



A M E R I C A N O U T D O O R  
B R A N D S

# Nasdaq: AOUT Investor Presentation

December 2024



Leveraging our culture of innovation.  
Delivering solutions for the moments that matter.

# Required Disclosures

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) stock compensation, (iii) technology implementation, (iv) non-recurring inventory reserve adjustment, (v) emerging growth status transition costs, (vi) income tax adjustments, (vii) interest (income)/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.

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. Specific forward-looking statements in this presentation include our belief in the strong positive reception of our new products by our retailers; our belief that our retailers will place orders that align with their early order indications, commitments for expanded shelf space, and additional visibility that extends beyond fiscal 2025; our belief in the feedback from retailers on order plans related to our upcoming new product launches; and our expectations in achieving our guidance for fiscal 2025 and initial net sales outlook for fiscal 2026. 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; the potential for increased tariffs on our products, including tariffs that may be imposed by the new presidential administration, our belief that our strategy, current and future innovation, and the addition of new customers will lead to an increase in revenue; that we will achieve our anticipated future net sales and EBITDAS estimates, 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, 2024.

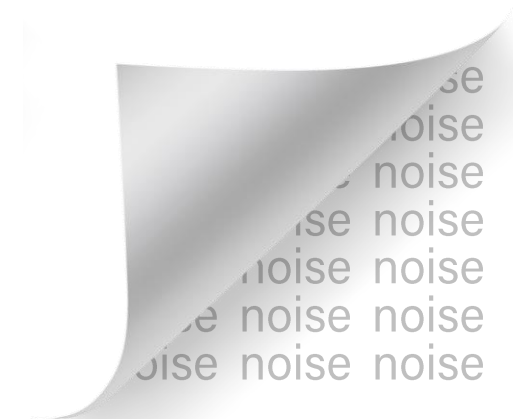
# Consumers report being increasingly overwhelmed by **noise** and **choice**.



**74%**

of consumers surveyed recently by Accenture said they walked away from purchases simply because they felt overwhelmed.

**We've developed a way to  
differentiate our brands and  
stand out from the noise...**



noise  
noise  
noise  
noise  
noise  
noise  
noise  
noise  
noise



# Innovation resonates with U.S. consumers... and promotes growth.

76%

are **willing to pay more** for products that align with their values, such as innovation and sustainability.<sup>(1)</sup>

70%

have tried a new shopping behavior, including **experimenting with innovative products**, during the past two years.<sup>(2)</sup>

63%

**prefer to purchase new products** from brands known for their innovation and quality.<sup>(3)</sup>

1.8x

Manufacturers who grew innovation sales in 2022 were **1.8x more likely to grow overall sales** compared to those with stagnant or declining innovation sales.<sup>(3)</sup>

(1) Deloitte Global Consumer Tracker (2023)

(2) McKinsey & Company (2023)

(3) NielsenIQ (2022)

# We Are an Innovation Company

We leverage our innovation advantage to widen distribution, expand brand awareness, and increase profitability, while remaining agile and asset-light.



What if we could change how  
54 million people fish?

# We Operate in Two Categories

Our ~20 brands serve consumer activities organized into two categories – **Outdoor Lifestyle** and **Shooting Sports**.

## Outdoor Lifestyle

**\$111M**

TTM Net Sales

Land Management & Hunting



Rugged Outdoor (Cutlery)



Meat Processing & Outdoor Cooking



Fishing



Camping



## Shooting Sports

**\$91M**

TTM Net Sales

Target Shooting



Cleaning & Maintenance



Reloading



Personal Protection



Safety & Storage



\*Brand listing above excludes licensed brands from Smith & Wesson Brands, Inc. and Thompson/Center Arms.

Note: AOB does not sell firearms or ammunition.

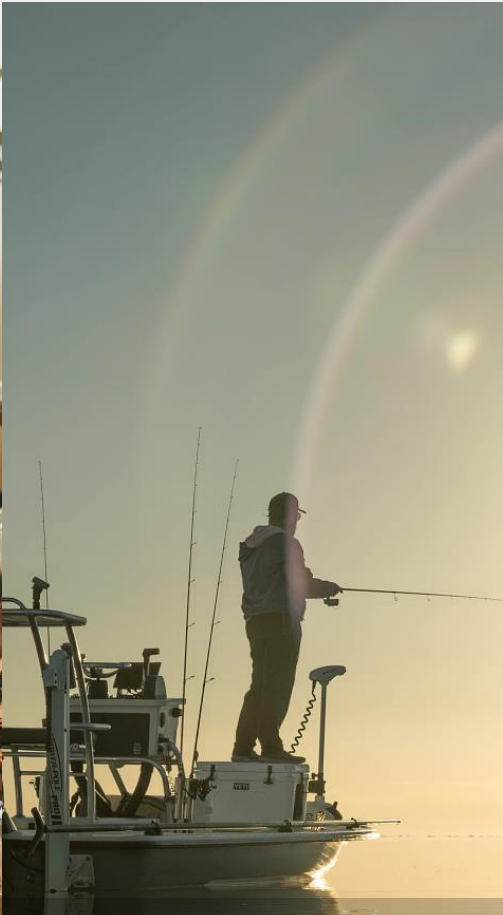


# We Target Resilient Consumer Activities

Approximately 175 million Americans participate in outdoor recreation. We thrive in categories where consumers are **passionate**, can participate for a **lifetime**, and activities are “**gear-rich**” in nature.



**~92M**  
**OUTDOOR COOKING**  
**HOUSEHOLDS**



**~54M**  
**ANGLERS**



**~86M**  
**PROPERTY OWNERS**



**~15M**  
**HUNTERS**



**~40M**  
**TARGET SHOOTERS**

**These passionate consumers seek out gear that enhances their enjoyment.**

**Our superpower is uncovering their pain points.**



# OUCH.

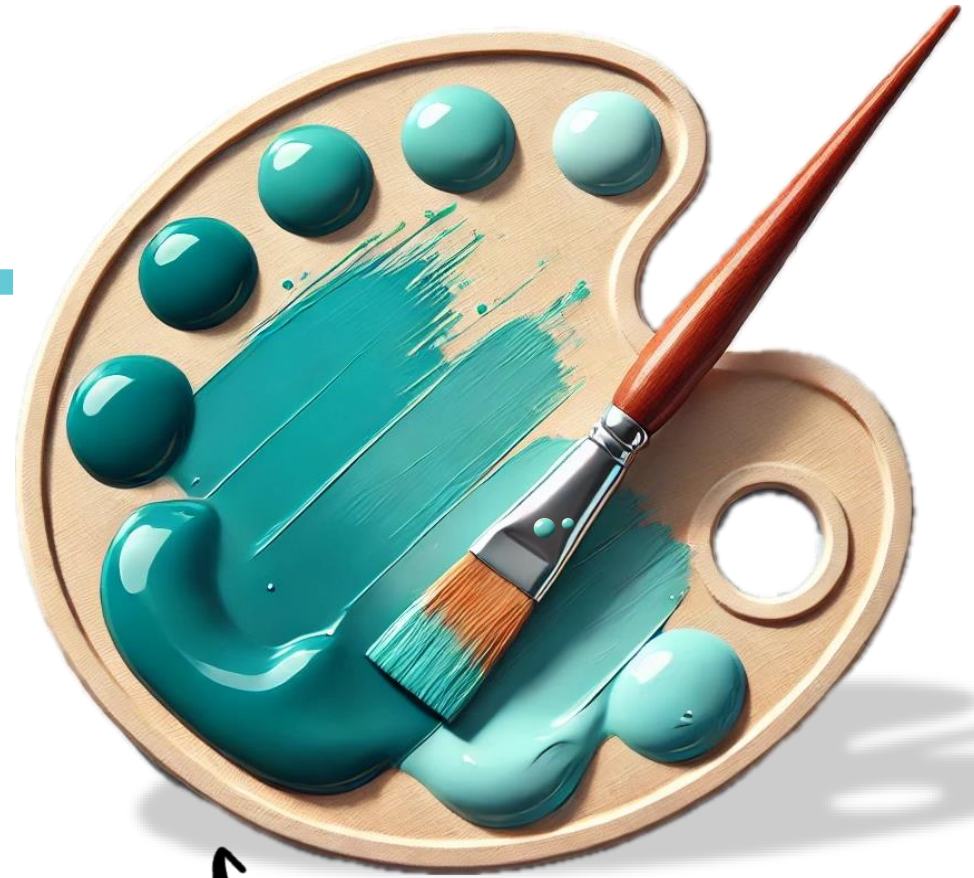
**LEAD SLED®**

**FINALLY, SHOOTING RESTS THAT ELIMINATE THE KICK.**



Caldwell Lead Sleds take the punishment out of sighting in your rifle. With the ability to add weight, the rest takes the brunt of the shot. In fact, the lead sled **reduces up to 95% of felt recoil**. The durable steel construction provides a rock-solid platform with precise alignment adjustments. **Eliminate recoil, flinch, and excuses with the Caldwell Lead Sled family.**

**But solving consumer pain points isn't always obvious, so we've learned to mix things up.**



Like a painter mixing colors, our most innovative ideas often come from blending technologies across our two categories: Shooting Sports & Outdoor Lifestyle.

# Blending technologies from our two categories can **tip the scale** to deliver a truly disruptive product...



Our BUBBA Pro Series Smart Fish Scale is the first scale to gamify fishing for 54M anglers. It incorporates technology from our Shooting Sports and Outdoor Lifestyle categories:



Cloud Technology & App (Puck)



Scale Precision (Intellidropper)



Lithium-Ion Technology (Flashlights)



User Interface (Game Cameras)



Non-Slip Grip (Fillet Knives)

# ... that resonates with the consumer.

Became the Official Scale



★★★★★ Game changer.  
"It was absolutely worth the 3-4 month wait for release."

★★★★★ Fish to win.  
"Love it. Compete against my husband. Good clean fun."

★★★★★ What can you say it's a BUBBA.  
"What's there not to like? Everything I've bought that says BUBBA on it, from knives to this scale, is top notch excellent quality and fair price."

★★★★★ Very easy to use and understand.  
"Great for tournaments and culling fish."

★★★★★ Very nice.  
"I bought for my boyfriend's birthday. He fishes a lot! He loves it!"



**We're not afraid to  
try new things...**

**... like creating  
new brands from  
scratch.**

*We created this brand a  
few years ago. It reached  
\$14M in sales last year.*



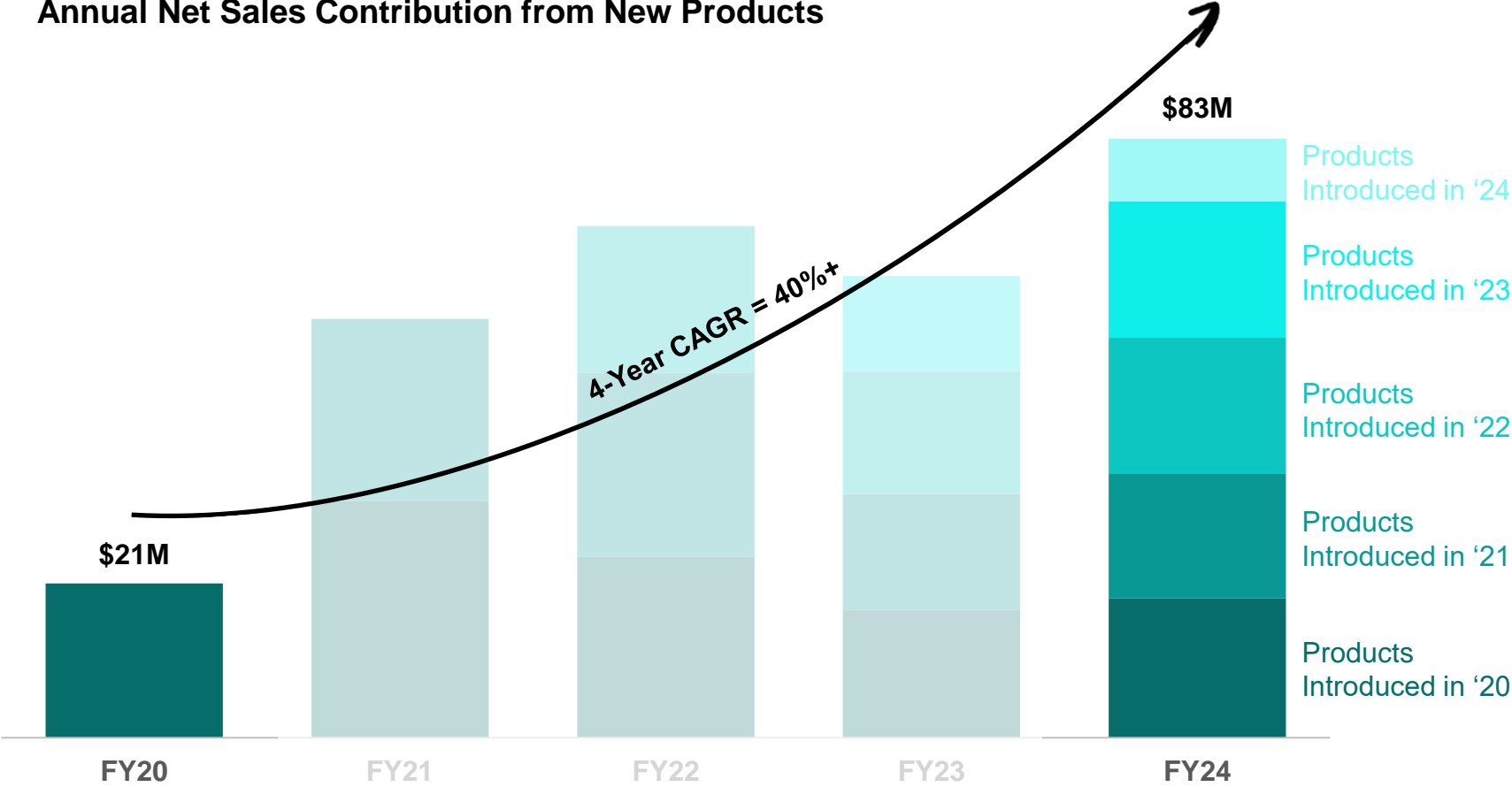
**Consumers are responding to our innovation. It's starting to **stack up...****



# Innovation Is Our Growth Engine

Our proven innovation platform has been stacking up, yielding \$60M+ of incremental organic revenue compared to four years ago, while protecting future revenue potential with 169 new patents.

Annual Net Sales Contribution from New Products







# Our new product pipeline is **swelling**.

*Our innovation engine is predictive,  
driven by our repeatable and  
scalable process, yielding a pipeline  
that extends well into the future.*

**We believe innovation is also the key  
to unlocking growth potential with  
retailers.**



Our value proposition:  
innovation is exciting – it  
attracts consumers because  
it offers them real value.

# Innovation deepens existing customer relationships while attracting new ones - it forms the basis for our **4-Pillar growth strategy**:

## 1. Gain Market Share



Displace competition by expanding our existing lines

## 2. Enter New Product Categories



e.g., leverage our experience in grills to enter new categories like smokers

## 3. Enter New Consumer Markets

Innovation enables us to bring in new consumers, like property owners



## 4. Expand Distribution



Innovation opens the door to untapped new customer channels

**Because innovation is our core competency, we are asset-light, by design.**



# We Are Intentionally Asset-Light

As an innovation company, we maintain an asset-light operation with outsourced manufacturing and scalable infrastructure in place to support \$400 million in revenue.

~~Big infrastructure~~

~~Owned manufacturing~~

~~Complex supply chain~~

~~High capex needs~~

Small footprint (<300 employees, 1 DC)

Design all products ourselves, outsource everything else

Simple, but effective supply chain

Low capex needs (~2% of net sales)

We keep it simple and focus on innovation.



# Even giants **started out small.**

A young child with brown hair, wearing a light blue t-shirt and dark grey pants, is crouching in a grassy field. The child is holding a black shovel with a green handle, and a small green seedling is being planted in a mound of soil next to the shovel. The background is a blurred green field with a wooden fence in the distance.

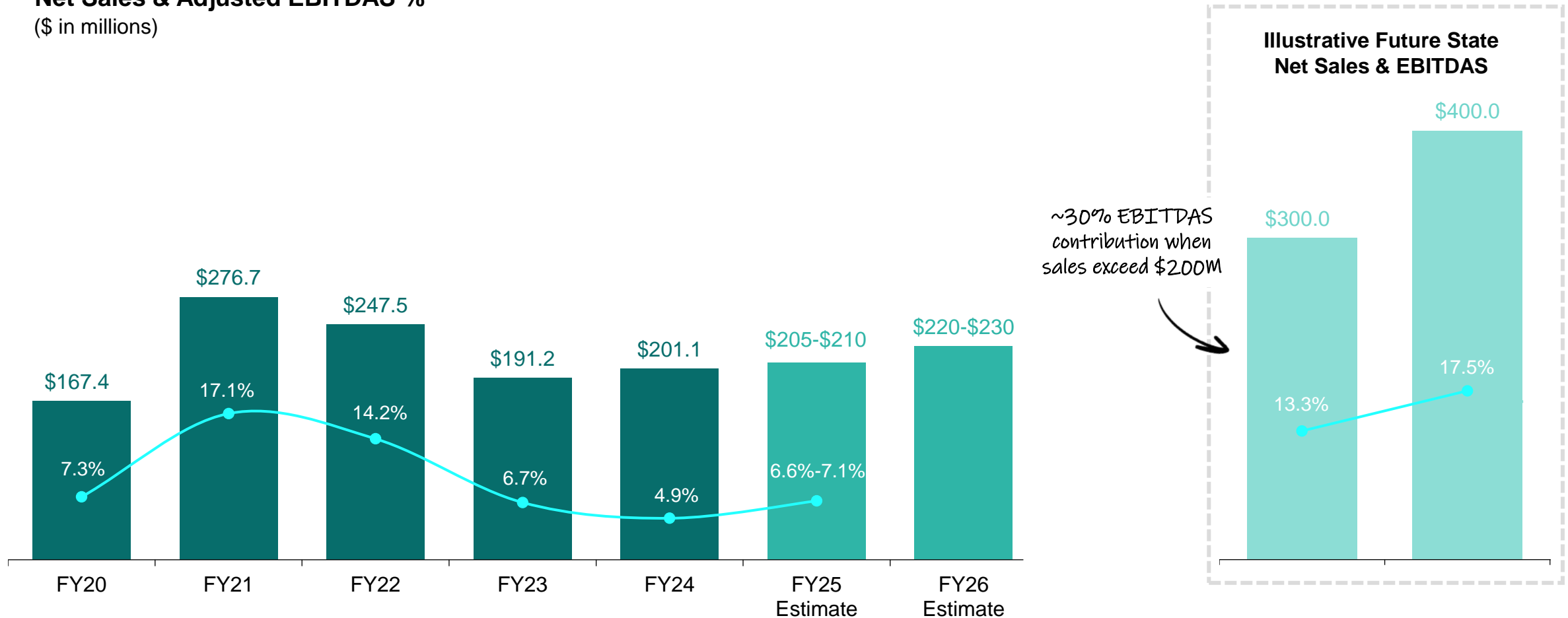
**We're a small public company today, but we have a winning culture, strategy, and discipline to be significantly larger.**

**We've set our sights on \$400M in future net sales, ~2x larger than today. We believe this is achievable by continuing to execute on our extensive innovation pipeline, along with welcoming new customers.**

# Our Operating Model is Highly Accretive

We have a track record of delivering incremental margin on revenue growth above \$200M in net sales. We believe our brands are capable of \$400M in net sales – at that level, we expect EBITDAS to exceed \$70M.

**Net Sales & Adjusted EBITDAS %**  
(\$ in millions)



**We believe flexibility is important for both growth and stability.**



**Our balance sheet would agree...**



# Our Balance Sheet Provides Flexibility

We have resources to fuel our growth, with a debt-free balance sheet and access to capital for organic growth, opportunistic and disciplined M&A, and stock buybacks.

## Cash on Hand



\$14.2M  
(as of 10/31/24)

## No Debt

**\$0**

## Flexible Capital Allocation

1. Fuel organic growth
2. Smart acquisitions
3. Stock buybacks

# Owning a stake in AOB is owning a stake in **innovation.**



## Summary Investment Considerations

1. Large, resilient consumer end markets
2. Ability to blend technologies across two categories
3. Innovation vitality – it's stacking up
4. Swelling new product pipeline for future growth
5. Asset-light, by design
6. Leverageable operating model on pathway to \$400M
7. Strong, flexible balance sheet

# 2Q FY25 Highlights



**Total Net Sales**

**+4.0%**

**Adjusted EBITDAS**

**+42.9%**



**Ending Cash**

**\$14.2M**

**Growth in All Categories/Channels**

**Outdoor Lifestyle + 5.4%**

**Shooting Sports +1.9%**

**Traditional +4.3%**

**E-Commerce +3.5%**

**Domestic +3.4%**

**International +14.8%**

**New Products**

**21.5% of Net Sales**



**Gross Margin**

**48.0%**

**+230bps**

# FY25 & FY26 Financial Outlook

We are increasing our FY25 outlook for both net sales and Adjusted EBITDAS and establishing our net sales outlook for FY26.

## FY25 Net Sales

**\$205M - \$210M**

+3.2% at Midpoint

## FY26 Net Sales

**\$220M - \$230M**

+8.4% at Midpoint

## FY25 Adjusted EBITDAS

**\$13.5M - \$15.0M**

+45.9% at Midpoint

# Appendix



# Net Sales Category Breakout

While the Shooting Sports category has been roughly flat since FY20, Outdoor Lifestyle category has grown 45%, driven by fishing, hunting, meat processing, and outdoor cooking products.

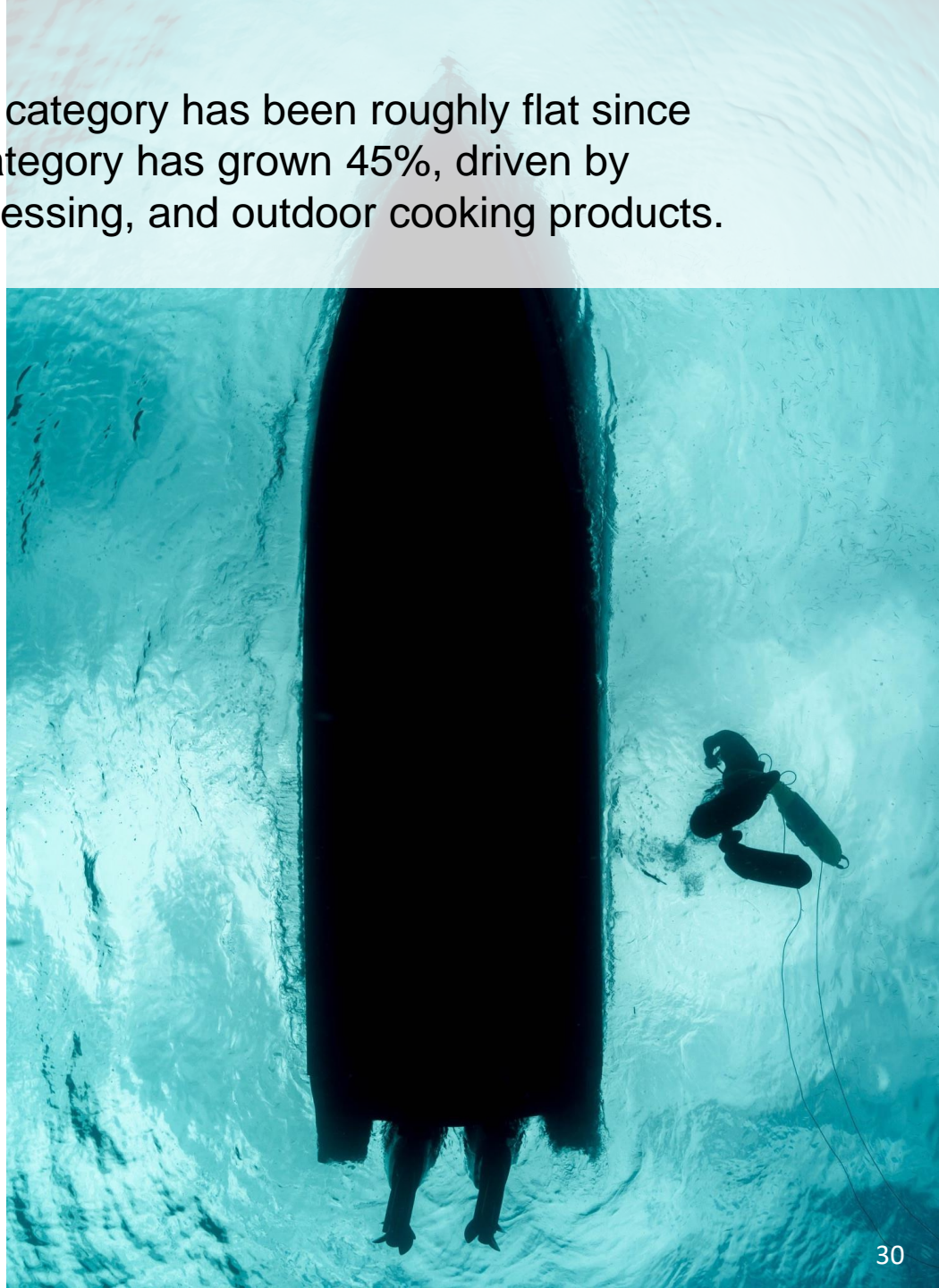
## Outdoor Lifestyle

(\$ in millions)



Pre-pandemic

## Shooting Sports



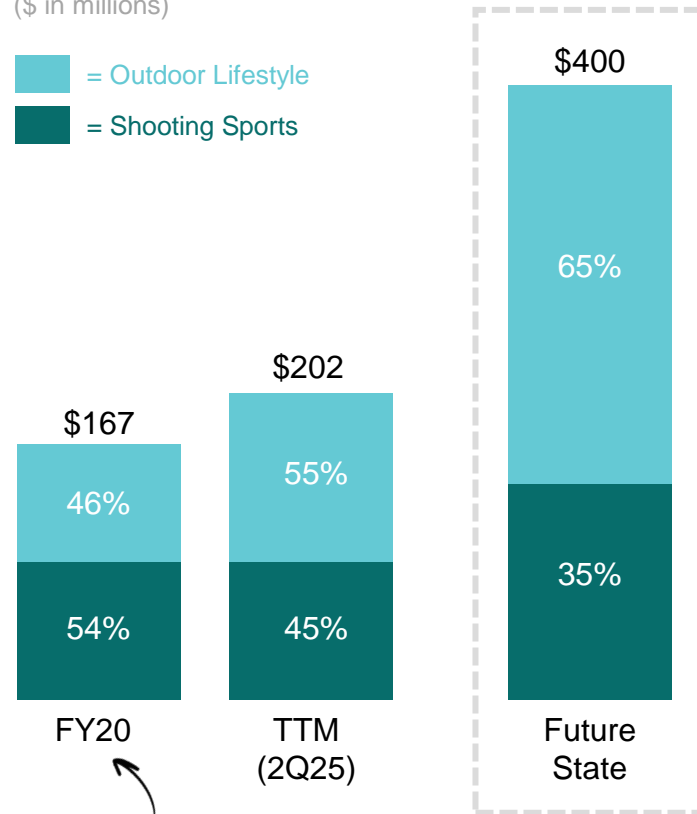
# Go-to-Market Expansion

As we grow in the future, we expect our net sales to be comprised of 65% Outdoor Lifestyle, 10% international, and an even split between Traditional and e-Commerce.

## By Product Category

(\$ in millions)

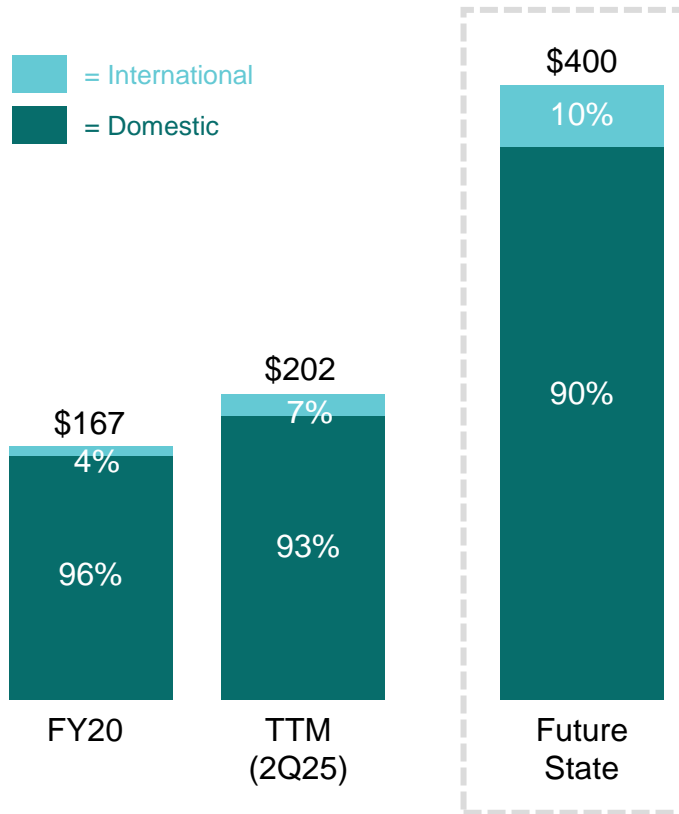
- Outdoor Lifestyle
- Shooting Sports



Pre-pandemic

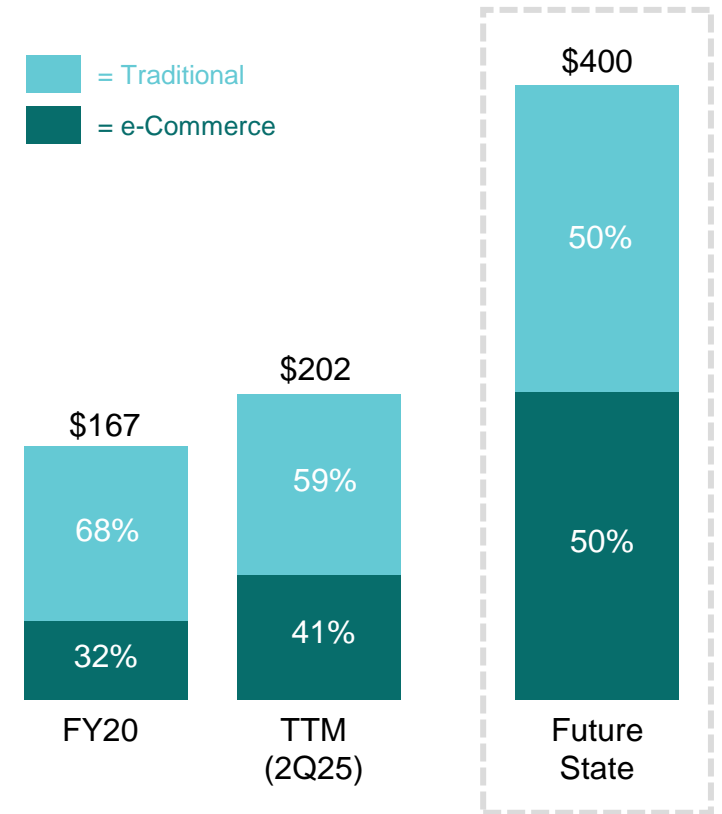
## By Geography

- International
- Domestic



## By Sales Channel

- Traditional
- e-Commerce



# Diverse Customers & Channels

We have an ever-expanding distribution network, delivering our products wherever consumers may shop. In addition, each of our key brands has its own dedicated e-commerce website.

## National Retailers



## Home, Farm, Automotive



## Distributors & Buying Groups



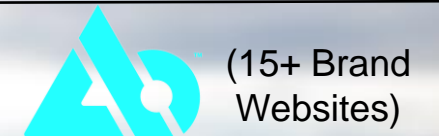
## Online Retailers



## OEMs



## DTC Websites





# Executive Team



Andy Fulmer  
Chief Financial Officer

James Tayon  
Chief Product Officer

Brent Vulgamott  
Chief Operating Officer

Liz Sharp  
VP, Investor Relations

Brian Murphy  
President & CEO, Director

# Income Statement

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

	For the Three Months Ended October 31,	
	2024	2023
	(Unaudited)	
Net sales	\$ 60,232	\$ 57,931
Cost of sales	31,325	31,441
Gross profit	28,907	26,490
Operating expenses:		
Research and development	1,866	1,675
Selling, marketing, and distribution	14,973	15,414
General and administrative	8,998	9,423
Total operating expenses	25,837	26,512
Operating income/(loss)	3,070	(22)
Other (expense)/income, net:		
Other income, net	59	53
Interest income/(expense), net	(6)	6
Total other (expense)/income, net	53	59
Income from operations before income taxes	3,123	37
Income tax expense/(benefit)	12	(40)
Net income	\$ 3,111	\$ 77
Net income per share:		
Basic	\$ 0.24	\$ 0.01
Diluted	\$ 0.24	\$ 0.01
Weighted average number of common shares outstanding:		
Basic	12,860	13,010
Diluted	13,145	13,256

# Balance Sheet

AMERICAN OUTDOOR BRANDS, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

	As of:	
	October 31, 2024 (Unaudited)	April 30, 2024
(In thousands, except par value and share data)		
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 14,223	\$ 29,698
Accounts receivable, net of allowance for credit losses of \$159 on October 31, 2024 and \$133 on April 30, 2024	43,259	25,728
Inventories	111,566	93,315
Prepaid expenses and other current assets	4,904	6,410
Income tax receivable	270	223
Total current assets	174,222	155,374
Property, plant, and equipment, net	10,963	11,038
Intangible assets, net	35,887	40,217
Right-of-use assets	32,748	33,564
Other assets	305	404
Total assets	\$ 254,125	\$ 240,597
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 25,376	\$ 14,198
Accrued expenses	12,718	9,687
Accrued payroll and incentives	3,194	4,167
Lease liabilities, current	1,353	1,331
Total current liabilities	42,641	29,383
Lease liabilities, net of current portion	32,630	33,289
Total liabilities	75,271	62,672
Commitments and contingencies		
Equity:		
Preferred stock, \$0.001 par value, 20,000,000 shares authorized, no shares issued or outstanding on October 31, 2024 and April 30, 2024	—	—
Common stock, \$0.001 par value, 100,000,000 shares authorized, 14,889,594 shares issued and 12,832,682 shares outstanding on October 31, 2024 and 14,701,280 shares issued and 12,797,865 shares outstanding on April 30, 2024	15	15
Additional paid in capital	278,677	277,107
Retained deficit	(73,877)	(74,623)
Treasury stock, at cost (2,056,912 shares on October 31, 2024 and 1,903,415 shares on April 30, 2024)	(25,961)	(24,574)
Total equity	178,854	177,925
Total liabilities and equity	\$ 254,125	\$ 240,597

# Statement of Cash Flows

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

	For the Six Months Ended October 31,	
	2024	2023
	(In thousands)	
Cash flows from operating activities:		
Net income/(loss)	\$ 746	\$ (4,036)
Adjustments to reconcile net income/(loss) to net cash used in operating activities:		
Depreciation and amortization	6,626	7,927
Loss on sale/disposition of assets	—	7
Provision for credit losses on accounts receivable	25	6
Stock-based compensation expense	1,798	1,938
Changes in operating assets and liabilities:		
Accounts receivable	(17,556)	(13,607)
Inventories	(18,251)	(9,389)
Accounts payable	10,578	6,331
Accrued liabilities	1,421	4,649
Other	2,326	2,959
Net cash used in operating activities	(12,287)	(3,215)
Cash flows from investing activities:		
Payments to acquire patents and software	(665)	(761)
Proceeds from sale of property and equipment	—	131
Payments to acquire property and equipment	(908)	(951)
Net cash used in investing activities	(1,573)	(1,581)
Cash flows from financing activities:		
Payments on notes and loans payable	—	(5,000)
Payments to acquire treasury stock	(1,387)	(3,762)
Proceeds from exercise of options to acquire common stock, including employee stock purchase plan	286	339
Payment of employee withholding tax related to restricted stock units	(514)	(352)
Net cash used in financing activities	(1,615)	(8,775)
Net increase in cash and cash equivalents	(15,475)	(13,571)
Cash and cash equivalents, beginning of period	29,698	21,950
Cash and cash equivalents, end of period	\$ 14,223	\$ 8,379

# Non-GAAP Reconciliation

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 October 31,	
	2024	2023
GAAP gross profit	\$ 28,907	\$ 26,490
Non-recurring inventory reserve adjustment	—	—
Non-GAAP gross profit	\$ 28,907	\$ 26,490
GAAP operating expenses	\$ 25,837	\$ 26,512
Amortization of acquired intangible assets	(2,120)	(2,960)
Stock compensation	(866)	(1,005)
Technology implementation	—	(66)
Emerging growth status transition costs	(121)	—
Other	(78)	(204)
Non-GAAP operating expenses	\$ 22,652	\$ 22,277
GAAP operating income/(loss)	\$ 3,070	\$ (22)
Amortization of acquired intangible assets	2,120	2,960
Stock compensation	866	1,005
Non-recurring inventory reserve adjustment	—	—
Technology implementation	—	66
Emerging growth status transition costs	121	—
Other	78	204
Non-GAAP operating income	\$ 6,255	\$ 4,213
GAAP net income	\$ 3,111	\$ 77
Amortization of acquired intangible assets	2,120	2,960
Stock compensation	866	1,005
Non-recurring inventory reserve adjustment	—	—
Technology implementation	—	66
Emerging growth status transition costs	121	—
Other	78	204
Income tax adjustments	(1,439)	(1,023)
Non-GAAP net income	\$ 4,857	\$ 3,289
GAAP net income per share - diluted	\$ 0.24	\$ 0.01
Amortization of acquired intangible assets	0.16	0.22
Stock compensation	0.07	0.08
Non-recurring inventory reserve adjustment	—	—
Technology implementation	—	—
Emerging growth status transition costs	0.01	—
Other	0.01	0.02
Income tax adjustments	(0.11)	(0.08)
Non-GAAP net income per share - diluted (a)	\$ 0.37	\$ 0.25

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

# Adjusted EBITDAS Reconciliation

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

	For the Three Months Ended October 31,	
	2024	2023
GAAP net income	\$ 3,111	\$ 77
Interest (income)/expense	6	(6)
Income tax expense/(benefit)	12	(40)
Depreciation and amortization	3,293	3,935
Stock compensation	866	1,005
Technology implementation	—	66
Non-recurring inventory reserve	—	—
Emerging growth status transition costs	121	—
Other	78	204
Non-GAAP Adjusted EBITDAS	<u>\$ 7,487</u>	<u>\$ 5,241</u>



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