



FOURTH QUARTER & FULL YEAR 2022 EARNINGS CONFERENCE CALL

April 12, 2023



FORWARD LOOKING STATEMENTS AND NON-GAAP MEASURES

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as contained in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements in this presentation include, but are not limited to, statements regarding our outlook for the fourth quarter and fiscal year 2022, opportunity for long-term growth via market share gains, ecommerce platform growth and new physical store and distribution center expansion, opportunistic acquisitions, and future year targets and our ability to have sufficient inventory of products in demand by our customers. Investors can identify these statements by the fact that they use words such as "continue", "expect", "may", "opportunity", "plan", "future", "ahead" and similar terms and phrases. The Company cannot assure investors that future developments affecting the Company will be those that it has anticipated.

Actual results may differ materially from these expectations due to many factors including, but not limited to: current and future government regulations relating to the sales of firearms and ammunition, which may impact the supply and demand of our products and ability to conduct our business, our retail-based business model, general economic, market and other conditions, changes in consumer spending, our concentration of stores in the Western United States, the highly fragmented and competitive industry in which we operate and the potential for increased competition, changes in consumer demands, including regional preferences, which we may not be able to identify or respond to in a timely manner, our entrance into new markets or operations in existing markets, which may not be successful, the impact of COVID-19 on our operations, and other factors that are set forth in our filings with the Securities and Exchange Commission (the "SEC"), including under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended January 28, 2023, which was filed with the SEC on April 13, 2023, and our other public filings made with the SEC and available at www.sec.gov.

If one or more of these risks or uncertainties materialize, or if any of the Company's assumptions prove incorrect, the Company's actual results may vary in material respects from those projected in these forward-looking statements. Any forward-looking statement made by the Company in this presentation speaks only as of the date on which the Company makes it. Factors or events that could cause the Company's actual results to differ may emerge from time to time, and it is not possible for the Company to predict them all. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable securities laws.

In this presentation, we refer to "Adjusted Diluted EPS," "Adjusted Net Income," "Adjusted EBITDA," and "Adjusted EBITDA Margin," which are not financial measures prepared in accordance with Generally Accepted Accounting Principles ("GAAP"). For a reconciliation of these measures to the most directly comparable GAAP financial measure, see the Appendix to this presentation. As used herein, unless the context otherwise requires, references to "Sportsman's," "Sportsman's Warehouse," "we," "us," and "our" refer to Sportsman's Warehouse Holdings, Inc.



SPORTSMAN'S WAREHOUSE

"We Provide Outstanding Gear and Exceptional Service to Inspire Outdoor Memories"

SPORTSMAN'S WAREHOUSE

Differentiated Outdoor Specialty Retailer



Conveniently located stores with **easy-in, easy-out** access



Highly trained, **experienced** employees with "**localized**" knowledge



Fully integrated **omni-channel** platform allowing customers to seamlessly shop the full assortment



Deep assortment of brands curated for local demands



Every day **low price leader** – limited promotions



KEY GROWTH INITIATIVES



Expand Store Footprint



Leverage Omni-Channel Platform



Grow Loyalty and Credit Card Programs



Improved Product Merchandising



Opportunistic Acquisitions

EXPANDING STORE FOOTPRINT

3 New Stores Opened thus far in 2023



ADVANTAGES

- Flexible Store Formats (10K – 65K sq. ft.)
 - Penetrate smaller, underserved markets
 - Value engineering
- Convenient locations (easy in & out access)
- Data-driven market prioritization to expand footprint

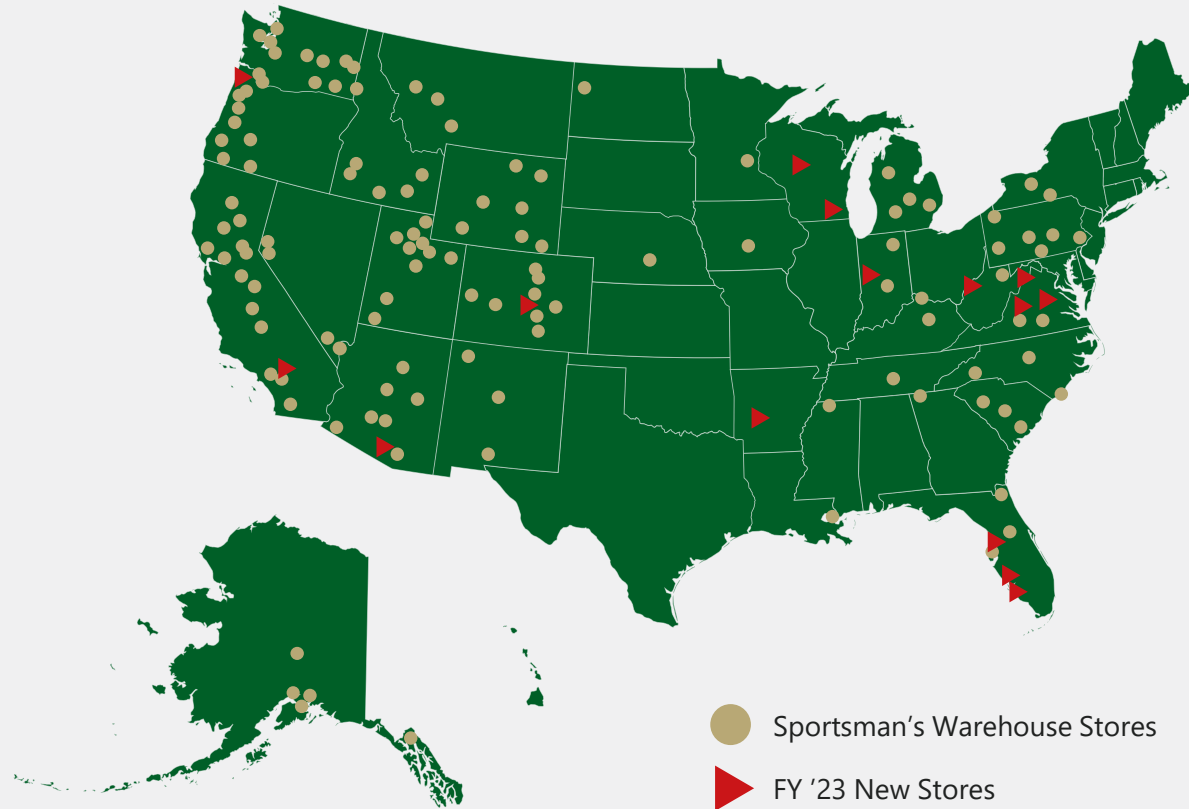
15 New Stores Planned for 2023

Location	Store Size (sq ft)	Timing
Lynchburg, VA	31K	Q1
Naples, FL	30K	Q1
Parkersburg, WV	27K	Q1
Racine, WI	30K	Q1
Brownsburg, IN	24K	Q2
Moreno, CA	20K	Q2
Wausau, WI	60K	Q2
Winchester, VA	31K	Q2
Cape Coral, FL	21K	Q3
N. Colorado Springs, CO	31K	Q3
Sequim, WA	21K	Q3
Tampa Highwoods, FL	33K	Q3
Fredericksburg, VA	70K	Q3
Hot Springs, AR	28K	Q3
South Tucson, AZ	35K	Q4



EXPANDING STORE FOOTPRINT

U.S. FOOTPRINT



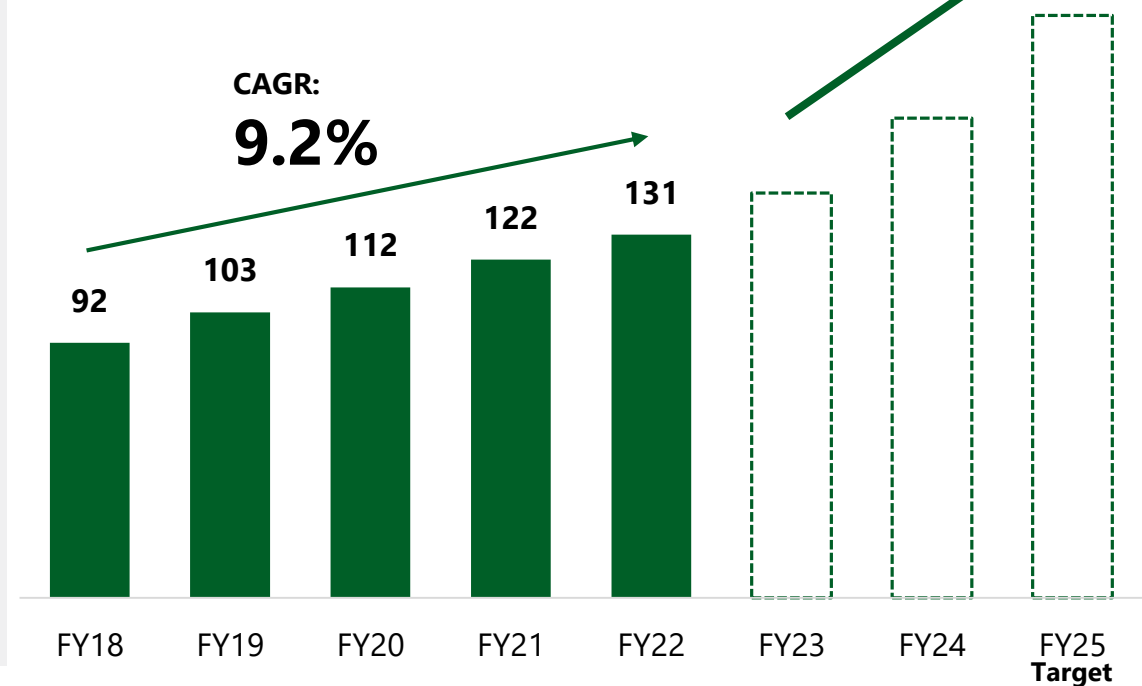
Accelerated Store Growth Targets

15 new stores in 2023

CAGR:
9.2%

Accelerated Growth

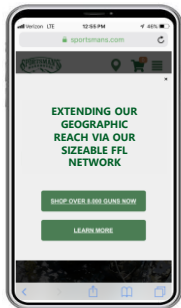
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GROW AND ENHANCE OMNI-CHANNEL

1

Increase reach & database growth through digital maturity



- Digital marketing optimization
- Attract adjacent consumers through specialty websites
- Grow and leverage large email loyalty and credit card databases

2

Expand merchandise assortment



- 3rd party federal firearm license (FFL) partnerships
- Increased dropship partnerships
- Expanding SKUs

3

Leverage stores



- 70%+ ecom sourced thru stores & dropship
- Firearms & ammo drive store traffic
- Forward deployment of inventory
- Ship from store



NATIONAL & LOCAL ASSORTMENT STRATEGY | DEPTH, BREADTH AND BRANDS

Portfolio of brands



Private brand



PRIVATE BRAND GROWTH



FOURTH QUARTER 2022 FINANCIAL RESULTS

SPORTSMAN'S WAREHOUSE HOLDINGS, INC.
Condensed Consolidated Statements of Income (Unaudited)
(in thousands, except per share data)

For the Thirteen Weeks Ended

	January 28, 2023	% of net sales	January 29, 2022	% of net sales	YOY Variance
Net sales	\$ 379,269	100.0%	\$ 416,288	100.0%	\$ (37,019)
Cost of goods sold	256,481	67.6%	279,714	67.2%	(23,233)
Gross profit	122,788	32.4%	136,574	32.8%	(13,786)
Operating expenses:					
Selling, general and administrative expenses	106,747	28.1%	113,415	27.2%	(6,668)
Income from operations	16,041	4.3%	23,159	5.6%	(7,118)
Merger termination payment	-	0.0%	(55,000)	(13.2%)	55,000
Interest expense	1,674	0.4%	475	0.1%	1,199
Income before income tax expense	14,367	3.9%	77,684	18.7%	(63,317)
Income tax expense	3,338	0.9%	19,250	4.6%	(15,912)
Net income	\$ 11,029	3.0%	\$ 58,434	14.1%	\$ (47,405)
Earnings per share					
Basic	\$ 0.29		\$ 1.33		\$ (1.04)
Diluted	\$ 0.29		\$ 1.31		\$ (1.02)
Weighted average shares outstanding					
Basic	37,642		43,880		(6,238)
Diluted	37,944		44,582		(6,638)



FISCAL YEAR 2022 FINANCIAL RESULTS

SPORTSMAN'S WAREHOUSE HOLDINGS, INC.
Condensed Consolidated Statements of Income (Unaudited)
(in thousands, except per share data)

For the Fifty-Two Weeks Ended

	January 28, 2023	% of net sales	January 29, 2022	% of net sales	YOY Variance
Net sales	\$ 1,399,515	100.0%	\$ 1,506,072	100.0%	\$ (106,557)
Cost of goods sold	939,275	67.1%	1,015,775	67.4%	(76,500)
Gross profit	460,240	32.9%	490,297	32.6%	(30,057)
Operating expenses:					
Selling, general and administrative expenses	402,177	28.7%	399,678	26.5%	2,499
Income from operations	58,063	4.2%	90,619	6.1%	(32,556)
Merger termination payment	-	0.0%	(55,000)	(3.7%)	55,000
Interest expense	4,195	0.3%	1,380	0.1%	2,815
Income before income tax expense	53,868	3.9%	144,239	9.7%	(90,371)
Income tax expense	13,350	1.0%	35,769	2.4%	(22,419)
Net income	\$ 40,518	2.9%	\$ 108,470	7.3%	\$ (67,952)
Earnings per share					
Basic	\$ 1.00		\$ 2.47		\$ (1.47)
Diluted	\$ 1.00		\$ 2.44		\$ (1.44)
Weighted average shares outstanding					
Basic	40,489		43,827		(3,338)
Diluted	40,719		44,543		(3,824)



BALANCE SHEET HIGHLIGHTS

(\$ in millions)	28-Jan-23	29-Jan-22
Total Liquidity	\$161.5	\$203.1
<i>Cash Plus Availability on Revolving Credit Facility</i>		
Cash	\$2.4	\$57.0
Credit Facility Availability	\$159.1	\$146.1
Total Debt Outstanding	\$87.5	\$66.0
Leverage Ratio²	0.9x	0.6x

Target leverage ratio: <1.5x

Credit facility borrowing capacity of \$350M

Repurchased 6.8 million shares, returning \$64.7 million to shareholders in FY22






Net debt of \$85.1M¹



¹ Net debt = total debt less cash

² Leverage ratio = total debt to TTM adj EBITDA

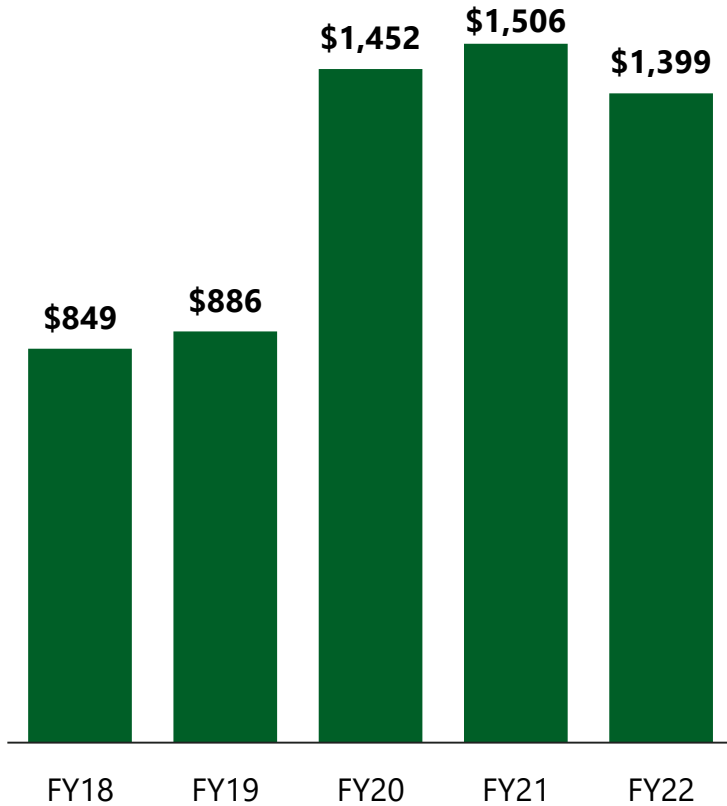
FINANCIAL OUTLOOK

Net Sales	SSS	EPS	Tax Rate	CAPEX
Q1 2023: \$265 – \$270 million	Q1 2023: (19)% – (17)%	Q1 2023: (\$0.40) – (\$0.35)	FY 2023: 26%	FY 2023: \$48.0 – \$56.0 million
				

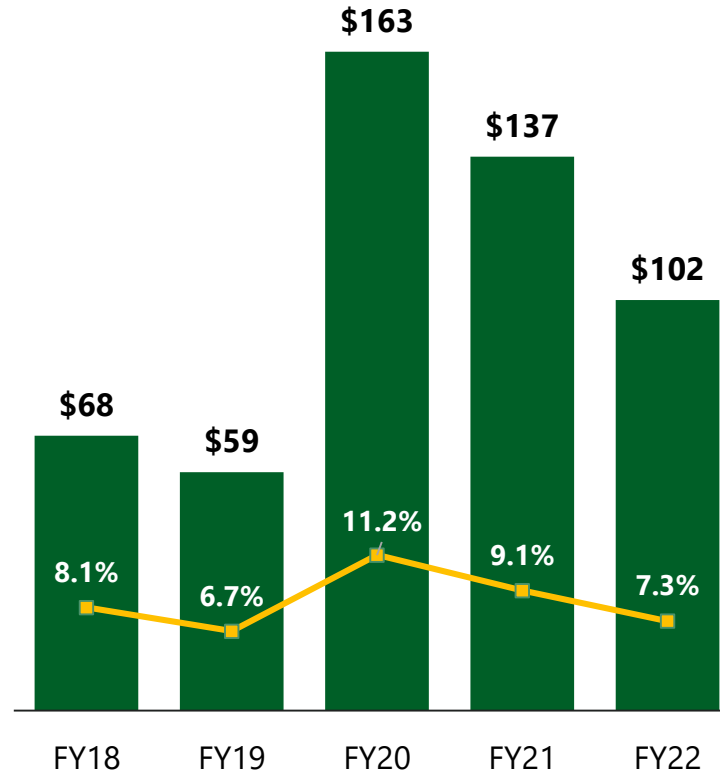


STRONG FINANCIAL PERFORMANCE

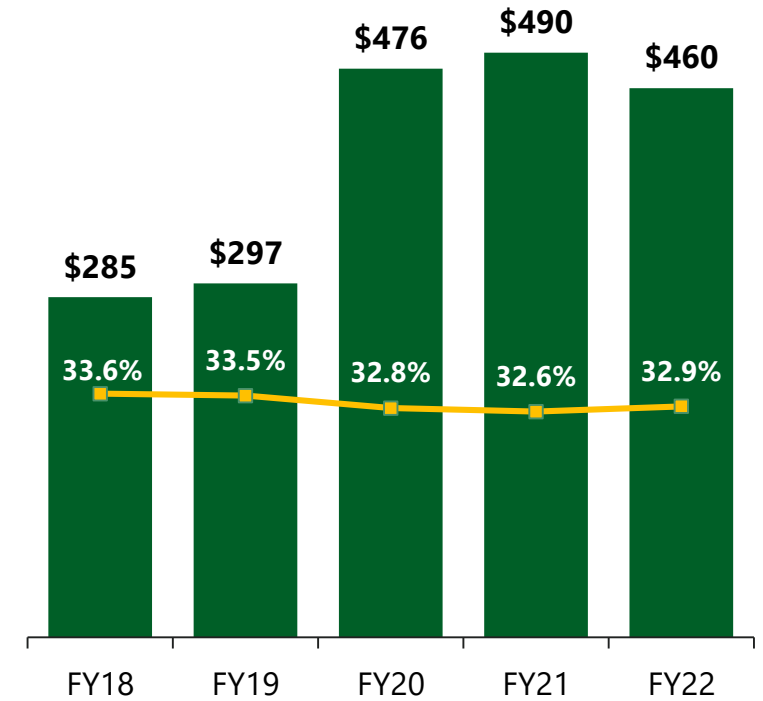
Net Sales (\$M)



Adjusted EBITDA¹ (\$M) & Margin (%)



Gross Profit (\$M) & Margin (%)





APPENDIX

NON-GAAP TO GAAP RECONCILIATION TABLE

SPORTSMAN'S WAREHOUSE HOLDINGS, INC.
GAAP and Non-GAAP Measures (Unaudited)
(in thousands, except per share data)

Reconciliation of GAAP net income and GAAP dilutive earnings per share to adjusted net income and adjusted diluted earnings per share:

	For the Thirteen Weeks Ended		For the Fifty-Two Weeks Ended	
	January 28, 2023	January 29, 2022	January 28, 2023	January 29, 2022
Numerator:				
Net income	11,029	58,434	40,518	108,470
Acquisition costs (3)	-	3,314	-	9,733
Executive transition costs (4)	115	-	1,329	-
Legal accrual (5)	2,088	-	2,088	-
Retention pay (6)	-	2,549	-	2,549
Merger termination payment (7)	-	(55,000)	-	(55,000)
Less tax benefit	(573)	12,677	(888)	11,021
Adjusted net income	12,659	21,974	43,047	76,773
Denominator:				
Diluted weighted average shares outstanding	37,944	44,582	40,719	44,543
Reconciliation of earnings per share:				
Dilutive earnings per share	0.29	1.31	1.00	2.44
Impact of adjustments to numerator and denominator	0.04	(0.82)	0.06	(0.72)
Adjusted diluted earnings per share	0.33	0.49	1.06	1.72

(3) The 13 and 52 weeks ended January 29, 2022, included \$3.3 and \$9.7 million of expenses incurred relating to the terminated merger with Great Outdoors Group.

(4) Expenses incurred relating to the recruitment and hiring of various key members of our senior management team. These events are not expected to be recurring.

(5) An accrued settlement in relation to the closure of one of our stores in 2019.

(6) Expense relating to retention bonuses paid to certain senior employees in connection with the termination of the merger agreement with Great Outdoors Group.

(7) Represents a one-time \$55 million termination payment received in connection with the terminated merger with Great Outdoors Group.



NON-GAAP TO GAAP RECONCILIATION TABLE

SPORTSMAN'S WAREHOUSE HOLDINGS, INC. GAAP and Non-GAAP Measures (Unaudited)

Reconciliation of net income to adjusted EBITDA (in thousands):

	For the Thirteen Weeks Ended		For the Fifty-Two Weeks Ended	
	January 28, 2023	January 29, 2022	January 28, 2023	January 29, 2022
Net income	11,029	58,434	40,518	108,470
Interest expense	1,674	474	4,195	1,379
Income tax expense (benefit)	3,338	19,250	13,350	35,769
Depreciation and amortization	8,764	7,425	31,776	26,226
Stock-based compensation expense (1)	1,147	1,091	4,673	3,328
Pre-opening expenses (2)	718	1,008	3,654	4,098
Acquisition costs (3)	-	3,314	-	9,733
Executive transition costs (4)	115	-	1,329	-
Legal accrual (5)	2,088	-	2,088	-
Retention pay (6)	-	2,549	-	2,549
Merger termination payment (7)	-	(55,000)	-	(55,000)
Adjusted EBITDA	28,873	38,545	101,583	136,552

(1) Stock-based compensation expense represents non-cash expenses related to equity instruments granted to employees under our 2019 Performance Incentive Plan and Employee Stock Purchase Plan.

(2) Pre-opening expenses include expenses incurred in the preparation and opening of a new store location, such as payroll, travel and supplies, but do not include the cost of the initial inventory or capital expenditures required to open a location.

(3) The 13 and 52 weeks ended January 29, 2022, included \$3.3 and \$9.7 million of expenses incurred relating to the terminated merger with Great Outdoors Group.

(4) Expenses incurred relating to the recruitment and hiring of various key members of our senior management team. These events are not expected to be recurring.

(5) An accrued settlement in relation to the closure of one of our stores in 2019.

(6) Expense relating to retention bonuses paid to certain senior employees in connection with the termination of the merger agreement with Great Outdoors Group.

(7) Represents a one-time \$55 million termination payment received in connection with the terminated merger with Great Outdoors Group.



NON-GAAP TO GAAP RECONCILIATION TABLE

SPORTSMAN'S WAREHOUSE HOLDINGS, INC. GAAP and Non-GAAP Measures (Unaudited)

Reconciliation of net income to adjusted EBITDA:

	FY 22	FY 21	FY 20	FY 19	FY 18
Net income	40,518	108,470	91,380	20,215	23,750
Interest expense	4,195	1,379	3,506	7,995	13,206
Income tax expense (benefit)	13,350	35,769	30,080	5,254	7,063
Depreciation and amortization	31,776	26,226	21,830	19,321	18,250
Stock-based compensation expense (1)	4,673	3,328	3,302	2,104	1,742
Pre-opening expenses (2)	3,654	4,098	1,942	2,694	1,838
Acquisition costs (3)	-	9,733	3,710	662	-
Executive transition costs (4)	1,329	-	-	770	-
Legal accrual (5)	2,088	-	2,125	-	-
Retention pay (6)	-	2,549	-	-	-
Merger termination payment (7)	-	(55,000)	-	-	-
CEO retirement (8)	-	-	-	-	2,647
Bargain purchase (9)	-	-	(2,218)	-	-
Hazard pay (10)	-	-	6,526	-	-
Asset write-off (11)	-	-	1,039	-	-
Adjusted EBITDA	101,583	136,552	163,222	59,015	68,496
Net sales	1,399,515	1,506,072	1,451,767	886,401	849,129
Net income margin	2.9%	7.2%	6.3%	2.3%	2.8%
Adjusted EBITDA margin	7.3%	9.1%	11.2%	6.7%	8.1%

(1) Stock-based compensation expense represents non-cash expenses related to equity instruments granted to employees under our 2019 Performance Incentive Plan and Employee Stock Purchase Plan.

(2) Pre-opening expenses include expenses incurred in the preparation and opening of a new store location, such as payroll, travel and supplies, but do not include the cost of the initial inventory or capital expenditures required to open a location.

(3) Acquisition expense for fiscal year 2021 represent professional fees related to the terminated merger with Great Outdoors Group, LLC. Acquisition expense for fiscal year 2020 represent professional fees related to the terminated merger with Great Outdoors Group, LLC, and the acquisition of 4 Field and Stream store locations from DICK's Sporting Goods. Acquisition expenses for fiscal year 2019 represent professional fees related to the acquisition of 8 Field & Stream store locations in from DICK's Sporting Goods.

(4) Expenses incurred relating to the recruitment and hiring of various key members of our senior management team. These events are not expected to be recurring.

(5) For fiscal 2022 an accrued settlement in relation to the closure of one of our stores in 2019. For fiscal 2020 an accrual relating to pending labor litigation in the state of California.

(6) Expense relating to retention bonuses paid to certain senior employees in connection with the termination of the merger agreement with Great Outdoors Group.

(7) Represents a one-time \$55 million termination payment received in connection with the terminated merger with Great Outdoors Group.

(8) Expenses incurred in conjunction with the retirement of our former CEO during Q1 2018.

(9) Excess of the fair value over the purchase price of tangible assets acquired in connection with the Field & Stream store locations acquired during fiscal year 2020.

(10) Expense relating to bonuses and increased wages paid to front-line and back office associates due to the COVID-19 pandemic.

(11) The asset write-off amount for 2020 relates to costs incurred with closure of one store during the first quarter of 2020.

