UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 07, 2023

American Outdoor Brands, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware (State or Other Jurisdiction of Incorporation) 001-39366 (Commission File Number) 84-4630928 (IRS Employer Identification No.)

1800 North Route Z, Suite A
Columbia, Missouri
(Address of Principal Executive Offices)

65202 (Zip Code)

Registrant's Telephone Number, Including Area Code: (800) 338-9585

Not Applicable (Former Name or Former Address, if Changed Since Last Report)

	eck the appropriate box below if the Form 8-K filing is ir owing provisions:	ntended to simultaneously	satisfy the filing obligation of the registrant under any of the			
	Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)					
	Soliciting material pursuant to Rule 14a-12 under the E	Exchange Act (17 CFR 240	0.14a-12)			
	Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))					
	Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))					
	Securities re	egistered pursuant to Sec	tion 12(b) of the Act:			
	Tide of each days	Trading	Name of each ambourge on a high aggistured			
	Title of each class Common Stock, Par Value \$0.001 per Share	Symbol(s) AOUT	Name of each exchange on which registered The Nasdaq Global Select Market			
	•	g growth company as defir	ned in Rule 405 of the Securities Act of 1933 (§ 230.405 of this			
Em	erging growth company ⊠					
	n emerging growth company, indicate by check mark if t evised financial accounting standards provided pursuant	O	ot to use the extended transition period for complying with any new change Act. ⊠			

Item 2.02 Results of Operations and Financial Condition.

On September 7, 2023, American Outdoor Brands, Inc. issued a press release reporting its financial results for the fiscal quarter ended July 31, 2023. A copy of the press release is furnished as Exhibit 99.1 to this report and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d)	Exhibits.
Exhibit	
Number	Description
99.1	Press release from the Registrant, dated September 7, 2023, reporting American Outdoor Brand, Inc.'s financial results for the fiscal quarter ended July 31, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

AMERICAN OUTDOOR BRANDS, INC.

Date: September 7, 2023 By: /s/ H. Andrew Fulmer

H. Andrew Fulmer

Executive Vice President, Chief Financial Officer, and Treasurer



Contact: Liz Sharp, VP, Investor Relations <u>Isharp@aob.com</u> (573) 303-4620

American Outdoor Brands, Inc. Reports First Quarter Fiscal 2024 Financial Results

- Net Sales \$43.4 Million
- Gross Margin 45.4% (+180 Basis Points)
- Traditional Channel Sales \$25.0 Million E-Commerce Channel Sales \$18.4 Million
 - Operating Cash Flow of \$5.2 Million

COLUMBIA, Mo., September 7, 2023 - American Outdoor Brands, Inc. (NASDAQ Global Select: AOUT), an industry leading provider of products and accessories for rugged outdoor enthusiasts, today announced financial results for the first quarter of fiscal 2024 ended July 31, 2023.

First Quarter Fiscal 2024 Financial Highlights

- Quarterly net sales were \$43.4 million, a decrease of \$231,000, or (0.5%), compared with net sales of \$43.7 million for the comparable quarter last year. Traditional channel net sales increased 8.4%, while e-commerce net sales declined 10.6%. Compared with pre-COVID levels in fiscal 2020, quarterly net sales increased 30.8%.
- Quarterly gross margin was 45.4%, an increase of 180 basis points, compared with quarterly gross margin of 43.6% for the comparable quarter last year.
- Quarterly GAAP net loss was \$4.1 million, or (\$0.31) per diluted share, compared with a GAAP net loss of \$5.7 million, or (\$0.42) per diluted share, for the comparable quarter last year.
- Quarterly non-GAAP net income was \$98,000, or 0.01 per diluted share, compared with non-GAAP net income of \$84,000, or \$0.01 per diluted share, for the comparable quarter last year. GAAP to non-GAAP adjustments for net income exclude acquired intangible amortization, stock compensation, technology implementation, and other costs. For a detailed reconciliation, see the schedules that follow in this release.
- Quarterly Adjusted EBITDAS was \$1.1 million, or 2.6% of net sales, compared with \$1.4 million, or 3.2% of net sales, for the comparable quarter last year. For a detailed reconciliation, see the schedules that follow in this release.



Brian Murphy, President and Chief Executive Officer, said, "I am pleased with our first quarter fiscal 2024 results, which reflected solid execution in sales, profitability, and capital management, combined with ongoing progress against our long-term strategic objectives. Net sales were generally flat compared with the prior year, a result that met our expectations and reflected growth of nearly 31% over our prepandemic first quarter of fiscal 2020. Our shooting sports category saw a slight decline in net sales compared with the prior year, reflecting ongoing industry trends in that space, and was offset by a slight increase in our outdoor lifestyle category, which reflected the strength of our brands in this growing part of our business. We continued to benefit from our strategy to intentionally place our brands where consumers expect to find them, whether online or in-store. While e-commerce net sales declined in the quarter, traditional channel net sales growth was strong, supported by new product introductions in hunting and fishing under our BOG and BUBBA brands.

"Innovation is our core strength and a key element in our long-term growth strategy. Our Dock & Unlock™ process fuels that innovation. In the first quarter, we officially launched our new BUBBA tournament-grade Pro Series Smart Fish Scale (BUBBA Pro SFS™) and accompanying app, our first entry into the large, underserved, 'catch and release' market. Since its launch in May, the BUBBA Pro SFS™ was awarded 'Best Cutlery, Hand Pliers and Tools' at ICAST® 2023, the world's largest sportfishing tradeshow, and was named the official scale of Major League Fishing beginning with the 2024 Bass Pro Tour season. This is just one of many exciting and innovative new products resulting from our Dock & Unlock™ process that, we believe, will fuel our future growth."

Andrew Fulmer, Chief Financial Officer, said, "In the first quarter of fiscal 2024, we further strengthened our balance sheet, generated strong operating cash flow and free cash flow, and continued to demonstrate effective capital deployment. We generated operating cash flow of \$5.2 million in the quarter, paid down the remaining \$5.0 million on our \$75.0 million expandable line of credit, and repurchased \$2.3 million of our stock. We ended the first quarter with a cash balance of \$18.7 million and zero debt."

"Turning to our outlook, we believe our brands remain well positioned to capitalize on positive, long-term consumer outdoor participation trends. As a result, we continue to believe that our net sales for fiscal 2024 could exceed fiscal 2023 net sales by as much as 3.5%. We also believe our solid financial position enables us to continue investing in our business, returning capital to our stockholders, and addressing the exciting growth opportunities we have identified for our company," concluded Fulmer.

Conference Call and Webcast

The Company will host a conference call and webcast today, September 7, 2023, to discuss its first quarter fiscal 2024 financial and operational results. Speakers on the conference call will include Brian Murphy, President and Chief Executive Officer, and Andrew Fulmer, Chief Financial Officer. The conference call may include forward-looking statements and a discussion of non-GAAP financial measures. The conference call and webcast will begin at 5:00 p.m. Eastern Time (2:00 p.m. Pacific Time). Those interested in listening to the conference call via telephone may call directly at (833) 630-1956 and ask to join the American Outdoor Brands call. No RSVP is necessary. The conference call audio webcast can also be accessed live on the Company's website at www.aob.com, under the Investor Relations section.



Reconciliation of U.S. GAAP to Non-GAAP Financial Measures

In this press release, certain non-GAAP financial measures, including "non-GAAP net income and "Adjusted EBITDAS" are presented. A reconciliation of these and other non-GAAP financial measures are contained at the end of this press release. From time to time, the Company considers and uses these non-GAAP financial measures as supplemental measures of operating performance in order to provide the reader with an improved understanding of underlying performance trends. The Company believes it is useful for itself and the reader to review, as applicable, both (1) GAAP measures that include (i) amortization of acquired intangible assets, (ii) stock compensation, (iii) technology implementation, (iv) acquisition costs, (v) stockholder cooperation agreement costs, (vi) income tax adjustments, (vii) interest expense, (viii) income tax expense, and (ix) depreciation and amortization; and (2) the non-GAAP measures that exclude such information. The Company presents these non-GAAP measures because it considers them an important supplemental measure of its performance and believes the disclosure of such measures provides useful information to investors regarding the Company's financial condition and results of operations. The Company's definition of these adjusted financial measures may differ from similarly named measures used by others. The Company believes these measures facilitate operating performance comparisons from period to period by eliminating potential differences caused by the existence and timing of certain expense items that would not otherwise be apparent on a GAAP basis. These non-GAAP measures have limitations as an analytical tool and should not be considered in isolation or as a substitute for the Company's GAAP measures. The principal limitations of these measures are that they do not reflect the Company's actual expenses and may thus have the effect of inflating its financial measures on a GAAP basis.

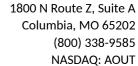
About American Outdoor Brands, Inc.

American Outdoor Brands, Inc. (NASDAQ Global Select: AOUT) is an industry leading provider of outdoor products and accessories, including hunting, fishing, camping, shooting, outdoor cooking, and personal security and defense products, for rugged outdoor enthusiasts. The Company produces innovative, top quality products under its brands BOG*; BUBBA*; Caldwell*; Crimson Trace*; Frankford Arsenal*; Grilla Grills*; Hooyman*; Imperial*; LaserLyte*; Lockdown*; MEAT!; Old Timer*; Schrade*; Tipton*; Uncle Henry*; ust*; and Wheeler*. For more information about all the brands and products from American Outdoor Brands, Inc., visit www.aob.com.



Safe Harbor Statement

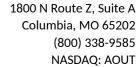
Certain statements contained in this press release may be deemed to be forward-looking statements under federal securities laws, and we intend that such forward-looking statements be subject to the safe harbor created thereby. All statements other than statements of historical facts contained or incorporated herein by reference in this press release, including statements regarding our future operating results, future financial position, business strategy, objectives, goals, plans, prospects, markets, and plans and objectives for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "anticipates," "believes," "estimates," "expects," "intends," "targets," "contemplates," "projects," "predicts," "may," "might," "plan," "would," "should," "could," "may," "can," "potential," "continue," "objective," or the negative of those terms, or similar expressions intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. Specific forward-looking statements in this press release include our strategy to intentionally place our brands where consumers expect to find them, whether online or in-store; our belief that innovation is our core strength and a key element in our long-term growth strategy; our belief that our Dock & Unlock process fuels our innovation; our belief that our Dock & Unlock™ process will fuel our future growth; our belief that our brands remain well positioned to capitalize on positive, long-term consumer outdoor participation trends; our continued belief that our net sales for fiscal 2024 could exceed fiscal 2023 net sales by as much as 3.5%; and our belief that our solid financial position enables us to continue investing in our business, returning capital to our stockholders, and addressing the exciting growth opportunities we have identified for our company. We caution that these statements are qualified by important risks, uncertainties, and other factors that could cause actual results to differ materially from those reflected by such forward-looking statements. Such factors include, among others, potential disruptions in our ability to source the materials necessary for the production of our products, disruptions and delays in the manufacture of our products, and difficulties encountered by retailers and other components of the distribution channel for our products; economic, social, political, legislative, and regulatory factors; lawsuits and their effect on us; inventory levels, both internally and in the distribution channel, in excess of demand; natural disasters, pandemics, seasonality, news events, political events, and consumer tastes; future investments for capital expenditures; future products and product development; the features, quality, and performance of our products; the success of our strategies and marketing programs; our market share and factors that affect our market share; liquidity and anticipated cash needs and availability; the supply, availability, and costs of materials and components and related tariffs; our ability to maintain and enhance brand recognition and reputation; risks associated with the distribution of our products and overall availability of labor; and other factors detailed from time to time in our reports filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended April 30, 2023.





AMERICAN OUTDOOR BRANDS, INC. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

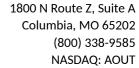
	As of:			
	Ju	ly 31, 2023	Ар	ril 30, 2023
		Jnaudited)		
100	(In	thousands, except p	ar value and	share data)
ASSETS				
Current assets:				
Cash and cash equivalents	\$	18,711	\$	21,950
Accounts receivable, net of allowance for credit losses of \$131 on July 31, 2023 and \$125 on April 30, 2023		23,572		26,846
Inventories		104,913		99,734
Prepaid expenses and other current assets		7,917		7,839
Income tax receivable		1,210		1,251
Total current assets		156,323		157,620
Property, plant, and equipment, net		9,101		9,488
Intangible assets, net		49,229		52,021
Right-of-use assets		23,917		24,198
Other assets		579		260
Total assets	\$	239,149	\$	243,587
LIABILITIES AND EQUITY	<u></u>			
Current liabilities:				
Accounts payable	\$	15,589	\$	11,544
Accrued expenses	•	9,802	•	8,741
Accrued payroll, incentives, and profit sharing		2,874		1,813
Lease liabilities, current		918		904
Total current liabilities		29,183		23,002
Notes and loans payable				4,623
Lease liabilities, net of current portion		23,833		24,064
Other non-current liabilities		18		34
Total liabilities		53,034		51,723
Equity:		<u> </u>	<u> </u>	<u> </u>
Preferred stock, \$0.001 par value, 20,000,000 shares authorized, no				
shares issued or outstanding		_		_
Common stock, \$0.001 par value, 100,000,000 shares authorized,				
14,542,812 shares issued and 13,060,823 shares outstanding on July 31, 2023 and 14,447,149 shares issued and 13,233,151				
outstanding on April 30, 2023		15		14
Additional paid in capital		273,415		272,784
Retained deficit		(66,488)		(62,375)
Treasury stock, at cost (1,481,989 shares on July 31, 2023		(50, 100)		(32,075)
and 1,213,998 shares on April 30, 2023)		(20,827)		(18,559)
Total equity		186,115		191,864
Total liabilities and equity	\$	239,149	\$	243,587





AMERICAN OUTDOOR BRANDS, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS (In thousands, except per share data)

		For the Three Months Ended July 31,			
		2023 (Unaud		2022 dited)	
Net sales	\$	43,445	\$	43,676	
Cost of sales		23,726		24,637	
Gross profit		19,719		19,039	
Operating expenses:					
Research and development		1,599		1,756	
Selling, marketing, and distribution		12,054		11,780	
General and administrative		10,151		11,064	
Total operating expenses		23,804		24,600	
Operating loss		(4,085)		(5,561)	
Other income, net:					
Other income, net		39		241	
Interest expense, net		(12)		(186)	
Total other income, net		27		55	
Loss from operations before income taxes		(4,058)		(5,506)	
Income tax expense		55		189	
Net loss	\$	(4,113)	\$	(5,695)	
Net loss per share:					
Basic	\$	(0.31)	\$	(0.42)	
Diluted	\$	(0.31)	\$	(0.42)	
Weighted average number of common shares outstanding:					
Basic		13,190		13,443	
Diluted		13,190		13,443	





AMERICAN OUTDOOR BRANDS, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

	For the Three Months Ended July 31,				
	2023			2022	
		(In thou	ısands)		
Cash flows from operating activities:					
Net loss	\$	(4,113)	\$	(5,695)	
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization		3,969		4,162	
Provision for credit losses on accounts receivable		6		7	
Stock-based compensation expense		932		714	
Changes in operating assets and liabilities:					
Accounts receivable		3,268		4,952	
Inventories		(5,179)		1,045	
Accounts payable		4,115		277	
Accrued liabilities		2,122		1,798	
Other		45		(2,192)	
Net cash provided by operating activities		5,165		5,068	
Cash flows from investing activities:					
Payments to acquire patents and software		(267)		(1,392)	
Payments to acquire property and equipment		(569)		(218)	
Net cash used in investing activities		(836)		(1,610)	
Cash flows from financing activities:			-		
Payments on notes and loans payable		(5,000)		(5,170)	
Payments to acquire treasury stock		(2,268)		_	
Cash paid for debt issuance costs		_		(88)	
Payment of employee withholding tax related to restricted stock units		(300)		(252)	
Net cash used in financing activities		(7,568)		(5,510)	
Net decrease in cash and cash equivalents		(3,239)		(2,052)	
Cash and cash equivalents, beginning of period		21,950		19,521	
Cash and cash equivalents, end of period	\$	18,711	\$	17,469	
Supplemental disclosure of cash flow information	<u></u>	<u> </u>	-		
Cash paid for:					
Interest	\$	117	\$	161	
Income taxes	\$	13	\$	32	
medite taxes	Ψ	13	Ψ	32	



AMERICAN OUTDOOR BRANDS, INC. AND SUBSIDIARIES RECONCILIATION OF GAAP FINANCIAL MEASURES TO NON-GAAP FINANCIAL MEASURES (In thousands, except per share data) (Unaudited)

For the Three Months Ended July 31 2023 2022 \$ 19,719 \$ 19,039 GAAP and non-GAAP gross profit **GAAP** operating expenses 23,804 \$ 24,600 Amortization of acquired intangible assets (2,960) (3,075) (932)(714) Stock compensation (293) Technology implementation (769) Acquisition costs (47) Stockholder cooperation agreement costs (1,010) 19,619 18,985 \$ Non-GAAP operating expenses **GAAP** operating loss (4,085) \$ (5,561) Amortization of acquired intangible assets 2,960 3,075 Stock compensation 932 714 Technology implementation 293 769 47 Acquisition costs _ Stockholder cooperation agreement costs 1,010 100 \$ 54 Non-GAAP operating income GAAP net loss (4,113) \$ (5,695) Amortization of acquired intangible assets 2.960 3,075 Stock compensation 932 714 Technology implementation 293 769 Acquisition costs 47 Stockholder cooperation agreement costs 1,010 Income tax adjustments 26 164 84 98 \$ \$ Non-GAAP net income GAAP net loss per share - diluted \$ (0.31)\$ (0.42)Amortization of acquired intangible assets 0.22 0.23 Stock compensation 0.07 0.05 0.02 0.06 Technology implementation Acquisition costs 0.07 Stockholder cooperation agreement costs 0.01 Income tax adjustments 0.01 \$ 0.01 Non-GAAP net income per share - diluted (a)

(a) Non-GAAP net income per share does not foot due to rounding.



AMERICAN OUTDOOR BRANDS, INC. AND SUBSIDIARIES RECONCILIATION OF GAAP NET LOSS TO NON-GAAP ADJUSTED EBITDAS (In thousands) (Unaudited)

Cau Aba	Thusa	N 4 4 l		July 31.
For the	ınree	MODERS	Enaea	July 31.

	Tor the filled Months Ended July 51,			
	2023		2022	
GAAP net loss	\$	(4,113)	\$	(5,695)
Interest expense		12		186
Income tax expense		55		189
Depreciation and amortization		3,945		4,162
Stock compensation		932		714
Technology implementation		293		769
Acquisition costs		_		47
Stockholder cooperation agreement costs		_		1,010
Non-GAAP Adjusted EBITDAS	\$	1,124	\$	1,382