

BRINGING THE WORLD OUTSIDE



VISTA OUTDOOR

FY21 Q1 RESULTS

August 6, 2020

FORWARD LOOKING STATEMENTS



Certain statements in this press release and other oral and written statements made by Vista Outdoor from time to time are forward-looking statements, including those that discuss, among other things: Vista Outdoor's plans, objectives, expectations, intentions, strategies, goals, outlook or other non-historical matters; projections with respect to future revenues, income, earnings per share or other financial measures for Vista Outdoor; and the assumptions that underlie these matters. The words 'believe', 'expect', 'anticipate', 'intend', 'aim', 'should' and similar expressions are intended to identify such forward-looking statements. To the extent that any such information is forward-looking, it is intended to fit within the safe harbor for forward-looking information provided by the Private Securities Litigation Reform Act of 1995. Numerous risks, uncertainties and other factors could cause Vista Outdoor's actual results to differ materially from expectations described in such forward-looking statements, including the following: impacts from the COVID-19 pandemic on Vista Outdoor's operations, the operations of our customers and suppliers and general economic conditions; general economic and business conditions in the United States and Vista Outdoor's other markets outside the United States, including conditions affecting employment levels, consumer confidence and spending, conditions in the retail environment, and other economic conditions affecting demand for our products and the financial health of our customers; Vista Outdoor's ability to attract and retain key personnel and maintain and grow its relationships with customers, suppliers and other business partners, including Vista Outdoor's ability to obtain acceptable third party licenses; Vista Outdoor's ability to adapt its products to changes in technology, the marketplace and customer preferences, including our ability to respond to shifting preferences of the end consumer from brick and mortar retail to online retail; Vista Outdoor's ability to maintain and enhance brand recognition and reputation; others' use of social media to disseminate negative commentary about us and boycotts; reductions in or unexpected changes in or our inability to accurately forecast demand for ammunition, accessories or other outdoor sports and recreation products; risks associated with Vista Outdoor's sales to significant retail customers, including unexpected cancellations, delays and other changes to purchase orders; supplier capacity constraints, production disruptions or quality or price issues affecting Vista Outdoor's operating costs; Vista Outdoor's competitive environment; risks associated with diversification into new international and commercial markets including regulatory compliance; changes in the current tariff structures; the supply, availability and costs of raw materials and components; increases in commodity, energy and production costs; changes in laws, rules and regulations relating to Vista Outdoor's business, such as federal and state ammunition regulations; Vista Outdoor's ability to realize expected benefits from acquisitions and integrate acquired businesses; Vista Outdoor's ability to execute our strategic transformation plan, including our ability to realize expected benefits from the successful divestiture of non-core brands and profitability improvement initiatives; Vista Outdoor's ability to take advantage of growth opportunities in international and commercial markets; foreign currency exchange rates and fluctuations in those rates; the outcome of contingencies, including with respect to litigation and other proceedings relating to intellectual property, product liability, warranty liability, personal injury and environmental remediation; risks associated with cybersecurity and other industrial and physical security threats; capital market volatility and the availability of financing; changes to accounting standards or policies; and changes in tax rules or pronouncements. You are cautioned not to place undue reliance on any forward-looking statements we make. Vista Outdoor undertakes no obligation to update any forward-looking statements except as otherwise required by law. For further information on factors that could impact Vista Outdoor, and statements contained herein, please refer to Vista Outdoor's filings with the Securities and Exchange Commission.

VISTA OUTDOOR RESPONSE TO COVID-19



Safeguards in Place

- Formed a dedicated COVID-19 response team
- Following Centers for Disease Control and OSHA guidelines for personal health and safety
- Increasing cleaning frequency and enhancing sanitization processes of all facilities
- Adjusted production schedules, operations and delivery schedules to promote social distancing
- Restricting external visitor access to facilities; instituted rigorous protocols for on-site, in-person employees
- Implemented work at home programs where possible
- Restricted all nonessential air travel

Financial Flexibility

- Current available liquidity of \$326 million, including cash on hand of \$36 million, and undrawn revolver capacity of \$290 million
- No scheduled debt payments required until maturity of Notes and Revolver due in Oct and Nov of 2023, respectively
- Continued reduction in capital expenditures
- Reductions in discretionary spending
- Optimized net working capital
- Strong near-term focus on preserving cash

Employees, Communities and Customers are our Top Priority

STRATEGIC PILLARS FOR GROWTH



Organic Growth

Drive organic growth through a combination of industry leading consumer centric product innovation, best in class powerhouse marketing, and channel flexibility.

Centers of Excellence

Investing in and scaling to further optimize our operations, simplify operations, provide resources and best practices to brands and business units, leverage commonality within e-commerce and procurement.

Disciplined Capital Allocation

- Maintain low leverage and strong balance sheet to navigate current period of uncertainty.
- Re-investing in strategic growth projects to drive margin improvement.
- Strategically allocate capital to support tuck-in acquisition growth.

Impact

Lead in advocacy, impact, talent and sustainable operations.

Vista Outdoor shifts to next phase in transformation maturity with a focus on driving organic growth. Executing on these strategies will create long term customer, consumer and shareholder value and place greater emphasis on our purpose and impact

CENTER OF EXCELLENCE: DIGITAL & E-COMMERCE



Best In Class Marketing

Frictionless Experiences

Commerce

Strategy

Attract ~ Engage ~ Educate: Welcoming new consumers *across all of our categories*

Consumer Insights: Fully understand our consumers

Impact: Reach consumers digitally in the moments that matter

Cross-Sell: Enable frictionless experiences that welcome consumers to shop and enjoy our portfolio of outdoor brands, unlocking synergies between our categories

Q1 FY21 Highlights

- Eleven new Commerce sites launched in Q1
- E-tail and DTC revenue grew by over 40% in the quarter compared with the prior year
- Doubled and in some cases tripled email marketing campaigns across many brands, resulted in +56% YOY increases to site traffic
- Conversion increased 116% Y/Y
- Flexible platform enabled our brands to quickly pivot campaigns, allowing us to engage with a broader, more diverse audience

***Connect Our Purpose Driven Brands and Products
in ways that Brings People Together Outdoors***

CAPITAL ALLOCATION PRIORITIES



1 *Internal Investment*

- Continue re-investing in strategic growth projects within our brands and business units to continue delivering margin improvement

2 *Debt Paydown / Reduce Leverage*

- Continue to paydown debt and further de-leverage our balance sheet, and maintain a strong balance sheet and conservative capital structure
- Affirm our long term target Net Debt to EBITDA ratio of 2x-3x

3 *Tuck-In Acquisitions*

- We look for smaller businesses that we can take to the next level in terms of sales and profitability through leveraging our Centers of Excellence

| Criteria | Acquire in Adjacent Spaces |
|----------|---|
| | Acquire Great Brands that Resonate with Our Consumer |
| | Acquire Smaller Businesses to Which Vista Outdoor Can Add Value |

***Maintain low leverage and strong balance sheet to
navigate current period of uncertainty***

Q1 FY21 CONSOLIDATED RESULTS



| (\$ in millions, except per share data) | Q1 FY20 | Q1 FY21 | YoY % |
|--|----------|---------------|---------|
| Sales | \$460 | \$479 | 4% |
| Organic ⁽¹⁾ | \$436 | \$479 | 10% |
| Gross Profit | \$95 | \$125 | 32% |
| Organic ⁽¹⁾ | \$89 | \$125 | 41% |
| Adj. Operating Expense⁽²⁾ | \$89 | \$77 | (13%) |
| Organic ⁽¹⁾ | \$84 | \$77 | (8%) |
| Adj. EBIT⁽²⁾ | \$6 | \$48 | 712% |
| EBIT Margin % ⁽²⁾ | 1% | 10% | 874 bps |
| Adj. EBITDA⁽²⁾ | \$22 | \$65 | 189% |
| EBITDA Margin % ⁽²⁾ | 5% | 13% | 862 bps |
| Interest Expense | \$11 | \$6 | (42%) |
| Adj. Net Income (loss)⁽²⁾ | (\$5) | \$30 | 742% |
| Adj. Earnings per Share⁽²⁾ | (\$0.08) | \$0.51 | 738% |
| Free Cash Flow⁽²⁾ | (\$45) | \$73 | 262% |

Vista Outdoor recorded significant positive EPS growth driven by increased demand for outdoor activities and ammunition, as well as continued benefits from cost savings initiatives

(1) Adjusted for divested businesses.

(2) Non-GAAP financial measure. See reconciliation table for details.

STRENGTHENED BALANCE SHEET LIQUIDITY UPDATE



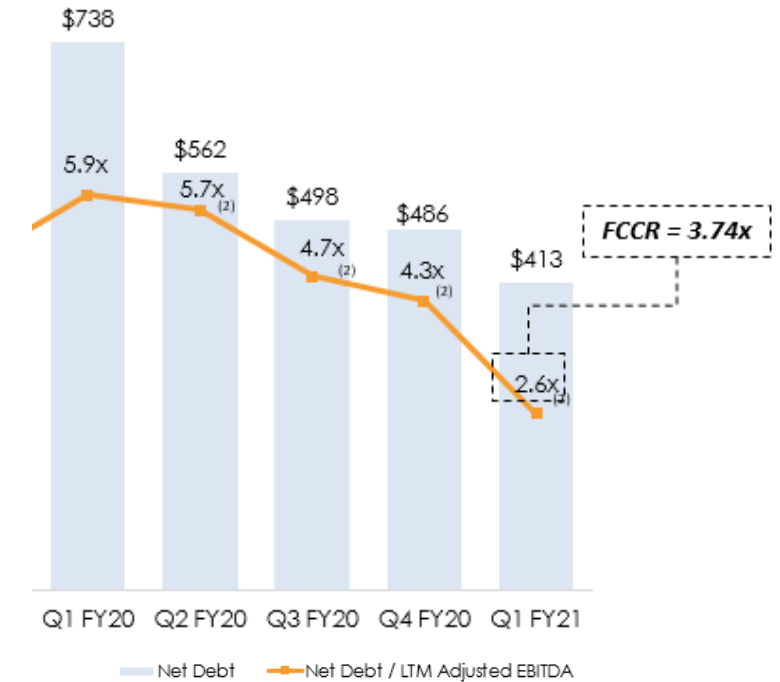
Net Leverage

| | |
|-------------------------------|--------|
| Total Debt Outstanding | \$449M |
| Less: Cash | \$36M |
| Net Debt ⁽¹⁾ | \$413M |
| LTM Adj EBITDA ⁽²⁾ | \$156M |
| Net Debt to Adj EBITDA | 2.6x |

Liquidity Profile

| | |
|---------------------------|--------|
| Cash | \$36M |
| Unused Credit Capacity | \$290M |
| Total Available Liquidity | \$326M |
| Senior Notes (Oct 2023) | \$350M |
| ABL Revolver (Nov 2023) | \$99M |
| Total Debt Outstanding | \$449M |

Net Debt and Net Debt / LTM Adjusted EBITDA ⁽¹⁾



Q1 FY21 Commentary

- Ended Q1 FY21 with \$413 million in Net Debt, down from \$486 million, due to strong cash generation during the quarter
- Cost Savings Initiatives and prioritized capital expenditures contributed to improved results

Strong and flexible balance sheet positions Vista Outdoor to navigate uncertainty caused by the pandemic while continuing to fund organic growth

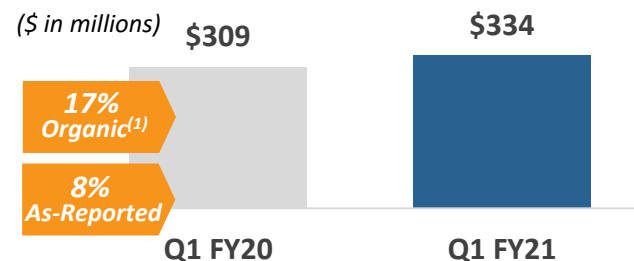
(1) As of FY20, Net Debt / LTM Adjusted EBITDA ratio calculated as Vista's principal amount of long-term debt, less cash & cash equivalents, divided by LTM Adjusted EBITDA.

(2) Q2 FY20 through Q1 FY21 LTM Adjusted EBITDA excludes Firearms due to the divestiture of the business on July 5th, 2019.

Q1 FY21 SHOOTING SPORTS UPDATE

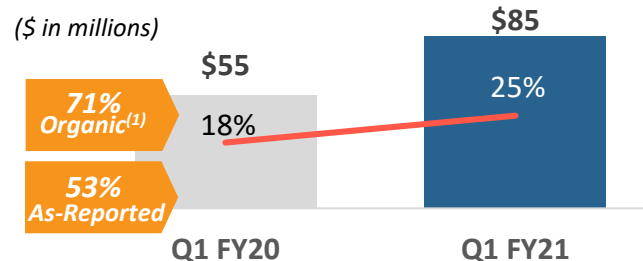


Revenue



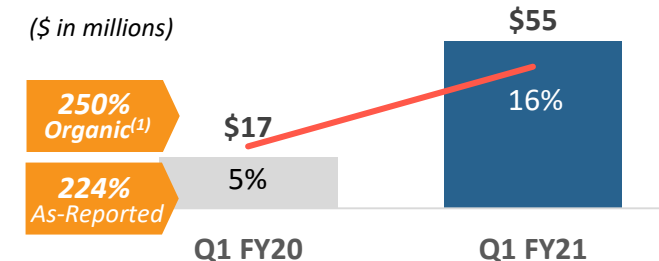
- Revenue increase primarily driven by Ammunition

Gross Profit



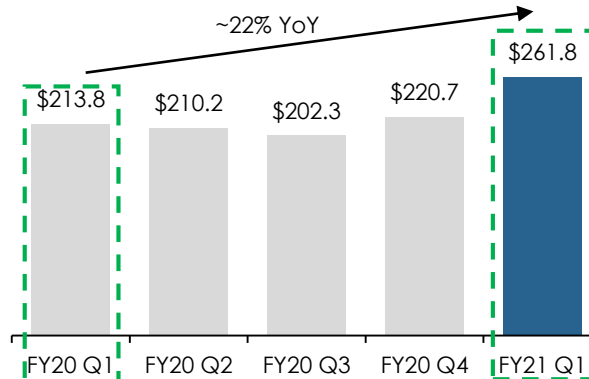
- Gross Profit increase driven by Ammunitions volume, pricing actions, favorable mix and operating efficiencies

EBIT

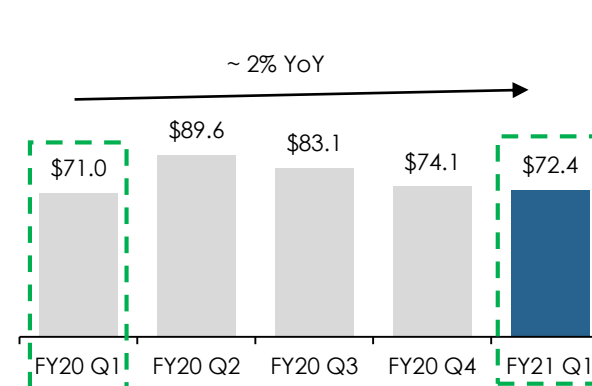


- EBIT increase driven by Gross Profit increase and decrease in SG&A driven by prior year restructuring and reductions in T&E and tradeshows

Ammunition

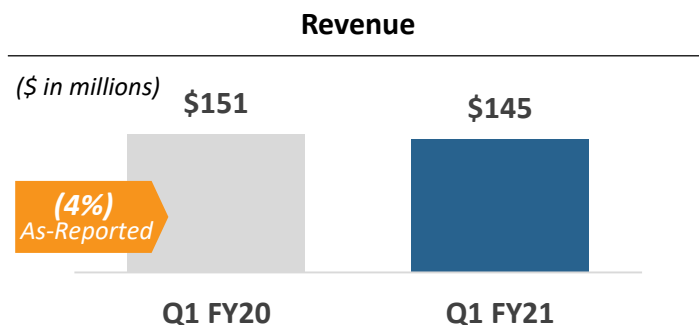


Hunting and Shooting

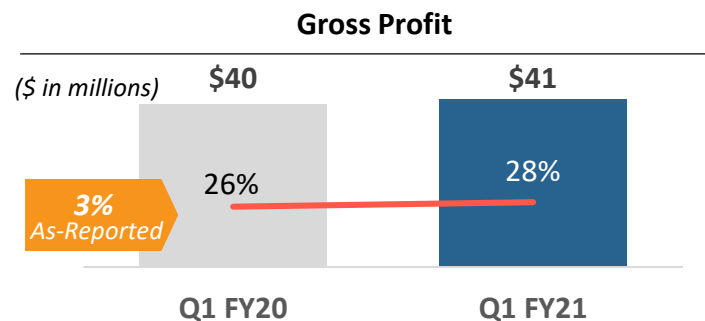


Continuation of increased demand in Ammunition, industry pricing improvements, quality of sales mix, and operating efficiencies have all contributed to margin acceleration

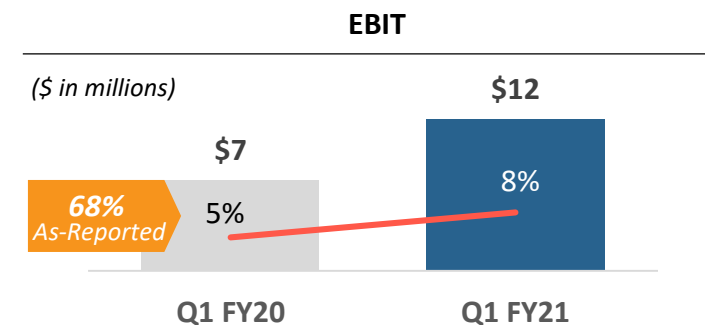
Q1 FY21 OUTDOOR PRODUCTS UPDATE



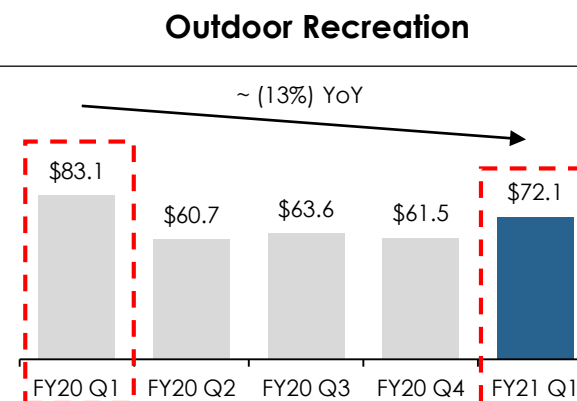
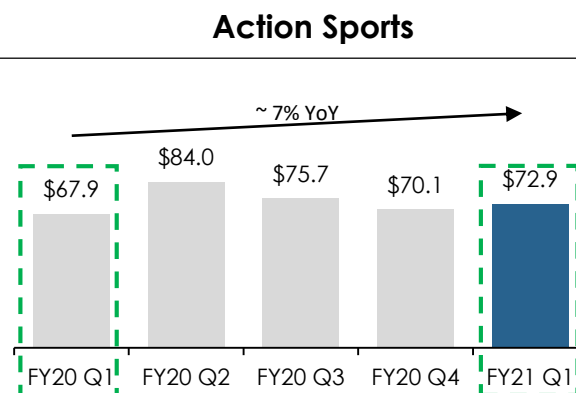
- Revenue decrease reflects lower overall demand and headwinds in the retail channel due to COVID-19, offset by increased demand in Grills, bicycle helmets and accessories



- Gross Profit increase driven by strong DTC growth and operating efficiencies



- EBIT increase due to gross profit increase and SG&A reductions primarily driven by prior year restructuring in Bell & Giro



YoY declines driven by retail store closures and supply interruptions, offset by increased participation in Outdoor Recreation activities and e-commerce

FY21 Q2 OUTLOOK



FY21 Q2 Guidance

Sales **\$495M to \$515M**

Adj. Earnings per share⁽¹⁾ **\$0.60 to \$0.70**

Commentary

- Full year FY21 Capital Expenditures to be at or below FY20
- Full year FY21 Interest Expense to be in the annualized range of Q1 FY21 results
- Full year FY21 R&D to be mid-single digit increase from FY20
- Expect Q2 FY21 Tax rate to be in line with the Q1 FY21 Tax Rate
- Expect Q2 FY21 Free Cash Flow⁽¹⁾ results to be significantly better than the prior year quarter
- *Q2 Sales Guidance in the range of 11% to 16% greater than prior year quarter results*
- *Q2 EPS Guidance as compared to breakeven in the prior year quarter results*

Profitability improvements combined with our significantly de-levered balance sheet puts us in a strong position moving forward



APPENDIX

NON-GAAP FINANCIAL MEASURES



The adjusted gross profit, adjusted operating expenses, adjusted operating profit (earnings before interest, tax and other) (operating profit), adjusted other income/(expense), adjusted EBIT (earnings before interest and income tax), adjusted interest expense, adjusted taxes, adjusted tax rate, adjusted net income, and adjusted earnings per share (adjusted EPS) presented in the following are non-GAAP financial measures. Vista Outdoor defines these measures as gross profit, operating expenses, operating profit, other income / (expense), EBIT, interest expense, taxes, tax rate, net income, and EPS excluding, where applicable, the impact of costs incurred for contingent consideration, transaction costs, executive transition costs, restructuring and asset impairment costs, debt issuance costs, goodwill and intangibles impairment, impairment of held-for-sale assets, tax valuation allowance, and transformation costs. Vista Outdoor management is presenting these measures so a reader may compare gross profit, operating profit, tax rate, and EPS excluding these items, as the measures provide investors with an important perspective on the operating results of the Company. Vista Outdoor management uses these measures internally to assess business performance, and Vista Outdoor's definition may differ from those used by other companies.

EBITDA margin is defined as EBITDA (earnings before interest, taxation, depreciation and amortization) divided by net sales. Vista Outdoor management believes EBITDA margin provides investors with an important perspective on the Company's core profitability and helps investors analyze underlying trends in the Company's business and evaluate its performance on an absolute basis and relative to its peers. EBITDA margin should be considered in addition to, and not as a substitute for, GAAP net profit margin. Vista Outdoor's definition may differ from that used by other companies.

Vista Outdoor has not reconciled EBITDA margin guidance to GAAP net profit margin guidance because Vista Outdoor does not provide guidance for net income, which is a reconciling item between GAAP net profit margin and non-GAAP EBITDA margin. Accordingly, a reconciliation to net profit margin is not available without unreasonable effort.

Free cash flow is defined as cash provided by (used for) operating activities less capital expenditures, and excluding the following costs which have been adjusted for applicable tax amounts: contingent consideration, transaction costs paid to date, debt issuance costs, loss on Eyewear sale, business transformation costs paid to date, and restructuring costs paid to date. Vista Outdoor management believes free cash flow provides investors with an important perspective on the cash available for debt repayment, share repurchases and acquisitions after making the capital investments required to support ongoing business operations. Vista Outdoor management uses free cash flow internally to assess both business performance and overall liquidity.

NON-GAAP FINANCIAL MEASURES



Reconciliation of Non-GAAP Financial Measures

In addition to the our results prepared in accordance with GAAP, we are providing the information below on a non-GAAP basis, adjusted operating expenses, adjusted earnings before interest and tax (EBIT), adjusted taxes, adjusted tax rate, adjusted net income, and adjusted fully diluted earnings per share (adjusted EPS) Vista Outdoor defines these measures as, operating expenses, EBIT, income tax, tax rate, net income, and diluted EPS excluding, where applicable, the impact of costs incurred for contingent consideration, transaction costs, impairment of held-for-sale assets and valuation allowance. Vista Outdoor management is presenting these measures so a reader may compare operating expenses, EBIT, taxes, tax rate, and EPS excluding these items, as the measures provide investors with an important perspective on the operating results of the company. Vista Outdoor management uses this measurement internally to assess business performance, and Vista Outdoor's definition may differ from those used by other companies.

| Three months ended June 28, 2020 (in thousands) | | | | | | |
|--|--------------------|------------|-----------|----------|-------------|-----------|
| | Operating Expenses | EBIT | Taxes | Tax Rate | Net Income | EPS |
| As reported | \$ 77,325 | \$ 48,043 | \$ 1,149 | 2.8% | \$ 40,476 | \$ 0.69 |
| Valuation allowance | — | — | 10,396 | | (10,396) | (0.18) |
| As adjusted | \$ 77,325 | \$ 48,043 | \$ 11,545 | 27.7% | \$ 30,080 | \$ 0.51 |
| Three months ended June 30, 2019 (in thousands) | | | | | | |
| | Operating Expenses | EBIT | Taxes | Tax Rate | Net Income | EPS |
| As reported | \$ 99,832 | \$ (4,754) | \$ 737 | (4.6)% | \$ (16,615) | \$ (0.29) |
| Contingent consideration | (843) | 843 | 202 | | 641 | 0.01 |
| Transaction costs | (401) | 401 | 96 | | 305 | 0.01 |
| Impairment of held-for-sale assets | (9,429) | 9,429 | — | | 9,429 | 0.16 |
| Valuation allowance | — | — | (1,555) | | 1,555 | 0.03 |
| As adjusted | \$ 89,159 | \$ 5,919 | \$ (520) | 10.0% | \$ (4,685) | \$ (0.08) |

NON-GAAP FINANCIAL MEASURES



Free Cash Flow

Free cash flow is defined as cash (used for) provided by operating activities less capital expenditures, and excluding transaction costs which have been adjusted for applicable tax amounts. Vista Outdoor management believes free cash flow provides investors with an important perspective on the cash available for debt repayment and acquisitions after making the capital investments required to support ongoing business operations. Vista Outdoor management uses free cash flow internally to assess both business performance and overall liquidity.

| (in thousands) | Three months ended June 28, 2020 | Three months ended June 30, 2019 |
|--|---|---|
| Cash provided by (used for) operating activities | \$ 77,363 | \$ (36,168) |
| Capital Expenditures | (4,472) | (9,212) |
| Transaction costs | — | 401 |
| Free cash flow | \$ 72,891 | \$ (44,979) |

NON-GAAP RECONCILIATION



Quarterly Adjusted EBITDA

| (in thousands) | Q2 FY2020 | Q3 FY2020 | Q4 FY2020 | Q1 FY2021 | LTM Q1 FY2021 |
|---|------------|-----------|-------------|-----------|---------------|
| Net income | (\$11,898) | \$14,648 | (\$141,214) | \$40,476 | (\$97,988) |
| Interest expense (income), net | 12,314 | 8,373 | 6,980 | 6,418 | 34,085 |
| Income tax provision (benefit) | 891 | (4,352) | (13,224) | 1,149 | (15,536) |
| Depreciation and amortization | 19,645 | 15,171 | 16,655 | 16,486 | 67,957 |
| EBITDA | \$20,952 | \$33,840 | (\$130,803) | \$64,529 | (\$11,482) |
| Transaction and transition costs ⁽¹⁾ | 82 | - | 161 | - | 243 |
| Contingent consideration ⁽²⁾ | 843 | - | - | - | 843 |
| Restructuring and asset impairment costs ⁽³⁾ | 7,292 | 479 | 1,439 | - | 9,210 |
| Loss on divestiture (Firearms) ⁽⁴⁾ | 433 | - | - | - | 433 |
| Goodwill & Intangibles Impairment ⁽⁵⁾ | - | - | 155,589 | - | 155,589 |
| Executive Transition ⁽⁶⁾ | - | - | 1,370 | - | 1,370 |
| Adjusted EBITDA | \$29,602 | \$34,319 | \$27,756 | \$64,529 | \$156,206 |

Quarterly Adjusted EBITDA reflects Vista Outdoor's adjusted earnings before interest and tax, per the Company's quarterly disclosures, plus depreciation and amortization for the trailing four quarters.

Notes:

1. Represents transaction costs, including accounting, legal and advisor fees, and transition costs, in each case incurred in connection with possible and completed transactions.
2. Revaluation and recorded portion of contingent consideration related to Camp Chef.
3. In FY20, the Company incurred restructuring and asset impairment costs related to impairment on leased properties, impairment of internally developed software and operational realignments costs which were incurred to generate longer-term benefits.
4. During the quarter ended September 29, 2019, the Company completed the sale of its Firearms business for a total purchase price of \$170,000,000. As a result, the Company recorded a pretax loss of \$0.4 million which is included in other income (expense), net.
5. During the quarter and year ended March 31, 2020, we recognized a \$156 million impairment of goodwill and identifiable intangible assets.
6. During the quarter and year ended March 31, 2020, we recognized executive transition costs related to the appointment of a new Senior Vice President and Chief Financial Officer.