

Boot Barn Holdings, Inc. and Subsidiaries
Consolidated Balance Sheets

(In thousands, except per share data)

	March 28, 2020	March 30, 2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 69,563	\$ 16,614
Accounts receivable, net	12,087	8,095
Inventories	288,717	240,734
Prepaid expenses and other current assets	14,284	11,900
Total current assets	384,651	277,343
Property and equipment, net	109,603	98,663
Right-of-use assets, net	170,243	—
Goodwill	197,502	195,858
Intangible assets, net	60,974	62,845
Other assets	1,738	1,366
Total assets	<u>\$ 924,711</u>	<u>\$ 636,075</u>
Liabilities and stockholders' equity		
Current liabilities:		
Line of credit	\$ 129,900	\$ —
Accounts payable	95,334	104,955
Accrued expenses and other current liabilities	52,612	46,988
Short-term lease liabilities	34,779	—
Total current liabilities	312,625	151,943
Deferred taxes	19,801	17,202
Long-term portion of notes payable, net	109,022	174,264
Capital lease obligations	—	6,746
Long-term lease liabilities	160,935	—
Other liabilities	635	21,756
Total liabilities	603,018	371,911
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Common stock, \$0.0001 par value; March 28, 2020 - 100,000 shares authorized, 28,880 shares issued; March 30, 2019 - 100,000 shares authorized, 28,399 shares issued	3	3
Preferred stock, \$0.0001 par value; 10,000 shares authorized, no shares issued or outstanding	—	—
Additional paid-in capital	169,249	159,137
Retained earnings	153,641	105,692
Less: Common stock held in treasury, at cost, 71 and 51 shares at March 28, 2020 and March 30, 2019, respectively	(1,200)	(668)
Total stockholders' equity	321,693	264,164
Total liabilities and stockholders' equity	<u>\$ 924,711</u>	<u>\$ 636,075</u>

The accompanying notes are an integral part of these consolidated financial statements.

Boot Barn Holdings, Inc. and Subsidiaries
Consolidated Statements of Operations

(In thousands, except per share amounts)

	Fiscal Year Ended		
	March 28, 2020	March 30, 2019	March 31, 2018
Net sales	\$ 845,575	\$ 776,854	\$ 677,949
Cost of goods sold	569,084	525,420	470,034
Gross profit	276,491	251,434	207,915
Selling, general and administrative expenses	202,823	187,112	161,660
Income from operations	73,668	64,322	46,255
Interest expense, net	13,310	16,331	15,076
Other (loss)/income, net	(45)	5	—
Income before income taxes	60,313	47,996	31,179
Income tax expense	12,364	8,974	2,300
Net income	\$ 47,949	\$ 39,022	\$ 28,879
Earnings per share:			
Basic shares	\$ 1.68	\$ 1.39	\$ 1.08
Diluted shares	\$ 1.64	\$ 1.35	\$ 1.05
Weighted average shares outstanding:			
Basic shares	28,583	28,092	26,744
Diluted shares	29,220	28,813	27,528

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Boot Barn Holdings, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Equity

(In thousands)

	Common Stock		Additional	Retained	Treasury Shares		Total
	Shares	Amount	Paid-In Capital	Earnings	Shares	Amount	
Balance at April 1, 2017	26,575	\$ 3	\$ 142,184	\$ 37,791	(14)	\$ (69)	\$ 179,909
Net income	—	—	—	28,879	—	—	28,879
Issuance of common stock related to stock-based compensation	756	—	3,695	—	(4)	—	3,695
Tax withholding for net share settlement	—	—	—	—	(13)	(125)	(125)
Stock-based compensation expense	—	—	2,248	—	—	—	2,248
Balance at March 31, 2018	27,331	\$ 3	\$ 148,127	\$ 66,670	(31)	\$ (194)	\$ 214,606
Net income	—	—	—	39,022	—	—	39,022
Issuance of common stock related to stock-based compensation	1,068	—	8,137	—	—	—	8,137
Tax withholding for net share settlement	—	—	—	—	(20)	(474)	(474)
Stock-based compensation expense	—	—	2,873	—	—	—	2,873
Balance at March 30, 2019	28,399	\$ 3	\$ 159,137	\$ 105,692	(51)	\$ (668)	\$ 264,164
Net income	—	—	—	47,949	—	—	47,949
Issuance of common stock related to stock-based compensation	481	—	5,204	—	—	—	5,204
Tax withholding for net share settlement	—	—	—	—	(20)	(532)	(532)
Stock-based compensation expense	—	—	4,908	—	—	—	4,908
Balance at March 28, 2020	28,880	\$ 3	\$ 169,249	\$ 153,641	(71)	\$ (1,200)	\$ 321,693

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Boot Barn Holdings, Inc. and Subsidiaries
Consolidated Statements of Cash Flows

(In thousands)

	Fiscal Year Ended		
	March 28, 2020	March 30, 2019	March 31, 2018
Cash flows from operating activities			
Net income	\$ 47,949	\$ 39,022	\$ 28,879
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	21,211	18,256	16,000
Stock-based compensation	4,908	2,873	2,248
Amortization of intangible assets	172	646	1,128
Amortization of right-of-use assets	31,091	—	—
Amortization of debt issuance fees and debt discount	946	1,235	1,199
Loss on disposal of property and equipment	417	23	252
Gain on adjustment of right-of-use assets and lease liabilities	(186)	—	—
Damaged asset write-off	—	312	2,357
Store impairment charge	191	455	83
Accretion of above market leases	—	(28)	(2)
Deferred taxes	2,599	4,172	1,860
Changes in operating assets and liabilities, net of acquisition:			
Accounts receivable, net	5,721	(3,706)	(35)
Inventories	(45,622)	(27,702)	(24,598)
Prepaid expenses and other current assets	(2,351)	4,179	(3,281)
Other assets	(548)	(254)	(167)
Accounts payable	(13,810)	14,191	13,062
Accrued expenses and other current liabilities	6,310	6,882	3,977
Other liabilities	(3,611)	2,704	1,238
Operating leases	(30,070)	—	—
Net cash provided by operating activities	\$ 25,317	\$ 63,260	\$ 44,200
Cash flows from investing activities			
Purchases of property and equipment	(37,195)	(27,525)	(24,418)
Insurance recoveries for property and equipment	717	184	865
Acquisition of business, net of cash acquired	(3,688)	(4,424)	—
Net cash used in investing activities	\$ (40,166)	\$ (31,765)	\$ (23,553)
Cash flows from financing activities			
Borrowings/(payments) on line of credit - net	129,900	(21,006)	(12,268)
Repayments on debt and finance lease obligations	(65,553)	(10,554)	(10,448)
Debt issuance fees paid	(1,221)	—	(520)
Tax withholding payments for net share settlement	(532)	(474)	(125)
Proceeds from the exercise of stock options	5,204	8,137	3,695
Net cash provided by/(used in) financing activities	\$ 67,798	\$ (23,897)	\$ (19,666)
Net increase in cash and cash equivalents	52,949	7,598	981
Cash and cash equivalents, beginning of period	16,614	9,016	8,035
Cash and cash equivalents, end of period	\$ 69,563	\$ 16,614	\$ 9,016
Supplemental disclosures of cash flow information:			
Cash paid for income taxes	\$ 13,391	\$ 649	\$ 614
Cash paid for interest	\$ 11,958	\$ 14,947	\$ 13,743
Supplemental disclosure of non-cash activities:			
Unpaid purchases of property and equipment	\$ 6,066	\$ 1,877	\$ 1,315
Equipment acquired through capital lease	\$ —	\$ 171	\$ —

The accompanying notes are an integral part of these consolidated financial statements.