

**NASDAQ: AOUT**

**INVESTOR  
PRESENTATION**

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June 2023



# LEGAL SAFE HARBOR

Certain statements contained in this presentation 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 presentation, 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,” “suggests,” “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. 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 suppliers’ ability to source the raw 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 including delivery of product stemming from port congestion and related transportation challenges; lower levels of consumer spending in general and specific to our products or product categories; our ability to introduce new products that are successful in the marketplace; interruptions of our arrangements with third-party contract manufacturers and freight carriers that disrupt our ability to fill our customers’ orders; increases in costs or decreases in availability of finished products, components, and raw materials; our ability to maintain or strengthen our brand recognition and reputation; the ability to forecast demand for our products accurately; our ability to continue to expand our e-commerce business; our ability to compete in a highly competitive market; our dependence on large customers; our ability to attract and retain talent; an increase of emphasis on private label products by our customers; pricing pressures by our customers; our ability to collect our accounts receivable; the potential for product recalls, product liability, and other claims or lawsuits against us; our ability to protect our intellectual property; inventory levels, both internally and in the distribution channel, in excess of demand; our ability to identify acquisition candidates, to complete acquisitions of potential acquisition candidates, to integrate acquired businesses with our business, to achieve success with acquired companies, and to realize the benefits of acquisitions in a manner consistent with our expectations; the performance and security of our information systems; our ability to comply with any applicable foreign laws or regulations and the effect of increased protective tariffs; economic, social, political, legislative, and regulatory factors; the potential for increased regulation of firearms and firearms-related products; the effect of political pressures on firearm laws and regulations; the potential impact on our business and operations from the results of federal, state, and local elections and the policies that may be implemented as a result thereof; our ability to realize the anticipated benefits of being a separate, public company; future investments for capital expenditures, liquidity and anticipated cash needs and availability; the potential for impairment charges; estimated amortization expense of intangible assets for future periods; actions of social or economic activists that could, directly or indirectly, have an adverse effect on our business; disruptions caused by social unrest, including related protests or disturbances; our assessment of factors relating to the valuation of assets acquired and liabilities assumed in acquisitions, the timing for such evaluations, and the potential adjustment in such evaluations; 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. AT A GLANCE

AOB, READY FOR THE FUTURE.



- HQ & Distribution: Columbia, MO
- Additional Offices: MA (Admin), Asia (WFOE)
- Spinoff from Former Parent Company: August 2020
- NASDAQ Global Select: AOUT

<b>FY23 Net Sales</b>	\$191.2 million	<b>Net Sales Target</b>	\$400M
<b>FY23 Gross Profit Margin</b>	46.1%	<b>Target Adj. EBITDAS Margin %</b>	Mid- to High-teens
<b>FY23 Adjusted EBITDAS</b>	\$12.8 million, or 6.7%	<b>Headquarters</b>	Columbia, Missouri
<b>Cash Balance</b>	\$22 million	<b>Fiscal Year End</b>	April 30
<b>Line of Credit</b>	\$5 million outstanding	<b>Employee Count</b>	302

All metrics as of fiscal year end April 30, 2023



# OUR BRANDS & PRODUCTS AT A GLANCE

AOB, READY FOR THE FUTURE.

# 21

Brands

We create innovative products, underneath 21 diverse brand names,<sup>(1)</sup> for consumers who are passionate about the outdoors and shooting sports.



# 2

Categories

Our brands operate across two (2) major product categories:

**54%<sup>(2)</sup> Outdoor Lifestyle:** fishing, camping, land management, meat processing, outdoor cooking

**46%<sup>(2)</sup> Shooting Sports:** shotgun sports, reloading, optics, hand tools, security solutions *(we do not manufacture or sell firearms)*

# D&U

Value Creation

Our innovative “Dock & Unlock”™ formula fuels brand growth.

We have a proven track record of creating new brands, growing existing brands, and efficiently integrating acquired brands to expand our reach into new markets.

# 387

Patents

We have a tremendous pipeline of disruptive new products, backed by an accelerating portfolio of patents.

In the past two years, alone, our IP portfolio has swelled by ~30% to 387 patents - filed or active - with more on the way.

This moat helps protect our future revenue and profitability.

(1) In addition to our 17 owned brands, we also license the Smith & Wesson®, M&P®, Thompson/Center Arms™, and Performance Center® brands from Smith & Wesson.

(2) Percent of FY23 Net Sales ended April 30, 2023.



***“Building authentic, lifestyle brands that help consumers make the most out of the moments that matter.”***



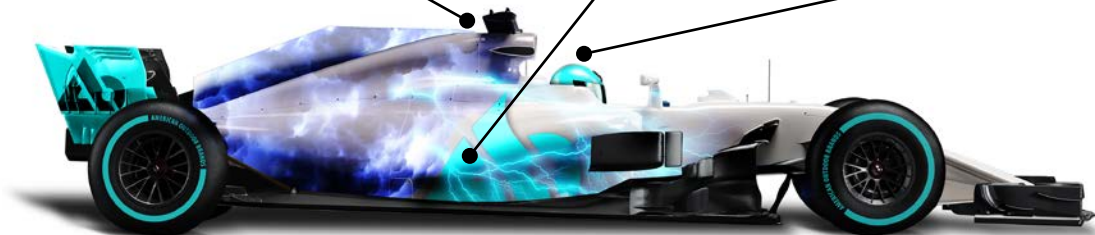
# READY FOR THE FUTURE.

AOB, READY FOR THE FUTURE.

**1. Engine:** Capable of growing net sales ~2x to \$400M and EBITDAS 5x to \$70M+ over the next 4-5 years.

**2. Chassis:** Infrastructure complete. No new investments needed.

**3. Driver:** The right people and culture to win.



(...fueled by a strong cash position, with cash flow upside)

Interested in taking a spin?





# PATH TO \$400M IN NET SALES: THE ROAD AHEAD

**We believe AOB is capable of generating \$400M in net sales over the next 4-5 years**

This potential is based upon elements within our control: our innovation pipeline, identified expansion opportunities, and infrastructure in-place.

While we're optimistic our business is capable of achieving this growth target, we are mindful there are several elements outside of our control that could impact timing, such as: consumer demand and spending patterns; health of retailers; geopolitical changes; and changes in legislation<sup>(1)</sup>

**\$400M**  
NET SALES

**\$70M+**  
EBITDAS

## **FY24 Outlook: June 2023**

Net Sales growth of up to

**+3.5%**

Adj. EBITDAS growth of up to

**+6.5%**

<sup>(1)</sup> Please refer to our SEC filings for additional risk factors.

# Fiscal 2023 Highlights

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# FISCAL 2023 HIGHLIGHTS

FISCAL 2023 HIGHLIGHTS

## +14.2%

Net Sales vs. FY20

Net sales declined 22.8% YOY but grew 14.2% vs. pre-pandemic FY20. Outdoor Lifestyle category grew 33.8% vs. FY20 and represents nearly 54% of net sales in FY23. Shooting Sports category declined 2.2% vs. FY20.

## +60.6%

E-commerce vs. FY20

E-commerce net sales declined 10.5% YOY but grew 60.6% vs. FY20. Direct-to-consumer net sales grew 76% YOY and included the acquisition of Grilla Grills. Brands sold exclusively direct-to-consumer comprised nearly 13% of FY23 net sales.

## 46.1%

Gross Margin

Gross margins remained strong in FY23 despite the YOY sales decline, and grew by +370 bps vs. FY20.

## \$30.7M

Operating Cash Flow

Operating cash flow remained strong in FY23 at \$30.7M. Since our spinoff in Aug 2020, we have generated \$45.5M in operating cash.

## 2.8%

O/S Shares Repurchased

Under our current share buyback plan, which ends Sept. 2023, we have purchased 2.8% of our outstanding shares at average price of \$9.34 (as of 4/30).

## PLUS:

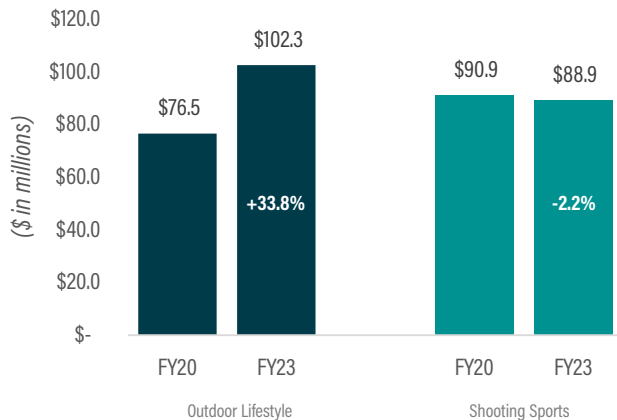
Key Investments Completed

We implemented our new ERP system, Microsoft D365; consolidated two facilities into our Missouri location; and secured additional distribution capacity.



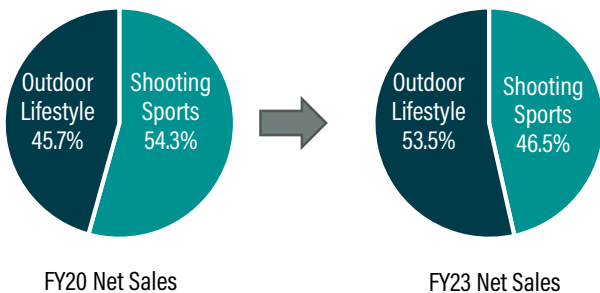
# OUTDOOR LIFESTYLE CATEGORY LEADING GROWTH

## Net Sales vs Pre-Pandemic



- **Outdoor Lifestyle Net Sales**
  - FY23 vs FY22: -14.3%
  - FY23 vs FY20 (pre-pandemic): +33.8%
- Expected to be a growing percentage of business over time
- Expansion in domestic and international markets
- Growth opportunity supported by:
  - Fishing (BUBBA)
  - Land Management (Hooyman)
  - Hunting & Outdoor (BOG, Schrade)
  - Food Prep & Cooking (MEAT! Your Maker, Grilla)

## Mix Shift Toward Outdoor Lifestyle

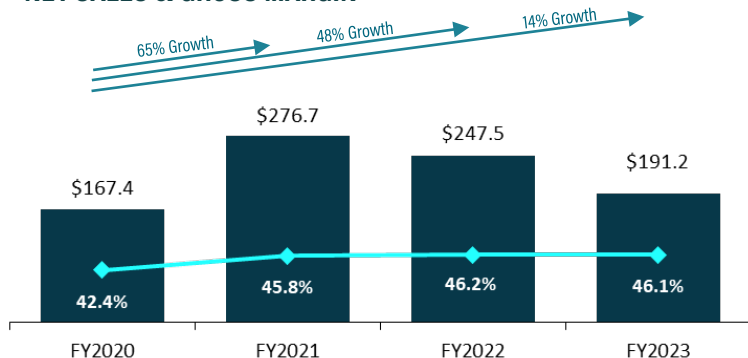


- **Shooting Sports Net Sales**
  - FY23 vs FY22: -30.7%
  - FY23 vs FY20 (pre-pandemic): -2.2%
- Expansion in domestic and international markets
- Growth opportunity focused on expanding into large, stable categories including:
  - Shotgun Sports (Caldwell)
  - Shooting Accessories (Wheeler, Frankford Arsenal)



# LEVERAGEABLE FINANCIAL MODEL AS BUSINESS SCALES

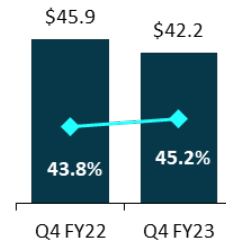
## NET SALES & GROSS MARGIN



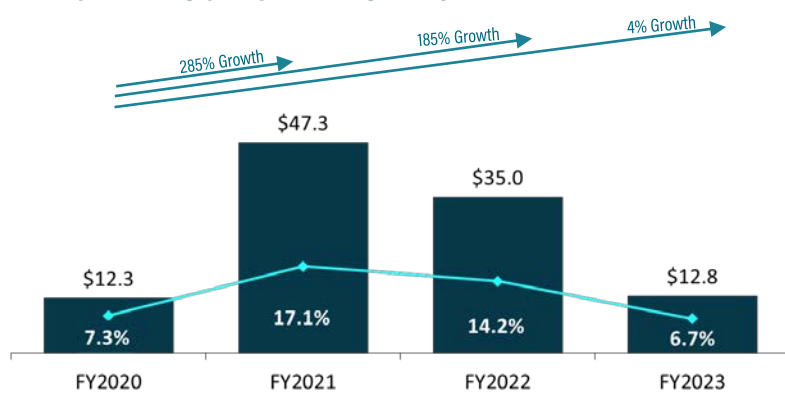
- ✓ Long-term growth driven by leveraging brand lane platforms
- ✓ "Dock & Unlock"™ strategy allows for expansion into new product categories providing AOUT's young brands with significant runway for growth
- ✓ Long-term gross margins supported by new product launches, stabilized from tariff impacts

- ✓ Q4 FY23 - Net sales -2% vs. Q4 FY20 (pre-pandemic)
- ✓ FY23 Net sales +14.2% vs. FY20 (pre-pandemic)

## Q4 UPDATE



## ADJ. EBIDTAS & ADJ. EBIDTAS MARGIN

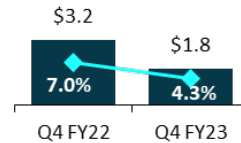


- ✓ Leverage of fixed G&A costs, brand lanes and e-commerce investments expected to yield significant EBITDAS contribution as the business scales

- ✓ Long-term Adj. EBITDAS target margin - mid to high teens

- ✓ FY23 - Consolidated Crimson Trace and Grilla operations providing annualized net cost savings of ~\$1.5M
- ✓ FY23 includes full public company and IT costs vs. FY20, which reflects *allocated* costs from our former parent company

## Q4 UPDATE



Note: US\$ in millions. Fiscal year ended April 30. Adjusted EBITDAS is defined as GAAP net income/(loss) before interest, taxes, depreciation, amortization, goodwill impairment, and stock compensation expense and excludes certain items we consider non-routine. See slide 45 for a reconciliation of Adjusted EBITDAS. Financials for FY2022 include activity for the period subsequent to the acquisition of Grilla Grills.



# STRONG BALANCE SHEET SUPPORTS ORGANIC GROWTH & ACQUISITIONS

FISCAL 2023 HIGHLIGHTS

## BALANCE SHEET AS OF APRIL 30, 2023

### Assets (\$M)

Cash	\$22.0
Other Current Assets	135.7
Intangibles	52.0
PP&E	9.5
Other Assets	24.4
<b>Total Assets</b>	<b>\$243.6</b>

### Liabilities & Equity (\$M)

Current Liabilities	\$23.0
Bank Debt	5.0
Other Liabilities	23.7
<b>Total Liabilities</b>	<b>\$51.7</b>

<b>Stockholders' Equity</b>	<b>\$191.9</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$243.6</b>

- ✓ FY23 : operating cash flow \$30.7M, free cash flow\* \$25.9M
- ✓ Significant liquidity (up to ~\$92M available capital)
- ✓ \$75M asset-based revolving credit facility, expandable by \$15M
- ✓ Net cash of \$17M (\$22M cash less \$5M bank debt)
- ✓ Dry powder available for strategic acquisitions

### IDEAL ACQUISITION CRITERIA

- ✓ "Dock & Unlock"<sup>™</sup> Friendly via Brand Lane Structure
- ✓ "Niche to Known"<sup>™</sup> Opportunity (Runway for Growth)
- ✓ Large, Addressable Markets
- ✓ Low Complexity
- ✓ Further Diversifies Supply Chain

\* Free cash flow defined as cash flow from operations less capital expenditures



# COMPELLING INVESTMENT CONSIDERATIONS

AOB, READY FOR THE FUTURE.

## 1. Business capable of growing net sales ~2x to \$400M and 5x EBITDAS of \$70M+ over the next 4-5 years.

- Innovation engine, built.
- Leverageable Brand Lane teams in place.
- Customer & channel opportunities ripe for harvesting.

## 2. Infrastructure in place. No new investments needed.

- Infrastructure investments complete, ready to scale.

## 3. The right people and culture to win.

## 4. Strong cash position, with cash flow upside.

- Simple, leverageable model that is highly profitable with growth.



*Note: While we have many brands that demonstrate how "Dock & Unlock" delivers growth, today's presentation will largely draw upon BUBBA as an example, specifically, our recent launch of the Pro Series Smart Fish Scale.*

# Product Development

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Innovation engine, **built.**

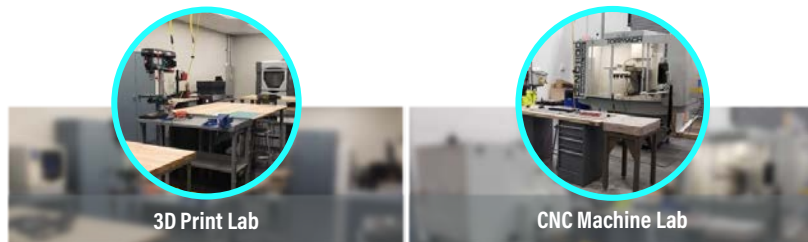
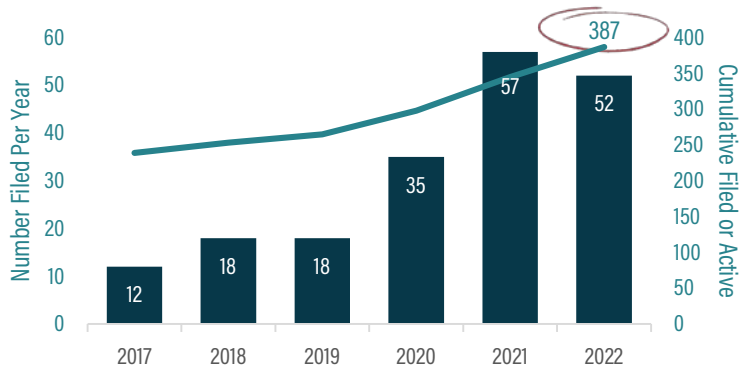


# PRODUCT DEVELOPMENT: INNOVATION ENGINE, BUILT

INNOVATION ENGINE, BUILT.

- ✓ **Pipeline built to deliver ~\$200M in incremental sales**
  - Provides 3-5 years of new product upside
  - Focused on large, sleepy markets, ripe for disruption
- ✓ **Talent in place, capable of executing product pipeline**
  - 40+ product designers, engineers, and software developers
  - Capable of developing 200+ new products, annually
- ✓ **Investments in equipment that accelerate time to market**
  - 5 state-of-the-art product development labs
  - Vertically integrated with new 3D printers, CNC machines, test lab
- ✓ **Best-in-class Quality team**
  - Continues legacy of delivering trustworthy product
  - Protects higher ASP strategy, supported by intellectual property

## Accelerating Patent Portfolio Supports Incoming Wave of Innovation and Growth





# BUBBA CASE STUDY: "DOCK & UNLOCK" DRIVES INNOVATION

INNOVATION ENGINE, BUILT.

## 1. Large, attractive market, where AOB has "permission to play?"

- Fishing is a huge market (~50M U.S. participants)
- Freshwater is the largest segment with ~40M anglers, approximately 40% more participants than Golf

## 2. How do we gain access to Freshwater?

- Electric Fillet Knife became available in 2019

## 3. A meaningful share of Freshwater fishing is "Catch & Release" instead of "Catch & Eat"...

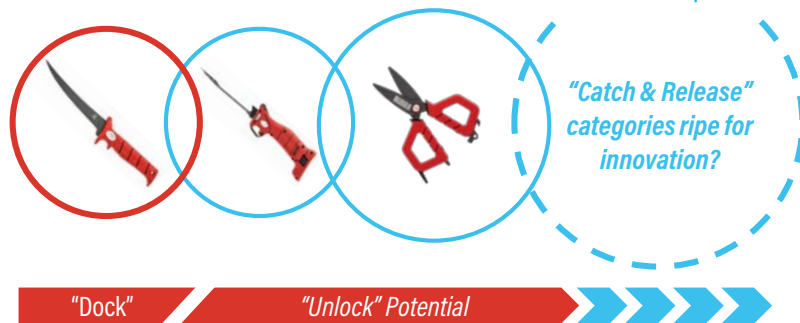
- Freshwater tools introduced in 2020

## 4. Where can we leverage our innovation engine to disrupt large, high visibility "Catch & Release" categories ignored by others?

# BUBBA™

Saltwater Fishing:  
~10M Participants

Freshwater Fishing:  
~40M Participants







# BUBBA CASE STUDY: "DOCK & UNLOCK" DRIVES INNOVATION

INNOVATION ENGINE, BUILT.

*~30M anglers in the U.S. target bass species for sport, and commonly use fish weight scales to measure success...*



## Fish Weight Scales:

1. Not easy to hold
2. Not high quality
3. Not smart (little to no data capture, retention or analysis)

*"What else could these be used for?"*

*"How do we get one on every fishing boat?"*

*"Can a fish scale contribute to sustainability?"*



# BUBBA CASE STUDY: "DOCK & UNLOCK" DRIVES INNOVATION

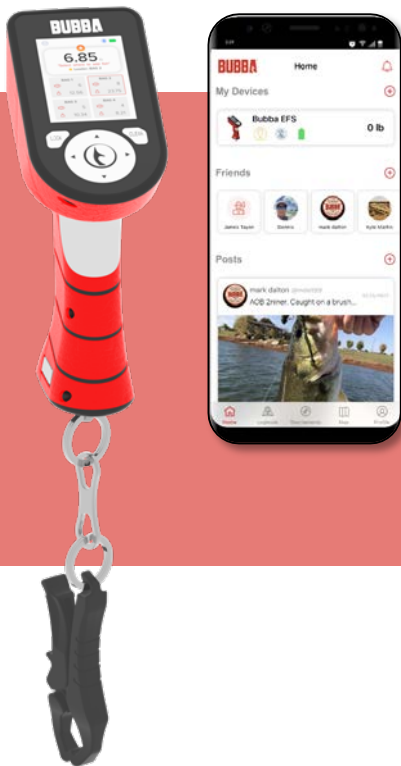
INNOVATION ENGINE, BUILT.

## BUBBA™

### Tournament-Grade Pro Series Smart Fish Scale

#### Opportunity:

- ✓ Large, underserved market
- ✓ Category lacks innovation
- ✓ AOB has "Permission to Play"
- ✓ Team in place to execute:
  - Mechanical engineering
  - Industrial design
  - Electrical engineering
  - Software engineering
  - App development



#### Result:

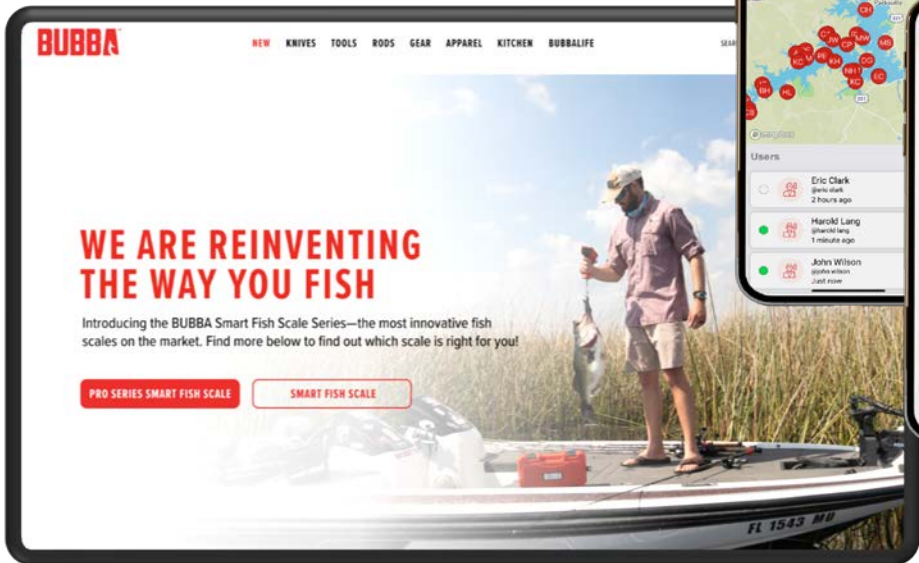
- ✓ Easy to hold
- ✓ High Quality
- ✓ Smart



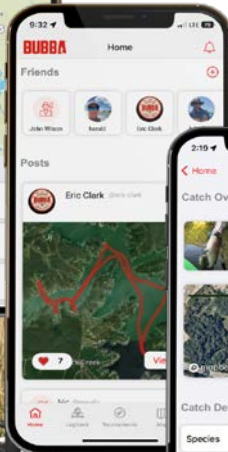
# BUBBA CASE STUDY: "DOCK & UNLOCK" DRIVES INNOVATION

INNOVATION ENGINE, BUILT.

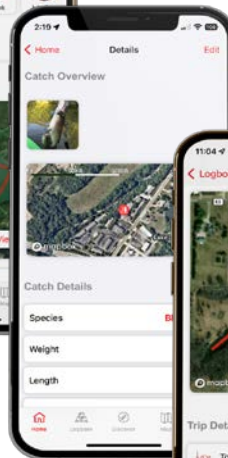
What does "Smart" look like...



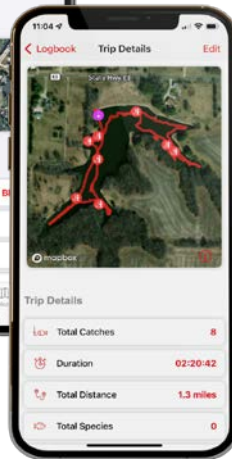
Compete in Tournaments with Other Anglers



Connect with Other Anglers and Share Catches and Trips



Log Your Catches with Detailed Information



Document and Save Your Entire Day of Fishing with Trips

The BUBBA Pro Series Smart Fish Scale is the First of its Kind to "Gamify" Fishing to Create Better Anglers



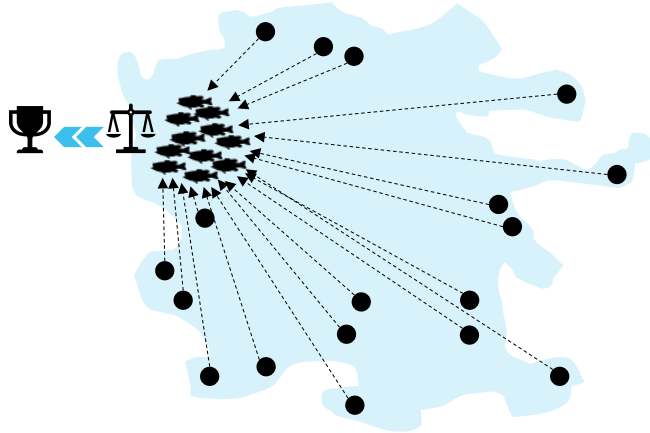
# BUBBA CASE STUDY: "DOCK & UNLOCK" DRIVES INNOVATION

INNOVATION ENGINE, BUILT.

With BUBBA, "Smart" also means "Sustainable"...

## Tournament with Traditional Fish Weight Scales

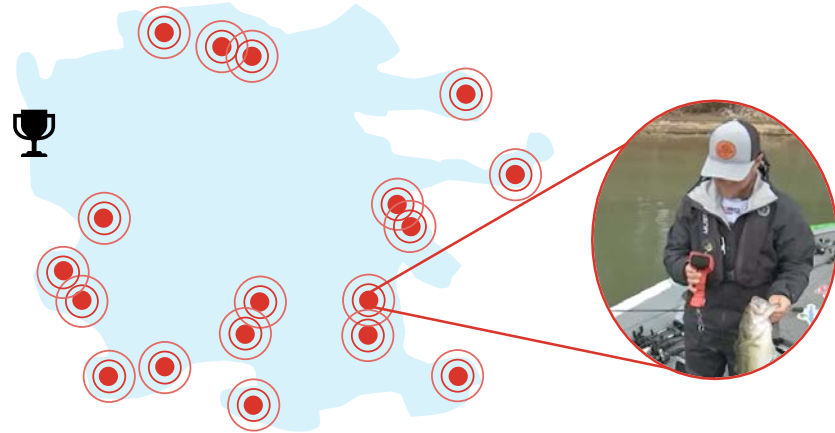
- Catch → Weigh → Live Well → Dock Weigh-in → Release
- Extended "out-of-the-water" time and transport can often lead to higher levels of fish mortality



vs.

## BUBBA™

- Catch → Weigh → Live Well → Dock → Release
- Reduces "out-of-the-water" time, supporting conservation and promoting sustainability



# Marketing

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Leverageable Brand Lane teams **in place.**

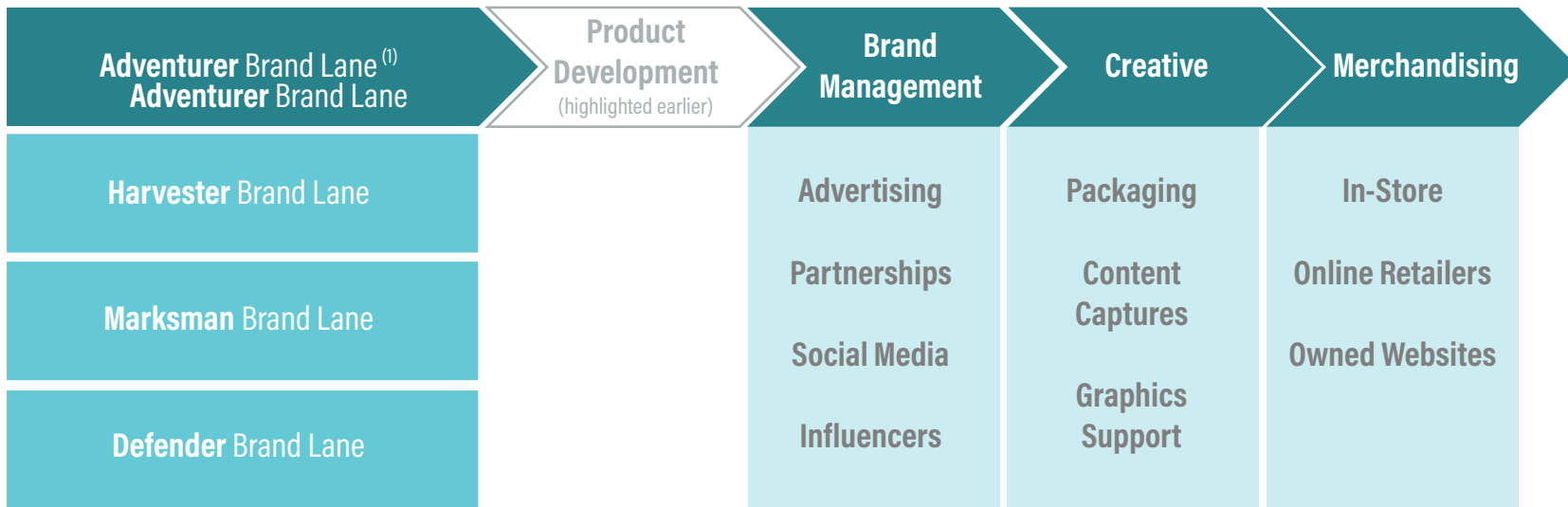


# MARKETING: LEVERAGEABLE BRAND LANE TEAMS

BRAND LANE TEAMS, IN PLACE.

**“Brand Lane” teams are in place, focused on key consumer activities:**

- Drives brand authenticity
- Connects products + consumers’ lifestyles
- Breeds consistent messaging & speed-to-market



(1) Adventurer brand lane highlighted as an example. All four brand lanes have product development, brand management, creative, and merchandising teams.



# BUBBA CASE STUDY: LEVERAGING THE BRAND LANES

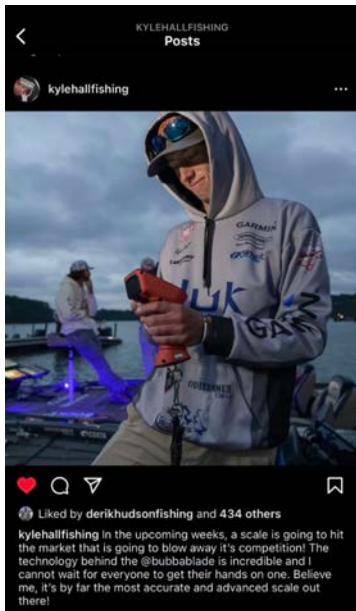
BRAND LANE TEAMS, IN PLACE.

Adventurer  
Brand Lane Team

Brand  
Management

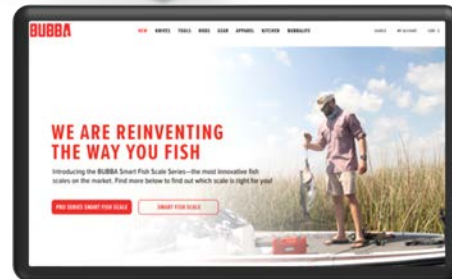
Creative

Merchandising



INTRODUCING THE ALL-NEW  
BUBBA MOBILE APP

Now with the Pro Series Smart Fish Scale to upgrade your experience in just one tap. We're bringing together more content to your fishing gear, such as location, the species and weight, and other photos of your best catches!



# Go-To-Market

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Customer & channel opportunities **ripe for harvesting.**





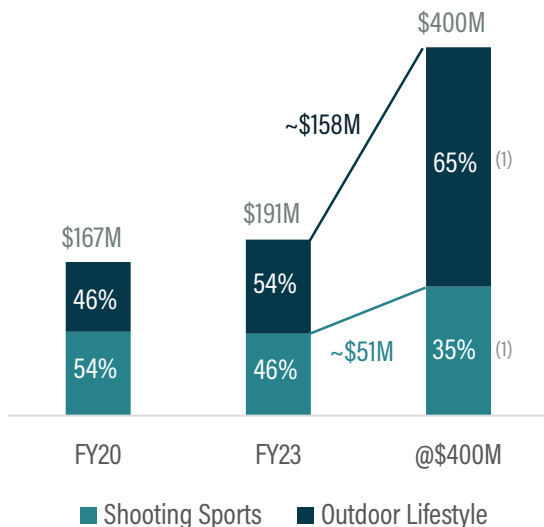
# GO-TO-MARKET: MULTIPLE EXPANSION OPPORTUNITIES

OPPORTUNITIES, RIPE FOR HARVESTING.

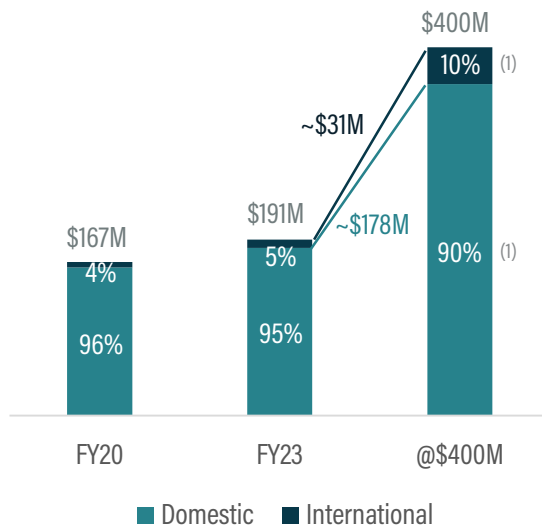
**We believe AOB is capable of \$400M in net sales, organically; we expect our business to shift as a result:**

- Outdoor Lifestyle transitions towards ~65% of net sales (from 54% today)
- Doubling of international sales to 10% of net sales (from 5% today)
- Even split between Traditional and e-Commerce as we expand into new customer channels

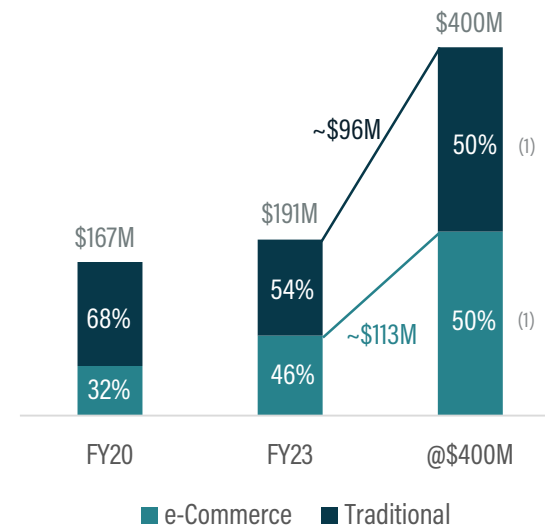
### Net Sales by Product Category



### Net Sales by Geography



### Net Sales by Channel



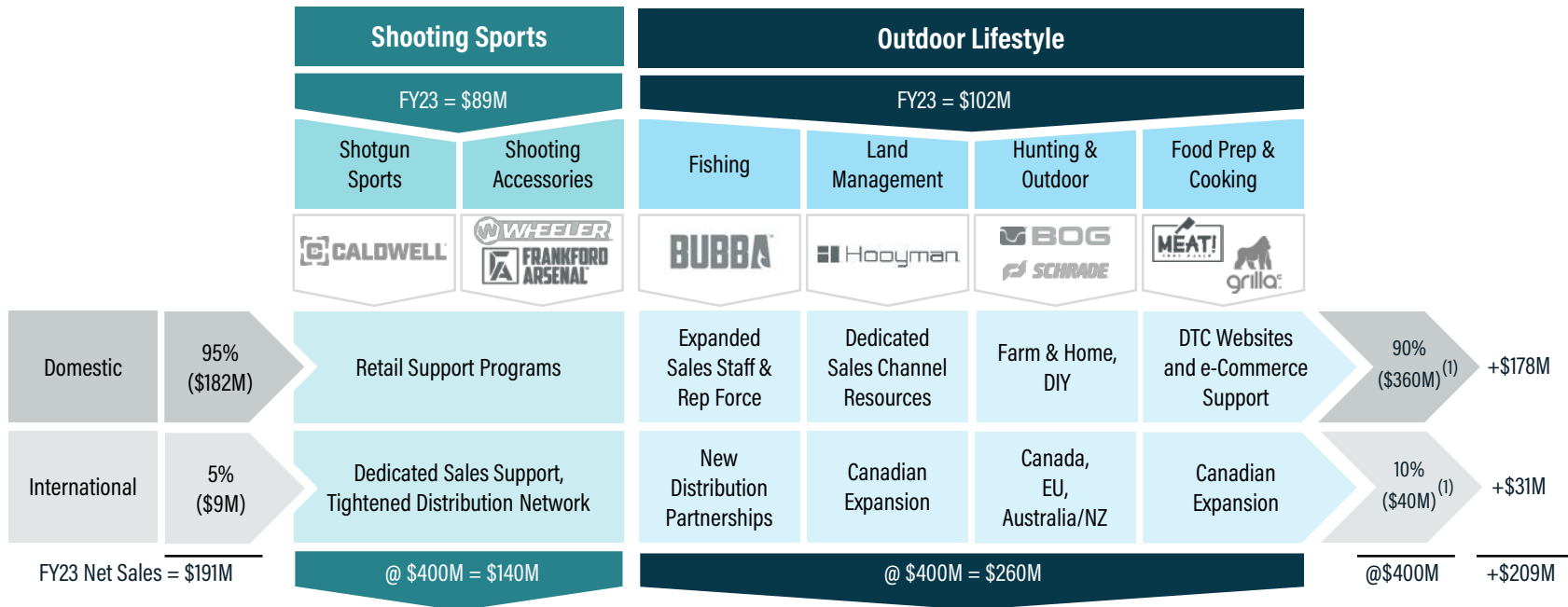
(1) Amounts are illustrative examples of breakouts based on current management expectations.



# GO-TO-MARKET: DOMESTIC & INTERNATIONAL EXPANSION

OPPORTUNITIES, RIPE FOR HARVESTING.

We plan to support Outdoor Lifestyle growth with investments made at home and abroad.



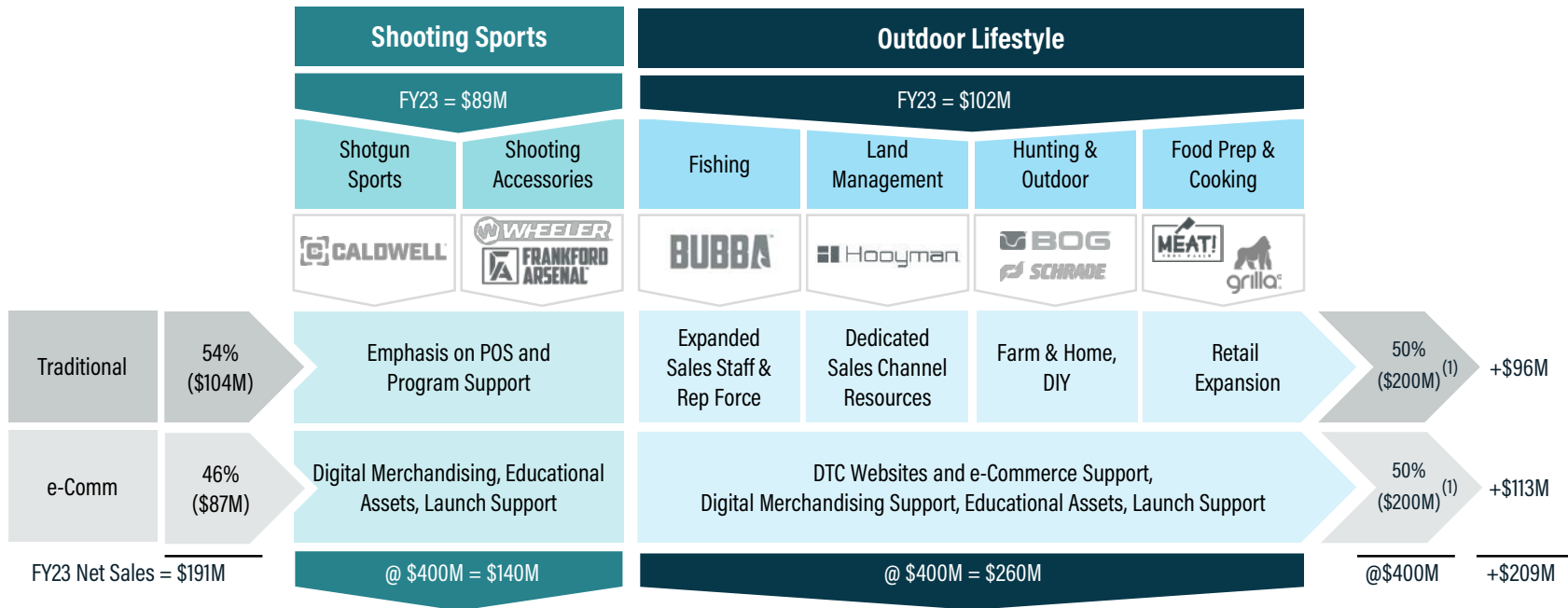
(1) Amounts are illustrative examples of breakouts based on current management expectations.



# GO-TO-MARKET: TRADITIONAL & E-COMMERCE EXPANSION

OPPORTUNITIES, RIPE FOR HARVESTING.

We plan to propel our growth with a strategic combination of Retail and e-Comm.



(1) Amounts are illustrative examples of breakouts based on current management expectations.

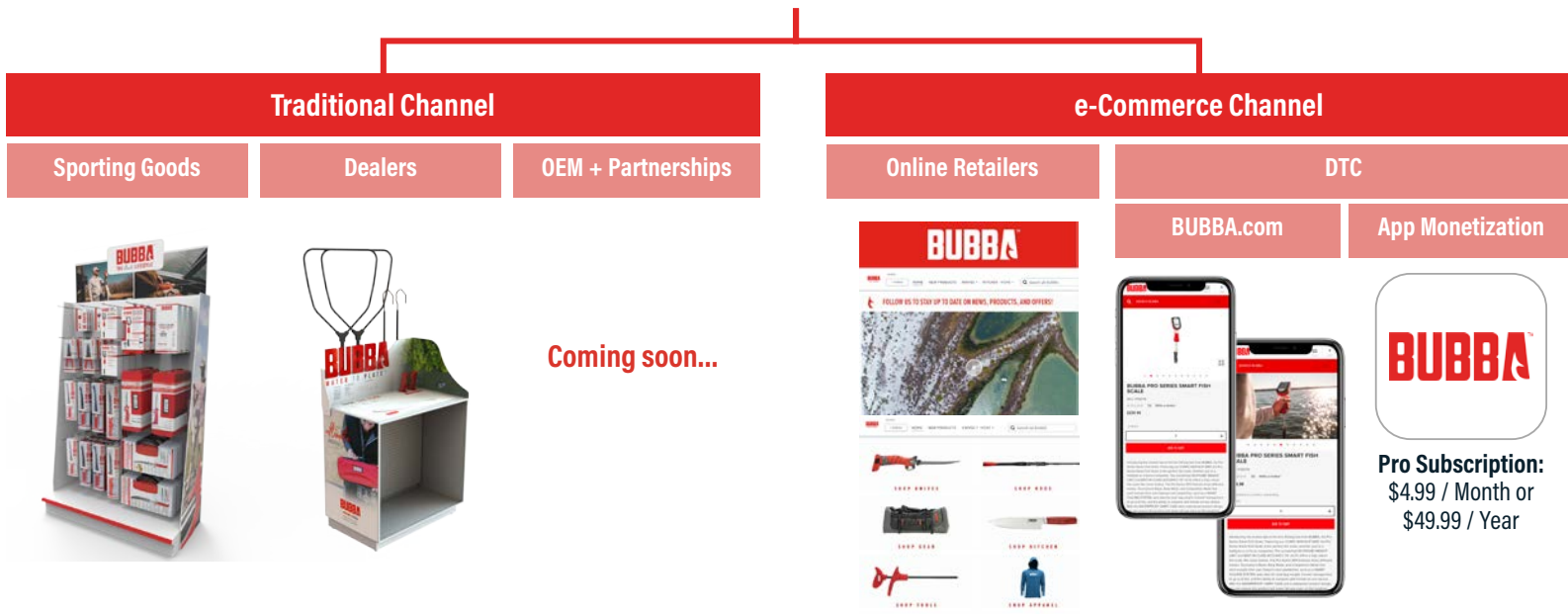


# BUBBA CASE STUDY: MAXIMIZING STRATEGIC ADOPTION

OPPORTUNITIES, RIPE FOR HARVESTING.



## Tournament-Grade Pro Series Smart Fish Scale

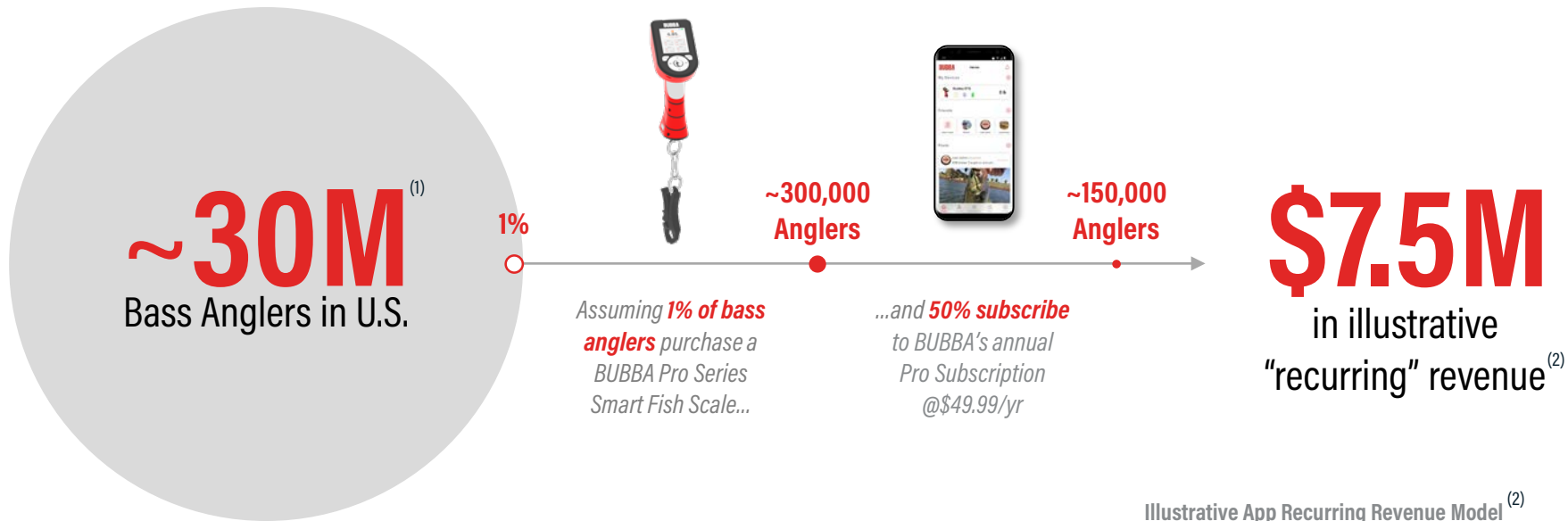


Strategic placement ensures pricing integrity and maximizes pull-through



# BUBBA CASE STUDY: ILLUSTRATIVE RECURRING REVENUE OPPORTUNITY

OPPORTUNITIES, RIPE FOR HARVESTING.



Illustrative App Recurring Revenue Model<sup>(2)</sup>

		% of Bass Anglers (30M)			
		1%	2%	3%	4%
% Subscribed to BUBBA's Pro Subscription	25%	\$3.8	\$7.5	\$11.3	\$15.0
	50%	<b>\$7.5</b>	\$15.0	\$22.5	\$30.0
	75%	\$11.3	\$22.5	\$33.8	\$45.0

(\$ in millions)

(1) Source: iOutdoors

(2) Illustrative example to demonstrate potential scalability of paid app. Figures are gross of any related fees. Pro Subscription introduced in April 2023.

# Infrastructure

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Investments complete, **ready to scale.**



# INFRASTRUCTURE: COMPLETE & READY FOR EXPANSION

INVESTMENTS COMPLETE, READY TO SCALE.

- ✓ **New HQ and Distribution Center (2019)**
  - 632k SF provides capacity for organic growth and acquisitions
- ✓ **New Consumer-Focused Brand Lanes (2020)**
  - Finished build-out of leverageable Brand Lane teams
- ✓ **New Public Company Infrastructure (2020)**
  - Spin created new Finance, IT, Legal, HR, Operations, and IR functions
- ✓ **New DTC Platform (2021)**
  - Completed 17 dedicated brand websites on Salesforce platform
- ✓ **New ERP System (2023)**
  - Completed transition to Microsoft D365 in February 2023
- ✓ **New Analytics Platform (2023)**
  - Microsoft Power BI platform launched, Analytics team in place

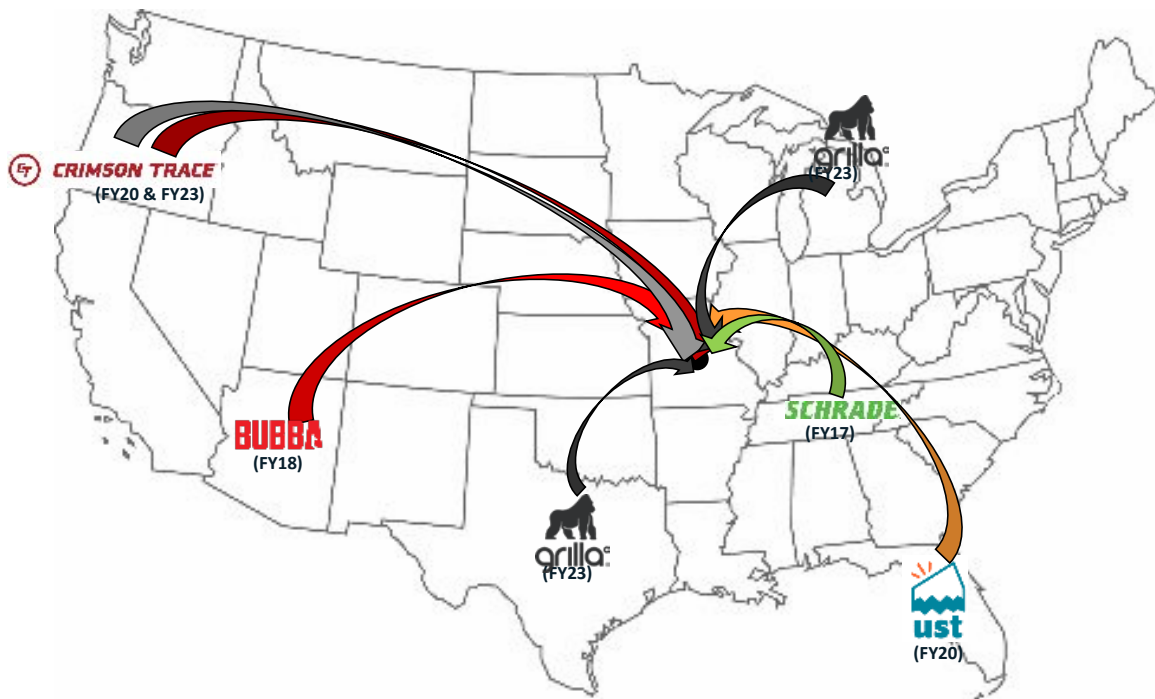


*AOB's former parent company currently occupies 250k SF, which will be assumed by AOB in January 2024, bringing total area to 632k SF.*



# INFRASTRUCTURE: CONSOLIDATIONS INTO NEW FACILITY, COMPLETE

INVESTMENTS COMPLETE, READY TO SCALE.





# People & Culture

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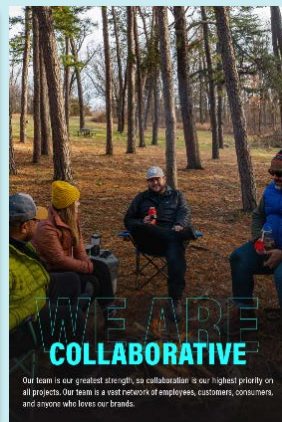
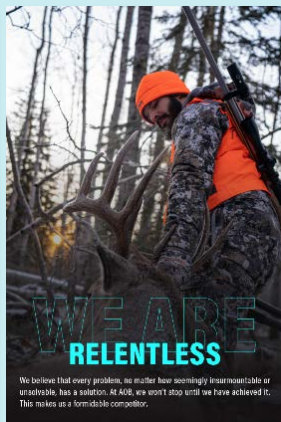
The right people & culture **to win.**



# OUR CULTURE: A COMPETITIVE ADVANTAGE

THE RIGHT PEOPLE & CULTURE TO WIN.

## Values Drive Our Culture



## How Others View AOB's Culture

**"Entrepreneurial"**  
(Top 10 Customer)

**"Visionary"**  
(Industry Investment Banker)

**"Innovation"**  
(Top 10 Customer)

**"Entrepreneurial"**  
(Large AOB Competitor)

**"Dedicated"**  
(Top 10 Customer)

# Strong Financial Model

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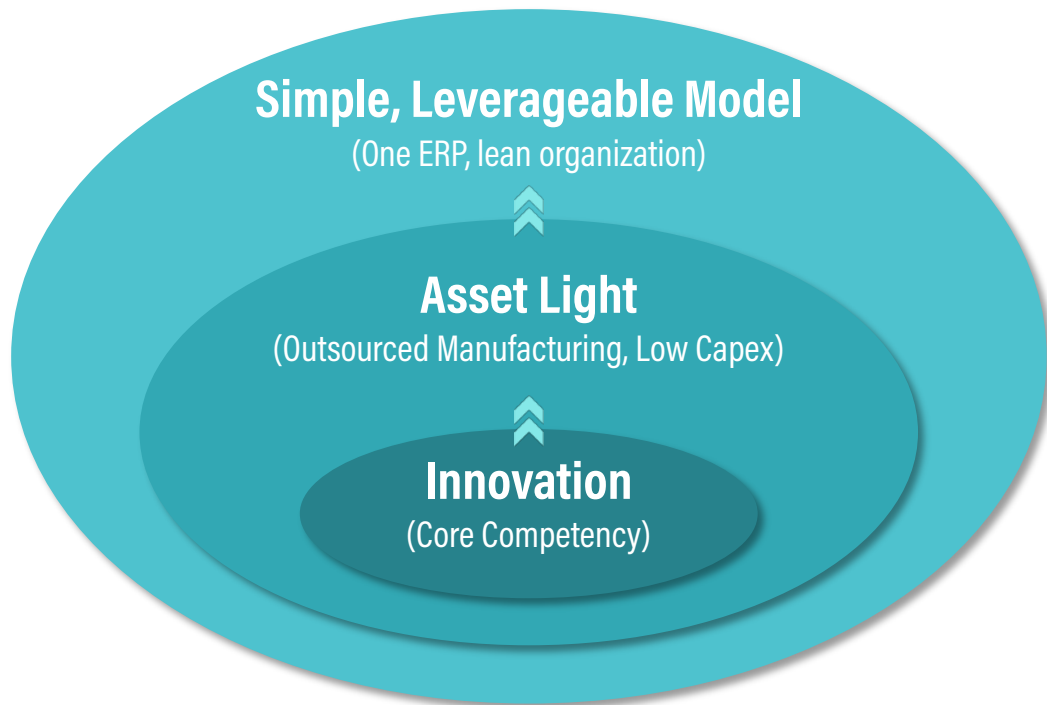


Strong balance sheet, leverageable growth model, with favorable **cash flow upside.**



# BUSINESS MODEL: CORE COMPETENCIES DRIVE SIMPLICITY

STRONG FINANCIAL MODEL, IN PLACE.





# FINANCIAL MODEL: INCREASED OPERATING LEVERAGE WITH GROWTH

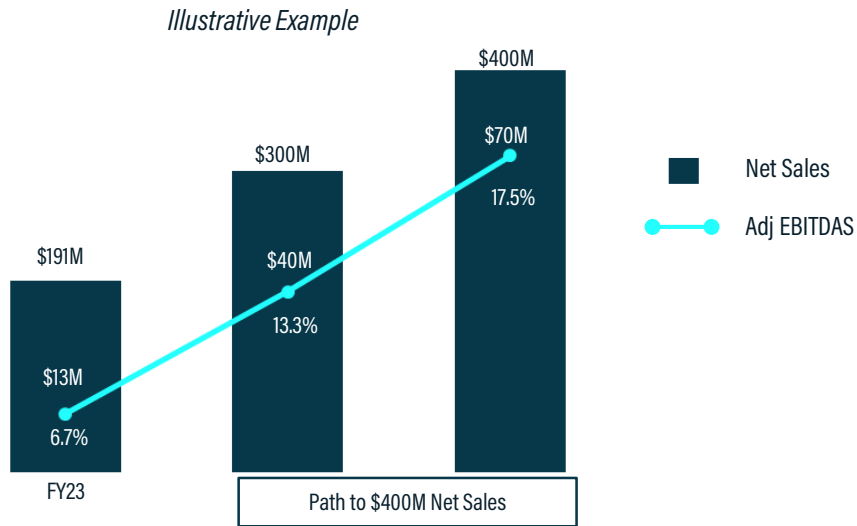
STRONG FINANCIAL MODEL, IN PLACE.

## Our Significant Investments are Behind Us

- New HQ and Distribution Center
- New Consumer-Focused Brand Lanes
- New Public Company Infrastructure
- New DTC Platform
- New ERP System
- New Analytics Platform

## SIGNIFICANT EBITDAS CONTRIBUTION ON PATH TO \$400M

We expect EBITDAS contribution of **25% - 35%** on incremental net sales as we grow organically on the path to \$400M in net sales, yielding total EBITDAS margins in the mid-to-high teens.

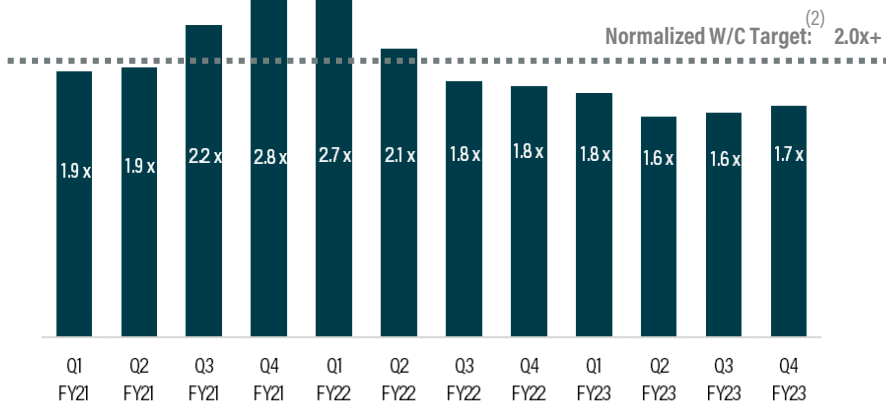




# FINANCIAL METRICS: W/C UPSIDE & NEGATIVE NET DEBT

STRONG FINANCIAL MODEL, IN PLACE.

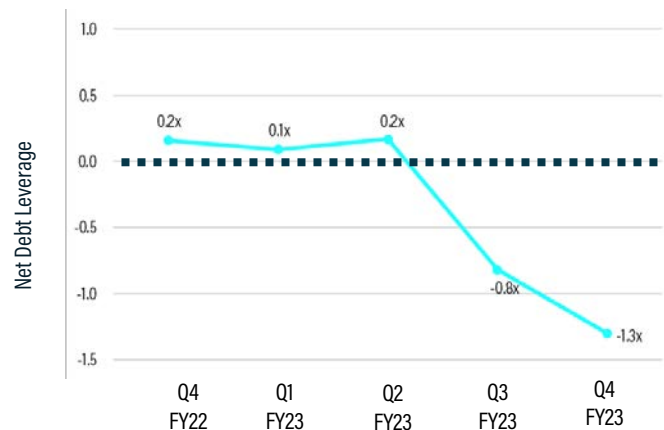
## WORKING CAPITAL TURNS<sup>(1)</sup>



(1) Working Capital Turns calculation:  $TTM \text{ net sales} / (\text{Accts Receivable} + \text{Inventory} - \text{Accts Payable})$

(2) Represents historical working capital turns, excluding pandemic-related impacts

## NET DEBT LEVERAGE<sup>(3)</sup>



(3) Net Debt Leverage calculation:  $(\text{Bank debt outstanding} - \text{cash on hand}) / TTM \text{ Adjusted EBITDAS}$



# CAPITAL ALLOCATION: DEMONSTRATED DEPLOYMENT

STRONG FINANCIAL MODEL, IN PLACE.

1

## ORGANIC GROWTH

Our highest priority is to invest in our business:

- Drives organic net sales to \$400M
- Delivers sustainable profitability
- Yields strong returns and free cash flow



FY23 net sales growth of **4.4x** first year of creation

2

## M&A

At the same time, we will seek out M&A opportunities to supplement organic growth:

- Applying strict criteria
- Finding brands to “Dock & Unlock”
- Maximizing ROIC



- Consolidation contributed towards \$1.5M savings
- New products/categories set for launch in FY24

3

## RETURN CAPITAL TO SHAREHOLDERS

We will continually assess opportunities to return capital to shareholders:

- Current share buyback plan in place through Sept 2023
- Implementing opportunistic share buybacks as appropriate

Repurchased 2.8% O/S shares at avg. price of \$9.34 through April '23



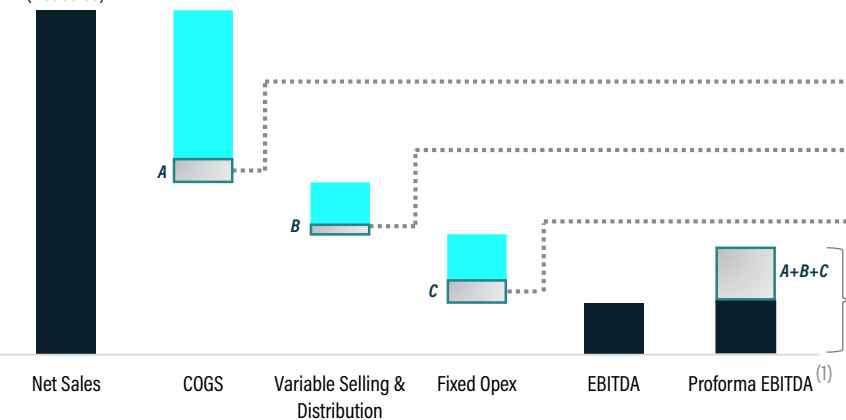
# M&A ILLUSTRATION: "DOCK & UNLOCK" DRIVES INCREMENTAL EBITDA

STRONG FINANCIAL MODEL, IN PLACE.

## ILLUSTRATIVE ACQUISITION TARGET: EBITDA Walk

## DEMONSTRATED RESULTS WITH "DOCK & UNLOCK"

Tuck-in Range:  
\$10M - \$50M  
(Net Sales)



Cost reductions through supply chain improvements, consolidating distribution into AOUT HQ, and leveraging brand lanes

**Net sales:** Expanded products and customers

*In Process*

**Gross margin:** Improved margins with AOUT supply chain

*In Process*

**Variable costs:** Consolidated logistics into Columbia HQ

**Fixed Opex:** Leveraged Adventurer brand lane

**Target EBITDAS Contribution:** 25%+



(1) Does not include incremental net sales from expanded products and customers





## WE'RE READY FOR THE FUTURE...

- ✓ Innovation engine, **built.**
- ✓ Leverageable Brand Lane teams **in place.**
- ✓ Customer & channel opportunities **ripe for harvesting.**
- ✓ Infrastructure investments complete, **ready to scale.**
- ✓ The right people and culture **to win.**
- ✓ Strong balance sheet, leverageable growth model, favorable **cash flow upside.**

# Appendix

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# AMERICAN OUTDOOR BRANDS: SENIOR TEAM

INTRODUCTIONS



**BRIAN MURPHY**

President & CEO

Joined: 2016

Previous Experience



**ANDY FULMER**

Chief Financial Officer

Joined: 2010

Previous Experience



**JAMES TAYON**

VP of Marketing & Product Development

Joined: 2012

Previous Experience



**BRENT VULGAMOTT**

VP of Sales, Operations, and Analytics

Joined: 2015

Previous Experience



**LIZ SHARP**

VP of Investor Relations

Joined: 2005

Previous Experience





# NON-GAAP FINANCIAL MEASURES

In this presentation, 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) goodwill impairment, (iii) stock compensation, (iv) facility consolidation costs, (v) technology implementation, (vi) acquisition costs, (vii) stockholder cooperation agreement costs, (viii) fair value inventory step-up, (ix) amortization of acquired intangible assets, (x) income tax adjustments, (xi) interest expense, (xii) income tax benefit/expense, and (xiii) 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.



# Q4 FY23 NON-GAAP ADJUSTED EBITDAS RECONCILIATION

AMERICAN OUTDOOR BRANDS (NASDAQ: AOUT)

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

	For the Three Months Ended April 30,		For the Years Ended April 30,	
	2023	2022	2023	2022
GAAP net loss	\$ (3,836)	\$ (76,686)	\$ (12,024)	\$ (64,880)
Interest expense	120	157	761	324
Income tax (benefit)/expense	(151)	6,062	(249)	9,344
Depreciation and amortization	3,933	4,417	16,048	16,967
Stock compensation	1,150	476	4,050	2,812
Goodwill impairment	—	67,849	—	67,849
Technology implementation	553	329	2,138	1,948
Fair value inventory step-up	—	27	—	27
Acquisition costs	—	599	47	599
Facility consolidation costs	26	—	866	—
Stockholder cooperation agreement costs	—	—	1,177	—
Other	—	—	—	40
Non-GAAP Adjusted EBITDAS	\$ 1,795	\$ 3,230	\$ 12,814	\$ 35,030
<i>Adjusted EBITDAS Margin</i>	4.3%	7.0%	6.7%	14.2%



# Q4 FY23 GAAP INCOME STATEMENT

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

	For the Three Months Ended April 30,		For the Years Ended April 30,	
	2023	2022	2023	2022
	(Unaudited)			
Net sales	\$ 42,203	\$ 45,893	\$ 191,209	\$ 247,526
Cost of sales	23,129	25,769	103,145	133,287
Gross profit	19,074	20,124	88,064	114,239
Operating expenses:				
Research and development	1,474	1,147	6,361	5,501
Selling, marketing, and distribution	11,565	11,677	51,791	56,168
General and administrative	10,038	10,224	42,612	41,244
Goodwill impairment	—	67,849	—	67,849
Total operating expenses	23,077	90,897	100,764	170,762
Operating loss	(4,003)	(70,773)	(12,700)	(56,523)
Other income, net:				
Other income, net	136	306	1,188	1,311
Interest expense, net	(120)	(157)	(761)	(324)
Total other income, net	16	149	427	987
Loss from operations before income taxes	(3,987)	(70,624)	(12,273)	(55,536)
Income tax (benefit)/expense	(151)	6,062	(249)	9,344
Net loss	\$ (3,836)	\$ (76,686)	\$ (12,024)	\$ (64,880)
Net loss per share:				
Basic	\$ (0.29)	\$ (5.71)	\$ (0.90)	\$ (4.66)
Diluted	\$ (0.29)	\$ (5.71)	\$ (0.90)	\$ (4.66)



# Q4 FY23 NON-GAAP INCOME STATEMENT

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

	For the Three Months Ended April 30,		For the Years Ended April 30,	
	2023	2022	2023	2022
Net sales	\$ 42,203	\$ 45,893	\$ 191,209	\$ 247,526
Cost of sales	23,129	25,742	102,789	133,260
Gross profit	19,074	20,151	88,420	114,266
Operating expenses:				
Research and development	1,474	1,147	6,361	5,501
Selling, marketing, and distribution	11,565	11,677	51,791	56,168
General and administrative	5,235	5,347	22,392	22,088
Total operating expenses	18,274	18,171	80,544	83,757
Operating income	800	1,980	7,876	30,509
Other income, net:				
Other income, net	136	306	1,188	1,311
Interest expense, net	(120)	(157)	(761)	(324)
Total other income, net	16	149	427	987
Income from operations before income taxes	816	2,129	8,303	31,496
Income tax expense	23	257	1,744	6,824
Net income	\$ 793	\$ 1,872	\$ 6,559	\$ 24,672
Net income per share:				
Basic	\$ 0.06	\$ 0.14	\$ 0.49	\$ 1.77
Diluted	\$ 0.06	\$ 0.14	\$ 0.48	\$ 1.77



# DIVERSE PORTFOLIO OF 21 EARLY-STAGE CONSUMER BRANDS

AMERICAN OUTDOOR BRANDS (NASDAQ: AOUT)



**Grilla**  
Modular Outdoor Kitchen



**Schrade**  
Isolate Enrage



**Grilla**  
Chimp Tailgater WiFi Wood Pellet Grill and Power Station



**BUBBA**  
Culling Set



**BUBBA**  
Smart Fish Scale and Fishing App



**Crimson Trace**  
HorizonLine Rangefinding Binoculars



**Smith & Wesson**  
Throwing Knives and Axes



**Lockdown**  
Securewall Organizational Systems



**Crimson Trace**  
HRO Red Dot Sight



**Lockdown**  
In-Plain-Sight Concealment Shelves

**BOG**  
Full line of Hunting Packs



**Hooymann**  
Lithium-Ion 24V Spreader



**BOG**  
Sherpa ALL-IN-ONE Optics, Camera & Shooting Rest tripod



**MEAT!**  
16" Chamber Sealer



**MEAT!**  
Butcher Knife Set



**Caldwell**  
Flash Bang Hit Indicator



**Caldwell**  
Claymore Clay Target Thrower



**Frankford Arsenal**  
X-10 Progressive Reloading Press



**Caldwell**  
E-Max Shadows Pro Hearing Protection



**Tipton**  
Ultra Gun Vise



**Wheeler**  
F.A.T. Stix Torque Setting Tools

**Frankford Arsenal**  
Essentials Reloading Kit



Note: American Outdoor Brands, Inc. licenses the brands Smith & Wesson® Accessories; M&P® Accessories; Thompson/Center Arms™ Accessories; and Performance Center® Accessories, all of which are owned by Smith & Wesson Brands, Inc. and are exclusively licensed to American Outdoor Brands, Inc.





# TWO CATEGORIES: OUTDOOR LIFESTYLE & SHOOTING SPORTS

AMERICAN OUTDOOR BRANDS (NASDAQ: AOUT)

		Outdoor Lifestyle	Shooting Sports	Illustrative Products
Adventurer	<b>BUBBA</b>	●	○	Fillet knives, fishing rods, fishing tools, kitchen cutlery, apparel
	grilla:	●	○	Grills, smokers, outdoor kitchens, portable power solutions, pellets, & accessories
	IMPERIAL	●	○	Folding, fixed-blade knives
	SCHRADE	●	○	Folding & fixed-blade knives, multi-tools, adventure equipment
	ust	●	○	Tents, sleeping bags, mattress pads, camping tools and accessories
Harvester	<b>BOG</b>	●	○	Hunting rests, ground blinds, chairs, bags, game cameras
	Hooyman.	●	○	Land management: rakes, shovels, pruning tools, tree saws, spreaders
	MEAT!	●	○	Meat grinders, mixers, stuffers, slicers, dehydrators, kitchen cutlery, butcher knives
	OLD TIMER	●	○	Folding, fixed-blade, & fillet knives
	THOMPSON/CENTER ARMS ACCESSORIES	●	○	Hunting bags & protective cases, binoculars, hunting accessories
	Uncle Henry	●	○	Folding, fixed-blade, & hunting knives
Marksman	<b>CALDWELL</b>	○	●	Range Gear: Shooting rests, clay throwers, targets, hearing & eye protection
	FRANKFORD ARSENAL	○	●	Reloading equipment
	<b>TIPTON</b>	○	●	Gun vises, cleaning supplies
	WHEELER	○	●	Gunsmithing and other tools
Defender	CRIMSON TRACE	○	●	Scopes, lasers, red dot sights, rangefinders, binoculars
	LASERLYTE	○	●	Laser training devices
	LOCKDOWN	○	●	Vault organization, vault security, cable locks
	Performance Center Accessories	○	●	Gun cases and cleaning kits
	M&P Smith & Wesson	○	●	Folding & fixed-blade knives, tools, flashlights, protective gun cases
	Smith & Wesson	○	●	Folding & fixed-blade knives, tools, flashlights, protective gun cases, parts kits

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