

**FULL
STACK
SUPPLY
CO** | building
brands
people
love

Shareholder Update
February 2021



Enter the Dragon

Performance: 20|21 & 21|22 Ahead

Metrics

20|21 Flash YTD Financials

	<u>€m</u>	<u>YoY var</u>
• Sales Orders	7.1	- 2%
• eComm Revs	1.0	+20%
• GM	45%	steady
• Opex	3.7	0.7m improved

Country Sales Breakdowns

• USA	+11%
• Canada	+46%
• Switzerland	+27%
• Australia / NZ	+15%
• Norway / Sweden & JP	+ 0-1%
• France	- 21%
• UK	-16%
• Austria/Germany	-15%

21|22 Pre-Season Orders

- 3.3 PY (early days, but strong start)

X Games 2021

- 5 medals; 3 golds
- 1st to medal in all 3 FS disciplines
- 1st 1440 in women's comp

Context

20|21 Market Context

- Major brands reporting -30 to -40% revenue decreases
- FSSC is on trend to grow ~1-3% generating market share growth (-2% today)
- In March we reduced production from 40% growth expectations to a focus on slightly exceeding PY and that has been on the mark overall
- In a company first, we ordered an in-year re-stock of the award-winning Agent free-touring skis which arrives in the warehouse next week heavily pre-sold
- eComm continues to build, exceeding €1m with strong margins

21|22 Market Context: The Year Ahead

- Traditional, price-point-driven brands face pressure as retailers reduce rental buys & clear stock
- However, retailers need products to cut through the carry over and clearance
 - Performance / premium
 - Freeride & touring focus
 - Fresh products (many brands cut new launches)
 - Brands who engaged fans during the pandemic
 - Bio / ESG – our new POW bioresin free-touring ski for 21|22 is nearly sold out
- 21|22 Pre-Season Order (PSO) strength reflects interest in FW's freshness with performance / quality & excitement for Faction's updated products

Local Worldwide

- A global footprint is a core asset: media knows no borders, weather varies, relationships are local
- In the pandemic this was important with varying C-19 impact & responses; The US, Canada and Switzerland have offset challenges in key markets
- China had a bumpy start due to travel restrictions and 19|20 carryover product as their 20|21 winter was harder-hit; Today the economy is above last year and Eileen's performance in the X Games is just one catalyst for excitement building around the Beijing 2022 Winter Games

Engagement

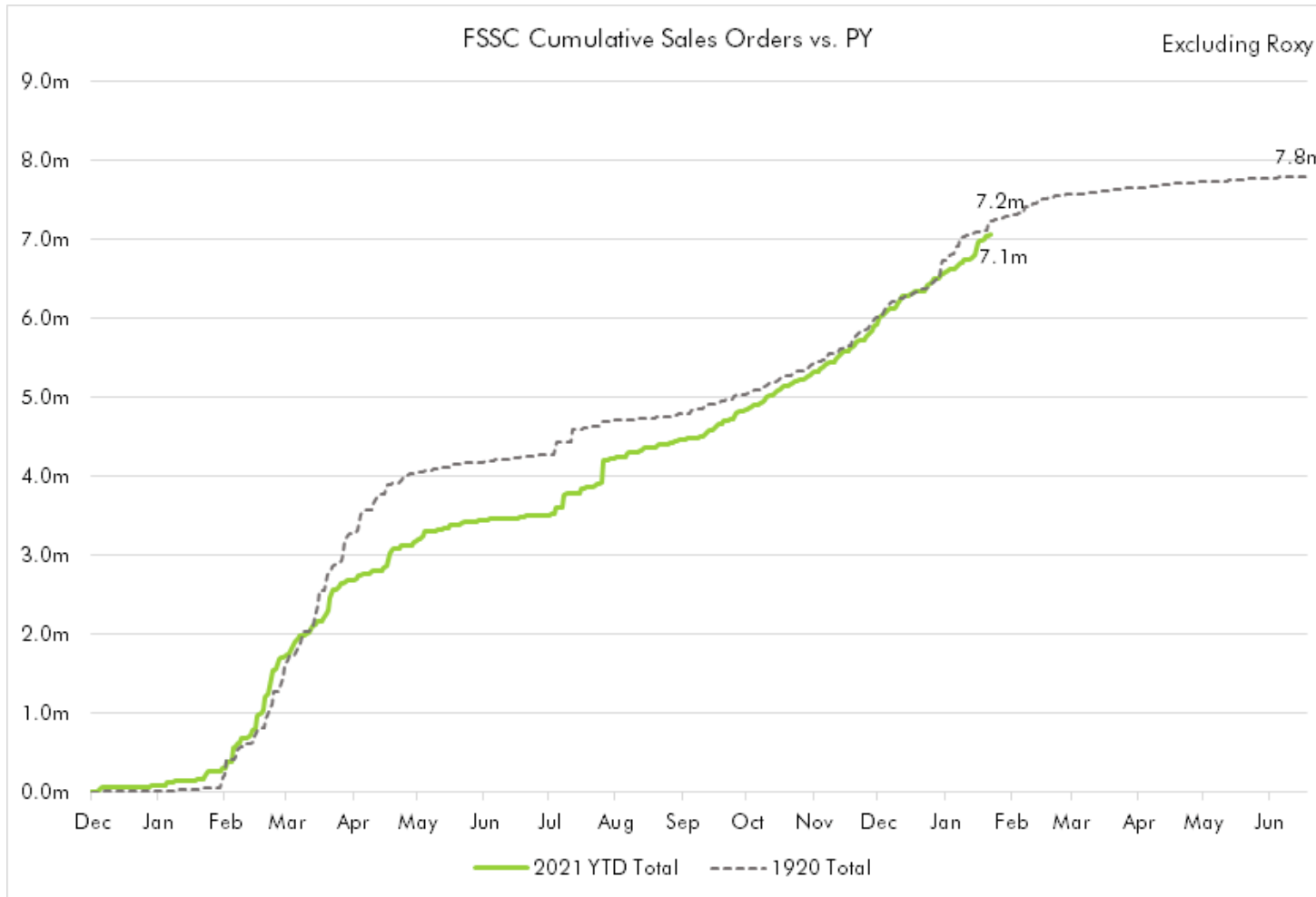
- Our 3 in-house produced short films have broken records – *Zermatt to Verbier* in particular struck a chord, filmed in lockdown, touring and huts & personality-driven
- Film 3 in production for 21|22 release, Red Bull co-production and broader streaming rights
- FW Apparel awareness increasing and keeping its performance with style position
- Our athletes continue to inspire in video and social media as well as in competitions

Market Share Growth: 20|21 strength & 21|22 opportunity due to:

- Careful production & team planning production
- Strong retail partner relations & support in crisis
- Clear positioning and fan engagement
- Macro trends to quality, freeski and outdoor
- Fresh quality product
- Committed, experienced team

Total Sales Orders

04 Feb 2020



- **Sale orders -2% vs. PY at €7.1m**
 - Despite strict lockdowns over the Christmas period
 - High confidence level in a stronger Mar/Apr this year than PY
- **ASAP re-order channel delivering** In-season business is strong globally: Swiss and Canadian B2B sales are particularly positive, plus strong performance in US & France
- **21/22 Season PSOs – retailer orders in early** 645k of FW Pre-Season Orders already booked for next season, weeks ahead of PY

Retailer in-season orders and D2C performance sustain our positive order growth
The global sales team is delivering, with strong FW sell-in and a sound start to 21/22

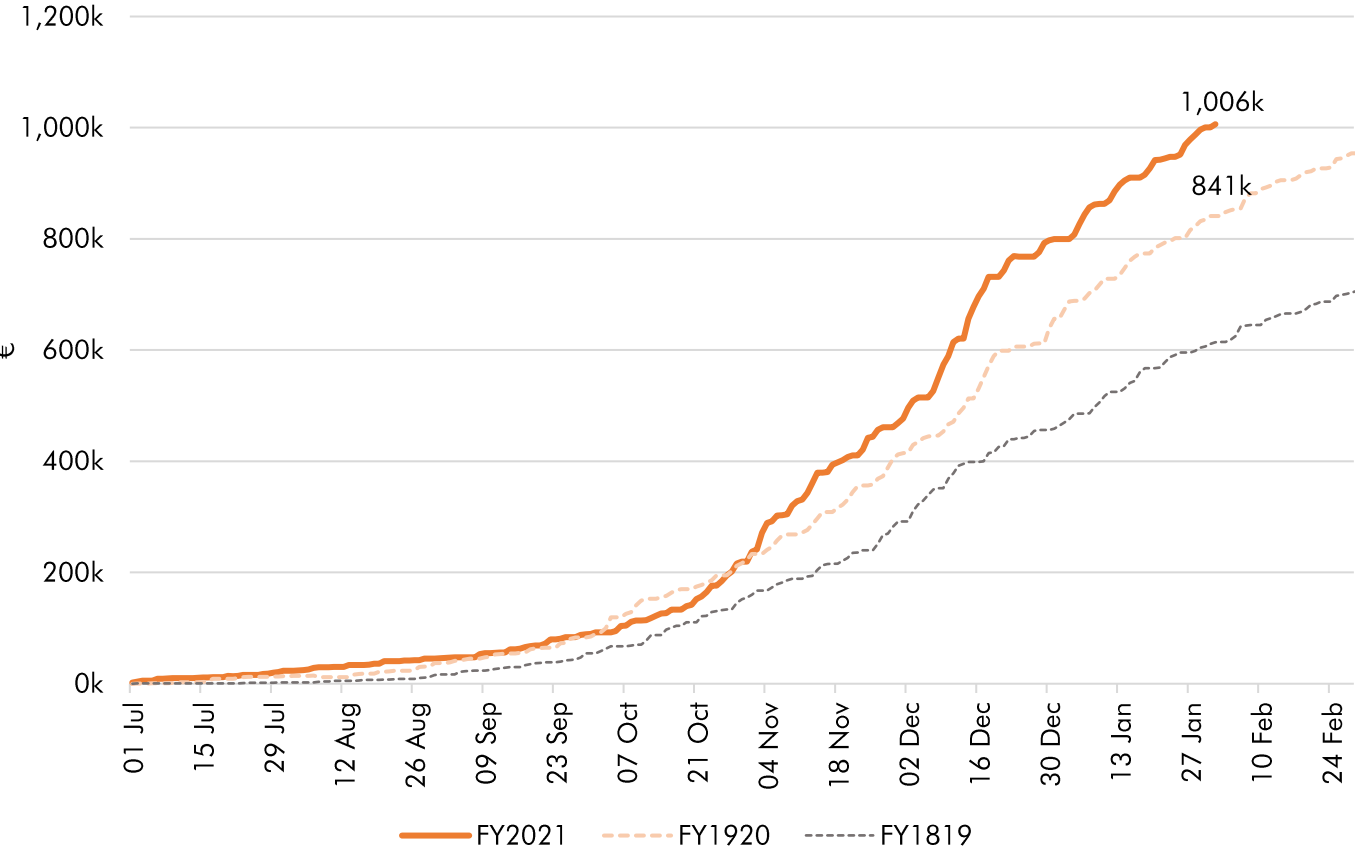
Direct Revenues

01/02/2021

FSSC Direct Revenue vs. 2PY

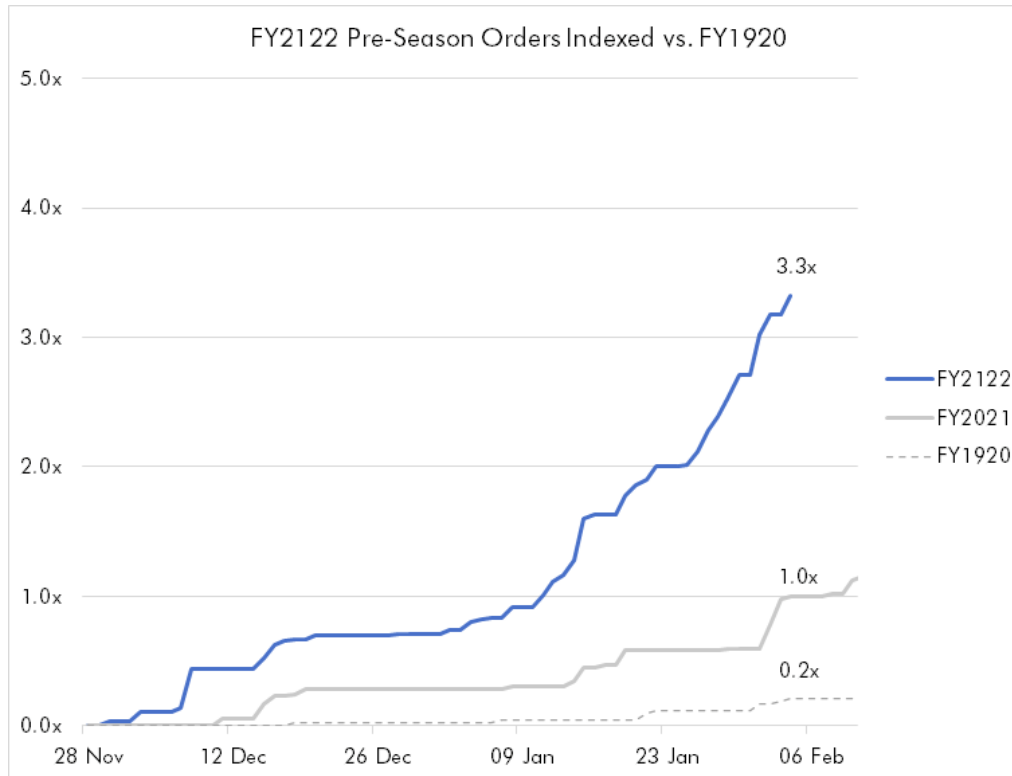
Excl. Roxy

- **Dedication to Omnichannel** Strong efforts to ensure alignment with Retail Partners
- **Direct revenue +20%** Exceeding €1m 5 weeks ahead of PY
- **Tightened channel focus** Discounted Pro Partner channels which made up 20% of sales in PY discontinued, but made up through other direct sales



DTC sales break €1m led by full-price sales in North America & Switzerland

FY2122 Pre-Season Orders



21 | 22 Pre-Season Orders at 3.3x FY1920 levels

- This reflects an early start and strong demand, albeit it will level out to anticipated 45% growth by spring
- Strong demand, particularly in Rockies and from new Swiss and German partners
- Global sales team strengthened during pandemic
- Strong studio / video / video conference outreach by the team

Bounceback building for FW & Faction for next season supported by strong early Pre-Season Orders

Faction Team X Games Coverage

South China Morning Post

Eileen Gu wins China's first Winter X Games gold as Beijing 2022 countdown begins

- Teen ski star wins China's first Winter X Games gold in the Superpipe before becoming best rookie in 20 years with Slopestyle win
- US-born freestyle skier, also known as Gu Ailing, decided to compete for China in 2019 ahead of next year's Olympics

Jonathan White
Published on 17 March 2021



Red Bull



25 years of the X Games and no one has done what Eileen Gu just did

INDEPENDENT

Meet 'daredevil' Eileen Gu, Chinese freeskier destined to be sport's next superstar



Alex Hall Scores X Games Bronze

X Games大跳台谷爱凌首秀获得季军 瑞士小将夺冠

综合体育转家
1月30日 05:55 体育博主



MATHILDE GREMAUD WINS 2021 X GAMES WOMEN'S SKI BIG AIR

Photo: Eric Lars Bakke/ESPN Images

LE FIGARO · fr

avec SPORT

MATHILDE GREMAUD DANS L'HISTOIRE AVEC UN FABULEUX SAUT INÉDIT AUX X GAMES

THE DENVER POST



Freestyle Skiing

Freeski daredevil, 17, poised to become face of 2022 Beijing Olympics

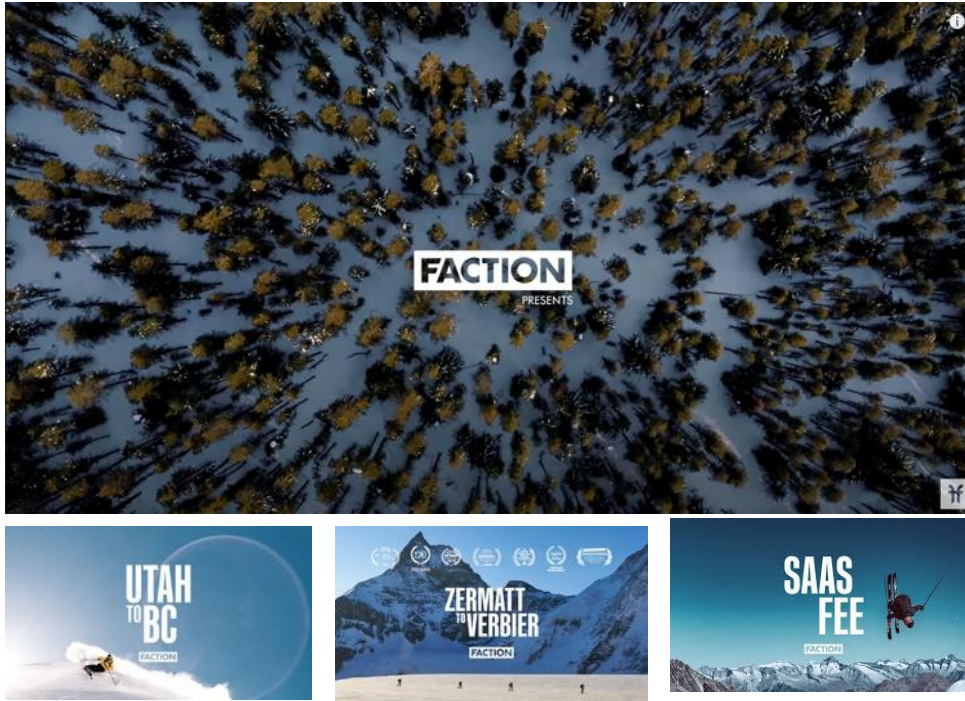
THE NATURE

At the X Games last week Faction athletes – and skis – were in the news worldwide

With all eyes on the Beijing 2022 Olympics, five team medals led by record-breaking Chinese-American rookie Eileen Gu and a dominant performance by Swiss Mathilde Gremaud were key

Faction Media Productions

20 | 21



- 1m views on the three short film releases across video platforms
- Our best short launches yet
- Authentic, superb cinematography, a focus on the athletes and character
- Touring and park both inspiring during the pandemic
- Our most effective contest since inception

21 | 22 FILM 3 in production...



.... at an undisclosed location on Planet Hoth

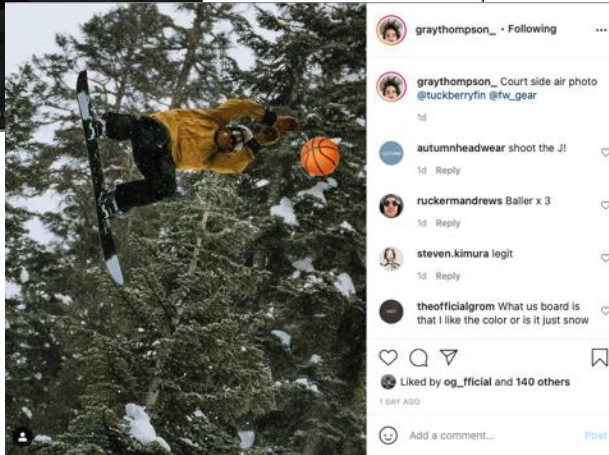
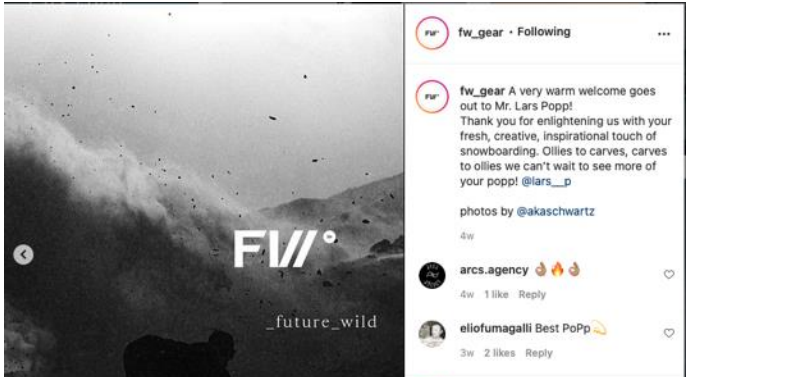
- The production and athlete teams are a well-oiled machine, each film building depth & profile
- Intense production planning working through pandemic constraints
- Red Bull co-production supports quality, distribution and cost
- Ready for a return to groups and events in 21 | 22

Our media engagement reflects our brands and engages people worldwide
Another ambitious feature film and new formats in development

FW Spotlight

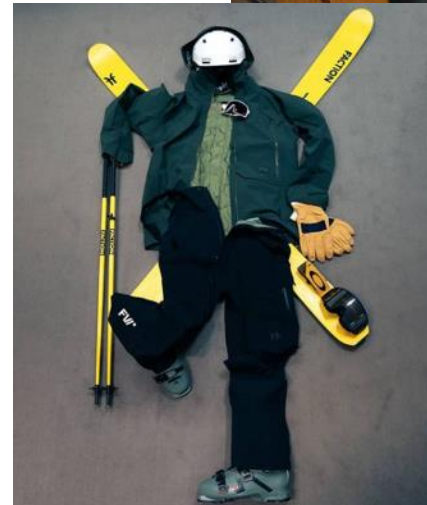
Awareness growing

New Rider Lars Popp – Laax



New Ambassador Gray Thompson – California

Tokyo



St Anton



Aspen

With the product line well-received by retailers and buyers seeking fresh, quality gear team focus careful, steady growth in awareness and in-store experience

Faction Retail Focus



Verbier, Switzerland



Burlington, Vermont



Andorra



Park City, Utah

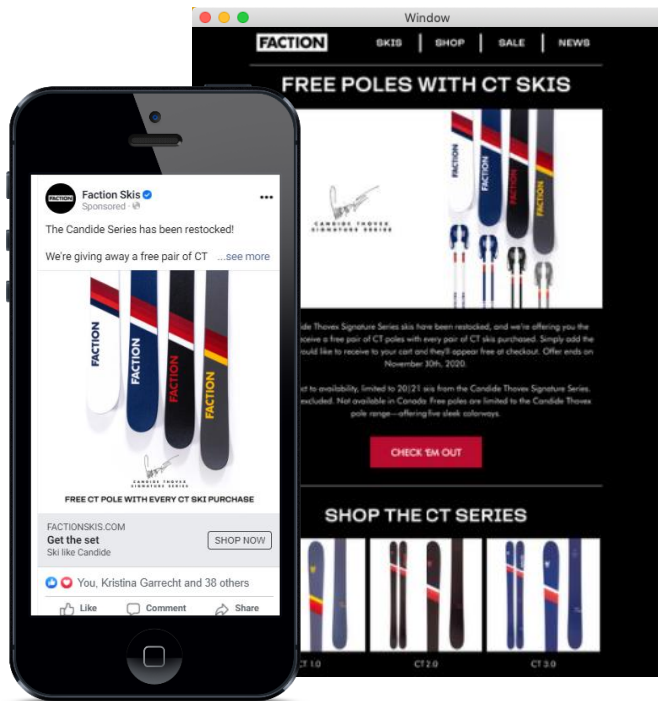
- Launching our Agent free-touring oriented ski range included strong retailer-level support
- Pre-Covid we had decided to shift spend from trade shows to on-site, helping raise Faction awareness at stores and supporting retailer sell-through
- Our performance quality poles which was a key departure from pre-Daniel years have been strong performers and increase visibility



Revelstoke, Canada

A stronger focus on on-site retailer visibility and away from trade show spend has been a successful strategic decision and raised awareness for Faction worldwide

Candide



FSSC eComm has been innovating with direct sales for Candide
Candide revealed the 21|22 range with 10s of thousands of engagement – as he does...

Verbier Investor Day 2021



Revised Date!

SATURDAY, 17 APRIL 2021

Verbier, Switzerland

- Ride 21|22 Faction product
- Check out the 21|22 FW range
- Spend time with management and product teams
- Get the annual review and look ahead, including a traditional 'analyst call' jawbone from The Investor Collective
- Subject to change based on C-19 measures
- Bring sunblock
- RSVP on investorday2021@fullstacksupply.co

- We've changed the date to embrace a spring event
 - Lifts have operated in Verbier non-stop since 30 October, so we anticipate that to be the case
 - However, given the global explosion of touring and our Agent skis, we'll expect to offer both touring and lift-access options
 - The FWT Xtreme set their date on our prior one which can impact lodging options, but we also thought that pushing back may maximize the chance of reduced travel restrictions
 - April is usually a beautiful time in the Alps
- We will adapt to C-19 measures including prevailing government limits on size
 - We will break into smaller groups if required and maintain distancing
 - The the presentation and Q&A sessions & lunch will likely held outdoors
- We recognize that particularly non-Swiss residents may need to play it by ear, but let us know of your interest today!

Just as in 2020, we plan go ahead with our Investor Day in Verbier however, later in the year and adapting to the C-19 situation