

**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): **March 10, 2022**

American Outdoor Brands, Inc.

(Exact Name of Registrant as Specified in 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)

(800) 338-9585
(Registrant's telephone number, including area code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-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 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 \$0.001 per Share	AOUT	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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.

Item 7.01. Regulation FD Disclosure.

On March 10, 2022, we announced that we have entered into an agreement to acquire substantially all of the assets of the Grilla Grills business of Fahrenheit Technologies, Inc., a Michigan corporation (“FTI”), pursuant to an Asset Purchase Agreement by and among our indirect subsidiary, AOB Products Company, a Missouri corporation, FTI, and the shareholder of FTI set forth therein. We expect to complete the acquisition the week of March 14, 2022. The acquisition will be financed using both cash on hand and availability from our existing line of credit. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference to this Item 7.01.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit Number	Description
99.1	Press release from the Registrant, dated March 10, 2022, entitled “American Outdoor Brands to Acquire Grilla Grills”
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 hereunto duly authorized.

AMERICAN OUTDOOR BRANDS, INC.

Date: March 10, 2022

By: /s/ H. Andrew Fulmer

H. Andrew Fulmer
Executive Vice President, Chief Financial
Officer, and Treasurer

Contact:
Liz Sharp, VP, Investor Relations
lsharp@aob.com
(573) 303-4620

American Outdoor Brands to Acquire Grilla Grills

- *Strategic Acquisition Expands AOB Portfolio Into Outdoor Cooking*
- *Diversifies AOB and Drives Growth in Outdoor Lifestyle Category*
- *Expands AOB Direct-to-Consumer Brand Offering*
- *AOB Credit Facility to be Expanded by \$25 million*

COLUMBIA, Mo., March 10, 2022 – American Outdoor Brands, Inc. (NASDAQ Global Select: AOUT), an industry leading provider of products and accessories for rugged outdoor enthusiasts, today announced that it has entered into an agreement to acquire privately owned Grilla Grills (“Grilla”), a provider of high-quality, barbecue grills, Wi-Fi-enabled wood pellet grills, smokers, accessories, and modular outdoor kitchens for \$27 million in cash, or approximately \$24 million after factoring in the future tax benefit resulting from the asset purchase. The acquisition of Grilla will allow American Outdoor Brands to enter the estimated \$7 billion, U.S. barbecue grill market with an authentic, direct-to-consumer brand that can benefit from the company’s Dock & Unlock™ strategy and drive growth in the company’s outdoor lifestyle product category.

The grill market has been growing, with an estimated 9 million grills sold in the U.S. each year, driven by recent trends toward outdoor cooking. Grilla, founded in 2015 by Dave Shidler, Owner & President, and Mark Graham, Engineering & Sales Manager, has generated net sales growth of over 161% in the past two years, with a compound annual growth rate of approximately 50% over the last five years, and calendar 2021 net sales of totaling over \$15 million. The company has amassed a loyal consumer following, and its products are sold 100% direct-to-consumer on the company’s website, and through two retail locations in Holland, Michigan and Dallas, Texas.

Brian Murphy, President and CEO of American Outdoor Brands, said, “Expanding our outdoor lifestyle category is an important component of our long-term strategic plan, and today, we are excited to welcome Grilla Grills into the American Outdoor family of brands. We have carefully searched for acquisitions that are a fit for our brand lane structure, have plenty of runway for future growth, and allow us to leverage the investments we have made in our e-commerce platform by bringing complementary products and consumers into our brand portfolio. Through its commitment to quality, innovation, and its customers, Grilla has developed a highly respected and authentic brand that aligns well with our core values, and is a perfect fit within our outdoor lifestyle brand offering. We look forward to leveraging our Dock & Unlock™ strategy to take Grilla to the next level by further expanding its innovative and high-quality product line, broadening its loyal consumer base, and delivering sustainable future growth.

Dave Shidler, President of Grilla, said, “We founded Grilla Grills over seven years ago out of a desire to provide consumers with high-quality, innovative grills and exceptional customer service, allowing them to be stars in their own backyards. Once we met the team at American Outdoor Brands, it quickly became clear that they share our passion for innovation, the customer experience, and the outdoors. We are excited to join forces and take Grilla into its next phase of growth as part of the American Outdoor Brands family.”

American Outdoor Brands negotiated directly with the seller on the transaction, which will be structured as an asset acquisition, and is expected to be immediately accretive to American Outdoor Brands net sales and non-GAAP net income. The transaction is expected to be completed in the coming days, following the satisfaction of customary closing conditions.



American Outdoor Brands expects to fund the acquisition utilizing a combination of cash on hand and availability from the company's existing line of credit. In conjunction with the asset acquisition, TD Bank has approved an amendment to the company's current Loan and Security Agreement, increasing the capacity on the revolving line of credit from \$50 million to \$75 million, with no change to the existing \$15 million accordion feature. The amendment is expected to close within the next two weeks.

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, and personal security and defense products, for rugged outdoor enthusiasts. The company produces innovative, top quality products under its brands Caldwell®; Wheeler®; Tipton®; Frankford Arsenal®; Hooyman®; BOG®; MEAT!®; Uncle Henry®; Old Timer®; Imperial®; Crimson Trace®; LaserLyte®; Lockdown®; ust®; BUBBA®; and Schrade®. For more information about all the brands and products from American Outdoor Brands, Inc., visit www.aob.com.

About Grilla Grills

Grilla Grills is a Michigan-based, privately owned provider of high-quality, barbecue grills; Wi-Fi-enabled wood pellet grills; smokers; accessories; and modular outdoor kitchens. Established in 2015, the product of founders in the construction and automotive industries, Grilla Grills produces innovative, feature-rich outdoor grills and accessories that incorporate modern designs, and are built from durable materials for longevity and durability. Grilla Grills keeps its products popular and affordable by selling directly to consumers, primarily online and through two retail locations in Holland, Michigan and Dallas, Texas. For more information on the full line of Grilla Grills products, visit www.grillagrills.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. Such forward-looking statements include, among others, leveraging our Dock & UnlockTM strategy to take Grilla to the next level by further expanding its innovative and high-quality product line, broadening its loyal consumer base, and delivering sustainable future growth; the expectation for the Grilla acquisition to be immediately accretive to American Outdoor Brands net sales and non-GAAP net income; the expectation for the transaction to be completed in the coming days following the satisfaction of customary closing conditions; the purchase price of Grilla after factoring in the future tax benefit resulting from the asset purchase; our expectation to fund the acquisition utilizing a combination of cash on hand and availability from the company's existing line of credit; and the amount, timing, and completion of the amendment to the company's current Loan and Security Agreement. Forward-looking statements are based on our beliefs as well as assumptions made by, and information currently available to us. The risks and uncertainties to which forward-looking statements are subject include, without limitation, changes in price and volume and the volatility of our common stock, adverse impacts on our common stock due to the COVID-19 pandemic, unexpected or otherwise unplanned or alternative requirements with respect to the capital investments of the Company, changes in general economic, business and political conditions, and other risks detailed in the "Statement Regarding Forward-Looking Information," "Risk Factors," and other sections of the Company's Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. Except as required by applicable law or regulation, we disclaim any obligation and do not intend to publicly update or review any of our forward-looking statements, whether as a result of new information, future events, or otherwise.