices, could adversely affect consumer purchases of discretionary items, which could materially harm our sales, profitability, and financial condition.

Our products are discretionary items for customers. Therefore, the success of our business depends significantly on economic factors and trends in consumer spending. There are a number of factors that influence consumer spending, including actual and perceived economic conditions, consumer confidence, disposable consumer income, consumer 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 or services if we do not continue to provide authentic, compelling, and high-quality premium products at appropriate price points. As global economic conditions continue to be volatile and economic uncertainty remains, trends in consumer discretionary spending also remain unpredictable and subject to declines. Any of these factors could harm discretionary consumer spending, resulting in a reduction in demand for our products, decreased prices, and harm to our business and results of operations. Moreover, consumer purchases of discretionary items, such as our 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. For example, increased oil costs, inflationary conditions resulting in rising prices, including the prices of our products, and increased interest rates could lead to declines in discretionary spending by consumers, resulting in a reduction in demand for our products, and in turn may materially adversely impact our sales, profitability, and financial condition. Adverse economic conditions in markets in which we sell our products particularly in the United States, may materially harm our sales, profitability, and financial condition.

Public health crises could negatively impact our business, sales, financial condition, results of operations and cash flows.

Public health crises and preventative measures taken to contain or mitigate them have caused, and may in the future cause, business slowdowns or shutdowns in affected areas and significant disruption in the financial markets both globally and in the United States. The emergence of a pandemic, epidemic, or infectious disease outbreak could, among other risks, lead to:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands) (1)
December 31, 2023 - February 3, 2024	—	\$ —	—	\$ —
February 4 - March 2, 2024 ⁽²⁾	1,998,501	40.03	1,998,501	200,000,000
March 3 - March 30, 2024	—	—	—	—
	<u>1,998,501</u>		<u>1,998,501</u>	<u>1,998,501</u>

⁽¹⁾ In February 2024, YETI's Board of Directors approved a \$300.0 million share repurchase program (the "Share Repurchase Program"). As of March 30, 2024, \$200.0 million remained under the possibility Share Repurchase Program. See Note 9-Stockholders' Equity of retail store closures or reduced operating hours and/or decreased retail

traffic; the Unaudited Condensed Consolidated Financial Statements for additional information about the Share Repurchase Program.

- (2) disruption On February 27, 2024, YETI entered into an accelerated share repurchase agreement (the "ASR Agreement") with Goldman Sachs & Co. LLC to our distribution centers repurchase \$100.0 million of YETI's common stock, and our third-party manufacturing partners and other vendors, including the effects of facility closures as a result of outbreaks of illnesses, or measures taken by federal, state or local governments to reduce the spread of illness, reductions in operating hours, labor shortages, and real time changes in operating procedures, including for additional cleaning and disinfection procedures; and
 - significant disruption of global financial markets, which could have a negative impact on our ability to access capital in the future.

For example, the COVID-19 pandemic contributed significantly to global supply chain constraints, with restrictions and limitations on related activities causing disruption and delay. These disruptions and delays strained domestic and international supply chains, resulting in port congestion, transportation delays as well as labor and container shortages, and affected the flow or availability of certain products. In addition, increased demand for online purchases of products impacted our fulfillment operations and small parcel network, resulting in potential delays in delivering products to our customers. Other future public health crises could have a similar effect.

The emergence of another pandemic, epidemic or infectious disease outbreak, including any required or voluntary actions to help limit the spread of illness, could impact our ability to carry out our business and may materially adversely impact global economic conditions, our business, results of operations, cash flows and financial condition. Such events could materially increase our costs, negatively impact our sales and damage our results of operations and liquidity, possibly to a significant degree. The extent of the impact of such events on our business and financial results cannot be predicted.

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Risks Related to Information Technology and Security

We rely significantly on information technology, and any failure, inadequacy or interruption of that technology could harm our ability to effectively operate our business, materially damage our customer and business partner relationships and subject us to significant reputational, financial, legal, and operational consequences.

We depend on our information technology systems, as well as those of third parties, to design and develop new products, process financial and accounting information, manage inventory and our supply chain, operate our website, host and manage our services, support our remote-working employees, store data, process transactions, respond to user inquiries, and conduct and manage various other operational activities. Any of these information systems could fail or experience a service interruption for a number of reasons, including our or a third party's failure to successfully manage significant increases in user volume, computer viruses, ransomware, programming errors, security breaches, hacking or other unlawful activities, disasters, system failures, or a third party's failure to properly maintain system redundancy or protect, repair, maintain or upgrade our or their systems. Any material disruption or slowdown of our systems or those of third parties that we depend upon could cause information, including data related to orders, to be lost or delayed, which could result in delays in the received an initial delivery of products to retailers and customers or lost sales, which could reduce demand for our products, harm our brand and reputation, and cause our sales to decline. These events could also subject us to lawsuits, as further described under "We collect, store, process, and use personal and payment information and other customer data, which subjects us to regulation and other legal obligations related to privacy, information security, and data protection."

We continuously make improvements to our information systems, including undertaking various technology upgrades and enhancements to support our business growth. The implementation 1,998,501 shares of new software and hardware involves risks and uncertainties that could cause disruptions, delays or deficiencies in the design, implementation or application of these systems. The failure of our information systems to operate effectively or to integrate with other systems, or a breach in security of these systems, could cause delays in product fulfillment and reduced efficiency of our operations, which could negatively impact our financial results. If we experienced any significant disruption to our financial information 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, and these systems face similar risks of interruption or attack. Consumers increasingly utilize these services to purchase our products and to engage with our brand. If we are unable to continue to provide consumers a user-friendly experience and evolve our platform to satisfy consumer preferences, the growth of our e-commerce business and our net revenues may be negatively impacted. If this software contains errors, bugs or other vulnerabilities which impede or halt service, this could result in damage to our reputation and brand, loss of users, or loss of revenue.

Remediation and repair of any failure, problem or breach of our key information systems could require significant capital investments. Furthermore, the implementation of new information technology systems or any remediation of our key information systems requires investment of capital and human resources, the re-engineering of business processes, and the attention of many employees who would otherwise be focused on other areas of our business. The implementation of new initiatives and remediation of existing systems may not achieve the anticipated benefits and may divert management's attention from other operational activities, negatively affect employee morale, or have other unintended consequences. Additionally, if we are not able to accurately forecast expenses and capitalized costs related to system upgrades and repairs, our financial condition and operating results may be adversely impacted.

We collect, store, process, and use personal and payment information and other customer data, which subjects us to regulation and other legal obligations related to privacy, information security, and data protection.

We collect, store, process, and use personal and payment information and other customer data, and we rely on third parties that are not directly under our control to manage certain of these operations. Our customers' personal information may include names, addresses, phone numbers, email addresses, payment card data, and payment account information, as well as other information. Due to the volume and sensitivity of the personal information and data we manage, the security features of our information systems are critical.

Threats to information technology security can take a variety of forms. Individual and groups of hackers and sophisticated organizations, including state-sponsored organizations or nation-states, continuously undertake attacks that may pose threats to our customers and our information technology systems. These actors may use a wide variety of methods, which may include developing and deploying malicious software or exploiting vulnerabilities in hardware, software, or other infrastructure in order to attack our information

technology systems or gain access to our systems, using social engineering techniques to induce our employees, users, partners, or customers to disclose passwords or other sensitive information, or take other actions to gain access to our data or our customers' data, impersonating authorized users, or acting in a coordinated manner to launch distributed denial of service or other coordinated attacks. Although we have taken steps to protect the security of our information systems and the data maintained in those

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systems, we have, from time to time, experienced threats to our data and systems, including malware and computer virus attacks and it is possible that in the future our safety and security measures will not prevent the systems' improper functioning or damage, or the improper access or disclosure of personally identifiable information such as in the event of cyberattacks. For example, system administrators may misconfigure networks, inadvertently providing access to unauthorized personnel or fail to timely remove employee account access when no longer appropriate. Employees or third parties may intentionally compromise our security or systems, or reveal confidential information. There have been media reports regarding increased cybersecurity threats and potential breaches because of the increase in numbers of individuals working from home. Additionally, external events, like the conflict between Russia and Ukraine, can increase the likelihood of cybersecurity attacks. Cyberthreats are constantly evolving, increasing the difficulty of detecting and successfully defending against them.

Any breach of our data security or that of our service providers could result in an unauthorized release or transfer of customer, consumer, user or employee information, or the loss of valuable business data or cause a disruption in our business. These events could give rise to unwanted media attention, damage our reputation, damage our customer, consumer, employee, or user relationships and result in lost sales, fines or lawsuits. We may also be required to expend significant capital and other resources to protect against or respond to or alleviate problems caused by a security breach, which could harm our results of operations. If we or our independent service providers or business partners experience a breach that compromises our customers' sensitive data, our brand could be harmed, sales of our products could decrease, and we could be exposed to losses, litigation, or regulatory proceedings. Depending on the nature of the information compromised, we may also have obligations to notify users, law enforcement, or payment companies about the incident and may need to provide some form of remedy, such as refunds, for the individuals affected by the incident.

In addition, privacy laws, rules, and regulations are constantly evolving in the United States and abroad and may be inconsistent from one jurisdiction to another. For example, in December 2020, the State of California enacted the California Privacy Rights Act, or CPRA, which became effective on January 1, 2023, and substantially amends and expands the current California Consumer Privacy Act bringing the California regulations more in line with the European Union's General Data Protection Regulation, or GDPR. Further, as we expand internationally, we are subject to additional privacy rules, such as the GDPR, many of which are significantly more stringent than those in the United States. Complying with these evolving obligations is costly, and any failure to comply could give rise to unwanted media attention and other negative publicity, damage our customer and consumer relationships and reputation, and result in lost sales, fines, or lawsuits, and may harm our business and results of operations.

Risks Related to Our Financial Condition and Tax Matters

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 increased 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. Global economic factors affecting the financial and credit markets, such as diminished liquidity and credit availability, increases in inflation rates, rising interest rates, declines in consumer confidence, declines in economic growth, and uncertainty about stability could impact our ability to obtain 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 YETI's common stock. In addition, any indebtedness April 2024, the ASR Agreement was completed and we incur may subject us to covenants that restrict our operations and will require interest and principal payments that could create received an additional cash demands and financial risk for us.

Our indebtedness may limit our ability to invest in the ongoing needs 624,674 shares of our business and if we are unable to comply with the covenants in our current Credit Facility, our liquidity and results of operations could be harmed.

As of September 30, 2023, we had \$83.3 million principal amount of indebtedness outstanding under the Credit Facility (as defined in Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Overview" of this Report). The Credit Facility is jointly and severally guaranteed by certain of our wholly-owned material subsidiaries, including YETI Coolers, LLC, which we refer to as YETI Coolers, and YETI Custom Drinkware LLC, and any of our future subsidiaries that become guarantors, together, which we refer to as the Guarantors, and is also secured by a first-priority lien on substantially all of our assets and the assets YETI's common stock. See Note 9-Stockholders' Equity of the Guarantors, in each case subject to certain customary exceptions. We may, from time to time, incur Unaudited Condensed Consolidated Financial Statements for additional indebtedness under the Credit Facility.

The Credit Facility places certain conditions on us, including, subject to certain conditions, reductions and exceptions, requiring us to utilize a portion of our cash flow from operations to make payments on our indebtedness, reducing the availability of our cash

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flow to fund working capital, capital expenditures, development activity, return capital to our stockholders, and other general corporate purposes. Our compliance with this condition may limit our ability to invest in the ongoing needs of our business. For example, complying with this condition:

- increases our vulnerability to adverse economic or industry conditions;
- limits our flexibility in planning for, or reacting to, changes in our business or markets;

- makes us more vulnerable to increases in interest rates, as borrowings under the Credit Facility bear interest at variable rates;
- limits our ability to obtain additional financing in the future for working capital or other purposes; and
- potentially places us at a competitive disadvantage compared to our competitors that have less indebtedness.

The Credit Facility places certain limitations on our ability to incur additional indebtedness. However, subject to the qualifications and exceptions in the Credit Facility, we may incur substantial additional indebtedness under that facility. The Credit Facility also places certain limitations on our ability to enter into certain types of transactions, financing arrangements and investments, to make certain changes to our capital structure, and to guarantee certain indebtedness, among other things. The Credit Facility also places certain restrictions on the payment of dividends and distributions and certain management fees. These restrictions limit or prohibit, among other things, and in each case, subject to certain customary exceptions, our ability to: (a) pay dividends on, redeem or repurchase our stock, or make other distributions; (b) incur or guarantee additional indebtedness; (c) sell stock in our subsidiaries; (d) create or incur liens; (e) make acquisitions or investments; (f) transfer or sell certain assets or merge or consolidate with or into other companies; (g) make certain payments or prepayments of indebtedness subordinated to our obligations under the Credit Facility; and (h) enter into certain transactions with our affiliates.

The Credit Facility requires us to comply with certain covenants, including financial covenants regarding our total net leverage ratio and interest coverage ratio. Fluctuations in these ratios may increase our interest expense. Failure to comply with these covenants and certain other provisions of the Credit Facility, or the occurrence of a change of control, could result in an event of default and an acceleration of our obligations under the Credit Facility or other indebtedness that we may incur in the future.

If such an event of default and acceleration of our obligations occurs, the lenders under the Credit Facility would have the right to proceed against the collateral we granted to them to secure such indebtedness, which consists of substantially all of our assets. If the debt under the Credit Facility were to be accelerated, we may not have sufficient cash or be able to sell sufficient collateral to repay this debt, which would immediately and materially harm our business, results of operations, and financial condition. The threat of our debt being accelerated in connection with a change of control could make it more difficult for us to attract potential buyers or to consummate a change of control transaction that would otherwise be beneficial to our stockholders.

If our goodwill, other intangible assets, or fixed assets become impaired, we may be required to record a charge to our earnings.

We may be required to record future impairments of goodwill, other intangible assets, or fixed assets to the extent the fair value of these assets falls below their book value. Our estimates of fair value are based on assumptions regarding future cash flows, gross margins, expenses, discount rates applied to these cash flows, and current market estimates of value. Estimates used for future sales growth rates, gross profit performance, and other assumptions used to estimate fair value could cause us to record material non-cash impairment charges, which could harm our results of operations and financial condition.

Changes in tax laws or unanticipated tax liabilities could adversely affect our effective income tax rate and profitability.

We are subject to income taxes in the United States (federal and state) and various foreign jurisdictions. Our effective income tax rate could be adversely affected in the future by a number of factors, including changes in the valuation of deferred tax assets and liabilities, changes in tax laws and regulations or their interpretations and application, and the outcome of income tax audits in various jurisdictions around the world.

For example, on August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022 (the "IRA") which includes changes to the U.S. corporate income tax system, a 15% book minimum tax on corporations with three-year average annual adjusted financial statement income exceeding \$1 billion and a 1% excise tax on share repurchases. These provisions are generally effective for tax years beginning after December 31, 2022. If we become subject to additional taxes under the IRA, particularly in connection with any future share repurchase program, our financial condition, results of operations, effective tax rate, and cash flows could be negatively impacted.

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In addition, member states of the Organization for Economic Co-Operation and Development ("OECD") are continuing discussions surrounding fundamental changes to the taxing rights of governments and allocation of profits among tax jurisdictions in which companies do business. In December 2022, the European Union ("EU") member states reached an agreement to a 15% global minimum tax rate pursuant to the OECD's tax reform initiative. The directive is expected to be enacted into the national law of the EU member states by December 31, 2023. Although it is uncertain if more or all of these proposals will be enacted, a significant change in U.S. tax law, or that of other countries where we operate or have a presence, may materially and adversely impact our income tax liability, provision for income taxes and effective tax rate. We regularly assess all of these matters to determine the adequacy of our income tax provision, which is subject to significant judgment.

We are subject to credit risk in connection with providing credit to our retail partners, and our results of operations could be harmed if a material number of our retail partners were not able to meet their payment obligations.

We are exposed to credit risk primarily relating to our accounts receivable. We provide credit to our retail partners in the ordinary course of our business and perform ongoing credit evaluations. While we believe that our exposure to concentrations of credit risk with respect to trade receivables is mitigated by our large retail partner base, and we make allowances for credit losses, we nevertheless run the risk of our retail partners not being able to meet their payment obligations, particularly in a future economic downturn. If a material number of our retail partners were not able to meet their payment obligations, our results of operations could be harmed.

Risks Related to Ownership of Our Common Stock

If we are unable to maintain effective internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our reported financial information and the market price of our common stock may be negatively affected.

As a public company, we are required to maintain internal control over financial reporting and to report any material weaknesses in such internal controls. Section 404 of the Sarbanes-Oxley Act of 2002 requires that we evaluate and determine the effectiveness of our internal control over financial reporting and provide a management report on our internal controls on an annual basis. If we have material weaknesses in our internal control over financial reporting, we may not detect errors on a timely basis and our consolidated

financial statements may be materially misstated. We have enhanced our systems, processes and documentation to comply with Section 404 of the Sarbanes-Oxley Act and have hired additional employees and outside consultants to assist us in complying with these requirements; however, we may need to make additional improvements or hire additional employees or outside consultants to maintain such compliance.

Additionally, even if we conclude our internal controls are effective for a given period, we may in the future identify one or more material weaknesses in our internal controls, in which case our management will be unable to conclude that our internal control over financial reporting is effective. Our independent registered public accounting firm is required to issue an attestation report on the effectiveness of our internal control over financial reporting every fiscal year. Even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm may conclude that there are material weaknesses with respect to our internal controls or the level at which our internal controls are documented, designed, implemented or reviewed.

If we are unable to conclude that our internal control over financial reporting is effective or if our auditors were to express an adverse opinion on the effectiveness of our internal control over financial reporting because we had one or more material weaknesses, investors could lose confidence in the accuracy and completeness of our financial disclosures, which could cause the price of our common stock to decline. Irrespective of compliance with Section 404, any failure of our internal control over financial reporting could have a material adverse effect on our reported operating results and harm our reputation. Internal control deficiencies could also result in a restatement of our financial results.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of the Company 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 Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws may have the effect of delaying or preventing a change in control or changes in our management. Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws:

- provide that our Board of Directors is classified into three classes of directors;
- prohibit stockholders from taking action by written consent;
- provide that stockholders may remove directors only for cause, and only with the approval of holders of at least 66 2/3% of our then outstanding common stock;
- provide that the authorized number of directors may be changed only by resolution of the Board of Directors;

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- provide that all vacancies, including newly created directorships, may, except as otherwise required by law or as set forth in the Stockholders Agreement be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum;
- provide that stockholders seeking to present proposals before a meeting of stockholders or to nominate candidates for election as directors at a meeting of stockholders must provide notice in writing in a timely manner, and also specify requirements as to the form and content of a stockholder's notice;
- restrict the forum for certain litigation against us to Delaware;
- do not provide for cumulative voting rights (therefore allowing the holders of a majority of the shares of common stock entitled to vote in any election of directors to elect all of the directors standing for election);
- provide that special meetings of our stockholders may be called only by the Chairman of the Board of Directors, our CEO, or the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors;
- provide that stockholders will be permitted to amend our Amended and Restated Bylaws only upon receiving at least 66 2/3% of the votes entitled to be cast by holders of all outstanding shares then entitled to vote generally in the election of directors, voting together as a single class; and
- provide that certain provisions of our Amended and Restated Certificate of Incorporation may only be amended upon receiving at least 66 2/3% of the votes entitled to be cast by holders of all outstanding shares then entitled to vote, voting together as a single class.

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 of Directors, which is responsible for appointing the members of our management. In addition, we have opted out of the provisions of Section 203 of the General Corporation Law of the State of Delaware (the "DGCL"), which generally prohibit a Delaware corporation from engaging in any of a broad range of business combinations with any interested stockholder for a period of three years following the date on which the stockholder became an interested stockholder. However, our Amended and Restated Certificate of Incorporation provides substantially the same limitations as are set forth in Section 203 but also provides that Cortec Group Fund V, L.P., our controlling stockholder at the time of our initial public offering, and its affiliates and any of their direct or indirect transferees and any group as to which such persons are a party do not constitute "interested stockholders" for purposes of this provision.

Our Amended and Restated Certificate of Incorporation provides that the Court of Chancery of the State of Delaware is the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our Amended and Restated Certificate of Incorporation provides that, unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for: (a) any derivative action or proceeding brought on our behalf; (b) any action asserting a claim of breach of fiduciary duty owed by any of our stockholders, directors, officers, or other employees to us or to our stockholders; (c) any action asserting a claim arising pursuant to the DGCL; or (d) any action asserting a claim governed by the internal affairs doctrine. The choice of forum provision does not apply to any actions arising under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, or any other claim for which the federal courts have exclusive jurisdiction. The exclusive forum provision in the Amended and Restated Certificate of Incorporation will not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and stockholders of YETI will not be deemed to have waived our compliance with these laws, rules and regulations. 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. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated 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.

YETI Holdings, Inc. is a holding company with no operations of its own and, as such, it depends on its subsidiaries for cash to fund its operations and expenses, including future dividend payments, if any.

As a holding company, our principal source of cash flow is distributions from our subsidiaries. Therefore, our ability to fund and conduct our business, service our debt, and pay dividends, if any, depends on the ability of our subsidiaries to generate sufficient cash flow to make upstream cash distributions to us. Our subsidiaries are separate legal entities, and although they are wholly owned and controlled by us, they have no obligation to make any funds available to us, whether in the form of loans, dividends, or otherwise. The ability of our subsidiaries to distribute cash to us is also subject to, among other things, restrictions that may be contained in our subsidiary agreements (as entered into from time to time), availability of sufficient funds in such subsidiaries and applicable laws and regulatory restrictions. Claims of any creditors of our subsidiaries generally have priority as to the assets of such subsidiaries over our claims and claims of our creditors and stockholders. To the extent the ability of our subsidiaries to distribute dividends or other payments to us is limited in any way, our ability to fund and conduct our business, service our debt, and pay dividends, if any, could be harmed.

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General Risk Factors

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. 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. 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 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.

We may be the target of strategic transactions, which could divert our management's attention and otherwise disrupt our operations and adversely affect our business.

Other companies may seek to acquire us or enter into other strategic transactions. We will consider, discuss, and negotiate such transactions as we deem appropriate. The consideration of such transactions, even if not consummated, could divert management's attention from other business matters, result in adverse publicity or information leaks, and could increase our expenses.

We may be the target of stockholder activism, an unsolicited takeover proposal or a proxy contest or short sellers, which could negatively impact our business.

In recent years, there has been an increase in proxy contests, unsolicited takeovers and other forms of stockholder activism. We may be subject to such actions or proposals from stockholders or others that may not align with our business strategies or the interests of our other stockholders. If such a campaign or proposal were to be made against us, we would likely incur substantial costs, such as legal fees and expenses, and divert management's and our Board's attention and resources from our businesses and strategic plans. Stockholder activists may also seek to involve themselves in the governance, strategic direction and operations of our business through stockholder proposals, which could create perceived uncertainties or concerns as to our future operating environment, legislative environment, strategy, direction, or leadership. Any such uncertainties or concerns could result in the loss of potential business opportunities, harm our business and financial relationships, and harm our ability to attract or retain investors, customers and employees. Actions of activist stockholders may also cause significant fluctuations in our stock price based on temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business. We may also be the target of short sellers who engage in negative publicity campaigns that may use selective information that may be presented out of context or that may misrepresent facts and circumstances. Any of the foregoing could adversely affect our business and operating results.

We may acquire or invest in other companies, which could divert our management's attention, result in dilution to our stockholders, and otherwise disrupt our operations and harm our results of operations.

In the future, we may acquire or invest in businesses, products, or technologies that we believe could complement or expand our business, enhance our capabilities, or otherwise offer growth opportunities. The pursuit of potential acquisitions may divert the attention of management and cause us to incur various costs and expenses in identifying, investigating, and pursuing suitable acquisitions, whether or not they are consummated.

In any future acquisitions, we may not be able to successfully integrate acquired personnel, operations, and technologies, or effectively manage the combined business following the acquisition. We also may not achieve the anticipated benefits from future acquisitions due to a number of factors, including: (a) an inability to integrate or benefit from acquisitions in a profitable manner; (b) unanticipated costs or liabilities associated with the acquisition; (c) the incurrence of acquisition-related costs; (d) the diversion of

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management's attention from other business concerns; (e) the loss of our or the acquired business' key employees; or (f) the issuance of dilutive equity securities, the incurrence of debt, or the use of cash to fund such acquisitions.

In addition, a significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment at least annually. In the future, if our acquisitions do not yield expected returns, we may be required to take charges to our results of operations based on this impairment assessment process, which could harm our results of operations.

Item 5. Other Information

Insider Trading Arrangements

During the three months ended **September 30, 2023** **March 30, 2024**, none of our officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or constituted a "non Rule 10b5-1 trading arrangement."

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Item 6. Exhibits.

Exhibit Number	Exhibit
3.1	Amended and Restated Certificate of Incorporation of YETI Holdings, Inc. (filed as Exhibit 3.1 to the Company's Current Report on Form 8-K on October 26, 2018 and incorporated herein by reference)
3.2	Amended and Restated Bylaws of YETI Holdings, Inc. (filed as Exhibit 3.2 to the Company's Current Report on Form 8-K on October 26, 2018 and incorporated herein by reference)
10.1*	Fifth Amendment to Credit Agreement, dated as of February 26, 2024, by and among YETI Holdings, Inc., the subsidiaries of YETI Holdings, Inc. party thereto, the lenders party thereto and Bank of America, N.A., as administrative agent
10.2*	Master Confirmation, dated as of February 27, 2024, between YETI Holdings, Inc. and Goldman Sachs & Co. LLC
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101*	The following unaudited financial statements from YETI Holdings, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2023 March 30, 2024 , formatted in Inline eXtensible Business Reporting Language (XBRL): (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations, (iii) Condensed Consolidated Statements of Comprehensive Income, (iv) Condensed Consolidated Statements of Equity, (v) Consolidated Statements of Cash Flows, and (v) Notes to the Unaudited Condensed Consolidated Financial Statements
104*	Cover Page Interactive Data File (embedded within the Exhibit 101 Inline XBRL document)

* Filed herewith.

** Furnished herewith.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

YETI Holdings, Inc.

Dated: **November 9, 2023** **May 9, 2024**

By: /s/ Matthew J. Reintjes

Matthew J. Reintjes
President and Chief Executive Officer, Director
(Principal Executive Officer)

Dated: **November 9, 2023** **May 9, 2024**

By: /s/ Michael J. McMullen

Michael J. McMullen
Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer and Principal Accounting Officer)

FIFTH AMENDMENT TO CREDIT AGREEMENT

THIS FIFTH AMENDMENT TO CREDIT AGREEMENT (this "Amendment"), dated as of February 26, 2024 (the "Fifth Amendment Effective Date"), is by and among **YETI HOLDINGS, INC.**, a Delaware corporation (the "Borrower"), the Subsidiary Loan Parties party hereto, the Lenders party hereto, and **BANK OF AMERICA, N.A.**, as administrative agent (in such capacity, the "Administrative Agent"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Existing Credit Agreement (as defined below).

WITNESSETH

WHEREAS, the Borrower, the Lenders from time to time party thereto, the Issuing Banks from time to time party thereto and the Administrative Agent are parties to that certain Credit Agreement, dated as of May 19, 2016 (as amended, restated, amended and restated, modified, extended, replaced or supplemented from time to time prior to the Fifth Amendment Effective Date, the "Existing Credit Agreement"; the Existing Credit Agreement, as amended by this Amendment, the "Amended Credit Agreement");

WHEREAS, the Borrower has requested that the Lenders amend certain provisions of the Existing Credit Agreement; and

WHEREAS, the Lenders party hereto are willing to make such amendments to the Existing Credit Agreement, in accordance with and subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

Article I

AMENDMENTS TO EXISTING CREDIT AGREEMENT

I.1 Amendments to Existing Credit Agreement.

(a) The definition of "U.S. Government Securities Business Day" set forth in Section 1.01 of the Existing Credit Agreement is amended and restated in its entirety to read as follows:

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

(b) Section 6.06 of the Existing Credit Agreement is amended to (i) replace the "and" at the end of clause (a) thereof with ";", and (ii) add the following text immediately following the end of clause (b) thereof to read as follows:

, and (c) Hedging Agreements entered into by the Borrower for the purpose of consummating repurchases of the Borrower's Equity Interests that are permitted pursuant to Section 6.07 (including in connection with any accelerated share purchase program)

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Article II

CONDITION TO EFFECTIVENESS

II.1 Condition to Effectiveness. This Amendment shall become effective on the Fifth Amendment Effective Date upon receipt by the Administrative Agent of counterparts of this Amendment duly executed by the Borrower, the Subsidiary Loan Parties, the Required Lenders, and the Administrative Agent.

Article III

MISCELLANEOUS

III.1 Representations and Warranties of Loan Parties. Each Loan Party represents and warrants as follows:

- (a) It has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of this Amendment.
- (b) This Amendment has been duly executed and delivered by such Person and constitutes such Person's legal, valid and binding obligation, enforceable in accordance with its terms, except as such enforceability may be subject to (i) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).
- (c) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by such Person of this Amendment.
- (d) After giving effect to this Amendment, no event has occurred and is continuing which constitutes a Default or an Event of Default.
- (e) The Obligations are not reduced or modified except as expressly set forth herein by this Amendment and are not subject to any offsets, defenses or counterclaims as of the date hereof.

III.2 Reaffirmation of Obligations. Each Loan Party hereby ratifies each Loan Document to which it is a party and acknowledges and reaffirms (a) that it is bound by all terms of each Loan Document applicable to it to which it is a party (including the terms of the Amended Credit Agreement) and (b) that it is responsible for the observance and full performance of its respective Obligations. Each Loan Party (i) agrees that the Security Documents continue to be in full force and effect and are not impaired or adversely affected in any manner whatsoever, (ii) confirms its grant of security interests pursuant to the Security Documents to which it is a party as Collateral for the Obligations, and (iii) acknowledges that all Liens granted pursuant to the Security Documents remain and continue in full force and effect in respect of, and to secure, the Obligations.

III.3 Loan Document. This Amendment shall constitute a Loan Document under the terms of the Amended Credit Agreement. Except as expressly modified and amended in this Amendment, all of

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the terms, provisions and conditions of the Loan Documents shall remain unchanged and in full force and effect. The Loan Documents and any and all other documents heretofore, now or hereafter executed and delivered pursuant to the terms of the Existing Credit Agreement are hereby amended so that any reference to the Existing Credit Agreement shall mean a reference to the Amended Credit Agreement.

III.4 Further Assurances. The Loan Parties agree to promptly take such action, upon the request of the Administrative Agent, as is necessary to carry out the intent of this Amendment.

III.5 Entirety. This Amendment and the other Loan Documents embody the entire agreement among the parties hereto and supersede all prior agreements and understandings, oral or written, if any, relating to the subject matter hereof.

III.6 Counterparts; Electronic Execution. Subject to Section 9.20 of the Existing Credit Agreement, this Amendment may be in the form of an Electronic Record and may be executed using Electronic Signatures (including facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record. This Amendment may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Amendment. The authorization under this Section 3.6 may include use or acceptance by the Administrative Agent and each Lender of a manually signed paper copy of this Amendment which has been converted into electronic form (such as scanned into .pdf format), or an electronically signed copy of this Amendment converted into another format, for transmission, delivery and/or retention.

III.7 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

III.8 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

III.9 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial. The jurisdiction, service of process and waiver of jury trial provisions set forth in Sections 9.09 and 9.10 of the Existing Credit Agreement are hereby incorporated by reference, *mutatis mutandis*.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties hereto have caused this Amendment to be duly executed on the date first above written.

BORROWER: YETI HOLDINGS, INC.

By: /s/ Mike McMullen
Name: Mike McMullen
Title: Senior Vice President, Chief Financial Officer and Treasurer

SUBSIDIARY LOAN PARTIES: YETI COOLERS, LLC

By: /s/ Mike McMullen
Name: Mike McMullen
Title: Senior Vice President, Chief Financial Officer and Treasurer

YETI CUSTOM DRINKWARE LLC

By: /s/ Bryan C. Barksdale
Name: Bryan C. Barksdale
Title: Senior Vice President, General Counsel and Secretary

YETI HOLDINGS, INC.
FIFTH AMENDMENT TO CREDIT AGREEMENT

ADMINISTRATIVE AGENT: BANK OF AMERICA, N.A.
as Administrative Agent

By: /s/ Bridgett J. Manduk Mowry
Name: Bridgett J. Manduk Mowry
Title: Vice President

YETI HOLDINGS, INC.

LENDERS: BANK OF AMERICA, N.A.

as a Lender and an Issuing Bank

By: /s/ John Dorost

Name: John Dorost

Title: Director

YETI HOLDINGS, INC.

FIFTH AMENDMENT TO CREDIT AGREEMENT

CITIZENS BANK, N.A.,

as a Lender

By: /s/ Kenneth D. Stover

Name: Kenneth D. Stover

Title: Vice President

YETI HOLDINGS, INC.

FIFTH AMENDMENT TO CREDIT AGREEMENT

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as a Lender

By: /s/ Robert Corder

Name: Robert Corder

Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: s/ Michael Cuccia
Name: Michael Cuccia
Title: Senior Vice President

CITIBANK, N.A.,
as a Lender

By: s/ Christine Keating
Name: Christine Keating
Title: Director

GOLDMAN SACHS BANK USA,
as a Lender

By: s/ Priyankush Goswami
Name: Priyankush Goswami
Title: Authorized Signatory

HANCOCK WHITNEY BANK,
as a Lender

By: /s/ William Jochetz
Name: William Jochetz
Title: Senior Vice President

YETI HOLDINGS, INC.
FIFTH AMENDMENT TO CREDIT AGREEMENT

CAMDEN NATIONAL BANK,
as a Lender

By: /s/ Nathan Williams
Name: Nathan Williams
Title: Vice President

YETI HOLDINGS, INC.
FIFTH AMENDMENT TO CREDIT AGREEMENT

Exhibit 10.2

GOLDMAN SACHS & CO. LLC | 200 WEST STREET | NEW YORK, NEW YORK 10282-2198 | TEL: 212-902-1000

Opening Transaction

To: YETI Holdings, Inc.
7601 Southwest Parkway
Austin, TX 78735
A/C: 068350636
From: Goldman Sachs & Co. LLC
Re: Accelerated Stock Buyback
Ref. No: As provided in the Supplemental Confirmation
Date: February 27, 2024

This master confirmation (this "Master Confirmation"), dated as of **February 27, 2024** is intended to set forth certain terms and provisions of certain Transactions (each, a "Transaction") entered into from time to time between Goldman Sachs & Co. LLC ("GS&Co.") and YETI Holdings, Inc. ("Counterparty"). This Master Confirmation, taken alone, is neither a commitment by either party to enter into any Transaction nor evidence of a Transaction. The additional terms of any particular Transaction shall be set forth in a Supplemental Confirmation in the form of Schedule A hereto (a "Supplemental Confirmation"), which shall reference this Master Confirmation and supplement, form a part of, and be subject to this Master Confirmation. This Master Confirmation and each Supplemental Confirmation together shall constitute a "Confirmation" as referred to in the Agreement specified below.

The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions (the "Equity Definitions"), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Master Confirmation. This Master Confirmation and each Supplemental Confirmation evidence a complete binding agreement between Counterparty and GS&Co. as to the subject matter and terms of each Transaction to which this Master Confirmation and such Supplemental Confirmation relate and shall supersede all prior or contemporaneous written or oral communications with respect thereto.

This Master Confirmation and each Supplemental Confirmation supplement, form a part of, and are subject to an agreement in the form of the 2002 ISDA Master Agreement (Multicurrency-Cross Border) (the "Agreement") as if GS&Co. and Counterparty had executed the Agreement on the date of this Master Confirmation (but without any Schedule except for (i) the election of New York law (without reference to its choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law) as the governing law and US Dollars ("USD") as the Termination Currency, (ii) the election that subparagraph (ii) of Section 2(c) will not apply to the Transactions, and (iii) the election that the "Cross Default" provisions of Section 5(a)(vi) shall apply to Counterparty, with a "Threshold Amount" of USD 50 million).

The Transactions shall be the sole Transactions under the Agreement. If there exists any ISDA Master Agreement between GS&Co. and Counterparty or any confirmation or other agreement between GS&Co. and Counterparty pursuant to which an ISDA Master Agreement is deemed to exist between GS&Co. and Counterparty, then notwithstanding anything to the contrary in such ISDA Master Agreement, such confirmation or agreement or

any other agreement to which GS&Co. and Counterparty are parties, the Transactions shall not be considered Transactions under, or otherwise governed by, such existing or deemed ISDA Master Agreement.

All provisions contained or incorporated by reference in the Agreement shall govern this Master Confirmation and each Supplemental Confirmation except as expressly modified herein or in the related Supplemental Confirmation.

If, in relation to any Transaction to which this Master Confirmation and a Supplemental Confirmation relate, there is any inconsistency between the Agreement, this Master Confirmation, any Supplemental Confirmation and the Equity Definitions, the following will prevail for purposes of such Transaction in the order of precedence indicated: (i) such Supplemental Confirmation; (ii) this Master Confirmation; (iii) the Equity Definitions; and (iv) the Agreement.

1. Each Transaction constitutes a Share Forward Transaction for the purposes of the Equity Definitions. Set forth below are the terms and conditions that, together with the terms and conditions set forth in the Supplemental Confirmation relating to any Transaction, shall govern such Transaction.

General Terms:

Trade Date: For each Transaction, as set forth in the related Supplemental Confirmation.

Buyer: Counterparty

Seller: GS&Co.

Shares: Common stock, par value of \$0.01 per share, of Counterparty (Ticker: YETI)

Exchange: New York Stock Exchange

Related Exchange(s): All Exchanges.

Prepayment/Variable

Obligation: Applicable

Prepayment Amount: For each Transaction, as set forth in the related Supplemental Confirmation.

Prepayment Date: For each Transaction, as set forth in the related Supplemental Confirmation.

Valuation:

VWAP Price: For any Exchange Business Day, as determined by the Calculation Agent based on the New York 10b-18 Volume Weighted Average Price per Share for the regular trading session (including any extensions thereof) of the Exchange on such Exchange Business Day (without regard to pre-open or after hours trading outside of such regular trading session for such Exchange Business Day), as published by Bloomberg at 4:15 p.m. New York time (or 15 minutes following the end of any extension of the regular trading session) on such Exchange Business Day, on Bloomberg page "YETI <Equity> AQR_SEC" (or any successor thereto), or if such price is not so reported on such Exchange Business Day for any reason or is, in the Calculation Agent's reasonable discretion, erroneous, such VWAP Price shall be as reasonably determined by the Calculation Agent. For purposes of calculating the VWAP Price, the

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Calculation Agent will include only those trades that are reported during the period of time during which Counterparty could purchase its own shares under Rule 10b-18(b)(2) and are effected pursuant to the conditions of Rule 10b-18(b)(3), each under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (such trades, "Rule 10b-18 eligible transactions").

Forward Price: The average of the VWAP Prices for the Exchange Business Days in the Calculation Period, subject to "Valuation Disruption" below

Forward Price

Adjustment Amount: For each Transaction, as set forth in the related Supplemental Confirmation.

Calculation Period: The period from and including the Calculation Period Start Date to and including the Termination Date.

Calculation Period Start Date: For each Transaction, as set forth in the related Supplemental Confirmation.

Termination Date: The Scheduled Termination Date; provided that GS&Co. shall have the right to designate any Exchange Business Day on or after the First Acceleration Date to be the Termination Date for all or a portion (the "Accelerated Termination Date") by delivering notice (the "Accelerated Termination Notice") to Counterparty of any such designation prior to 11:59 p.m. New York City time on the Exchange Business Day immediately following the designated Accelerated Termination Date.

Scheduled Termination Date: For each Transaction, as set forth in the related Supplemental Confirmation, subject to postponement as provided in "Valuation Disruption" below

First Acceleration Date: For each Transaction, as set forth in the related Supplemental Confirmation

Valuation Disruption: The definition of "Market Disruption Event" in Section 6.3(a) of the Equity Definitions is hereby amended by deleting the words "at any time during the one-hour period that ends at the relevant Valuation Time, Latest Exercise Time, Knock-in Valuation Time or Knock-out Valuation Time, as the case may be" and inserting the words "at any time on any Scheduled Trading Day during the Calculation Period or Settlement Valuation Period" after the word "material," in the third line thereof.

Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term "Scheduled Closing Time" in the fourth line thereof.

Notwithstanding anything to the contrary in the Equity Definitions, to the extent that a Disrupted Day occurs (i) in the Calculation Period, the Calculation Agent may, in its good faith and commercially reasonable discretion, postpone the Scheduled Termination Date, or (ii) in the Settlement Valuation Period, the Calculation

Agent may extend the Settlement Valuation Period. If any such Disrupted Day is a Disrupted Day because of a Market Disruption Event (or a deemed Market Disruption Event as provided herein), the Calculation Agent shall determine whether (i) such Disrupted Day is a Disrupted Day in full, in which case the VWAP Price for such Disrupted Day shall not be included for purposes of determining the Forward Price or the Settlement Price, as the case may be, or (ii) such Disrupted Day is a Disrupted Day only in part, in which

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case the VWAP Price for such Disrupted Day shall be determined by the Calculation Agent based on Rule 10b-18 eligible transactions in the Shares on such Disrupted Day taking into account the nature and duration of the relevant Market Disruption Event, and the weighting of the VWAP Price for the relevant Exchange Business Days during the Calculation Period or the Settlement Valuation Period, as the case may be, shall be adjusted in a commercially reasonable manner by the Calculation Agent for purposes of determining the Forward Price or the Settlement Price, as the case may be, with such adjustments based on, among other factors, the duration of any Market Disruption Event and the volume, historical trading patterns and price of the Shares. Any Exchange Business Day on which, as of the date hereof, the Exchange is scheduled to close prior to its normal close of trading shall be deemed not to be an Exchange Business Day; if a closure of the Exchange prior to its normal close of trading on any Exchange Business Day is scheduled following the date hereof, then such Exchange Business Day shall be deemed to be a Disrupted Day in full.

If a Disrupted Day occurs during the Calculation Period or the Settlement Valuation Period, as the case may be, and each of the nine immediately following Scheduled Trading Days is a Disrupted Day, then the Calculation Agent, in its good faith and commercially reasonable discretion, may deem such ninth Scheduled Trading Day to be an Exchange Business Day that is not a Disrupted Day and determine the VWAP Price for such ninth Scheduled Trading Day using its good faith estimate of the value of the Shares on such ninth Scheduled Trading Day based on the volume, historical trading patterns and price of the Shares and such other factors as it deems appropriate.

Settlement Terms:

Settlement Procedures: If the Number of Shares to be Delivered is positive, Physical Settlement shall be applicable; *provided* that GS&Co. does not, and shall not, make the agreement or the representations set forth in Section 9.11 of the Equity Definitions related to the restrictions imposed by applicable securities laws with respect to any Shares delivered by GS&Co. to Counterparty under any Transaction. If the Number of Shares to be Delivered is negative, then the Counterparty Settlement Provisions in Annex A shall apply.

Number of Shares

to be Delivered: A number of Shares equal to (x)(a) the Prepayment Amount *divided by* (b) the Divisor Amount *minus* (y) the number of Initial Shares.

Divisor Amount: The greater of (i) the Forward Price *minus* the Forward Price Adjustment Amount and (ii) \$1.00.

Excess Dividend Amount: For the avoidance of doubt, all references to the Excess Dividend Amount shall be deleted from Section 9.2(a)(iii) of the Equity Definitions.

Settlement Date: If the Number of Shares to be Delivered is positive, the earlier of (x) the date that is one Settlement Cycle immediately following the Scheduled Termination Date or, (y) the date that is one Settlement Cycle immediately following the date on which GS&Co. delivers the Accelerated Termination Notice.

Settlement Currency: USD

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Initial Share Delivery: GS&Co. shall deliver a number of Shares equal to the Initial Shares to Counterparty on the Initial Share Delivery Date in accordance with Section 9.4 of the Equity Definitions, with the Initial Share Delivery Date deemed to be a "Settlement Date" for purposes of such Section 9.4.

Initial Share Delivery Date: For each Transaction, as set forth in the related Supplemental Confirmation.

Initial Shares: For each Transaction, as set forth in the related Supplemental Confirmation.

Share Adjustments:

Potential Adjustment Event: Notwithstanding anything to the contrary in Section 11.2(e) of the Equity Definitions, an Extraordinary Dividend shall not constitute a Potential Adjustment Event.

It shall constitute an additional Potential Adjustment Event if the Scheduled Termination Date for any Transaction is postponed pursuant to "Valuation Disruption" above, in which case the Calculation Agent may, in its commercially reasonable discretion, adjust any relevant terms of any such Transaction as necessary to preserve as nearly as practicable the fair value of such Transaction to GS&Co. prior to such postponement.

Extraordinary Dividend: For any calendar quarter, any dividend or distribution on the Shares with an ex-dividend date occurring during such calendar quarter (other than any dividend or distribution of the type described in Section 11.2(e)(i) or Section 11.2(e)(ii)(A) of the Equity Definitions).

Method of Adjustment: Calculation Agent Adjustment

Extraordinary Events:

Consequences of
Merger Events:

- (a) Share-for-Share: Modified Calculation Agent Adjustment
- (b) Share-for-Other: Cancellation and Payment
- (c) Share-for-Combined: Component Adjustment

Tender Offer: Applicable; provided that (i) the definition of "Tender Offer" in Section 12.1 of the Equity Definitions will be amended by replacing "10%" in the third line thereof with "20%", (ii) Section 12.1(l) of the Equity Definitions shall be amended (x) by deleting the parenthetical in the fifth line thereof, (y) by replacing "that" in the fifth line thereof with "whether or not such announcement" and (z) by adding immediately after the words "Tender Offer" in the fifth line thereof, and any publicly announced change or amendment to such an announcement (including the announcement of an abandonment of such intention) and (iii) Sections 12.3(a) and 12.3(d) of the Equity Definitions shall each be amended by replacing each occurrence of the words "Tender Offer Date" by "Announcement Date."

Consequences of
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Tender Offers:

- (a) Share-for-Share: Modified Calculation Agent Adjustment
- (b) Share-for-Other: Modified Calculation Agent Adjustment
- (c) Share-for-Combined: Modified Calculation Agent Adjustment

Composition of Combined

Consideration: Not Applicable; provided that notwithstanding Sections 12.1(f) and 12.5(b) of the Equity Definitions, to the extent that the composition of the consideration for the relevant Shares in connection with a Merger Event or Tender Offer could be determined by a holder of the Shares, the Calculation Agent shall determine in good faith and in a commercially reasonable manner the composition of such consideration for purposes of determining the consequences of such Merger Event or Tender Offer under the Transaction.

Nationalization,

Insolvency or Delisting: Cancellation and Payment; provided that in addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it shall also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange.

Additional Disruption Events:

(a)

Change in Law: Applicable; *provided* that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by (i) replacing the phrase "the interpretation" in the third line thereof with the phrase ", or public announcement of, the formal or informal interpretation", (ii) replacing the word "Shares" where it appears in clause (X) thereof with the words "Hedge Position" and (iii) immediately following the word "Transaction" in clause (X) thereof, adding the phrase "in the manner contemplated by the Hedging Party on the Trade Date"; *provided further* that (i) any determination as to whether (A) the adoption of or any change in any applicable law or regulation (including, for the avoidance of doubt and without limitation, (x) any tax law or (y) adoption or promulgation of new regulations authorized or mandated by existing statute) or (B) the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), in each case, constitutes a "Change in Law" shall be made without regard to Section 739 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after the Trade Date, and (ii) Section 12.9(a)(ii) of the

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Equity Definitions is hereby amended by replacing the parenthetical beginning after the word "regulation" in the second line thereof with the words "(including, for the avoidance of doubt and without limitation, (x) any tax law or (y) adoption or promulgation of new regulations authorized or mandated by existing statute)"; and *provided, further*, that any determination to be made by the Hedging Party shall be made in good faith and in a commercially reasonable manner.

(b)

Failure to Deliver: Applicable

(c)

Insolvency Filing: Applicable

(d)

Hedging Disruption: Applicable

(e)

Increased Cost of Hedging: Applicable

(f)

Loss of Stock Borrow: Applicable

Maximum Stock Loan Rate: For each Transaction, as set forth in the related Supplemental Confirmation.

Hedging Party: GS&Co.

(g)

Increased Cost of Stock Borrow: Applicable

Initial Stock Loan Rate: For each Transaction, as set forth in the related Supplemental Confirmation.

Hedging Party: GS&Co.

Determining Party: For all Extraordinary Events, GS&Co.; provided that, when making any election, determination or calculation, the Determining Party shall be bound by the same obligations applicable to the Calculation Agent as set forth in Section 1.40 of the Equity Definitions as if the Determining Party were the Calculation Agent. Following any election, determination or calculation by the Determining Party hereunder, upon a written request by Counterparty, the Determining Party shall promptly (but in any event within five Scheduled Trading Days) provide to Counterparty by e-mail to the e-mail address provided by Counterparty in such request a report (in a commonly used file format for the storage and manipulation of financial data) displaying in reasonable detail the basis for such election, determination or calculation (including any assumptions, quotations, market data or information from internal or external sources used in making such election, determination or calculation), it being understood that the Determining Party shall not be obligated to disclose any proprietary or confidential models used by it for such determination or calculation or any information that may be

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proprietary or confidential or subject to an obligation not to disclose such information.

Additional Termination Event(s): Notwithstanding anything to the contrary in the Equity Definitions, if, as a result of an Extraordinary Event, any Transaction would be cancelled or terminated (whether in whole or in part) pursuant to Article 12 of the Equity Definitions, an Additional Termination Event (with such terminated Transaction(s) (or portions thereof) being the Affected Transaction(s) and Counterparty being the sole Affected Party) shall be deemed to occur, and, in lieu of Sections 12.7, 12.8 and 12.9 of the Equity Definitions, Section 6 of the Agreement shall apply to such Affected Transaction(s).

The declaration by the Issuer of any Extraordinary Dividend, the ex-dividend date for which occurs or is scheduled to occur during the Relevant Dividend Period, will constitute an Additional Termination Event, with Counterparty as the sole Affected Party and all Transactions hereunder as the Affected Transactions.

Relevant Dividend Period: The period from and including the Calculation Period Start Date to and including the Relevant Dividend Period End Date.

Relevant Dividend Period

End Date: If the Number of Shares to be Delivered is negative, the last day of the Settlement Valuation Period; otherwise, the Termination Date.

Non-Reliance/Agreements and Acknowledgements Regarding Hedging Activities/Additional

Acknowledgements: Applicable

Transfer: Notwithstanding anything to the contrary in the Agreement, GS&Co. may assign, transfer and set over all rights, title and interest, powers, privileges and remedies of GS&Co. under any Transaction, in whole or in part, to an affiliate of GS&Co. whose obligations are guaranteed by The Goldman Sachs Group, Inc. without the consent of Counterparty; *provided* that such affiliate's obligations hereunder will be guaranteed, pursuant to the terms of a customary guarantee in a form used by GS&Co. generally for similar transactions, by GS&Co.; and *provided further* that (i) no Event of Default or Termination Event with respect to which GS&Co. is the Defaulting Party or sole Affected Party, as the case may be, has occurred and is continuing at the time of the transfer or will occur as a result therefrom, (ii) as of the date of such assignment or transfer, and giving effect thereto, Counterparty will not be required (A) to pay (including a payment in kind) under Section 2(d)(i)(4) to GS&Co. or such transferee an amount greater than the amount in respect of an Indemnifiable Tax Counterparty would have been required to pay to GS&Co. in the absence of such transfer or (B) to deduct or withhold on account of Tax from any payments under the Agreement or will be required to gross up for such Tax under Section 2(d)(i)(4) of the Agreement, , and (iii) Counterparty would not, at the time and as a result of such transfer or assignment, reasonably be expected to become subject to any registration, qualification, reporting or other requirement under applicable law or

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regulation to which it would not otherwise have been subject absent such transfer or assignment.

GS&Co. Payment Instructions: [***]

Counterparty's Contact Details

for Purpose of Giving Notice: To be provided by Counterparty

GS&Co.'s Contact Details for

Purpose of Giving Notice: Goldman Sachs & Co. LLC

[***]

With a copy to:

[***]

And email notification to the following address:

[***]

Calculation Agent: GS&Co.; *provided* that (i) if an Event of Default as a result of Section 5(a)(vii) of the Agreement has occurred and is continuing with respect to GS&Co, then Counterparty shall have the right to designate a Calculation Agent that is a leading recognized dealer in equity derivatives (as determined in good

faith by Counterparty) for so long as such Event of Default is continuing. Following any determination, calculation or adjustment by the Calculation Agent hereunder, upon a written request by Counterparty, the Calculation Agent, shall promptly (but in any event within five Scheduled Trading Days) provide to Counterparty by e-mail to the e-mail address provided by Counterparty in such request a report (in a commonly used file format for the storage and manipulation of financial data) displaying in reasonable detail the basis for such determination, calculation or adjustment (including any assumptions, quotations, market data or information from internal or external sources used in making such calculation, determination or adjustment), it being understood that the Calculation Agent shall not be obligated to disclose any proprietary or confidential models used by it for such determination or calculation or any information that may be proprietary or confidential or subject to an obligation not to disclose such information.

2. Additional Mutual Representations, Warranties and Covenants of Each Party. In addition to the representations, warranties and covenants in the Agreement, each party represents, warrants and covenants to the other party that:

Eligible Contract Participant. It is an "eligible contract participant", as defined in the U.S. Commodity Exchange Act (as amended), and is entering into each Transaction hereunder as principal (and not as agent or in any other capacity, fiduciary or otherwise) and not for the benefit of any third party.

Accredited Investor. Each party acknowledges that the offer and sale of each Transaction to it is intended to be exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), by virtue of Section 4(a)(2) thereof. Accordingly, each party represents and warrants to the other that (i) it has the financial ability to bear the economic risk of its investment in each Transaction and is able to bear a total loss of its investment, (ii) it is an "accredited investor" as that term is defined under Regulation D under the Securities Act and (iii) the disposition of each Transaction is restricted under this Master Confirmation, the Securities Act and state securities laws.

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3. Additional Representations, Warranties and Covenants of Counterparty. In addition to the representations, warranties and covenants in the Agreement, Counterparty represents, warrants and covenants to GS&Co. that:

(a) The purchase or writing of each Transaction and the transactions contemplated hereby will not violate Rule 13e-1 or Rule 13e-4 under the Exchange Act.

(b) It is not entering into any Transaction (i) on the basis of, and is not aware of, any material non-public information with respect to the Shares (ii) in anticipation of, in connection with, or to facilitate, a distribution of its securities, a self tender offer or a third-party tender offer or (iii) to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for the Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for the Shares).

(c) Each Transaction is being entered into pursuant to a publicly disclosed Share buy-back program and its Board of Directors has approved the use of derivatives to effect the Share buy-back program.

(d) Without limiting the generality of Section 13.1 of the Equity Definitions, Counterparty acknowledges that neither GS&Co. nor any of its affiliates is making any representations or warranties or taking any position or expressing any view with respect to the treatment of any Transaction under any accounting standards including ASC Topic 260, *Earnings Per Share*, ASC Topic 815, *Derivatives and Hedging*, or ASC Topic 480, *Distinguishing Liabilities from Equity* and ASC 815-40, *Derivatives and Hedging – Contracts in Entity's Own Equity*.

(e) As of (i) the date hereof and (ii) the Trade Date for each Transaction hereunder, Counterparty is in compliance with its reporting obligations under the Exchange Act.

(f) Counterparty shall report each Transaction as required under the Exchange Act and the rules and regulations thereunder.

(g) The Shares are not, and Counterparty will not cause the Shares to be, subject to a "restricted period" (as defined in Regulation M promulgated under the Exchange Act) at any time during any Regulation M Period (as defined below) for any Transaction unless Counterparty has provided written notice to GS&Co. of such restricted period not later than the Scheduled Trading Day immediately preceding the first day of such "restricted period"; Counterparty acknowledges that any such notice may cause a Disrupted Day to occur pursuant to Section 4 below; accordingly, Counterparty acknowledges that its delivery of such notice must comply with the standards set forth in Section 5 below; "Regulation M Period" means, for any Transaction, (i) the Relevant Period (as defined below) and (ii) the Settlement Valuation Period, if any, for such Transaction. "Relevant Period" means, for any Transaction, the period commencing on the Calculation Period Start Date for such Transaction and ending on the earlier of (i) the Scheduled Termination Date and (ii) the last Additional Relevant Day (as specified in the related Supplemental Confirmation) for such Transaction, or such earlier day as elected by GS&Co. and communicated to Counterparty on such day (or, if later, the First Acceleration Date without regard to any acceleration thereof pursuant to "Special Provisions for Acquisition Transaction Announcements" below).

(h) As of the Trade Date, the Prepayment Date, the Initial Share Delivery Date and the Settlement Date for each Transaction, Counterparty is not "insolvent" (as such term is defined under Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code) (the "Bankruptcy Code")) and Counterparty would be able to purchase a number of Shares with a value equal to the Prepayment Amount in compliance with the laws of the jurisdiction of Counterparty's incorporation.

(i) Counterparty is not and, after giving effect to any Transaction, will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

(j) Counterparty has not entered into and will not enter into agreements similar to the Transactions described herein where any initial hedge period, calculation period, relevant period or settlement valuation period (each however defined) in such other transaction will overlap at any time (including as a result of extensions in such initial hedge period, calculation period, relevant period or settlement valuation period as provided in the relevant

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agreements) with any Relevant Period or, if applicable, any Settlement Valuation Period under this Master Confirmation. In the event that the initial hedge period, relevant period, calculation period or settlement valuation period in any other similar transaction overlaps with any Relevant Period or, if applicable, Settlement Valuation Period under this Master Confirmation as a result of any postponement of the Scheduled Termination Date or extension of the Settlement Valuation Period pursuant to "Valuation Disruption" above, Counterparty shall promptly amend such transaction to avoid any such overlap.

(k) Counterparty represents and warrants that it and any of its subsidiaries has not applied, and shall not, until after the first date on which no portion of the Transaction remains outstanding following any final exercise and settlement, cancellation or early termination of the Transaction, apply, for a loan, loan guarantee, direct loan (as that term is defined in the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act")) or other investment, or to receive any financial assistance or relief under any program or facility (collectively "Financial Assistance") that (a) is established under applicable law (whether in existence as of the Trade Date or subsequently enacted, adopted or amended), including without limitation the CARES Act and the Federal Reserve Act, as amended, and (b) (i) requires under applicable law (or any regulation, guidance, interpretation or other pronouncement of a governmental authority with jurisdiction for such program or facility) as a condition of such Financial Assistance, that the Counterparty comply with any requirement not to, or otherwise agree, attest, certify or warrant that it has not, as of the date specified in such condition, repurchased, or will not repurchase, any equity security of Counterparty, and that Counterparty has not, as of the date specified in the condition, made a capital distribution or will not make a capital distribution, or (ii) where the terms of the Transaction would cause Counterparty to fail to satisfy any condition for application for or receipt or retention of the Financial Assistance (collectively "Restricted Financial Assistance"); provided, that Counterparty or any of its subsidiaries may apply for Restricted Financial Assistance if Counterparty either (a) determines based on the advice of outside counsel of national standing that the terms of the Transaction would not cause Counterparty or any of its subsidiaries to fail to satisfy any condition for application for or receipt or retention of such Financial Assistance based on the terms of the program or facility as of the date of such advice or (b) delivers to GS&Co. evidence or other guidance from a governmental authority with jurisdiction for such program or facility that the Transaction is permitted under such program or facility (either by specific reference to the Transaction or by general reference to transactions with the attributes of the Transaction in all relevant respects).

4. Regulatory Disruption. In the event that GS&Co. determines, in good faith and a commercially reasonable manner and based on the advice of counsel that it is appropriate with respect to any legal, regulatory or self-regulatory requirements or related policies and procedures (whether or not such requirements, policies or procedures are imposed by law or have been voluntarily adopted by GS&Co.; *provided*, that such requirements, policies or procedures are applicable to transactions in similar situation as the Transaction hereunder and that GS&Co. shall apply them to the Transaction hereunder in a non-discriminatory manner), for it to refrain from or decrease any market activity on any Scheduled Trading Day or Days during the Calculation Period or, if applicable, the Settlement Valuation Period, GS&Co. may by written notice to Counterparty elect to deem that a Market Disruption Event has occurred and will be continuing on such Scheduled Trading Day or Days, subject to the other provisions under "Valuation Disruption" under Section 1 above. The provisions of the second sentence opposite the caption "Calculation Agent" in Section 1 shall apply to GS&Co.'s determination to make the election contemplated hereby as if such determination had been made by the Calculation Agent. Any such Scheduled Trading Day on which a Market Disruption Event is deemed to have occurred pursuant to this Section 4 shall be a Disrupted Day in full, and not a Disrupted Day only in part.

5. 10b5-1 Plan. Counterparty represents, warrants and covenants to GS&Co. that:

(a) Counterparty is entering into this Master Confirmation and each Transaction hereunder in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1 under the Exchange Act ("Rule 10b5-1") or any other antifraud or anti-manipulation provisions of the federal or applicable state securities laws and that it has not entered into or altered and will not enter into or alter any corresponding or hedging transaction or position with respect to the Shares. Counterparty acknowledges that its intent and the intent communicated to it by

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GS&Co. is that each Transaction entered into under this Master Confirmation comply with the requirements of paragraphs (c)(1)(i)(A) and (B) of Rule 10b5-1 and each Transaction entered into under this Master Confirmation shall be interpreted to comply with the requirements of Rule 10b5-1(c).

(b) Counterparty will not seek to control or influence GS&Co.'s decision to make any "purchases or sales" (within the meaning of Rule 10b5-1(c)(1)(i)(B)(3)) under any Transaction entered into under this Master Confirmation, including, without limitation, GS&Co.'s decision to enter into any hedging transactions. Counterparty represents and warrants that it has consulted with its own advisors as to the legal aspects of its adoption and implementation of this Master Confirmation and each Supplemental Confirmation under Rule 10b5-1.

(c) Counterparty acknowledges and agrees that any amendment, modification, waiver or termination of this Master Confirmation or the relevant Supplemental Confirmation must be effected in accordance with the requirements for the amendment or termination of a "plan" as defined in Rule 10b5-1(c). Without limiting the generality of the foregoing, any such amendment, modification, waiver or termination shall be made in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5, and no such amendment, modification, waiver or termination shall be made at any time at which Counterparty or any officer, director, manager or similar person of Counterparty is aware of any material non-public information regarding Counterparty or the Shares. Counterparty further agrees to act in good faith with respect to this Master Confirmation, each Supplemental Confirmation and the Agreement.

6. **Counterparty Purchases.** Counterparty (or any "affiliated purchaser" as defined in Rule 10b-18 under the Exchange Act ("Rule 10b-18")) shall not, without the prior written consent of GS&Co., directly or indirectly purchase any Shares (including by means of a derivative instrument), listed contracts on the Shares or securities that are convertible into, or exchangeable or exercisable for Shares (including, without limitation, any Rule 10b-18 purchases of blocks (as defined in Rule 10b-18)) during any Relevant Period or, if applicable, Settlement Valuation Period, except through GS&Co.

7. **Special Provisions for Merger Transactions.** Notwithstanding anything to the contrary herein or in the Equity Definitions:

(a) Counterparty agrees that it:

(i) will not during the period commencing on the Trade Date through the end of the Relevant Period or, if applicable, the Settlement Valuation Period for any Transaction make, or permit to be made (to the extent within Counterparty's control), any public announcement (as defined in Rule 165(f) under the Securities Act) of any Merger Transaction or potential Merger Transaction (a "Public Announcement") unless such Public Announcement is made prior to the opening or after the close of the regular trading session on the Exchange for the Shares;

(ii) shall promptly (but in any event prior to the next opening of the regular trading session on the Exchange) notify GS&Co. following any such Public Announcement that such Public Announcement has been made; and

(iii) shall promptly (but in any event prior to the next opening of the regular trading session on the Exchange) provide GS&Co. with written notice specifying (i) Counterparty's average daily Rule 10b-18 Purchases (as defined in Rule 10b-18) during the three full calendar months immediately preceding the date of such Public Announcement that were not effected through GS&Co. or its affiliates and (ii) the number of Shares purchased pursuant to the proviso in Rule 10b-18(b)(4) under the Exchange Act for the three full calendar months preceding the date of such Public Announcement. Such written notice shall be deemed to be a certification by Counterparty to GS&Co. that such information is true and correct. In addition, Counterparty shall promptly notify GS&Co. of the earlier to occur of the completion of the relevant Merger Transaction and the completion of the vote by target shareholders.

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(b) Counterparty acknowledges that a Public Announcement may cause a deemed Market Disruption Event to occur pursuant to Section 4 above or any Transaction to be terminated pursuant to paragraph (b) of this Section 7 accordingly. Counterparty acknowledges that its delivery of such notice must comply with the standards set forth in Section 6 above.

(c) In addition to GS&Co.'s rights under Section 4 above, GS&Co. may treat the occurrence of such Public Announcement as an Additional Termination Event with Counterparty as the sole Affected Party and the Transactions hereunder as the Affected Transactions and with the amount under Section 6(e) of the Agreement determined taking into account the fact that the Calculation Period or Settlement Valuation Period, as the case may be, had fewer Scheduled Trading Days than originally anticipated.

"Merger Transaction" means any merger, acquisition or similar transaction involving a recapitalization as contemplated by Rule 10b-18(a)(13)(iv) under the Exchange Act.

8. **Special Provisions for Acquisition Transaction Announcements.**

(a) If an Acquisition Transaction Announcement occurs on or prior to the Settlement Date, the Calculation Agent shall make such adjustment to the exercise, settlement, payment or any of the other terms of the Transaction (including without limitation, the Number of Shares to be Delivered and the Forward Price Adjustment Amount) as the Calculation Agent determines appropriate, at such time or at multiple times as the Calculation Agent determines appropriate (without duplication), to account for the economic effect of the Acquisition Transaction Announcement on the Transaction (and, for the avoidance of doubt, in such event the Number of Shares to be Delivered may be reduced below zero pursuant to the proviso to such definition).

(b) "Acquisition Transaction Announcement" means (i) the announcement by Counterparty, any of its subsidiaries or a Valid Third Party Entity of an event that, if consummated, would result in an Acquisition Transaction, (ii) an announcement by Counterparty, any of its subsidiaries or a Valid Third Party Entity that Counterparty or any of its subsidiaries has entered into an agreement, a letter of intent or an understanding designed to result in an Acquisition Transaction, (iii) the announcement by Counterparty, any of its subsidiaries or a Valid Third Party Entity of the intention to solicit or enter into, or to explore strategic alternatives or other similar undertaking that may include, an Acquisition Transaction, (iv) any other announcement by Counterparty, any of its subsidiaries or a Valid Third Party Entity that in the reasonable judgment of the Calculation Agent may result in an Acquisition Transaction or (v) any announcement of any change or amendment to any previous Acquisition Transaction Announcement (including any announcement of the abandonment of any such previously announced Acquisition Transaction, agreement, letter of intent, understanding or intention). "Valid Third Party Entity" means, in respect of any transaction or event, any third party (or affiliate or agent thereof) that the Calculation Agent in good faith and in a commercially reasonable manner determines has a bona fide intent to enter into or consummate such transaction or event (it being understood and agreed that in determining whether such third party has such a bona fide intent, the Calculation Agent shall take into consideration the effect of the relevant announcement by such third party on the Shares and/or options relating to the Shares).

(c) "Acquisition Transaction" means (i) any Merger Event (for purposes of this definition the definition of Merger Event shall be read with the references therein to "100%" being replaced by "30%" and to "50%" by "75%" and without reference to the clause beginning immediately following the definition of Reverse Merger therein to the end of such definition), Tender Offer or Merger Transaction or any other transaction involving the merger of Counterparty with or into any third party, (ii) the sale or transfer of all or substantially all of the assets of Counterparty, (iii) a recapitalization, reclassification, binding share exchange or other similar transaction, (iv) any acquisition, lease, exchange, transfer, disposition (including by way of spin-off or distribution) of assets (including any capital stock or other ownership interests in subsidiaries) or other similar event by Counterparty or any of its subsidiaries where the aggregate consideration transferable or receivable by or to Counterparty or its subsidiaries exceeds 30% of the market capitalization of Counterparty as of the date of such announcement and (v) any

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transaction in which Counterparty or its board of directors has a legal obligation to make a recommendation to its shareholders in respect of such transaction (whether pursuant to Rule 14e-2 under the Exchange Act or otherwise).

9. **Acknowledgments.** (a) The parties hereto intend for:

each Transaction to be a "securities contract" as defined in Section 741(7) of the Bankruptcy Code, a "swap agreement" as defined in Section 101(53B) of the Bankruptcy Code and a "forward contract" as defined in Section 101(25) of the Bankruptcy Code, and the parties hereto to be entitled to the protections afforded by, among other Sections, Sections 362(b)(6), 362(b)(17), 362(b)(27), 362(o), 546(e), 546(g), 546(j), 555, 556, 560 and 561 of the Bankruptcy Code;

the Agreement to be a "master netting agreement" as defined in Section 101(38A) of the Bankruptcy Code;

a party's right to liquidate, terminate or accelerate any Transaction, net out or offset termination values or payment amounts, and to exercise any other remedies upon the occurrence of any Event of Default or Termination Event under the Agreement with respect to the other party or any Extraordinary Event that results in the termination or cancellation of any Transaction to constitute a "contractual right" (as defined in the Bankruptcy Code); and all payments for, under or in connection with each Transaction, all payments for the Shares (including, for the avoidance of doubt, payment of the Prepayment Amount) and the transfer of such Shares to constitute "settlement payments" and "transfers" (as defined in the Bankruptcy Code).

(b) Counterparty acknowledges that:

(i) during the term of any Transaction, GS&Co. and its affiliates may buy or sell Shares or other securities or buy or sell options or futures contracts or enter into swaps or other derivative securities in order to establish, adjust or unwind its hedge position with respect to such Transaction;

(ii) GS&Co. and its affiliates may also be active in the market for the Shares and derivatives linked to the Shares other than in connection with hedging activities in relation to any Transaction, including acting as agent or as principal and for its own account or on behalf of customers;

(iii) GS&Co. shall make its own determination as to whether, when or in what manner any hedging or market activities in Counterparty's securities shall be conducted and shall do so in a manner that it deems appropriate to hedge its price and market risk with respect to the Forward Price and the VWAP Price;

(iv) any market activities of GS&Co. and its affiliates with respect to the Shares may affect the market price and volatility of the Shares, as well as the Forward Price and VWAP Price, each in a manner that may be adverse to Counterparty; and

(v) each Transaction is a derivatives transaction in which it has granted GS&Co. an option; GS&Co. may purchase shares for its own account at an average price that may be greater than, or less than, the price paid by Counterparty under the terms of the related Transaction.

(c) Counterparty:

is an "institutional account" as defined in FINRA Rule 4512(c);

is capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a security or securities, and will exercise independent judgment in evaluating the recommendations of GS&Co. or its associated persons, unless it has otherwise notified GS&Co. in writing; and

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will notify GS&Co. if any of the statements contained in clause (i) or (ii) of this Section 9(c) ceases to be true.

10. Credit Support Documents. The parties hereto acknowledge that no Transaction hereunder is secured by any collateral that would otherwise secure the obligations of Counterparty herein or pursuant to the Agreement.

11. No Collateral, Netting or Set-off. Notwithstanding any provision of the Agreement or any other agreement between the parties to the contrary, the obligations of Counterparty hereunder are not secured by any collateral. Obligations under any Transaction shall not be netted, recouped or set off (including pursuant to Section 6 of the Agreement) against any other obligations of the parties, whether arising under the Agreement, this Master Confirmation or any Supplemental Confirmation, or under any other agreement between the parties hereto, by operation of law or otherwise; and no other obligations of the parties shall be netted, recouped or set off (including pursuant to Section 6 of the Agreement) against obligations under any Transaction, whether arising under the Agreement, this Master Confirmation or any Supplemental Confirmation, or under any other agreement between the parties hereto, by operation of law or otherwise, and each party hereto waives any such right of setoff, netting or recoupment.

12. Delivery of Shares. Notwithstanding anything to the contrary herein, GS&Co. may, by prior notice to Counterparty, satisfy its obligation to deliver any Shares or other securities on any date due (an "**Original Delivery Date**") by making separate deliveries of Shares or such securities, as the case may be, at more than one time on or prior to such Original Delivery Date, so long as the aggregate number of Shares and other securities so delivered on or prior to such Original Delivery Date is equal to the number required to be delivered on such Original Delivery Date.

13. Early Termination. In the event that an Early Termination Date (whether as a result of an Event of Default or a Termination Event) occurs or is designated with respect to any Transaction (except as a result of a Merger Event in which the consideration or proceeds to be paid to holders of Shares consists solely of cash), if either party would owe any amount to the other party pursuant to Section 6(d)(ii) of the Agreement (any such amount, a "**Payment Amount**"), then, in lieu of any payment of such Payment Amount, Counterparty may, no later than the Early Termination Date or the date on which such Transaction is terminated, elect to deliver or for GS&Co. to deliver, as the case may be, to the other party a number of Shares (or, in the case of a Merger Event, a number of units, each comprising the number or amount of the securities or property that a hypothetical holder of one Share would receive in such Merger Event (each such unit, an "**Alternative Delivery Unit**" and, the securities or property comprising such unit, "**Alternative Delivery Property**") with a value equal to the Payment Amount, as determined by the Calculation Agent (and the parties agree that, in making such determination of value, the Calculation Agent may take into account a number of factors, including the market price of the Shares or Alternative Delivery Property on the date of early termination and, if such delivery is made by GS&Co., the prices at which GS&Co. purchases Shares or Alternative Delivery Property to fulfill its delivery obligations under this Section 13, *provided* that such prices reflect prevailing market prices in order to unwind its commercially reasonable Hedge Positions as determined by the Calculation Agent in a commercially reasonable manner on any Exchange Business Day to fulfill its delivery obligation under this Section 13); *provided, further*, that in determining the composition of any Alternative Delivery Unit, if the relevant Merger Event involves a choice of consideration to be received by holders, such holder shall be deemed to have elected to receive the maximum possible amount of cash; and *provided further* that Counterparty may make such election only if Counterparty represents and warrants to GS&Co. in writing on the date it notifies GS&Co. of such election that, as of such date, Counterparty is not aware of any material non-public information concerning the Shares and is making such election in good faith and not as part of a plan or scheme to evade compliance with the federal securities laws. If such delivery is made by Counterparty, paragraphs 2 through 7 of Annex A shall apply as if such delivery were a settlement of the Transaction to which Net Share Settlement applied, the Cash Settlement Payment Date were the Early Termination Date and the Forward Cash Settlement Amount were zero (0) *minus* the Payment Amount owed by Counterparty.

14. Reserved.

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15. **Automatic Termination Provisions.** Notwithstanding anything to the contrary in Section 6 of the Agreement, if a Termination Price is specified in any Supplemental Confirmation, then an Additional Termination Event with Counterparty as the sole Affected Party and the Transaction to which such Supplemental Confirmation relates as the Affected Transaction will automatically occur without any notice or action by GS&Co. or Counterparty if the price of the Shares on the Exchange at any time falls below such Termination Price, and the Exchange Business Day that the price of the Shares on the Exchange at any time falls below the Termination Price will be the "Early Termination Date" for purposes of the Agreement.

16. **Delivery of Cash.** For the avoidance of doubt, nothing in this Master Confirmation shall be interpreted as requiring Counterparty to deliver cash in respect of the settlement of the Transactions contemplated by this Master Confirmation following payment by Counterparty of the relevant Prepayment Amount, except in circumstances where the required cash settlement thereof is permitted for classification of the contract as equity by ASC 815-40, *Derivatives and Hedging – Contracts in Entity's Own Equity*, as in effect on the relevant Trade Date (including, without limitation, where Counterparty so elects to deliver cash or fails timely to elect to deliver Shares or Alternative Delivery Property in respect of the settlement of such Transactions).

17. **Claim in Bankruptcy.** GS&Co. acknowledges and agrees that this Confirmation is not intended to convey to it rights with respect to the Transactions that are senior to the claims of common stockholders in the event of Counterparty's bankruptcy; *provided* that nothing herein shall limit or shall be deemed to limit GS&Co.'s right to pursue remedies in the event of a breach by Counterparty of its obligations and agreements with respect to the Transaction; *provided further* that nothing herein shall limit or shall be deemed to limit GS&Co.'s rights in respect of any transaction other than the Transactions.

18. **Amendments to the Equity Definitions.**

(a) Section 11.2(a) of the Equity Definitions is hereby amended by (i) replacing the words "a diluting or concentrative" with the words "a material economic" and (ii) adding the phrase "or such Transaction" at the end thereof;

(b) Section 11.2(c) of the Equity Definitions is hereby amended by (i) replacing the words "a diluting or concentrative" with the words "a material economic" in the fifth line thereof, (ii) adding the phrase "or such Transaction" immediately following the word "Shares" in the sixth line thereof, (iii) deleting the words "dilutive or concentrative" in the sixth to last line thereof and (iv) replacing the phrase "(provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share)" with the phrase "(and, for the avoidance of doubt, adjustments may be made to account for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share)"; and

(c) Section 11.2(e)(vii) of the Equity Definitions is hereby amended by (i) replacing the words "a diluting or concentrative" with the words "a material economic" and (ii) adding the phrase "or the relevant Transaction" at the end thereof.

19. **Governing Law.** The Agreement, this Master Confirmation, each Supplemental Confirmation and all matters arising in connection with the Agreement, this Master Confirmation and each Supplemental Confirmation shall be governed by, and construed and enforced in accordance with, the laws of the State of New York (without reference to its choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law).

20. **Illegality.** The parties agree that, for the avoidance of doubt, for purposes of Section 5(b)(i) of the Agreement, "any applicable law" shall include the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any rules and regulations promulgated thereunder and any similar law or regulation, without regard to Section 739 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after the Trade Date, and the

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consequences specified in the Agreement, including without limitation, the consequences specified in Section 6 of the Agreement, shall apply to any Illegality arising from any such act, rule or regulation.

21. **Offices.**

(a) The Office of GS&Co. for each Transaction is: 200 West Street, New York, New York 10282-2198.

(b) The Office of Counterparty for each Transaction is: 7601 Southwest Pkwy, Austin, TX 78735.

22. **Rule 10b-18.** During any Settlement Valuation Period, GS&Co. shall, or, in the case of purchases made by its affiliate, shall cause such affiliate to effect any purchases of Shares made by GS&Co. or any of its affiliates in connection with such Transaction entered into under this Master Confirmation (other than purchases made by GS&Co. or any affiliate thereof as part of its dynamic adjustment of its hedge of the options, including the duration option, embedded in such Transaction) in a manner that, if such purchases were made by Counterparty, would meet the requirements of paragraphs (b)(1), (2) and (4) of Rule 10b-18 (taking into account any applicable Securities and Exchange Commission or the staff of the Securities and Exchange Commission no-action letters or interpretations as appropriate and subject to any delays between execution and reporting of a trade of the Shares on the applicable securities exchange or quotation system and other circumstances reasonably beyond GS&Co.'s or such affiliate's control).

23. **Waiver of Jury Trial.** **EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE AGREEMENT, THIS MASTER CONFIRMATION, ANY SUPPLEMENTAL CONFIRMATION, ANY TRANSACTION HEREUNDER AND/OR ALL MATTERS ARISING IN CONNECTION WITH THE AGREEMENT, THIS MASTER CONFIRMATION, ANY SUPPLEMENTAL CONFIRMATION AND/OR ANY TRANSACTION HEREUNDER.**

24. **Submission to Jurisdiction.** **THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS LOCATED IN THE BOROUGH OF MANHATTAN, IN THE CITY OF NEW YORK, IN ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THE AGREEMENT, THIS MASTER CONFIRMATION, ANY SUPPLEMENTAL CONFIRMATION AND/OR ANY TRANSACTION HEREUNDER.**

25. U.S. Resolution Stay Provisions.

(a) **Recognition of the U.S. Special Resolution Regimes**

(i) In the event that GS&Co. becomes subject to a proceeding under (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder or (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder (a "U.S. Special Resolution Regime") the transfer from GS&Co. of this Master Confirmation, and any interest and obligation in or under, and any property securing, this Master Confirmation, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Master Confirmation, and any interest and obligation in or under, and any property securing, this Master Confirmation were governed by the laws of the United States or a state of the United States.

(ii) In the event that GS&Co. or an Affiliate becomes subject to a proceeding under a U.S. Special Resolution Regime, any Default Rights (as defined in 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable ("Default Right")) under this Master Confirmation that may be exercised against GS&Co. are permitted to be

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exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Master Confirmation were governed by the laws of the United States or a state of the United States.

(b) **Limitation on Exercise of Certain Default Rights Related to an Affiliate's Entry Into Insolvency Proceedings.** Notwithstanding anything to the contrary in this Master Confirmation, the parties expressly acknowledge and agree that:

(i) Counterparty shall not be permitted to exercise any Default Right with respect to this Master Confirmation or any Affiliate Credit Enhancement that is related, directly or indirectly, to an Affiliate of the GS&Co. becoming subject to receivership, insolvency, liquidation, resolution, or similar proceeding (an "Insolvency Proceeding"), except to the extent that the exercise of such Default Right would be permitted under the provisions of 12 C.F.R. 252.84, 12 C.F.R. 47.5 or 12 C.F.R. 382.4, as applicable; and

(ii) Nothing in this Master Confirmation shall prohibit the transfer of any Affiliate Credit Enhancement, any interest or obligation in or under such Affiliate Credit Enhancement, or any property securing such Affiliate Credit Enhancement, to a transferee upon or following an Affiliate of GS&Co. becoming subject to an Insolvency Proceeding, unless the transfer would result in the Counterparty being the beneficiary of such Affiliate Credit Enhancement in violation of any law applicable to the Counterparty.

(iii) For the purpose of this paragraph:

"Affiliate" is defined in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"Credit Enhancement" means any credit enhancement or credit support arrangement in support of the obligations of GS&Co. under or with respect to this Master Confirmation, including any guarantee, collateral arrangement (including any pledge, charge, mortgage or other security interest in collateral or title transfer arrangement), trust or similar arrangement, letter of credit, transfer of margin or any similar arrangement.

(c) U.S. Protocol. If Counterparty has previously adhered to, or subsequently adheres to, the ISDA 2018 U.S. Resolution Stay Protocol as published by the International Swaps and Derivatives Association, Inc. as of July 31, 2018 (the "ISDA U.S. Protocol"), the terms of such protocol shall be incorporated into and form a part of this Master Confirmation and the terms of the ISDA U.S. Protocol shall supersede and replace the terms of this section. For purposes of incorporating the ISDA U.S. Protocol, GS&Co. shall be deemed to be a Regulated Entity, Counterparty shall be deemed to be an Adhering Party, and this Master Confirmation shall be deemed to be a Protocol Covered Agreement. Capitalized terms used but not defined in this paragraph shall have the meanings given to them in the ISDA U.S. Protocol.

(d) Pre-existing In-Scope Agreements. GS&Co. and Counterparty agree that to the extent there are any outstanding "in-scope QFCs," as defined in 12 C.F.R. § 252.82(d), that are not excluded under 12 C.F.R. § 252.88, between GS&Co. and Counterparty that do not otherwise comply with the requirements of 12 C.F.R. § 252.2, 252.81-8 (each such agreement, a "Preexisting In-Scope Agreement"), then each such Preexisting In-Scope Agreement is hereby amended to include the foregoing provisions in this section, with references to "this Master Confirmation" being understood to be references to the applicable Preexisting In-Scope Agreement.

26. **Counterparts.** This Master Confirmation may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Master Confirmation by signing and delivering one or more counterparts.

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Exhibit 10.2

CERTAIN INFORMATION IN THIS EXHIBIT HAS BEEN REDACTED BECAUSE IT IS BOTH NOT MATERIAL AND INFORMATION THAT IS PRIVATE OR CONFIDENTIAL. [***] INDICATES THAT INFORMATION HAS BEEN REDACTED.

Counterparty hereby agrees (a) to check this Master Confirmation carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by GS&Co.) correctly sets forth the terms of the agreement between GS&Co. and Counterparty with respect to any particular Transaction to which this Master Confirmation relates, by manually signing this Master Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and immediately returning an executed copy to Equity Derivatives Documentation Department, Facsimile No. 212-428-1980/83.

Yours faithfully,

GOLDMAN SACHS & CO. LLC

By:

Authorized Signatory

Agreed and Accepted By:

YETI HOLDINGS, INC.

By:

Name:

Title:

SCHEDULE A

SUPPLEMENTAL CONFIRMATION

To: YETI Holdings, Inc.
[Insert Issuer Address]
From: Goldman Sachs & Co. LLC
Subject: Accelerated Stock Buyback
Ref. No.: [Insert Reference No.]
Date: [Insert Date]

The purpose of this Supplemental Confirmation is to confirm the terms and conditions of the Transaction entered into between Goldman Sachs & Co. LLC ("GS&Co.") and YETI Holdings, Inc. ("Counterparty") (together, the "Contracting Parties") on the Trade Date specified below. This Supplemental Confirmation is a binding contract between GS&Co. and Counterparty as of the relevant Trade Date for the Transaction referenced below.

1. This Supplemental Confirmation supplements, forms part of, and is subject to the Master Confirmation dated as of **February 27, 2024** (the "Master Confirmation") between the Contracting Parties, as amended and supplemented from time to time. All provisions contained in the Master Confirmation govern this Supplemental Confirmation except as expressly modified below.
2. The terms of the Transaction to which this Supplemental Confirmation relates are as follows:

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Trade Date:	[]
Forward Price Adjustment Amount:	USD []
Calculation Period Start Date:	[]
Scheduled Termination Date:	[]
First Acceleration Date:	[]
Prepayment Amount:	USD []
Prepayment Date:	[]
Initial Shares:	[] Shares; provided that if, in connection with the Transaction, GS&Co. is unable to borrow or otherwise acquire a number of Shares equal to the Initial Shares for delivery to Counterparty on the Initial Share Delivery Date, the Initial Shares delivered on the Initial Share Delivery Date shall be reduced to such number of Shares that GS&Co. is able to so borrow or otherwise acquire.
Initial Share Delivery Date:	[]
Maximum Stock Loan Rate:	[]
Initial Stock Loan Rate:	[]
Termination Price:	USD [] per Share
Additional Relevant Days:	The [] Exchange Business Days immediately following the Calculation Period.

3. Counterparty represents and warrants to GS&Co. that neither it nor any "affiliated purchaser" (as defined in Rule 10b-18 under the Exchange Act) has made any purchases of blocks pursuant to the proviso in Rule 10b-18(b)(4) under the Exchange Act during either (i) the four full calendar weeks immediately preceding the Trade Date or (ii) during the calendar week in which the Trade Date occurs.

4. This Supplemental Confirmation may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Supplemental Confirmation by signing and delivering one or more counterparts.

Counterparty hereby agrees (a) to check this Supplemental Confirmation carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by GS&Co.) correctly sets forth the terms of the agreement between GS&Co. and Counterparty with respect to the Transaction to which this Supplemental Confirmation relates, by manually signing this Supplemental Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and immediately returning an executed copy to Equity Derivatives Documentation Department, facsimile No. 212-428-1980/83.

Yours sincerely,

GOLDMAN SACHS & CO. LLC

By: _____

Authorized Signatory

Agreed and Accepted By:

YETI HOLDINGS, INC.

By:

Name:

Title:

ANNEX A

COUNTERPARTY SETTLEMENT PROVISIONS

1. The following Counterparty Settlement Provisions shall apply to the extent indicated under the Master Confirmation:

Settlement Currency: USD

Settlement Method Election: Applicable; provided that (i) Section 7.1 of the Equity Definitions is hereby amended by deleting the word "Physical" in the sixth line thereof and replacing it with the words "Net Share" and (ii) the Electing Party may make a settlement method election only if the Electing Party represents and warrants to GS&Co. in writing on the date it notifies GS&Co. of its election that, as of such date, the Electing Party is not aware of any material non-public information concerning Counterparty or the Shares and is electing the settlement method in good faith and not as part of a plan or scheme to evade compliance with the federal securities laws.

Electing Party: Counterparty

Settlement Method

Election Date: The earlier of (i) the Scheduled Termination Date and (ii) the second Exchange Business Day immediately following the Accelerated Termination Date (in which case the election under Section 7.1 of the Equity Definitions shall be made no later than 10 minutes prior to the open of trading on the Exchange on such second Exchange Business Day), as the case may be

Default Settlement Method: Cash Settlement

Forward Cash Settlement

Amount: The Number of Shares to be Delivered *multiplied by* the Settlement Price

Settlement Price: The average of the VWAP Prices for the Exchange Business Days in the Settlement Valuation Period, subject to Valuation Disruption as specified in the Master Confirmation

Settlement Valuation Period: A number of Scheduled Trading Days determined by GS&Co. as being reasonably necessary to close out its Hedge Positions, beginning on the Scheduled Trading Day immediately following the earlier of (i) the Scheduled Termination Date or (ii) the Exchange Business Day immediately following the Termination Date

Cash Settlement: If Cash Settlement is applicable, then Buyer shall pay to Seller the absolute value of the Forward Cash Settlement Amount on the Cash Settlement Payment Date.

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Cash Settlement

Payment Date: The date one Settlement Cycle following the last day of the Settlement Valuation Period.

Net Share Settlement

Procedures: If Net Share Settlement is applicable, Net Share Settlement shall be made in accordance with paragraphs 2 through 7 below.

2. Net Share Settlement shall be made by delivery on the Cash Settlement Payment Date of a number of Shares satisfying the conditions set forth in paragraph 3 below (the "Registered Settlement Shares"), or a number of Shares not satisfying such conditions (the "Unregistered Settlement Shares"), in either case with a value equal to the absolute value of the Forward Cash Settlement Amount, with such Shares' value based on the value thereof to GS&Co. (which value shall, in the case of Unregistered Settlement Shares, take into account a commercially reasonable illiquidity discount), in each case as determined by the Calculation Agent.

3. Counterparty may only deliver Registered Settlement Shares pursuant to paragraph 2 above if:

(a) a registration statement covering public resale of the Registered Settlement Shares by GS&Co. (the "Registration Statement") shall have been filed with the Securities and Exchange Commission under the Securities Act and been declared or otherwise become effective on or prior to the date of delivery, and no stop order shall be in effect with respect to the Registration Statement; a printed prospectus relating to the Registered Settlement Shares (including any prospectus supplement thereto, the "Prospectus") shall have been delivered to GS&Co., in such quantities as GS&Co. shall reasonably have requested, on or prior to the date of delivery;

(b) the form and content of the Registration Statement and the Prospectus (including, without limitation, any sections describing the plan of distribution) shall be satisfactory to GS&Co.;

(c) as of or prior to the date of delivery, GS&Co. and its agents shall have been afforded a reasonable opportunity to conduct a due diligence investigation with respect to Counterparty customary in scope for underwritten offerings of equity securities and the results of such investigation are satisfactory to GS&Co., in its discretion; and

(d) as of the date of delivery, an agreement (the "Underwriting Agreement") shall have been entered into with GS&Co. in connection with the public resale of the Registered Settlement Shares by GS&Co. substantially similar to underwriting agreements customary for underwritten offerings of equity securities, in form and substance commercially reasonable to GS&Co., which Underwriting Agreement shall include, without limitation, provisions substantially similar to those contained in such underwriting agreements relating, without limitation, to the indemnification of, and contribution in connection with the liability of, GS&Co. and its affiliates and the provision of customary opinions, accountants' comfort letters and lawyers' negative assurance letters.

4. If Counterparty delivers Unregistered Settlement Shares pursuant to paragraph 2 above:

(a) all Unregistered Settlement Shares shall be delivered to GS&Co. (or any affiliate of GS&Co. designated by GS&Co.) pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof;

(b) as of or prior to the date of delivery, GS&Co. and any potential purchaser of any such shares from GS&Co. (or any affiliate of GS&Co. designated by GS&Co.) identified by GS&Co. shall be afforded a commercially reasonable opportunity to conduct a due diligence investigation with respect to Counterparty

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customary in scope for private placements of equity securities (including, without limitation, the right to have made available to them for inspection all financial and other records, pertinent corporate documents and other information reasonably requested by them);

(c) as of the date of delivery, Counterparty shall enter into an agreement (a "Private Placement Agreement") with GS&Co. (or any affiliate of GS&Co. designated by GS&Co.) in connection with the private placement of such shares by Counterparty to GS&Co. (or any such affiliate) and the private resale of such shares by GS&Co. (or any such affiliate), substantially similar to private placement purchase agreements customary for private placements of equity securities, in form and substance commercially reasonably satisfactory to GS&Co., which Private Placement Agreement shall include, without limitation, provisions substantially similar to those contained in such private placement purchase agreements relating, without limitation, to the indemnification of, and contribution in connection with the liability of, GS&Co. and its affiliates and the provision of customary opinions, accountants' comfort letters and lawyers' negative assurance letters, and shall provide for the payment by Counterparty of all reasonable fees and expenses in connection with such resale, including all reasonable fees and expenses of counsel for GS&Co., and shall contain representations, warranties, covenants and agreements of Counterparty reasonably necessary or advisable to establish and maintain the availability of an exemption from the registration requirements of the Securities Act for such resales; and

(d) in connection with the private placement of such shares by Counterparty to GS&Co. (or any such affiliate) and the private resale of such shares by GS&Co. (or any such affiliate), Counterparty shall, if so requested by GS&Co., prepare, in cooperation with GS&Co., a private placement memorandum in form and substance reasonably satisfactory to GS&Co.

5. GS&Co., itself or through an affiliate (the "Selling Agent") or any underwriter(s), will sell all, or such lesser portion as may be required hereunder, of the Registered Settlement Shares or Unregistered Settlement Shares and any Makewhole Shares (as defined below) (together, the "Settlement Shares") delivered by Counterparty to GS&Co. pursuant to paragraph 6 below commencing on the Cash Settlement Payment Date and continuing until the date on which the aggregate Net Proceeds (as such term is defined below) of such sales, as determined by GS&Co., is equal to the absolute value of the Forward Cash Settlement Amount (such date, the "Final Resale Date"). If the proceeds of any sale(s) made by GS&Co., the Selling Agent or any underwriter(s), net of any fees and commissions (including, without limitation, underwriting or placement fees) customary for similar transactions under the circumstances at the time of the offering, together with carrying charges and expenses incurred in connection with the offer and sale of the Shares (including, but without limitation to, the covering of any over-allotment or short position (syndicate or otherwise)) (the "Net Proceeds") exceed the absolute value of the Forward Cash Settlement Amount, GS&Co. will refund, in USD, such excess to Counterparty on the date that is three (3) Currency Business Days following the Final Resale Date, and, if any portion of the Settlement Shares remains unsold, GS&Co. shall return to Counterparty on that date such unsold Shares.

6. If the Calculation Agent determines that the Net Proceeds received from the sale of the Registered Settlement Shares or Unregistered Settlement Shares or any Makewhole Shares, if any, pursuant to this paragraph 6 are less than the absolute value of the Forward Cash Settlement Amount (the amount in USD by which the Net Proceeds are less than the absolute value of the Forward Cash Settlement Amount being the "Shortfall" and the date on which such determination is made, the "Deficiency Determination Date"), Counterparty shall on the Exchange Business Day next succeeding the Deficiency Determination Date (the "Makewhole Notice Date") deliver to GS&Co., through the Selling Agent, a notice of Counterparty's election that Counterparty shall either (i) pay an amount in cash equal to the Shortfall on the day that is one (1) Currency Business Day after the Makewhole Notice Date, or (ii) deliver additional Shares. If Counterparty elects to deliver to GS&Co. additional Shares, then Counterparty shall deliver additional Shares in compliance with the terms and conditions of paragraph 3 or paragraph 4 above, as the case may be (the "Makewhole Shares"), on the first Clearance System Business Day which is also an Exchange Business Day following the Makewhole Notice Date in such number as the Calculation Agent reasonably believes would have a market value on that Exchange Business Day equal to the Shortfall. Such Makewhole Shares shall be sold by GS&Co. in accordance with the provisions above; *provided that if the sum of the*

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Net Proceeds from the sale of the originally delivered Shares and the Net Proceeds from the sale of any Makewhole Shares is less than the absolute value of the Forward Cash Settlement Amount then Counterparty shall, at its election, either make such cash payment or deliver to GS&Co. further Makewhole Shares until such Shortfall has been reduced to zero.

7. Notwithstanding the foregoing, in no event shall the aggregate number of Settlement Shares and Makewhole Shares be greater than the Reserved Shares minus the amount of any Shares actually delivered by Counterparty under any other Transaction(s) under this Master Confirmation (the result of such calculation, the "Capped Number"). Counterparty represents and warrants (which shall be deemed to be repeated on each day that a Transaction is outstanding) that the Capped Number is equal to or less than the number of Shares determined according to the following formula:

A – B

Where A = the number of authorized but unissued shares of the Counterparty that are not reserved for future issuance on the date of the determination of the Capped Number; and

B = the maximum number of Shares required to be delivered to third parties if Counterparty elected Net Share Settlement of all transactions in the Shares (other than Transactions in the Shares under this Master Confirmation) with all third parties that are then currently outstanding and unexercised.

"Reserved Shares" means initially, [] Shares. The Reserved Shares may be increased or decreased in a Supplemental Confirmation.

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Exhibit 31.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Matthew J. Reintjes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of YETI Holdings, 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 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 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: **November 9, 2023** May 9, 2024

/s/ Matthew J. Reintjes

Matthew J. Reintjes
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael J. McMullen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of YETI Holdings, 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 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 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: **November 9, 2023** May 9, 2024

/s/ Michael J. McMullen

Michael J. McMullen
Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

**CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Matthew J. Reintjes, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of YETI Holdings, Inc. for the quarterly period ended **September 30, 2023** **March 30, 2024**, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of YETI Holdings, Inc.

Date: **November 9, 2023** **May 9, 2024**

By:	<u>/s/ Matthew J. Reintjes</u>
Name:	Matthew J. Reintjes
Title:	President and Chief Executive Officer (Principal Executive Officer)

I, Michael J. McMullen, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of YETI Holdings, Inc. for the quarterly period ended **September 30, 2023** **March 30, 2024**, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of YETI Holdings, Inc.

Date: **November 9, 2023** **May 9, 2024**

By:	<u>/s/ Michael J. McMullen</u>
Name:	Michael J. McMullen
Title:	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)

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