

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 27, 2025

Build-A-Bear Workshop, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	001-32320	43-1883836
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)
415 South 18th St., St. Louis, Missouri		63103
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(Address of Principal Executive Offices)		(Zip Code)
	(314) 423-8000	

	(Registrant's Telephone Number, Including Area Code)	

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 \$0.01 per share	BBW	New York Stock Exchange

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

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.

Build-A-Bear Workshop, Inc. (the “Company”) prepared an investor presentation containing certain information and financial highlights. Representatives of the Company intend to present some of or all of this presentation to current and prospective investors at various conferences and meetings. A copy of the investor presentation is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. A copy of the investor presentation is also available on the Investor Relations section of the Company’s web site at <http://IR.buildabear.com>.

To supplement its financial statements presented in accordance with GAAP, the Company used, in its investor presentation, certain non-GAAP measures of financial performance. The Company believes that these non-GAAP measures will allow for a better evaluation of the operating performance of the business and facilitate a meaningful comparison of the Company’s results in the current period to those in prior periods and future periods. Reference to these non-GAAP measures should not be considered as a substitute for results that are presented in a manner consistent with GAAP. These non-GAAP measures are provided to enhance investors’ overall understanding of the Company’s financial performance.

* * * * *

The information furnished in, contained, or incorporated by reference into Item 7.01 above, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 (the “Securities Act”), as amended, or the Exchange Act, regardless of any general incorporation language in such filing. In addition, this report (including Exhibit 99.1) shall not be deemed an admission as to the materiality of any information contained herein that is required to be disclosed solely as a requirement of Item 7.01.

This Current Report on Form 8-K and the investor presentation attached hereto as Exhibit 99.1, respectively, contain certain statements that may be deemed to be “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements in this report and in such exhibit not dealing with historical results are forward-looking and are based on various assumptions. The forward-looking statements in this report and in such exhibit are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by the statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among other things: statements regarding the Company’s goals, intentions, and expectations; business plans and growth strategies; estimates of the Company’s risks and future costs and benefits; forecasted demographic and economic trends relating to the Company’s industry; and other risk factors referred to from time to time in filings made by the Company with the Securities and Exchange Commission. Forward-looking statements speak only as to the date they are made. The Company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made. The Company disclaims any intent or obligation to update these forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
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99.1	Investor Presentation—March 2025
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104	Cover Page Interactive Data File (embedded within the Inline XBRL document)
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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.

Date: March 27, 2025

BUILD-A-BEAR WORKSHOP, INC.

By: /s/ Voin Todorovic

Name: Voin Todorovic

Title: Chief Financial Officer

Build-A-Bear Investor Overview

March 2025



Important Disclosures

Forward-Looking Statements

This presentation may contain "forward-looking statements" within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. We generally identify these statements by words or phrases such as "may," "might," "should," "expect," "plan," "anticipate," "believe," "estimate," "intend," "predict," "future," "potential" or "continue," the negative or any derivative of these terms and other comparable terminology. All the information concerning our future liquidity, future revenues, margins and other future financial performance and results, achievement of operating of financial plans or forecasts for future periods, sources and availability of credit and liquidity, future cash flows and cash needs, success and results of strategic initiatives and other future financial performance or financial position, as well as our assumptions underlying such information, constitute forward-looking information. Forward-looking statements are not guarantees of future results and are subject to risks and uncertainties, including without limitation, those identified in our annual report on Form 10-K and our Quarterly Reports on Form 10-Q, under the sections titled "Risk Factors," "Cautionary Note Regarding Forward-Looking Statements," and "Management's Discussion and Analysis of Financial Conditions and Results of Operations." All our forward-looking statements are as of the date of this presentation only. In each case, actual results may differ materially from such forward-looking information. Except as required by law, the Company does not undertake to publicly update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

Note Regarding Non-GAAP Measures

In this presentation, the Company's financial results are provided both in accordance with generally accepted accounting principles (GAAP) and using certain non-GAAP financial measures, including, but not limited to EBITDA, Systemwide Sales, Store Contribution Margin, Return on Invested Capital and Free Cash Flow. These results are included as a complement to results provided in accordance with GAAP because management believes these non-GAAP financial measures help identify underlying trends in the Company's business and provide useful information to both management and investors by excluding certain items that may not be indicative of the Company's core operating results. These measures should not be considered a substitute for or superior to GAAP results. These non-GAAP financial measures are defined and reconciled to the most comparable GAAP measure later in this document.

Definitions of Non-GAAP Financial Measures

Systemwide sales include sales at all Build-A-Bear stores and websites, whether operated by the Company, by partners, or by franchisees. While partner sales and franchisee sales are not recorded as revenues by the Company, management believes the information is important in understanding the Company's financial performance, including total sales to end customers. Third-party retail sales are either reported to us by our partners or, where that is unavailable, estimated based on our wholesale sales, grossed up to our MSRP, and are not our revenues. Franchised store retail sales are reported to us by our franchisees and are not our revenues. Less than 5% of our Systemwide Sales are estimated based on our MSRP. The Company's revenues consist of Direct to Consumer (Net retail sales) --sales by Company-managed retail stores, two e-commerce sites; Commercial--transactions with other businesses, mainly comprised of wholesale product sales and licensing our intellectual property, including entertainment properties, for third-party use; and international franchising--royalties as well as product, fixture sales and supplies from other international operations under franchise agreements. Changes in Systemwide sales are primarily driven by comparable sales and net new unit growth.

Web Demand represents sales through all Build-A-Bear websites, whether fulfilled through our warehouse or stores. E-commerce is Web Demand fulfilled through our warehouse.

Free Cash Flow represents Build-A-Bear's net cash flows from operating activities, less capital expenditures.

Return on Invested Capital (ROIC) is defined as net operating profit after tax divided by invested capital, with net operating profit calculated as earnings before interest and taxes (EBIT), and invested capital calculated as net working capital, less excess cash, plus operating leases, net property, plant, and equipment (PP&E), and other assets.



Build-A-Bear began as a pioneer of Experiential Retail



[Click to see how Build-A-Bear has become so much more](#)



And is now a powerful brand

WELL-KNOWN

>90% Aided Brand Awareness*

RESPECTED

The #1 North American toy retailer**

BELOVED

~100m store and web visits per year***

OUTSIZED BRAND EQUITY

One of the 20 most influential retailers in North America**



PART OF POP CULTURE

Iconic, ~30 billion annual media impressions and PR impressions

A DESTINATION

~80% of store visits are planned*

MULTI-GENERATIONAL
25+ year-old brand

TRUSTED

Over 20 million loyalty members and first-party data contacts



*Source: Proprietary research, LEK Consulting, 2022 survey with U.S. consumers; **Source: WPP BAV "The World's Most Influential Retailers - 2024"; ***Includes estimated traffic for third-party stores

We have improved our financial results

	2024 Snapshot	2019-2024 Growth
Total Revenue	\$496M	47%
Net Retail Sales	\$460M	42%
Third-Party Revenue*	\$36M	140%
EBITDA**	\$81M	430%
Margin	16.3%	+1,180 bps
Diluted EPS	\$3.80	NM***
FCF	\$28M	199%
ROIC	33.0%	NM****
Store Contribution Mgn****	25%	+ > 1,000 bps

*Third-Party references combine our Commercial + International Franchise segments.
 **EBITDA is a Non-GAAP financial measure, see "Important Disclosures."
 ***NM=not meaningful, 2019 Net Income was \$281,000, and EPS was \$0.02.
 ****Store Contribution margin is store-level EBIT margin for all corporate stores, and is a Non-GAAP financial measure, see "Important Disclosures."



BUILD-A-BEAR



Guests create lifetime memories by **making their own stuffed animal** at our experiential retail locations

By diversifying the business

Beyond Kids

~40% of sales to teens and adults*

Beyond Stores

Web Demand** has grown ~110% from 2019-2024

Beyond Birthdays

Birthdays are ~30% of sales, and top holidays are Christmas, Valentine's Day, and Easter

Beyond Malls

368 corporate stores and 221 third-party stores in multiple formats in more than 25 countries at Q4 2024

Expanding To More Ages

Appealing to older consumers through pop culture, licensed relationships and our Bear Cave microsite

Expanding Online

Buildabear.com sells mostly to collectors and gift givers that are teens and adults

Expanding To More Reasons

Mother's Day, Graduation, Congratulations, New Baby, Get Well, Thank You

Expanding To More Formats

Now includes tourist locations, concourse shops, shop-in-shops, ATMs, and wholesale

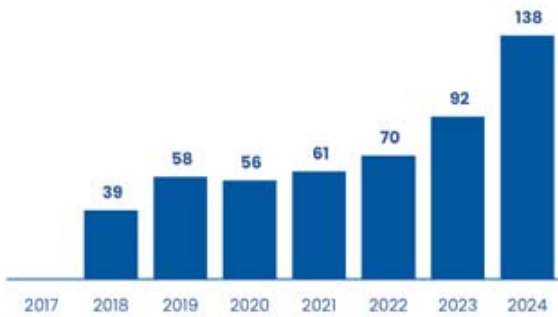


BUILD-A-BEAR

*Source: Proprietary research, LEK Consulting, 2022 survey with consumers. **Web Demand represents sales through all Build-A-Bear websites, whether fulfilled through our warehouse or stores, and is a Non-GAAP financial measure, see "Important Disclosures."

And evolving our store footprint

Partner Store Growth



Partner-Operated Stores were launched domestically in 2018, and internationally in 2023



Store Count Mix



We have expanded both sides of our business model

Net Retail Sales (Direct-to-Consumer Segment*)



Third-Party Revenue** (Commercial & Intl. Franchise Segments)

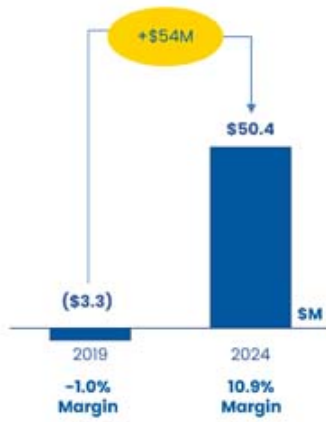


*Direct-to-Consumer (DTC) is sales by Company-managed retail stores and two e-commerce sites; it is defined in "Important Disclosures."
**Third-Party references combine our Commercial + International Franchise segments.



And we have entered a new era of profitability

Net Retail Pretax Income (Direct-to-Consumer Segment)



Third-Party Pretax Income (Commercial & Intl. Franchise Segments)



Third-Party Pretax Income reached 25% of total Pretax Income in 2024

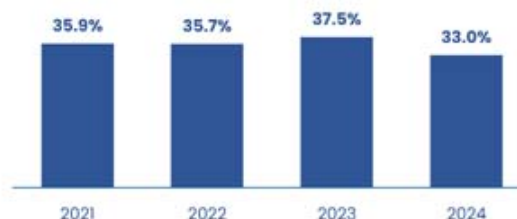
Consistent returns position us for a new phase of growth

Free Cash Flow*



2023 was a 53-week year; 2024 reflects a temporary drag from working capital timing dynamics.

ROIC*



*Free Cash Flow and Return on Invested Capital (ROIC) are non-GAAP financial measures; see "Important Disclosures."



BUILD-A-BEAR

We have multiple levers to **grow the business**

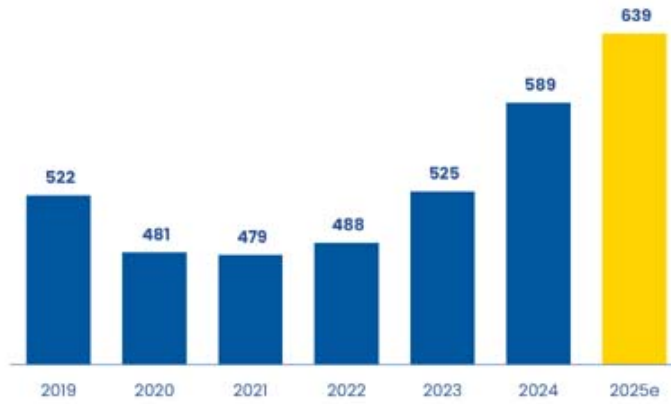


And we have restarted **new store unit growth**

A teddy bear hug is understood in every language.



Total Experience Locations (includes Corporate, Partner and Franchised stores)



We are expanding **domestically & internationally** in three models and through our **multiple** store formats

*Based on 2025 Net New Unit Growth guidance of at least 50 locations, which includes Corporate, Partner, and Franchised Stores.



We generate revenue from product sales at retail, at wholesale, and from royalties



Retail

DTC
(Corporate stores and websites
in US, UK, CN)



Commercial

Wholesale sales
(includes US & Intl.
partner-operated stores)



International Franchising

Sales-based royalty
revenue, development fees,
and merchandise sales

Fiscal 2024

Store Count	368	138	83
% of Co. Pretax Profit*	75%	23%	2%
Revenue	\$460M	\$31M	\$5M
Pretax Margin	10.9%	50.2%	21.6%
ROIC**	28%	106%	41%

*% of Co. Pretax Profit doesn't add to 100% due to rounding.

** Return on Invested Capital (ROIC) is a non-GAAP financial measure; see "Important Disclosures."



BUILD-A-BEAR

At retail, multiple store models produce top tier unit economics

Corporate Store Returns

2024 Results for store classes of 2019, 2020, and 2021

	Discovery Store Model*	Concourse/SIS Store Model*
Avg. Corp Store Unit Vol.	\$1,578K	\$615K
4-Wall EBITDA**	\$535K	\$152K
4-Wall EBITDA margin	34%	25%
Avg. Net Investment	\$272K	\$42K
Cash-on-Cash Return	196%	363%

We opened a net 9 new corporate stores in fiscal 2024

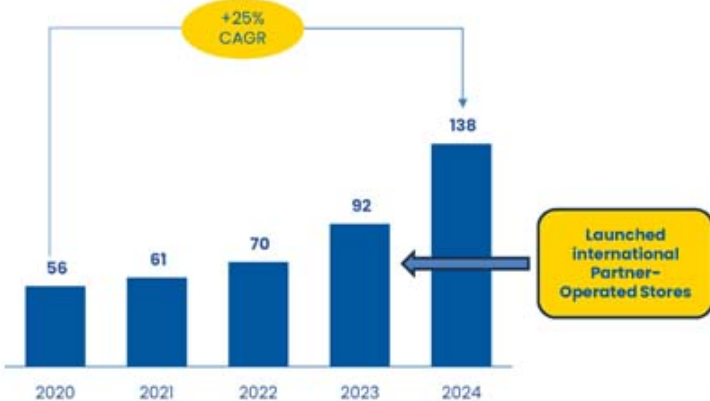


*Discovery Stores are generally 1,800-2,200 square feet and Concourse/SIS are generally 200+ sq feet. The results are for stores open a full year in 2024.
 **EBITDA is a Non-GAAP financial measure, see "Important Disclosures."



Commercial is our fastest growing segment

Partner-Operated Stores



Commercial Revenue

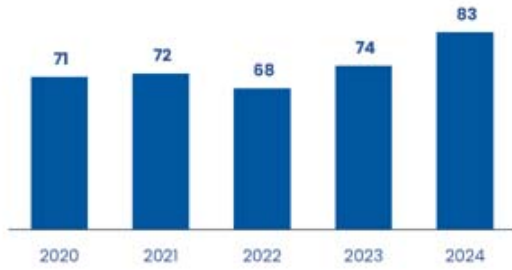


Commercial revenue is primarily wholesale sales, including sales to partner-operated stores



International Franchise is also growing

Intl. Franchise Stores



Intl. Franchise Revenue



Intl. Franchise revenue includes sales-based royalties, development fees, and merchandise sales

Systemwide Sales exceed revenue

Revenue



Systemwide Sales*



Systemwide Sales exceed revenue because it includes BAB product sales at all stores, whether operated by the Company, partners, or franchisees



*Systemwide Sales is a Non-GAAP financial measure, see "Important Disclosures."

While growing, we are returning capital to shareholders

\$133M (\$9.14/share*) Returned to Shareholders 2021-2024



The Company paid special dividends in December 2021 and April 2023, paid an initial quarterly cash dividend of \$0.20 per share in April 2024, and in March 2025, increased its quarterly cash dividend by 10% to \$0.22.

Our asset-light shift allows a greater ability to return FCF to shareholders



*Per share using average shares over the time period of 14.6M

Our opportunity to sell more products to more people in more places is a testament to **the power of the brand**

The specialty toy company that helped define experiential retail in the late '90s has not only survived but thrived. From inspiring viral moments, generating products that leverage pop culture IP and building a variety of store formats, everyone's favorite cuddly retailer may be developing an empire.*

World-Class Licenses



...the brand has remained relevant for almost three decades—from the fall of the shopping mall to the rise of e-commerce.**

World-Class Relationships



Build-A-Bear Workshop has been one of the most recognizable and beloved toy brands in the world since opening in 1997.***



*<https://www.marketingdive.com/news/build-a-bear-business-empire-transformation/690425/>
 **<https://toybook.com/build-a-bear-documentary-streaming-news/>
 ***[Celebrating the Holidays With Build-A-Bear Workshop \(cheddar.com\)](https://cheddar.com/celebrating-the-holidays-with-build-a-bear-workshop)

Financial Review



Fiscal 2024 was the most profitable year in Build-A-Bear history

Revenue	\$496.4M, +3.6%*
Pretax Income	\$67.1M, +5.1%*
Net New Unit Growth**	64 units
Gross Profit Margin	54.9%, + 50 BPS
EBITDA	\$81.1M, 16.3% margin
Adj. EPS	\$3.77, +10.2%***
YE Cash	\$27.8M

Free Cash Flow	\$27.6M
Cash Returned	\$42.0M

*Fiscal 2023 was a 13-week year; the revenue and pretax growth rates exclude the extra week of operations in 2023.

**Net New Unit Growth includes Corporate, Partner-Operated, and International Franchise stores.

***Adj. EPS excludes discrete items for both 2023 and 2024.

2024 was our fourth consecutive year of record growth and profits



Q4 2024 was our most profitable fourth quarter

Revenue	\$150.4M, +5.7%*
Pretax Income	\$27.5M, +15.8%*
Net New Unit Growth**	24 units
Gross Profit Margin	56.6%, + 20 BPS
EBITDA	\$31.1M, 20.7% margin
Adj. EPS	\$1.59, +18.7%***
Quarter-end Cash	\$27.8M
Dividend	\$2.7M
Stock Repurchased	\$8.0M

*The fiscal fourth quarter of 2023 was a 14-week quarter; the revenue and pretax growth rates exclude the extra week of operations in 2023.

**Net New Unit Growth includes Corporate, Partner-Operated, and International Franchise stores.

*** Adj. EPS excludes discrete items for both 2023 and 2024.



Fiscal 2025 Guidance calls for **continued top-line growth***

Revenue	MSD growth
Pretax Income**	LSD decline-LSD growth
Net New Unit Growth***	At least 50 units
Capital Expenditures	\$20M-\$25M
Depreciation & Amortization	≈\$16M
Tax Rate****	≈24%

Pretax income reflects over \$10 million of additional costs, about half of which is driven by our current estimated net tariff impact, followed by increased medical and labor costs.



*Guidance as of March 27, 2025.

**LSD = low-single-digit; MSD = mid-single-digit

***Net New Unit Growth includes Corporate, Partner, and Franchised Stores.

****Excludes discrete items



BUILD-A-BEAR

BBW Key Statistics

Share Price - March 21	\$37.33
Shares Out. 4Q-end	13.25M
Market Capitalization	\$495M
Cash 4Q-end	27.8M
Qtly. Dividend/Yield	\$0.22/2.4%
Float (est.)	96.0%
Avg. Daily Vol. (3 mos.)	285,500



Source: BAB, NYSE Connect



Appendix



Build-A-Bear Non-GAAP Reconciliations

Systemwide Sales, Free Cash Flow, EBITDA

Fiscal Year-End (\$ millions)	2019	2020	2021	2022	2023	2024
Systemwide Sales:						
Net retail sales	323.5	249.2	397.7	446.2	456.2	460.3
Third-party sales	47.9	23.3	42.3	62.3	78.9	87.8
Total Systemwide sales	\$ 371.4	\$ 272.5	\$ 440.0	\$ 508.5	\$ 535.0	\$ 548.1

Fiscal Year-End (\$ millions)	2022	2023	2024
Calculation of Free cash flow			
Net cash provided by operating activities	\$ 47.3	\$ 64.3	\$ 46.9
Net cash used in investing activities	(13.6)	(18.3)	(19.3)
Free cash flow	\$ 33.6	\$ 46.0	\$ 27.6

Fiscal Year-End (\$ millions)	2024
Calculation of EBITDA	
Income before income taxes	\$ 67.1
Interest (income) expense, net	\$ (0.9)
Depreciation and amortization expense	\$ 14.8
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$ 81.1

13 Weeks Ended February 1, 2025 (\$ millions)	Q4 2024
Calculation of EBITDA	
Income before income taxes	\$ 27.5
Interest (income) expense, net	\$ (0.1)
Depreciation and amortization expense	\$ 3.8
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$ 31.1

Discovery Store Model Classes of 2019, 2020, and 2021 (\$ millions)	2024
Calculation of EBITDA	
Income before income taxes	\$ 0.495
Interest (income) expense, net	\$ -
Depreciation and amortization expense	\$ 0.039
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$ 0.535

Concourse/SIS Store Model Classes of 2019, 2020, and 2021 (\$ millions)	2024
Calculation of EBITDA	
Income before income taxes	\$ 0.142
Interest (income) expense, net	\$ -
Depreciation and amortization expense	\$ 0.010
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$ 0.152



Build-A-Bear Non-GAAP Reconciliations

Return on invested capital, Segment ROIC

Fiscal Year-End (\$ millions)	2022	2023	2024
Calculation of Return on Invested Capital			
Numerator			
Net income	\$ 48.0	\$ 52.8	\$ 51.8
Operating lease interest	5.5	5.5	6.9
Interest expense (income)	0.0	(0.9)	(0.9)
Lease adjusted net operating profit after tax	\$ 53.5	\$ 57.4	\$ 57.9
Denominator:			
Current Assets	\$ 147.4	\$ 127.8	\$ 126.3
Current Liabilities	101.2	83.7	79.4
Excess Cash (cash in excess of \$20m)	22.2	24.3	7.8
Net Working Capital	24.1	19.7	39.1
Operating Leases	71.8	73.4	90.2
Property + Equipment	50.8	55.3	59.8
Other Assets	4.2	7.2	6.1
Total Invested Capital	150.9	155.6	195.2
Average Invested Capital	\$ 149.7	\$ 153.2	\$ 175.4
Return on invested capital	35.7%	37.5%	33.0%

Fiscal Year-End (\$ millions)	2024
Calculation of Return on Invested Capital	
Commercial	
Numerator:	
Pretax Income	15.8
Tax rate, adj.	23.5%
Taxes	3.7
Net operating profit after tax	12.1
Commercial Assets	14.0
Average Commercial Assets	11.4
ROIC—Commercial	106%
Intl Franchise	
Numerator:	
Pretax Income	1.0
Tax rate, adj.	23.5%
Taxes	0.2
Net operating profit after tax	0.8
Intl Franchise Assets	2.6
Avg Intl Franchise Assets	1.9
ROIC—Intl Franchise	41%

Fiscal Year-End (\$ millions)	2024
Calculation of Return on Invested Capital	
Net Retail	
Numerator:	
Pretax Income	50.4
Tax rate, adj.	23.5%
Taxes	11.8
Nil	38.5
Operating lease interest	6.9
Interest Expense	(0.9)
NOPAT	44.6
Retail Assets	273,356
Average Retail Assets	267,828
Average Invested Capital	175.4
Net Retail Avg Invested Capital (Co. IC less C)	162.1
ROIC—Retail	28%



Contact Information



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