



Investor Deck 2022

FORWARD LOOKING AND CAUTIONARY STATEMENTS

This presentation contains certain statements that are, or may be considered to be, “forward-looking statements” for the purpose of federal securities laws, including, but not limited to, statements that reflect our current views with respect to future events and financial performance. 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. Forward-looking statements are based on current expectation and assumptions that are subject to risks and uncertainties which may cause results to differ materially from the forward-looking statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events or otherwise. Risks and uncertainties to which our forward-looking statements are subject include: (1) macroeconomic and industry risks such as (a) the COVID-19 pandemic has had and is expected to continue to have an adverse effect on our business; (b) continued or further declines in consumer traffic at malls and tourist locations could adversely affect our financial performance and profitability; (c) general global economic conditions could lead to disproportionately reduced discretionary consumer spending and demand for our products; (d) consumer interests change rapidly and our success depends on the ongoing effectiveness of our marketing and online initiatives to build consumer affinity for our brand and drive consumer demand for key products and services; (e) our profitability could be adversely impacted by fluctuations in petroleum products prices; and (f) our business may be adversely impacted by a variety of significant competitive threats; (2) operational risks such as: (a) we may be unable to generate demand for our interactive retail experience and products, including timely responses to consumer preferences; (b) we are subject to risks associated with technology and digital operations; (c) we may be unable to renew, renegotiate our store leases or enter into new store leases on favorable terms; (d) our company-owned distribution center and our third-party distribution center providers may experience disruptions or operate inefficiently; and (e) we may not be able to evolve our store locations to align with market trends, successfully diversify our store models and formats, or otherwise effectively manage our overall portfolio of stores; (3) international risks such as: (a) we may not be able to operate our international corporately-managed locations profitably; (b) we rely on a few global supply chain vendors to supply substantially all of our merchandise, and significant price increases or disruption in their ability to deliver merchandise could harm our ability to source products and supply inventory to our stores; (c) our merchandise is manufactured by foreign manufacturers and the availability and costs of our products, as well as our product pricing, may be negatively affected by risks associated with international manufacturing and trade and foreign currency fluctuations; and (d) we may be unable to effectively manage our international franchises, attract new franchisees or the laws relating to our international franchises change; (4) Legal, technology and intellectual property risks such as: (a) we are subject to a number of risks related to disruptions, failures or security breaches of our information technology infrastructure; (b) we may fail to renew, register or otherwise protect our trademarks or other intellectual property and may be sued by third parties for infringement or misappropriation of their proprietary rights; (c) we may suffer negative publicity or be sued if the manufacturers of our merchandise or Build-A-Bear branded merchandise sold by our licensees ship products that do not meet current safety standards or production requirements or if such products are recalled or cause injuries; (d) we may suffer negative publicity or be sued if the manufacturers of our merchandise violate labor laws or engage in practices that consumers believe are unethical; and (e) we may suffer negative publicity or a decrease in sales or profitability if the products from other companies that we sell in our stores do not meet our quality standards or fail to achieve our sales expectations; (5) Risks related to owning our common stock such as: (a) fluctuations in our operating results could reduce cash flow or result in restrictions under our credit agreement and we may be unable to repurchase shares; (b) fluctuations in our quarterly results of operations could cause the price of our common stock to substantially decline; (c) the market price of our common stock is subject to volatility, which could in turn attract the interest of activist shareholders; and (d) provisions of our corporate governing documents and Delaware law may prevent or frustrate attempts to replace or remove our management by our stockholders, even if such replacement or removal may be in our stockholders’ best interests; and (6) general risks such as: (a) we may not be able to operate successfully if we lose key personnel; and (b) we may be unsuccessful in acquiring businesses or engaging in other strategic transactions, which may negatively affect our financial condition and profitability. For additional information concerning factors that could cause actual results to materially differ from those projected herein, please refer to our most recent reports on Form 10-K, Form 10-Q and Form 8-K.





EXECUTIVE SUMMARY

A DIVERSIFIED COMPANY WITH A MULTI-GENERATIONAL BRAND

Started as
an experiential
mall-based retailer
focused on children



Has transformed into a multi-
dimensional, digital, growing
business with a broad and
diverse consumer demographic

EXPANDED OMNICHANNEL CAPABILITIES DRIVING DIGITAL DEMAND

Sustained growth in digital demand
which has grown to be nearly 20% of
net retail sales in FY2021

DIVERSIFIED PORTFOLIO

35%

of stores are
not located in a
traditional mall

NEARLY 500 GLOBAL LOCATIONS*

352

United States

127

International

CONNECTED

200MM+

Furry friends sold
in nearly 25 years

MULTI-GENERATIONAL APPEAL

>40%

of sales are to tweens, teens
and adults

DEEP AND EXTENSIVE LICENSING RELATIONSHIPS

Covering over 75
entertainment, sports and
pop culture properties

POWERFUL BRAND

~90% Agree BAB is a fun experience for a child**

Known, emotional and leverageable brand equity

SKILLED PASSIONATE EMPLOYEES

3,500+

Associates



* Store count at end of fiscal 2021. US store count includes 58 third-party retail locations and excludes vending machines; International includes corporately-managed stores in Canada, the UK and Ireland as well as 72 franchise shops and 3 third-party retail locations

** US Moms of Kids ages 2-12 in the US, C&R Research, 2022

KEY INVESTOR CONSIDERATIONS



Profitable business with high margins and free cash flow

- 2022 total revenues of \$411.5MM and pre-tax income of \$50.7MM, the highest in the company's nearly 25-year history
- \$32.8MM in cash and equivalents at end of fiscal 2021; Company paid a special dividend in Q4 2021
- As of March 9, 2022, the Company had repurchased \$5.0 million under the \$25.0 million stock repurchase program adopted by its Board of Directors on November 30, 2021



Powerful brand with multi-generational appeal capturing today's zeitgeist including desire for experience, personalization and “DIY” while recognized as trusted, giving and a part of pop culture

- Over 10 billion media impressions in 2021 demonstrating strong interest from business, trade, entertainment and consumer outlets
- Over 3.6MM social media followers (Facebook, Instagram, Twitter, TikTok, Pinterest and YouTube)



Successfully proven and growing diversified omnichannel business model

- Offerings include experiential brick-and-mortar stores with 1:1 interactive engagement that deliver profitability while supporting omnichannel fulfillment for growing digital demand as well as diverse e-commerce shopping platforms and experiences
- Expanding addressable consumer base with new experiences and products targeting tween, teen and adult affinity and gifting segments
- Leverageable brand strength to diversify revenue streams through licensing, content and entertainment development



Accomplished team created an expanding and profitable business now focused on delivering sustained diversified and profitable growth

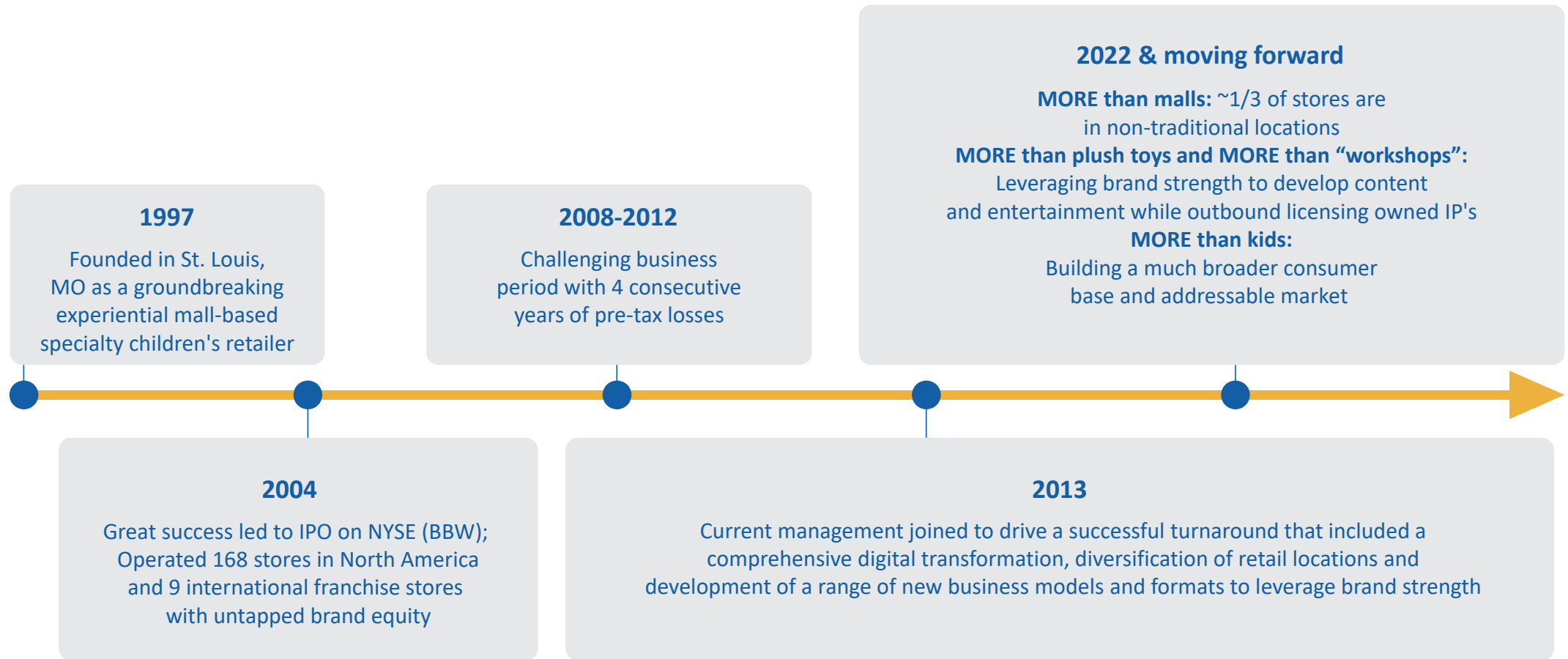
- Returned business to profitability while simultaneously building infrastructure to support a multi-dimensional, digital, growing business with a broad and diverse consumer base



CELEBRATING OUR 25TH ANNIVERSARY IN 2022



Started as a specialty retailer that became a powerful consumer brand



Now positioned as an evolved thriving entity that is poised for a compelling future





BELOVED ICONIC BRAND

BUILD-A-BEAR IS A POWERFUL BRAND

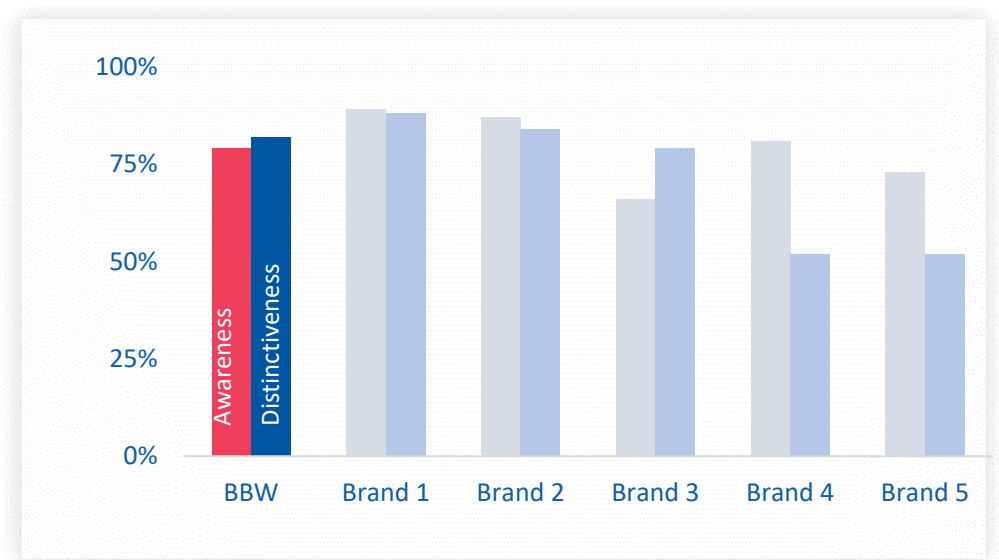
Well-Known

Multi-Generational

Emotional

Trusted

Extendable



US data, C&R Research with Moms of kids ages 2-12 2022

~80% aided brand awareness (US Moms of Kids ages 2-12)

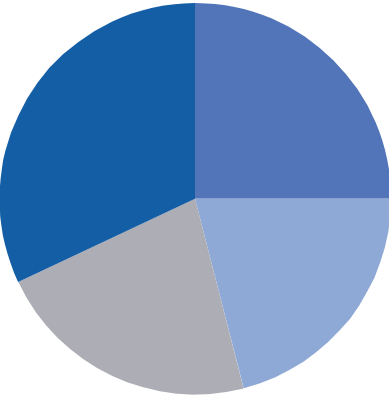
~80% of those surveyed said Build-A-Bear was “distinctive”

Other retail brands include American Girl, Disney, 5 Below, Claire’s and LEGO

>60%

of store visits are planned and the top occasion is a birthday

Contributing to balanced business seasonality*



■ Jan-Mar ■ Jul-Sep
■ Apr-Jun ■ Oct-Dec

12MM+

- First party data email contacts in CRM database
- Vast majority in Bonus Club loyalty program

* Reflects average results of multiple years

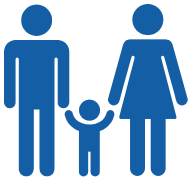
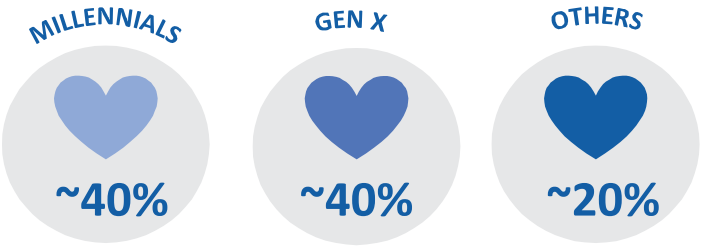


DIVERSE AND HIGHLY COVETED C ONSUMERS

Build-A-Bear is uniquely positioned to reach a targeted demographic market with strong purchasing power

The profile of Build-A-Bear’s 10 million + active Bonus Club membership:

Wide interest across ages



Household Profile

~70% have children giving us reach within households to approximately 20 million people

Interests include:
Eating out, books/reading, visiting amusement parks



Educated with spending power:

Professional careers, Appx 70% attended college



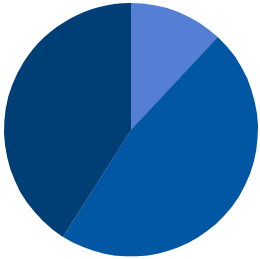
Over 80% are homeowners



Approximately 70% are married

Diverse Demographic

Over 40% of furry friends are for tweens, teens and adults



■ Infant/Toddler ■ Kids ■ Tweens, Teens, Adults



STRATEGIC SHIFT TO CAPTURE OUR SHARE OF DIGITAL ECONOMY

Rather than “digitizing” the store experience that families love, a strategic shift to diversify the consumer base fueled strong e-commerce growth after updating and upgrading the digital platform and capabilities with CAGR of 34% since 2016



RETAIL STORE CONSIDERATIONS

- Hands on interactive experience as important as the product
- Opportunity to engage with brand at younger ages and retain for “one more year” to drive higher “childhood value”
- Store positioning where families go for fun and entertainment for ease of shopping

E-COMMERCE CONSIDERATIONS

- Product foremost with ease and convenience of shopping online
- Once challenging to efficiently market, new tools allow us effectively reach teens/adults
- Likely to have experienced BABW as a child, they still have strong brand affinity but need a “reason” to reengage

Our objective is to extend the reach and size of diverse consumer segments through expanded products and licensed relationships, experiences, occasions, partnerships and marketing activities



BUILD-A-BEAR GETS NOTICED

Over 10 Billion media impressions in 2021 (and 2020)

YAHOO!
LIFESTYLE



Build-A-Bear unveils new Matrix Bear ahead of The Matrix Resurrections
This new Matrix-themed bear dubbed 'Matrix Bear' from Build-A-Bear can't dodge bullets, but when it's ready, it won't have to.
Published Fri, Dec 10 2021 1:48 AM CST | Updated Tue, Jan 4 2022 4:44 PM CST

abc NEWS
.com

POPSUGAR.



GOOD MORNING AMERICA



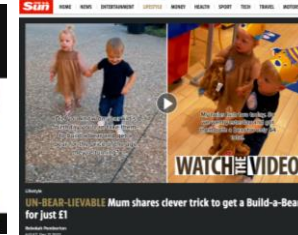
Bloomberg
RADIO

Seeking Alpha

Build-A-Bear Workshop: We See Much More Upside

Dec. 06, 2021 2:42 PM ET Build-A-Bear Workshop, Inc. (BBW) 1 Comment 2 Likes

Next Build-A-Bear Eevee Evolutions Plush is Glaceon



Furry friends start at \$4 during Build-A-Bear's sale Tuesday



People

Build-A-Bear Debuts Spellbinding New Harry Potter Line of Cuddly Witches and Wizards

The stuffed bears can be sorted into each of the four Hogwarts houses and dressed in robes to show school pride.



MarketingTech

Build-A-Bear reinvents online shopping experience with 3D workshop



Dad brought to tears after receiving a teddy bear with his late mother's voice



4 NEW YORK
NEWS 12
LONG ISLAND



YAHOO!
FINANCE

Nasdaq

Nutanix (NTNX), Build-A-Bear Tie Up For Bear Builder 3D Workshop

Fast-paced Momentum Stock Build-A-Bear (BBW) Is Still Trading at a Bargain



Car wash company donates 100 Build-A-Bears for children at East Texas Crisis Center

Ashanti Is Looking for the Next Big Pop Star in 'Honey Girls' Trailer (Exclusive)



Build-A-Bear Announces Breakup Bears On April Fools' Day



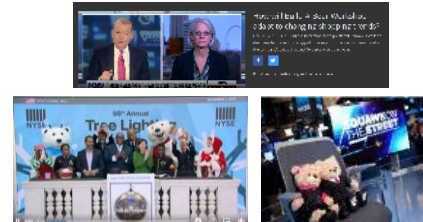
Newsweek

'Animal Crossing' Build-A-Bear: When and How to Buy New Collection Online

BY PHILLIP MARTINEZ ON 4/6/21 AT 10:47 AM EDT

The One Where Build-A-Bear® Announces New FRIENDS™ Product

Build-A-Bear's new Christmas movie to premiere on Hallmark Channel Friday



MSNBC

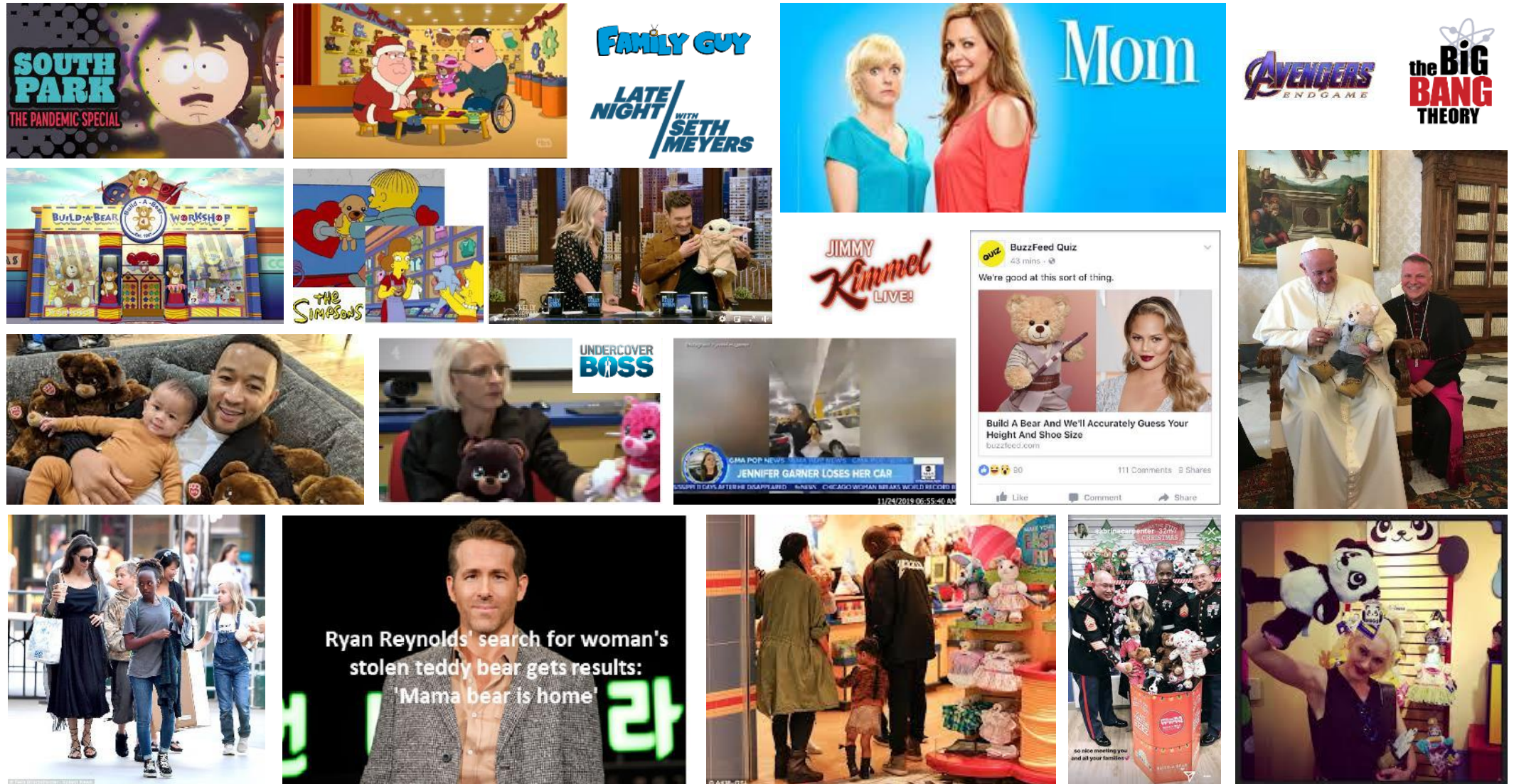
FOX
BUSINESS

CNN
INTERNATIONAL



BUILD-A-BEAR IS POP CULTURE

Our brand is regularly mentioned on popular TV shows, movies and in celebrity news



BUILD-A-BEAR PARTNERS WITH LEADING BRANDS

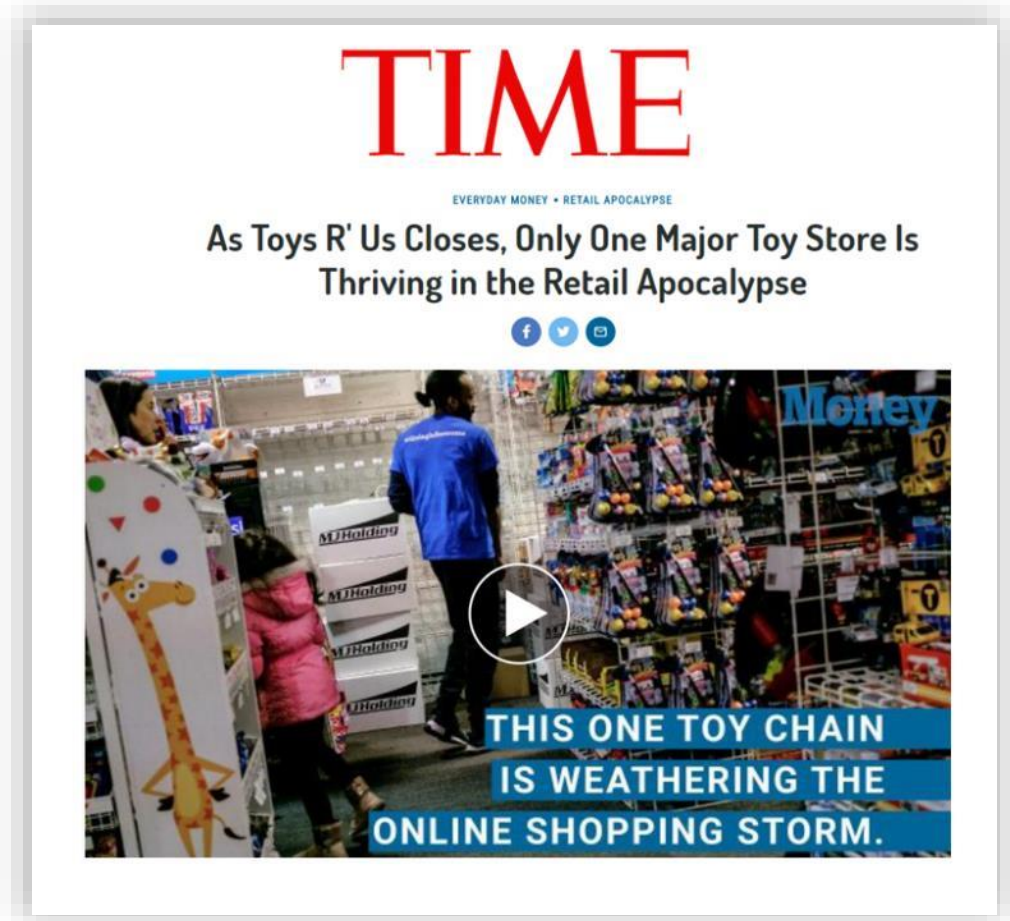
License relationships with over 75 world-class collaborators from film, TV, art, games, sports and more support collectible, affinity and gifting business with appeal to expanded consumer demographics



STRONG AFFINITY AND BRAND LOYALTY – HIGHLY MONETIZABLE

Consumers' emotional connection with the Build-A-Bear brand position it to be more resilient with the ability to diversify beyond toys, beyond kids and beyond malls

“When you buy something at Build-A-Bear ... there’s an emotional attachment ...The thing about Build-A-Bear is that it isn’t just for kids. Whatever you’re into, and whatever your age, Build-A-Bear probably has a stuffed animal accessory for you.”

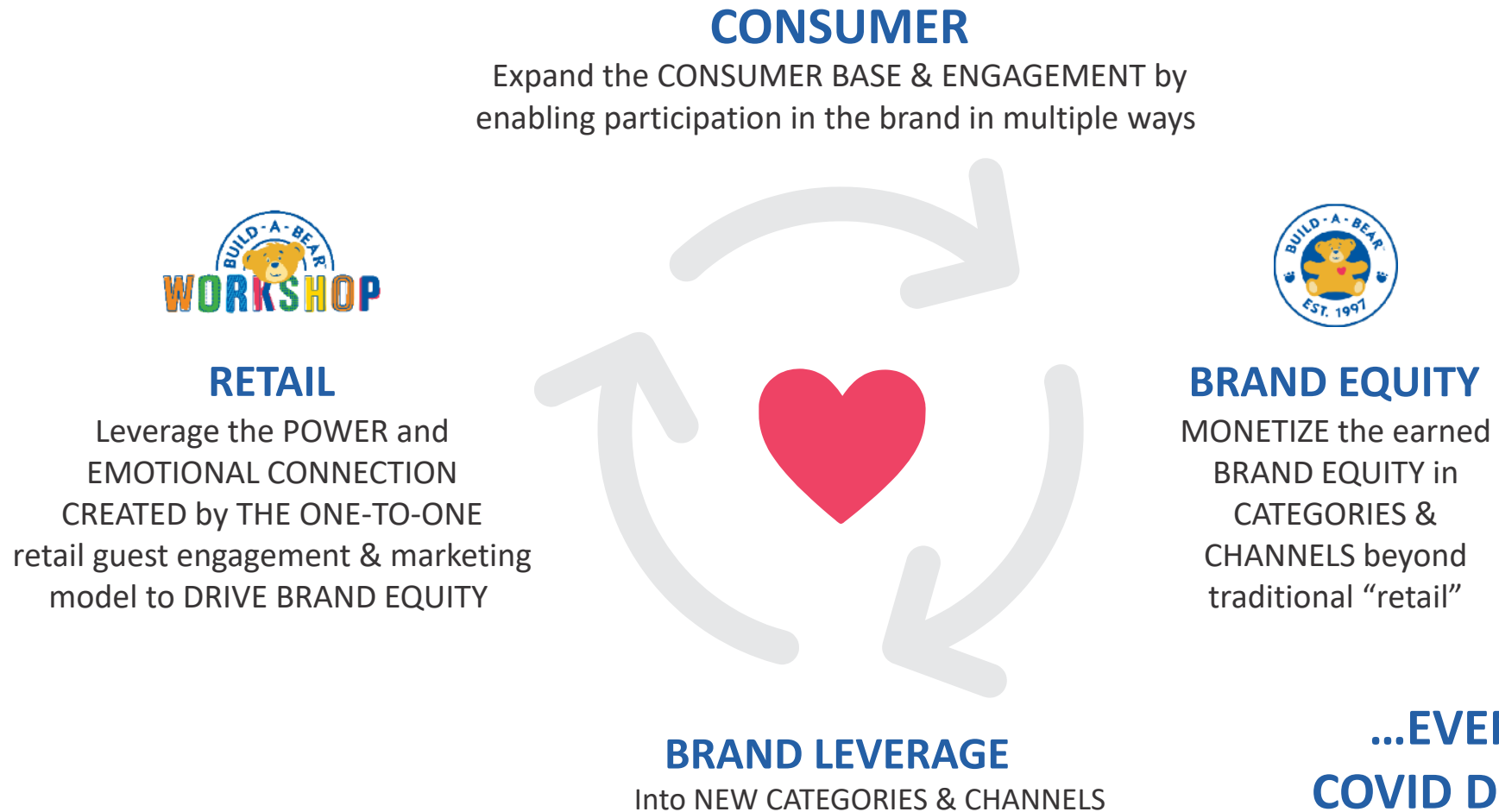




GROWING OMNICHANNEL REVENUE MODEL

A MODEL OF CONTINUOUS ENGAGEMENT

A continuous circle of engagement driving retail and leveraging brand equity is designed to build a more powerful and profitable business model



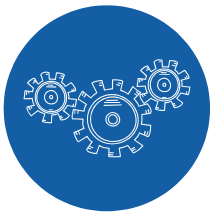
PROFITABLE STORES BUILD BRAND AND SUPPORT OMNICHANNEL



97% of corporately-managed stores in North America were profitable in 2021 with over 25% average store contribution and 99% were EBITDA positive with an average rate of 28%



Iconic hands-on store experience builds emotional connection and brand awareness creating consumer loyalty that becomes a driver to build e-commerce and other revenue streams



A range of store formats and designs allows retail locations to operate with less total square footage and higher productivity per square foot



Physical stores act as mini distribution centers for increased digital demand fulfillment (no additional labor or overhead needed)



OUR EXPERIENCES CREATE MEMORIES

Plan a family visit to build (stuff) a furry friend for an engaging experience that forms an emotional connection and makes a shared special memory



Celebrate special occasions with friends and loved ones including birthdays and holidays. Host a "Build-A-Party" for a shared group memory



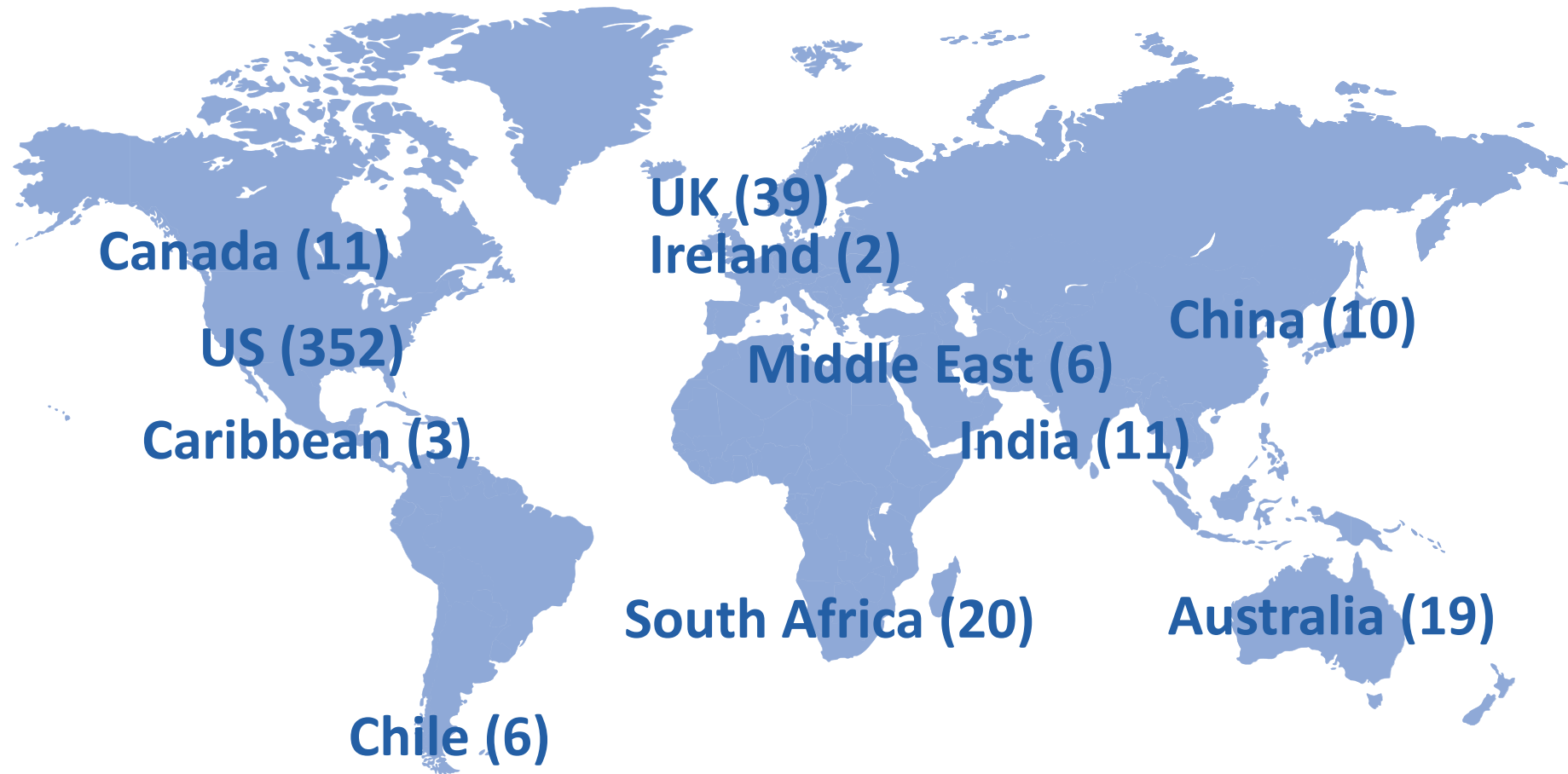
Make a gift that is personal and from the heart for family, friends or a favorite teacher. Personalize it with a recorded message that goes in the bear



From Valentine's Day to anniversaries, give a hug that will last a lifetime



GLOBAL LOCATIONS WITH EXPANSION OPPORTUNITIES



Corporately-managed and third-party retail locations in North America and Europe;
International franchise stores in South America, Africa, Asia and Australia

Corporately-managed stores in the United States, Canada, the United Kingdom and Ireland as of end of fiscal 2021 excludes vending machines

Third party retail includes 58 locations in the US and 3 locations in the Caribbean with Beaches Resorts

International franchise locations in Chile, South Africa, Australia, India, China, Kuwait, Qatar and the United Arab Emirates as of end of fiscal 2021



DIVERSE DIGITAL EXPERIENCES

Build-A-Bear offers various online shopping experiences and product options to meet the preferences of diverse consumer segments for multiple occasions

www.buildabear.com

An e-commerce option that delivers convenience and efficiency; popular with gift givers and affinity segments

THE-BEAR-BUILDER

A guided process that gives consumers a higher customization experience with additional engagement features

**BEAR 3D
BUILDER**

A revolutionary and unique interactive make-your-own animated digital experience to create the perfect furry friend from anywhere the consumer wants to shop

HEARTBOX

A new gifting solution offering stylish, themed, curated gift boxes for a convenient online option for a wide range of adult-to-adult gifting occasions

BUILD-A-BEAR GIFTSHOP

Makes gift shopping easy and fun with options sorted by season, occasion, recipient, price and category

THE BEAR CAVE

Slightly cooler and slightly edgier, while still on brand, with many web-exclusive products for teen and adult gift givers and collectors

facebook

amazon.com

Third party marketplaces allow consumers to shop online at their preferred site



GROWING AND PROFITABLE E-COMMERCE PLATFORM

2021 digital demand of \$73MM representing a 34% CAGR since 2016

Nearly 20% of net retail sales in 2021, up from 4% in 2012

- E-commerce in both US and UK
 - Positive site traffic trends +30% over prior year*
 - Unique visitors average ~2.6M/month**
 - Site visits average ~4.2M/month**
- Addition of Salesforce technology expanded digital capabilities and efficiencies in marketing and analytics
- Ongoing digital developments and initiatives planned or underway designed to drive further growth including recently launched experiential Bear Builder 3D Workshop
- Order fulfillment supported by new warehouse management system and omnichannel capabilities
 - In addition to modern warehousing, physical stores serve as mini distribution centers for online orders leveraging existing real estate and labor costs

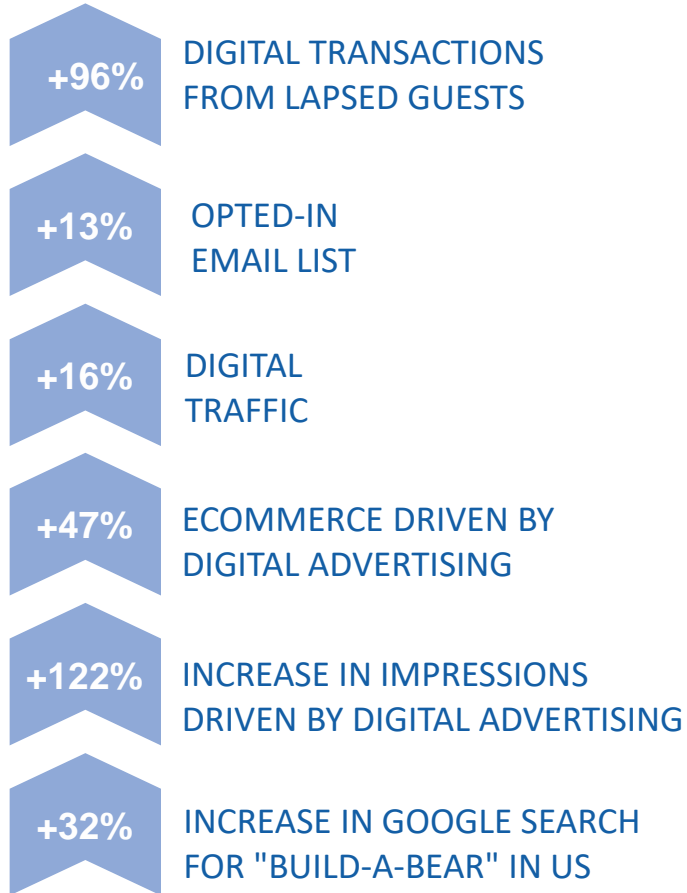


*FY2021 through December

**Combined US and UK sites



DIGITAL MARKETING CAPABILITIES DRIVING E-COMMERCE



+97% increase in digital transactions from new guests

Digital demand +9% 2021 vs 2020 +157% 2021 vs 2019

Traffic driven with messaging to over 12MM opted-in email accounts including over 10MM Bonus Club members as well as social media platforms like Facebook, Instagram, Google Ads (YouTube, Search, Display), TikTok, and programmatic marketing



Comparisons are for FY2021 compared to FY2020 unless otherwise noted



DIVERSE FORMATS AND BUSINESS MODEL OPTIONS

Wide range of formats:



Traditional Mall Stores



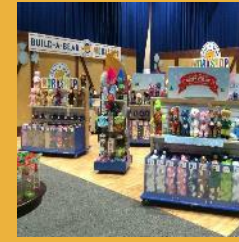
Tourist Locations



Convenient Walmart Shops



Concourse Model



Seasonal Shops



Vending Machines



Events



Cruise Ships

- Multiple formats serving a wide range of locations including tourist, traditional malls, shop-in-shops including Walmart, seasonal venues or event locations
- Can operate for days (events such as the NFL Experience), weeks (Gaylord seasonal shops) to months and years

Multiple business model options:

Corporately-managed store model

346 long-term locations in the US, Canada, the UK and Ireland

- 99% of NA stores were profitable in FY2021 with 28% average EBITDA as a percent of sales
- Omnichannel capabilities drive efficiency



Third-party retail model

Currently 61 locations with 12 partners/operators primarily in the US

- Wholesale business model with entertainment and hospitality partners. Top partners include Carnival Cruise Lines and Great Wolf Lodge
- Little to no startup capital to open stores and no direct operational overhead (rent, labor, etc)



International franchise model

Currently 72 locations in 8 countries

- Long-term potential for expansion in existing and new territories
- Established efficient supply chain support for sourcing products, fixtures and equipment



NOT OVERSTORED: FUTURE GROWTH PLANNED IN NORTH AMERICA

Build-A-Bear can match the real estate opportunity with the business model and store format to optimize profitable growth with plans to add 15-20 locations over the next 2-3 years in North America through a combination of corporately-managed and third-party retail models

- **Room to profitably expand:** 97% of NA stores were profitable in FY2021 with over 25% average contribution margin and 99% were EBITDA positive with an average rate of 28%
- **Support for digital demand:** Omnichannel capabilities drive store efficiency
- **High flexibility:** Strong lease optionality with over 75% of locations having a lease event in next 3 years giving high flexibility to continually refine portfolio
- **Innovation pipeline**
 - Build-A-Bear Adventure, a destination party-oriented concept, diversifies our location strategy and experiences
 - New vending machine (Automatic Teddy Machine or “ATM”) is low-labor, efficient way to add non-traditional locations such as airports, children’s hospitals and more
 - Hybrid center locations extend reach beyond enclosed traditional malls



LEVERAGING BRAND STRENGTH TO DIVERSIFY REVENUE STREAMS

OUTBOUND LICENSING leverages the emotional connection and trust that consumers have for Build-A-Bear allowing for expansion into non-plush products sold in other retailers



LEVERAGING BRAND STRENGTH TO DEVELOP CONTENT & ENTERTAINMENT

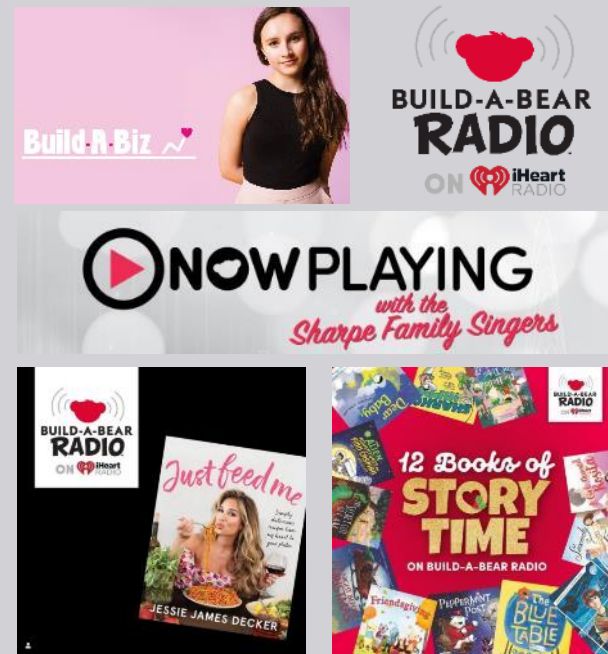
The emotional connection with the brand makes content and story-telling a central part of consumer engagement. Build-A-Bear Entertainment creates original music, videos and movies in partnership with leaders in the entertainment industry that serves as marketing to drive interest in other revenue channels

BUILD-A-BEAR
Entertainment

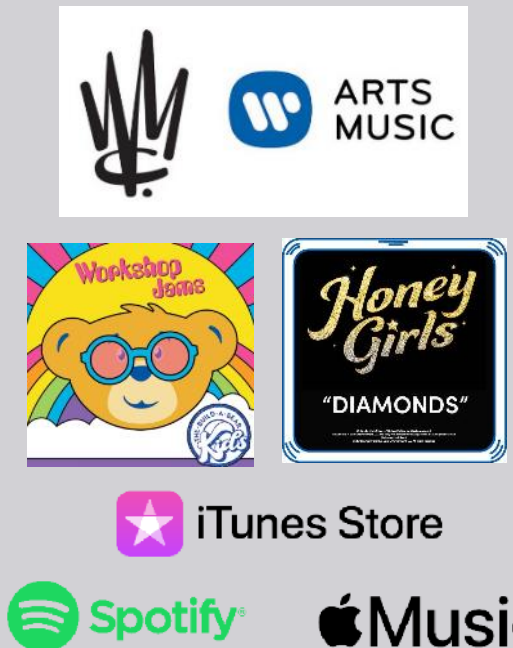
MOVIES



RADIO



MUSIC





FINANCIALS

2021 FINANCIAL SNAPSHOT

THE MOST PROFITABLE YEAR IN BBW HISTORY

TOTAL REVENUES

\$411.5MM

+61.2% OVER 2020
+21.6% OVER 2019

PRE-TAX INCOME

\$50.7MM

+\$70.9MM OVER 2020
+\$49.1MM OVER 2019
HIGHEST IN NEARLY
25-YEAR HISTORY

GROSS PROFIT MARGIN

53.0%

+1,480 BPS VS 2020
+760 BPS VS 2019

CASH AND EQUIVALENTS

\$32.8MM*

+\$34.8MM 2020
+\$26.7MM 2019

* After ~\$20MM special dividend paid in Dec '21

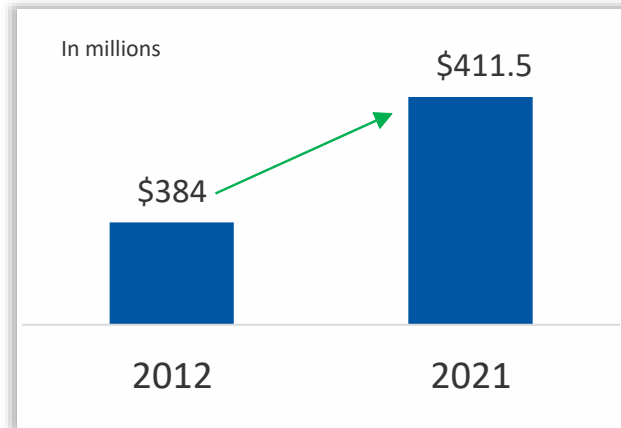
- Delivered the highest revenue in over a decade and highest profit in company's history even with ongoing impact of global pandemic
- Positive momentum has continued into Q1 2022 and while we are navigating an environment with higher costs and a tight supply chain as well as monitoring the evolving external environment, we expect total revenues, pre-tax income and EBITDA to be higher than Q1 2021



CURRENT MANAGEMENT LED SUCCESSFUL BUSINESS TURNAROUND

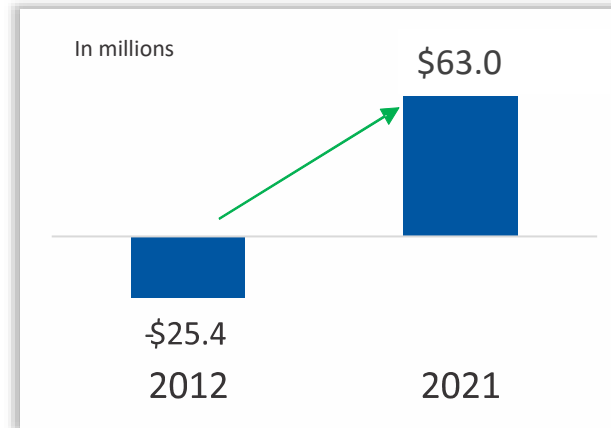
TOTAL REVENUES

2021 highest level in over a decade



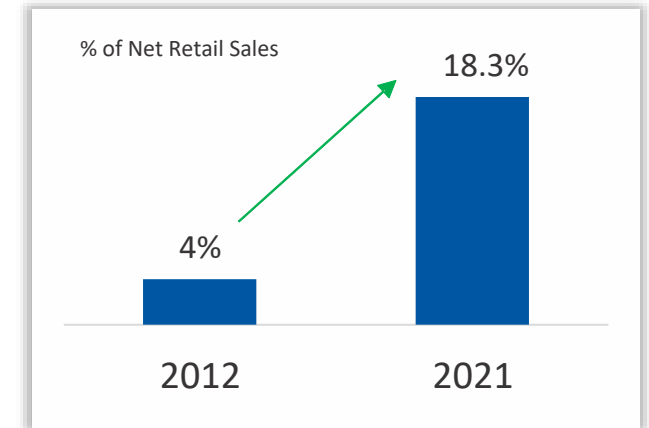
EBITDA

Over \$85MM swing in profitability



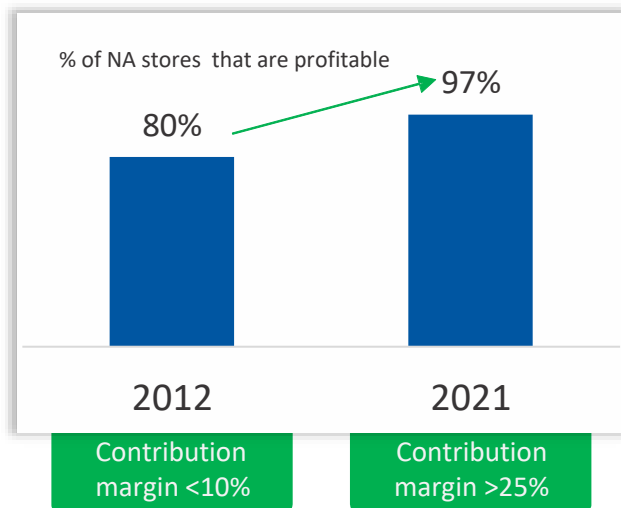
DIGITAL DEMAND

Digital revenue has grown to \$73MM



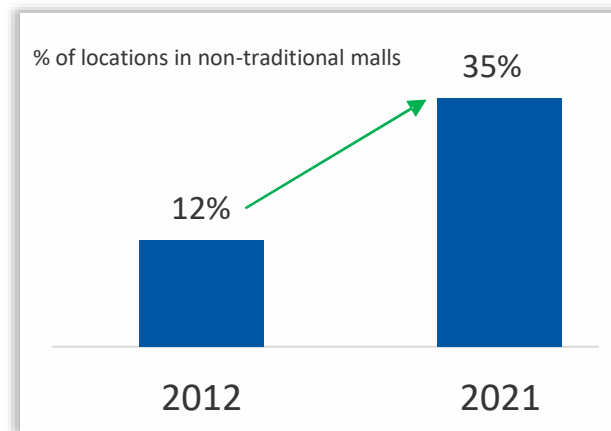
PROFITABLE STORES

In North America



LOCATION DIVERSIFICATION

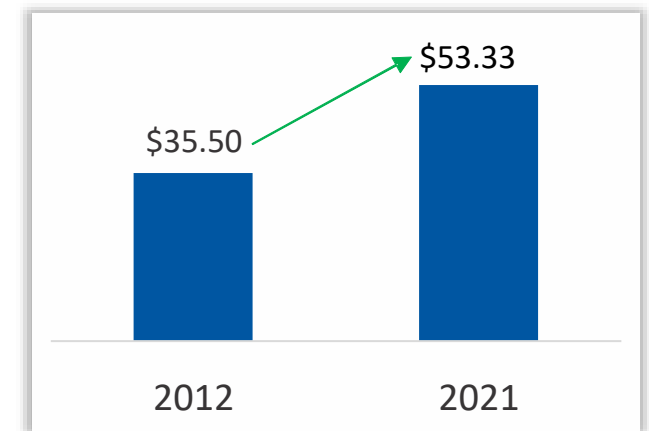
More than doubled non-traditional locations



EOY fiscal 2021 vs EOY fiscal 2012

AVERAGE DOLLARS PER TRANSACTION

Over 50% appreciation in Avg DPT



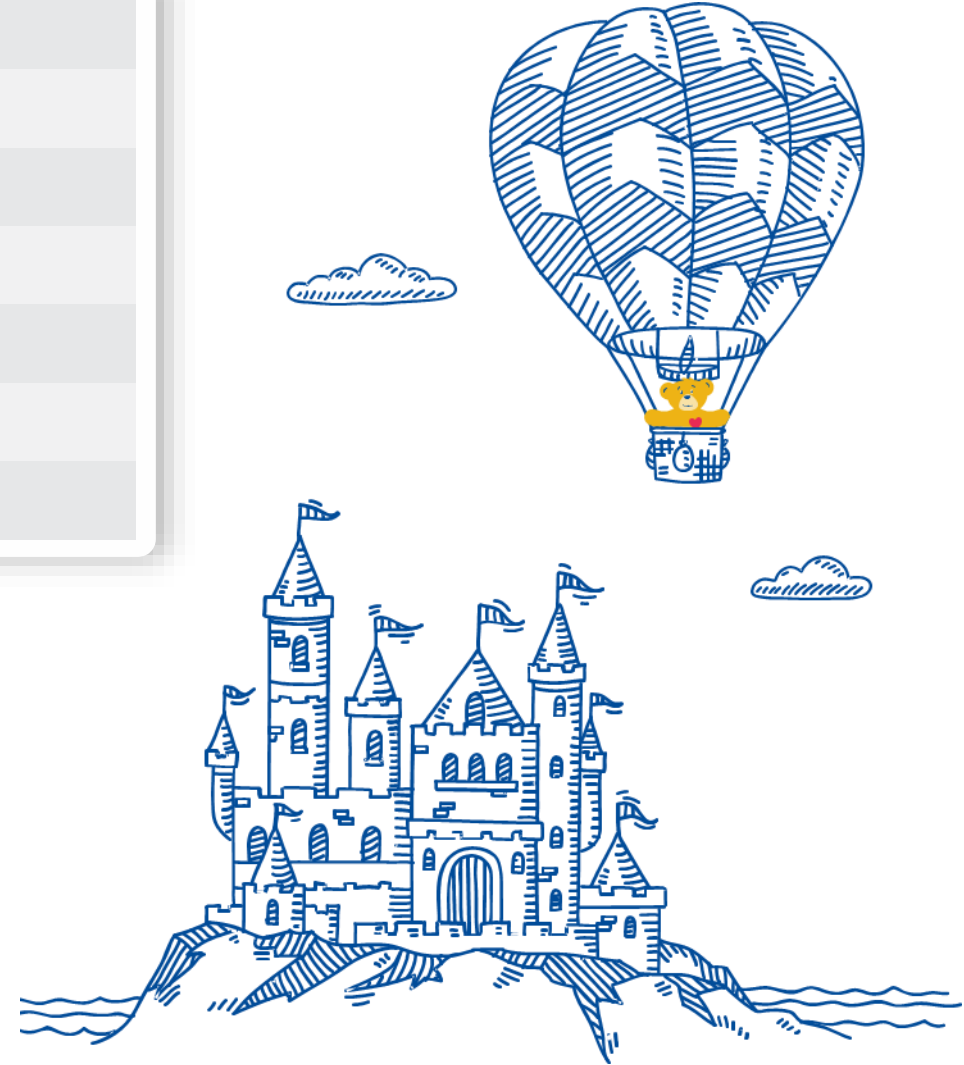
CAPITAL MARKETS SUMMARY*

Exchange and Ticker	NYSE: BBW
Corporate Headquarters	St. Louis, MO
Basic Shares Outstanding*	15.4MM
Diluted Shares Outstanding*	16.1MM
52 Week High/Low	\$23.34 / \$4.09
Market Capitalization	\$284.1MM
Borrowings on Credit Facility	\$0

Board authorized a share repurchase program of up to \$25MM effective through November 30, 2023

Information on Shares, Market Capitalization and Borrowings on Credit Facility as of December 31, 2021

* Basic and Diluted shares are the year-to-date weighted average as of December 31, 2021





ACCOMPLISHED & DRIVEN TEAM FOCUSED ON DIVERSIFIED GROWTH

2020: RAPID AND DISCIPLINED COVID RESPONSE

Initial crisis management when governmental mandates forced all stores to temporarily close



Pivoted to manage TRIPLE-DIGIT increase in e-commerce demand



Focused immediately on preserving CASH and reducing EXPENSES



Furloughed over 90% of workforce; Salaries temporarily reduced for all others



Shifted to VIRTUAL workforce at HQ

Simultaneously executed key initiatives with emphasis on driving growth

Accelerated the digital transformation to drive awareness, demand and revenue

- Drove demand with key licensed products with e-commerce first strategy
- Innovated with digital only promotions and events

Rapidly evolved retail leveraging rent optionality and safely reopening with modified service model

- Implemented omnichannel initiatives with Buy Online Ship From or Pickup in Store leveraging available labor and inventory
- Over 99% of leases were renegotiated in NA (and >90% in EU)

Secured financial stability and well-being

- Secured new asset-based credit agreement
- Restructured organization and reduced corporate overhead



2021: SHIFT TO DELIVERING PROFITABLE GROWTH

Further acceleration of digital transformation

Expand digital capabilities and drive optimization across the entire organization to grow revenues and improve profitability including content and entertainment initiatives

Rapidly evolve omnichannel retail capabilities

Extend ways to connect with and meet the changing needs of consumers across all retail channels while driving omnichannel engagement and expanded delivery options

Leverage financial position to drive growth

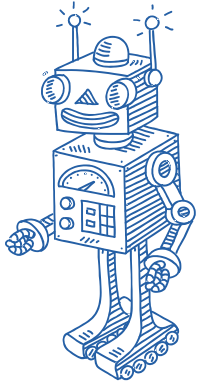
Maintain the financial discipline required to support our business while leveraging strong balance sheet to make select strategic investments designed for future growth while continuing to manage through an environment with higher costs and a tight supply chain as well as monitoring the evolving external environment



2022: PLANS FOR SUSTAINED PROFITABLE GROWTH

① Leverage ongoing digital transformation to drive growth

- Increase repeat purchases leveraging the addition of new advanced digital capabilities
- Expand addressable consumer base beyond kids with new products and incremental purchase occasions
- Utilize digital media, content & entertainment as marketing and brand-building tools to engage consumers and drive sales



② Leverage omnichannel capabilities while evolving retail experiences



- Strategically add locations in North America over the next 2-3 years thru corporate and third-party retail focused on tourist locations
- Capitalize on BAB's 25th celebration to drive incremental visits and sales
- Re-introduce in-store parties (after COVID hibernation) with a fresh take and homage to our 25th "birthday"
- Develop new digital experiences such as the recently launched Bear Builder 3D Workshop to drive digital demand

③ Leverage financial strength and drive sustained profitability

- Maintain disciplined expense management in an environment with higher costs and a tight supply chain, including SG&A, ongoing lease negotiations as we continue to evolve our real estate portfolio while also monitoring the changing external environment
- Strategically manage capital to support key initiatives and innovation developments



2022: SELECT PLANNED INITIATIVES

Leverage ongoing digital transformation to drive growth

Leverage omnichannel capabilities while evolving retail experiences

Leverage financial strength and drive sustained profitability

...To reach more consumers

- Drive lifetime value: leverage advanced capabilities including new loyalty module to use our rich first party CRM database
- Expand lead acquisition: grow addressable market with focus on gifting, affinity and collectible consumers

...To offer more experiences

- Expect to add 15-20 locations in North America in the next 2-3 years through the planned expansion of corporate and third-party retail focused on tourist locations
- Capitalize on the 25th anniversary celebration throughout 2022 with exclusive products and events
- After not celebrating birthdays and parties in our Workshops due to COVID for nearly 2 years, in-store parties have been reintroduced which have historically accounted for ~5% of retail sales
- Leverage digital experiences such as Build-A-Bear Gift Shop, the Bear Builder, Bear Cave and the recently launched Bear Builder 3D Workshop as well as new HeartBox gifting option

...To fuel innovation

- Expand newly created vending machine model or ATM's (Automatic Teddy Machines) through a relationship with Hudson, a leader in travel retail, adding 25-50 ATM's/locations in airports over the next 2 years
- Launch of a new retail concept called BUILD-A-BEAR ADVENTURE in off-mall locations that includes party rooms, game room, the Build-A-Bear experience and e-commerce fulfillment capabilities with first store open in St. Louis, MO



PROVEN MANAGEMENT TEAM

Passionate and driven management team that returned the company to profitability while simultaneously executing a multi-faceted diversification strategy to leverage the strength of the brand while developing an integrated omnichannel platform, restructuring the organization and adding critical talent, creating new retail business models and systematically rebuilding IT infrastructure to support strategy and growth



Sharon Price John
President and Chief Executive Officer

Former President of Stride Rite Children's Group LLC, a division of Wolverine World Wide, Inc. Also: Hasbro, Inc., VTech Industries, Inc. and Mattel, Inc.



Eric Fencil
**Chief Administrative Officer,
General Counsel and Secretary**

Former Executive Vice President, General Counsel and Secretary: Outsourcing Solutions Inc.; Legal positions at Monsanto Company, McDonnell Douglas Corporation and Bryan Cave LLP. Also: Arthur Young & Company



Voin Todorovic
Chief Financial Officer

Former Head of Finance and Operations Lifestyle Group Wolverine World Wide, Inc.; Vice President - Finance and Administration of the Stride Rite Children's Group. Also: Collective Brands, Inc. and Payless ShoeSource



J. Christopher Hurt
Chief Operations Officer

Former Senior Vice President, North America and Vice President/ General Manager - Factory, Canada, Mexico Retail American Eagle Outfitters, Inc.; Also: Polo Ralph Lauren and The Procter & Gamble Company



Jennifer Kretchmar
Chief Digital & Merchandising Officer

Former Senior Vice President of Product and Brand Management of Stride Rite Children's Group LLC, a division of Wolverine World Wide, Inc. Also: The Timberland Company, Goldbug, and the United States Department of Agriculture Foreign Service



ACCOMPLISHED BOARD OF DIRECTORS



Craig Leavitt
Non-Executive Chairman

Former CEO/Director: Kate Spade & Company;
President Global Retail: Link Theory Holdings.
Also: Diesel, S.p.A, and Polo Ralph Lauren



Robert L. Dixon Jr.
Director

Owner: The RD Factor, Inc.; Former Global Chief Information
Officer and Senior Vice President of PepsiCo, Inc. Also: Procter
& Gamble Company



Maxine Clark
Director and Founder

CEO: Clark-Fox Family Foundation, Founder and
Former Chief Executive Bear: Build-A-Bear Workshop.
Also: Payless ShoeSource and The May Department
Stores Company



George Carrara
Director

Former President and Chief Operating Officer: Kate Spade &
Company; Chief Operating Officer: Tommy Hilfiger North America.
Also: Mirage Apparel Group and Price Waterhouse



Narayan Iyengar
Director

Former Senior Vice President, Digital and E-Commerce: Albertsons
Companies; Vice President, E-Commerce and Digital Analytics: The
Walt Disney Company. Also: McKinsey & Company



Sharon Price John
Director, President and Chief Executive Officer

Former President of Stride Rite Children's Group LLC,
a division of Wolverine World Wide, Inc. Also: Hasbro,
Inc., VTech Industries, Inc. and Mattel, Inc.



Lesli Rotenberg
Director

Former Chief Programming Executive & General Manager,
Children's Media & Education of the Public Broadcasting Service
(PBS); Senior management at Discovery Communications, Inc.



BUILD-A-BEAR IN SUMMARY



Highly profitable business with strong profit margins and significant cash resources



Strong brand that connects emotionally with global reach



Poised for future advancement with an established platform reaching broad consumer segments through a diversified omnichannel business model



Led by a seasoned and accomplished management team that transformed the business into a profitable, digital, growth company



Explanatory Note on Non-GAAP Financial Measures

Build-A-Bear Workshop (NYSE: BBW) reports its financial results in accordance with generally accepted accounting principles (GAAP). We have supplemented the reporting of our financial information determined in accordance with GAAP with certain non-GAAP financial measures. 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 within this appendix.



Reconciliation of Non-GAAP Measures:

\$ in millions	Q4 FY21	FY21
Income before income taxes (pre-tax)	\$20.1	\$50.7
Interest	\$0	\$0
Depreciation & Amortization	\$3.2	\$12.3
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$23.3	\$63.0



Reconciliation of Non-GAAP Measures:

Q4 and Fiscal 2020; Q4 and Fiscal 2019

\$ in millions	Q4 FY20	FY20
Income before income taxes (pre-tax)	\$10.8	(\$20.2)
Interest	\$0	\$0
Depreciation & Amortization	\$3.3	\$13.2
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$14.1	(\$7.0)

\$ in millions	Q4 FY19	FY19
Income before income taxes (pre-tax)	\$7.6	1.6
Interest	\$0	\$0
Depreciation & Amortization	\$3.3	\$13.7
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$10.9	15.3





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