

# five BELOW®



LET GO &  
HAVE FUN!

# FORWARD LOOKING STATEMENTS



## Forward-Looking Statements:

This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as contained in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which reflect management's current views and estimates regarding the Company's industry, business strategy, goals and expectations concerning its market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources, store count potential and other financial and operating information. Investors can identify these statements by the fact that they use words such as "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "future" and similar terms and phrases. The Company cannot assure investors that future developments affecting the Company will be those that it has anticipated. Actual results may differ materially from these expectations due to risks and uncertainties associated with the COVID-19 pandemic (including closures of our stores, adverse impacts on our sales and operations, future impairment charges and the risk of global recession, and the impact of government regulation), risks related to disruption to the global supply chain, risks related to the Company's strategy and expansion plans, risk related to disruptions in our information technology systems and our ability to maintain and upgrade those systems, risks related to the inability to successfully implement our online retail operations, risks related to cyberattacks or other cyber incidents, risks related to our ability to select, obtain, distribute and market merchandise profitably, risks related to our reliance on merchandise manufactured outside of the United States, the availability of suitable new store locations and the dependence on the volume of traffic to our stores, risks related to changes in consumer preferences and economic conditions, risks related to increased operating costs, including wage rates, risks related to extreme weather, pandemic outbreaks (in addition to COVID-19), global political events, war, terrorism or civil unrest (including any resulting store closures, damage, or loss of inventory), risks related to leasing, owning or building distribution centers, risks related to our ability to successfully manage inventory balance and inventory shrinkage, quality or safety concerns about the Company's merchandise, increased competition from other retailers including online retailers, risks related to the seasonality of our business, risks related to our ability to protect our brand name and other intellectual property, risks related to customers' payment methods, risks related to domestic and foreign trade restrictions including duties and tariffs affecting our domestic and foreign suppliers and increasing our costs, including, among others, the direct and indirect impact of current and potential tariffs imposed and proposed by the United States on foreign imports, risks associated with the restrictions imposed by our indebtedness on our current and future operations, the impact of changes in tax legislation and accounting standards and risks associated with leasing substantial amounts of space. For further details and a discussion of these risks and uncertainties, see the Company's periodic reports, including the annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, filed with or furnished to the Securities and Exchange Commission and available at [www.sec.gov](http://www.sec.gov). If one or more of these risks or uncertainties materialize, or if any of the Company's assumptions prove incorrect, the Company's actual results may vary in material respects from those projected in these forward-looking statements. Any forward-looking statement made by the Company in this news release speaks only as of the date on which the Company makes it. Factors or events that could cause the Company's actual results to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable securities laws.

# **OUR STORY... READ ON!**



**about five BELOW**

**OUR DIFFERENTIATED EXPERIENCE**

**OUR POWERFUL STORE MODEL**

**THE NUMBERS**

**OUR VISION FOR GROWTH**

about  
five  
below.

CHECK IT  
OUT!

five BELOW®

# five BELOW IS A UNIQUE INVESTMENT OPPORTUNITY



- LEADING HIGH GROWTH VALUE RETAILER**
- LONG RUNWAY FOR UNIT GROWTH**
- COMPELLING NEW STORE MODEL**
- CONSISTENT PERFORMANCE**
- BENEFITS FROM SCALE**

# five BELOW THROUGH THE YEARS



2002

- FIRST STORE OPENS iN WAYNE, PA

2003

- iCONiC \$5 SPALDING BASKETBALL STARTS SELLiNG

2009

- 100TH STORE OPENS iN PiTTSBURGH
- FACEBOOK PAGE LAUNCHES  
(DON'T FORGET TO FOLLOW US!)

2012

- five BELOW GOES PUBLIC!  
iPO (NASDAQ: FIVE)

2013

- ANNUAL SALES REACH \$500M!
- 17 STORES OPEN iN Texas...  
(11 IN ONE DAY!)

2014

- JOEL ANDERSON IS NAMED CEO,  
TAKiNG five BELOW TO THE  
NEXT LEVEL

2015

- NEW SHiPCENTER OPENS iN NJ  
(IT'S 1 MILLION SQUARE FEET!!)

2016

- ANNUAL SALES REACH \$1 BiLLiON!
- E-COMMERCE WEBSITE GOES LiVE
- 500TH STORE OPENS!!

2017

- NEW STORE EXPERiENCE LAUNCHES!
- Five BELOW ENTERS CALiFORNiA

2018

- WOWTOWN, THE NEW HQ iN PHiLLY, OPENS!  
(HOME SWEET HOME!)

2019

- OPEN 150 NEW STORES!
- NEW SHiPCENTER OPENS iN Ga
- NEARLY \$21 MiLLiON iN DONATiONS  
RAiSED FOR CHARiTIES iN PAST 10 YEARS

2020

- OPEN 1,000TH STORE!
- NEW SHiPCENTER OPENS iN Texas
- LAUNCH FiVE BEYOND
- LAUNCH COLLABORATION WiTH BUGHA

2021

- OPEN 171 NEW STORES; NOW iN 40 STATES!
- NEW SHiPCENTER OPENS iN ARiZONA
- OPEN 1,200TH STORE iN NYC!

2022

# five COMPETITIVE DIFFERENTIATORS



TWEEN & TEEN  
FOCUS

HANDPICKED,  
TREND-RIGHT,  
WOW PRODUCTS

DISCIPLINED  
HIGH GROWTH

EXTREME  
VALUE

FUN, ONE-OF-A-KIND  
SHOPPING EXPERIENCE

LED BY A HIGHLY EXPERIENCED MANAGEMENT TEAM

five BEL°W®

# TWEEN & TEEN-FOCUSED WITH BROAD CUSTOMER APPEAL



## TARGET CUSTOMERS



**Gen Z**  
**8–14 yr olds**  
**Girls & Boys**



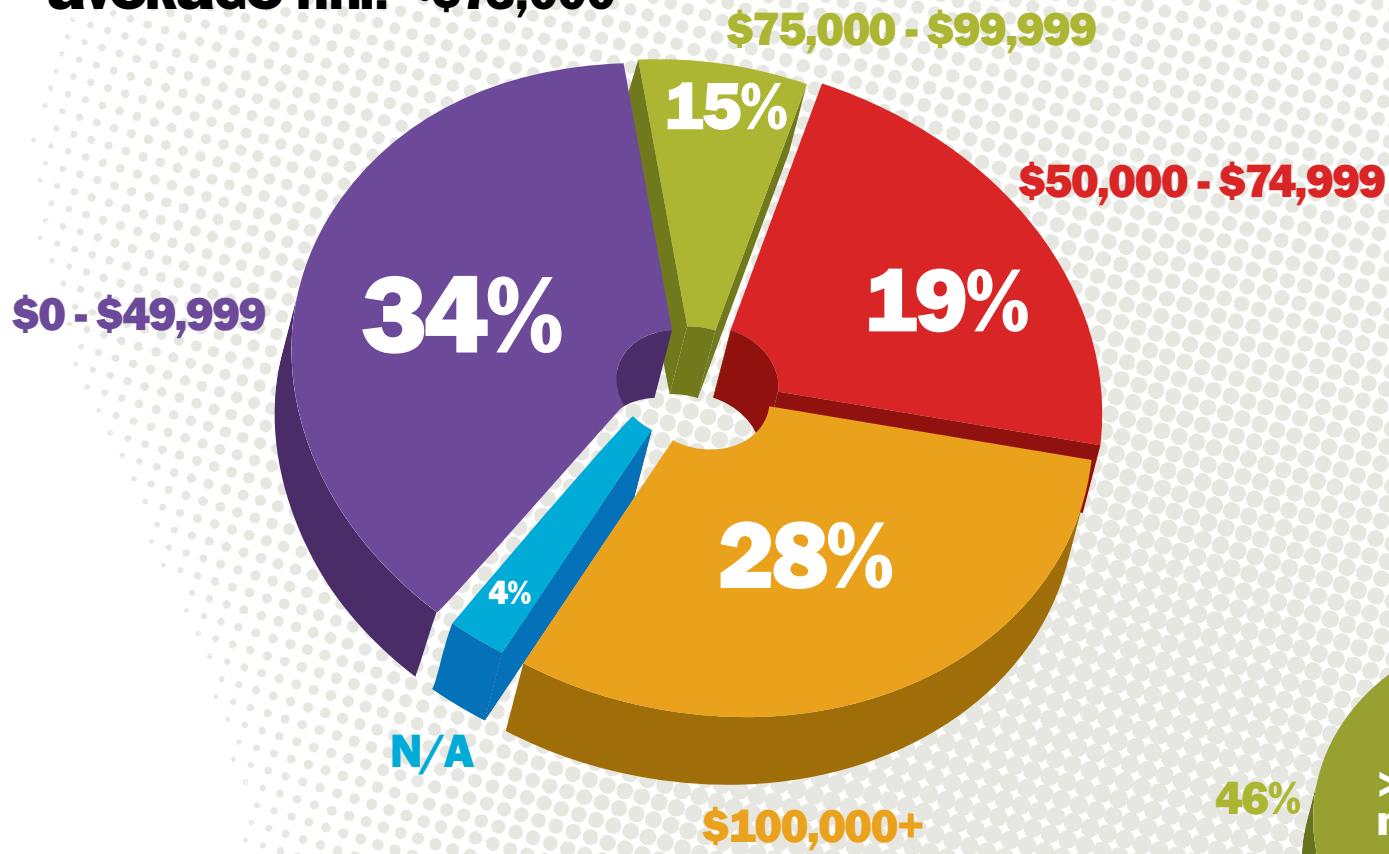
**Millennial / Gen X**  
**24–44 yr olds**  
**Parents**



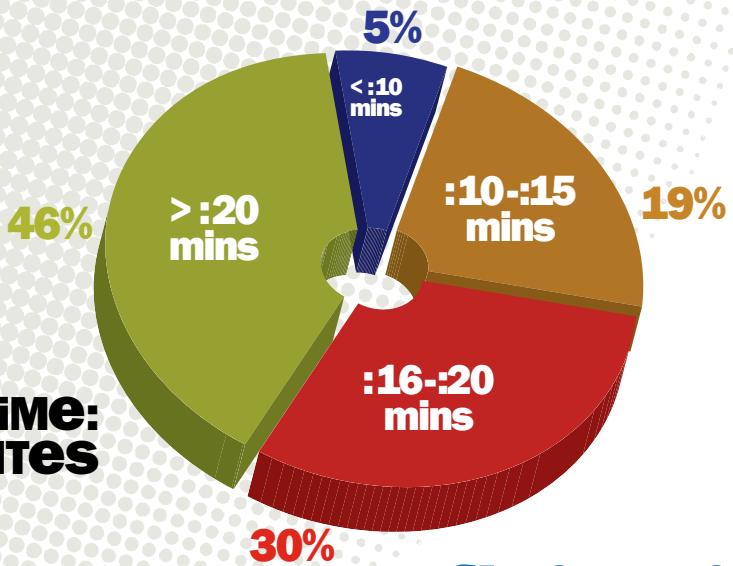
# BROAD APPEAL ACROSS INCOMES WITH HIGH DWELL TIME



AVERAGE HHI: ~\$73,000



HIGH AVERAGE DWELL TIME:  
20 MINUTES



source: December 2021 third party consumer study

# TREND-RIGHT “WOW” PRODUCTS AT GREAT VALUE ACROSS 8 AWESOME WORLDS



## TECH.



## STYLE.



## CREATE.



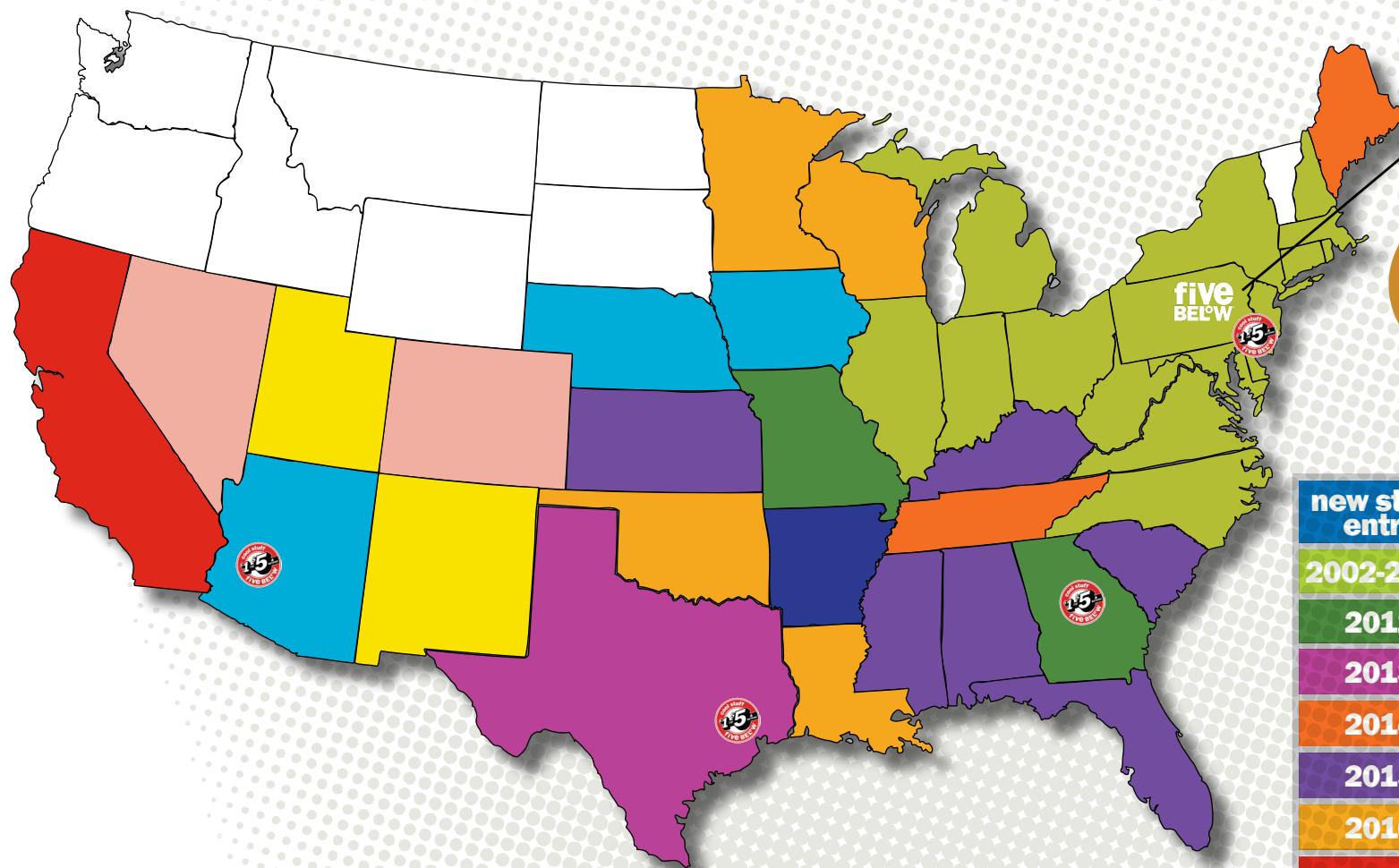
## PARTY.



## New & Now.

five BELOW®

# FY 2021: 1,190 STORES IN 40 STATES!



1<sup>ST</sup> STATE IN 2002

GROWING  
AT ~18%<sup>(1)</sup>

new state entry	net new stores	year end count
2002-2011	+192	192
2012	+52	244
2013	+60	304
2014	+62	366
2015	+71	437
2016	+85	522
2017	+103	625
2018	+125	750
2019	+150	900
2020	+120	1,020
2021	+170	1,190



open distribution centers in Pedricktown, NJ, Forsyth, GA, Conroe, TX and Buckeye, AZ

(1) 5-year store count CAGR (compound annual growth rate)



# GROWTH LED BY EXPERIENCED LEADERSHIP

EXECUTIVE	ROLE	YEAR JOINED	EXPERIENCE
<b>TOM VELLIOS</b>	<b>Chairman &amp; Co-Founder</b>	<b>Co-founded 2002</b>	<b>Zany Brainy, Caldor/May Company</b>
<b>JOEL ANDERSON</b>	<b>President &amp; Chief Executive Officer</b>	<b>2014</b>	<b>Walmart, Lenox, Toys 'R Us</b>
<b>KEN BULL</b>	<b>Chief Financial Officer &amp; Treasurer</b>	<b>2005</b>	<b>Urban Outfitters, Eagle's Eye</b>
<b>ERIC SPECTER</b>	<b>Chief Administrative Officer</b>	<b>2014</b>	<b>Ascena Retail Group, Charming Shoppes</b>
<b>MICHAEL ROMANKO</b>	<b>Chief Merchandising Officer</b>	<b>2015</b>	<b>Patriarch Partners, Toys 'R Us, Lenox, Linens N Things, Macy's</b>
<b>JUDY WERTHAUSER</b>	<b>Chief Experience Officer</b>	<b>2019</b>	<b>Domino's Pizza, Target, Marshall Fields</b>
<b>GEORGE HILL</b>	<b>Chief Retail Officer</b>	<b>2017</b>	<b>Dick's Sporting Goods, Office Depot, Home Depot</b>

# OUR Differentiated experience.



five BELOW®

THE  
**PURPOSE-DRIVEN VALUE RETAILER**  
FOR TWEENS + TEENS AND BEYOND



**five BELOW®**

**KNOWS Life is WAY BETTER WHEN YOU'RE FREE TO**

**LET GO & HAVE FUN**

**IN AN AMAZING EXPERIENCE**

**FILLED WITH**

**UNLIMITED POSSIBILITIES**

**PRICED SO LOW,  
YOU CAN ALWAYS SAY**

**TO THE**

**NEWEST, COOLEST STUFF!**

**YES!**

# five BELOW DNA: OUR DEEPLY HELD VALUES AND BELIEFS

## THE **five BELOW** WAY

we are **AN ADOPTED FAMILY**. one who **ACTIVELY PARTICIPATES** and leans in to support each other and our business. in this family, we **VALUE EVERY INDIVIDUAL** for their uniqueness and potential. we know **five BELOW** is strongest when our teams **REFLECT THE DIVERSITY** of the communities we serve and our crew members can bring their **WHOLE AUTHENTIC SELF** to work, do what they do best, feel that they **TRULY BELONG** and grow every single day.



### **WOW OUR CUSTOMERS.**

the customer is everything. every decision we make begins and ends with them in mind. we do more than they expect and create an awesome experience they won't find anywhere else.

### **HOLD THE PENNY HOSTAGE.**

we're on a mission to make everything as close to free as it can be for teens and tweens. when we pile up the pennies, we're able to wow our customers with the most incredible must-haves and gotta-gets for \$5 and below.

### **UNLEASH YOUR PASSION.**

five below is like a team of unstoppable superheroes. everyone's unique backgrounds and experiences blend together to form one incredible team that "bleeds five below blue". we're all pumped about what we do and all empowered to make a difference.

### **achieve THE IMPOSSIBLE.**

we are five below; a one-of-a-kind experience! with our gutsy attitude and relentless drive to be better, we accomplish what others wouldn't even think about trying. we take risks and win or lose as a team. integrity always rules and coasting is never, ever an option.

### **WORK HARD, HAVE FUN, BUILD a CAREER.**

anywhere you see the five below name something awesome is going on. people are succeeding, accomplishing impossible things, taking control of their future, helping their community, throwing a party or making friends. face it, being the best is hard work, but all work and no play is not ok, so we live a little.



## a few HIGHLIGHTS TO DATE:

### ENVIRONMENTAL

- Reduced waste in packaging
  - 5,500 tons less cardboard and 400 fewer containers shipped!
- Lowered energy consumption by retrofitting stores with LED lights, timers and motion-sensors
  - now in 97% of chain!
- Offered customers low-cost, reusable totes to support eco-conscious practices and reduce use of plastic bags
  - sold over 4 million!

### SOCIAL

- Since 2016, raised more than \$30 million for charities dedicated to kids and their families
- Protecting our customers and crew with a robust privacy policy
- Upholding standards of human rights and good labor practices through our business activities

### GOVERNANCE

- We have 10 highly experienced directors with broad skills and qualifications
- Of our independent directors, 37.5% are female and 25% represent ethnic minorities.
- Formalized board oversight of ESG areas

For more information please click [here](#).

# WE DELIVER OUR PURPOSE WITH PEOPLE!



HI! WELCOME TO FIVE BELOW!



LET GO &  
HAVE FUN!

THE WOWTOWN CREW!

in our offices



in our DCs

# UNLIMITED POSSIBILITIES DRIVEN BY THE NEWEST, COOLEST STUFF



**"craze"**  
TRENDS



LICENSED  
TRENDS &  
BRANDS



ON-TREND  
STUFF  
(Relevancy)



**five BELOW®**

# an amazing, fun experience



unique and engaging  
in-store experience

fun and dynamic with  
friendly “wow crew”  
and upbeat music

easy-to-navigate  
with vibrant signs and  
low sightlines across  
the store

iconic fixtures that  
encourage interaction  
with products

products are extreme  
\$1-\$5 value, plus some  
incredible finds that  
go beyond \$5!



NO ONE ELSE DOES  
WHAT WE DO IN A  
9,000 SQ. FT. STORE!



# STAYING RELEVANT WITH INNOVATION



FAST + EASY  
ASSOCIATE ASSISTED  
SELF CHECKOUT



NEW EAR PIERCING +  
BALLOON LAUNCHES!



EXTREME  
VALUE



# OUR CUSTOMERS ❤️ US AND SAY YES!

**"I got the cupcake one I love it :)"**

Anitrea

**"Those are way better than the cheap crap from dollar tree"**

Mary



**facebook**

**"I checked 5B again on my lunch break and was able to grab Floxie for @landoftenthousandsquish! As much as I love Autumn in a pumpkin, I think Floxie is my favorite from this squad."**

just.peachy.squishta



**Instagram**

**"Trying mega slime lickers for the first time. I am deceased." itskristiii**



**TikTok**

# OUR POWERFUL STORE MODEL..

WHERE  
THE ACTION  
IS!

# LOCATED IN HIGH TRAFFIC CENTERS



Walmart  
Save money. Live better.

COSTCO  
WHOLESALE

ULTA  
BEAUTY

TRADER JOE'S

BEST BUY

Burlington

KOHL'S

DSW  
DESIGNER SHOE WAREHOUSE

NORDSTROM  
rack

DICK'S  
SPORTING GOODS

TJX

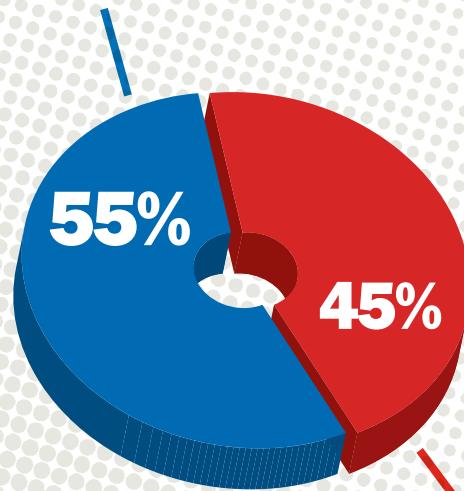
ROSS  
DRESS FOR LESS

Wegmans

WHOLE  
FOODS  
MARKET



Five Below visit was planned as the first stop in the shopping center\*



Five Below visit came after another stop in the center\*

- currently lease all store locations.
- average 9,000 sq. ft. per store.
- majority 10-year initial terms with options to extend.

\*source: december 2021 3rd party consumer study



# PROVEN SUCCESS acROSS DiVERSE MARKETS



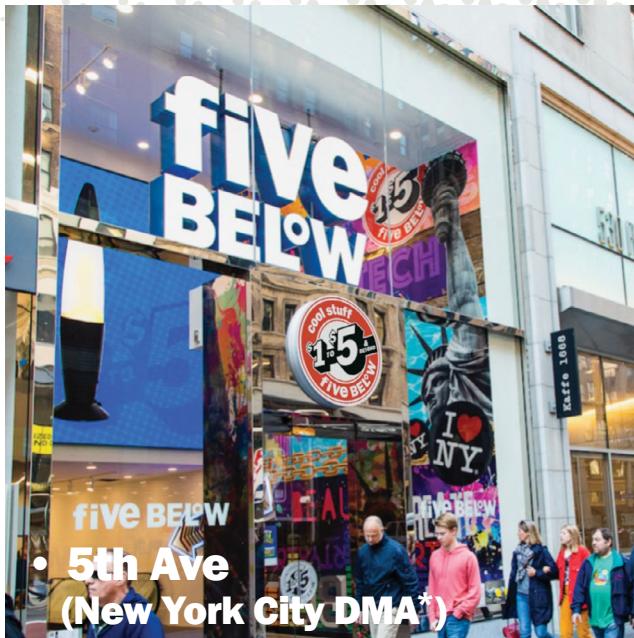
URBAN



SUBURBAN



seMiRURAL



- 5th Ave  
(New York City DMA\*)

- Washington D.C.
- New York, NY
- Chicago, IL



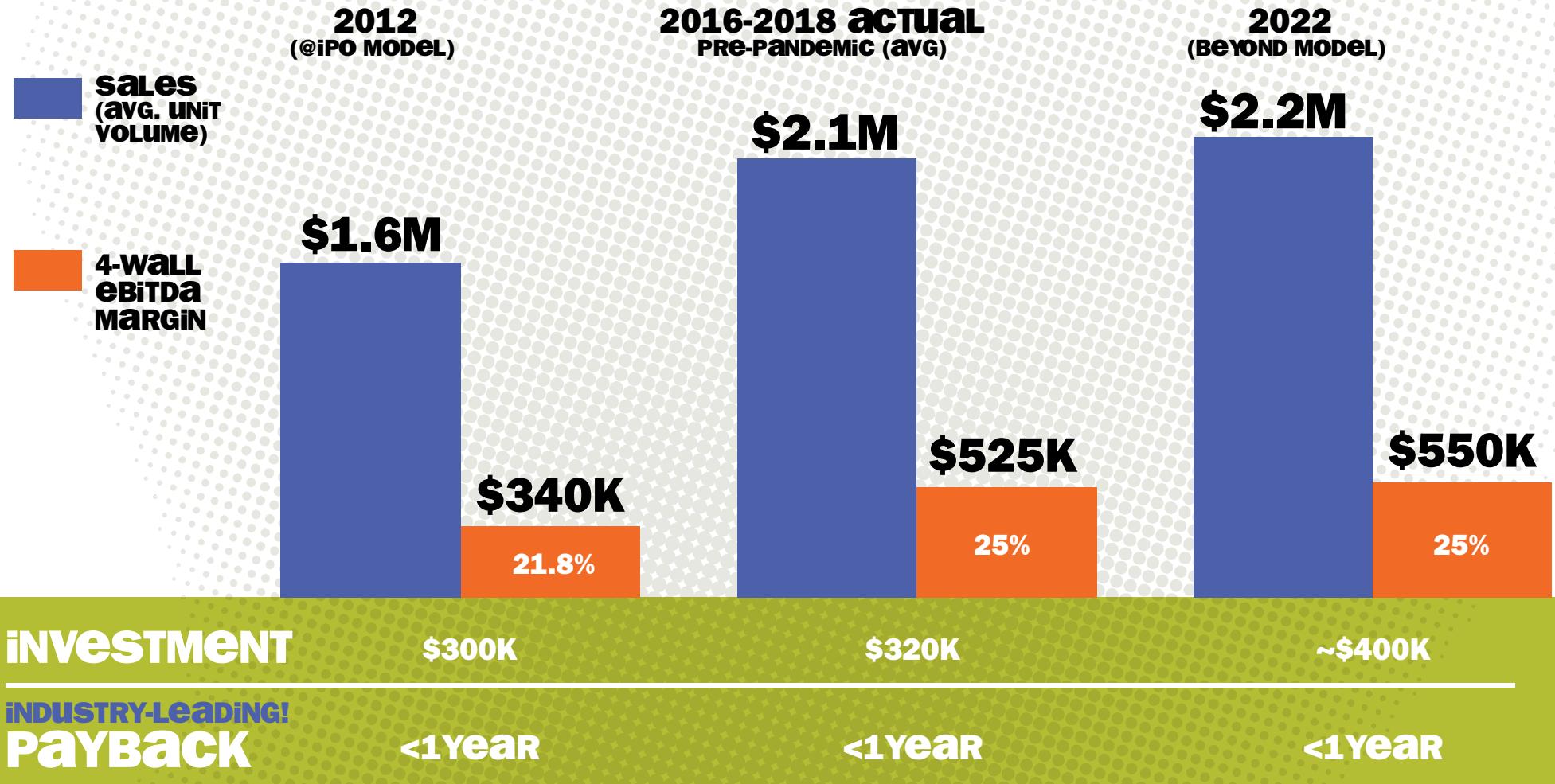
- Pasadena, TX  
(Houston DMA\*)
- Redlands, CA
- Roseville, MI
- Greensboro, NC



- Lake City, FL  
(Jacksonville DMA\*)
- London, KY
- Tupelo, MS
- San Angelo, TX

\*designated market area

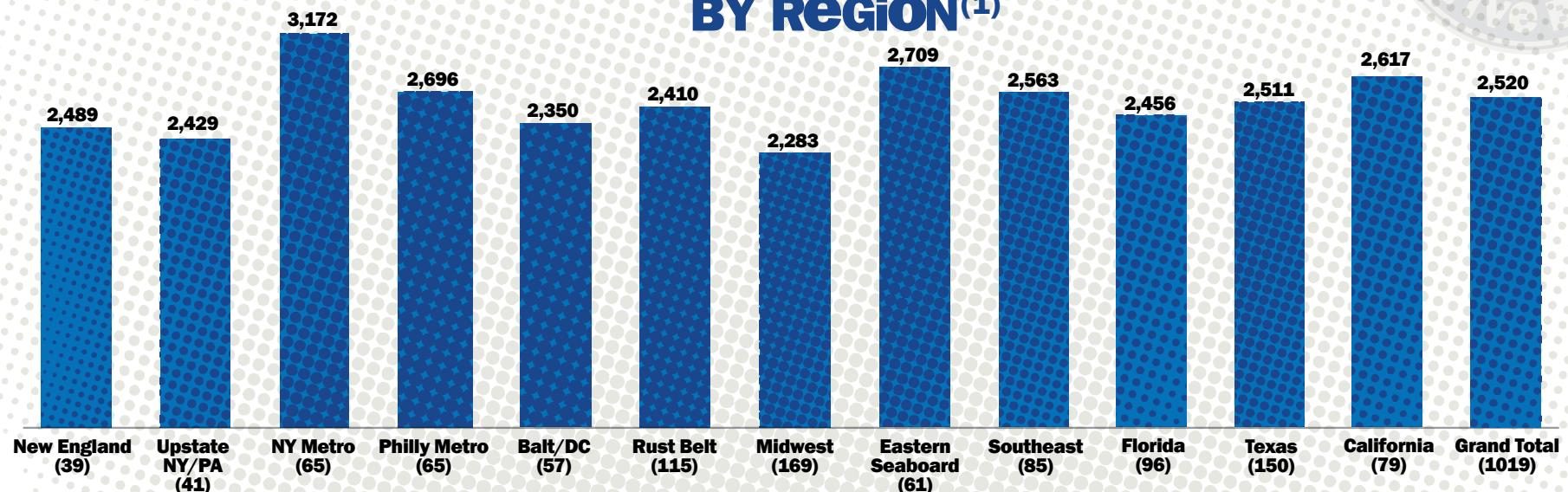
# NEW STORE MODEL & PERFORMANCE



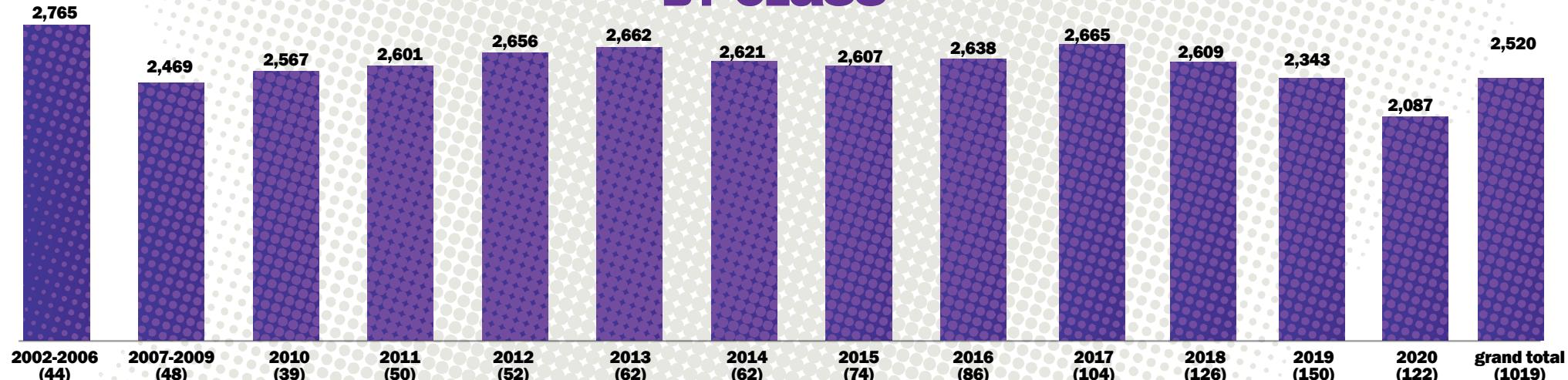
# CONSISTENT STORE PERFORMANCE ACROSS FLEET IN FY 2021



## BY REGION<sup>(1)</sup>



## BY CLASS<sup>(1)</sup>



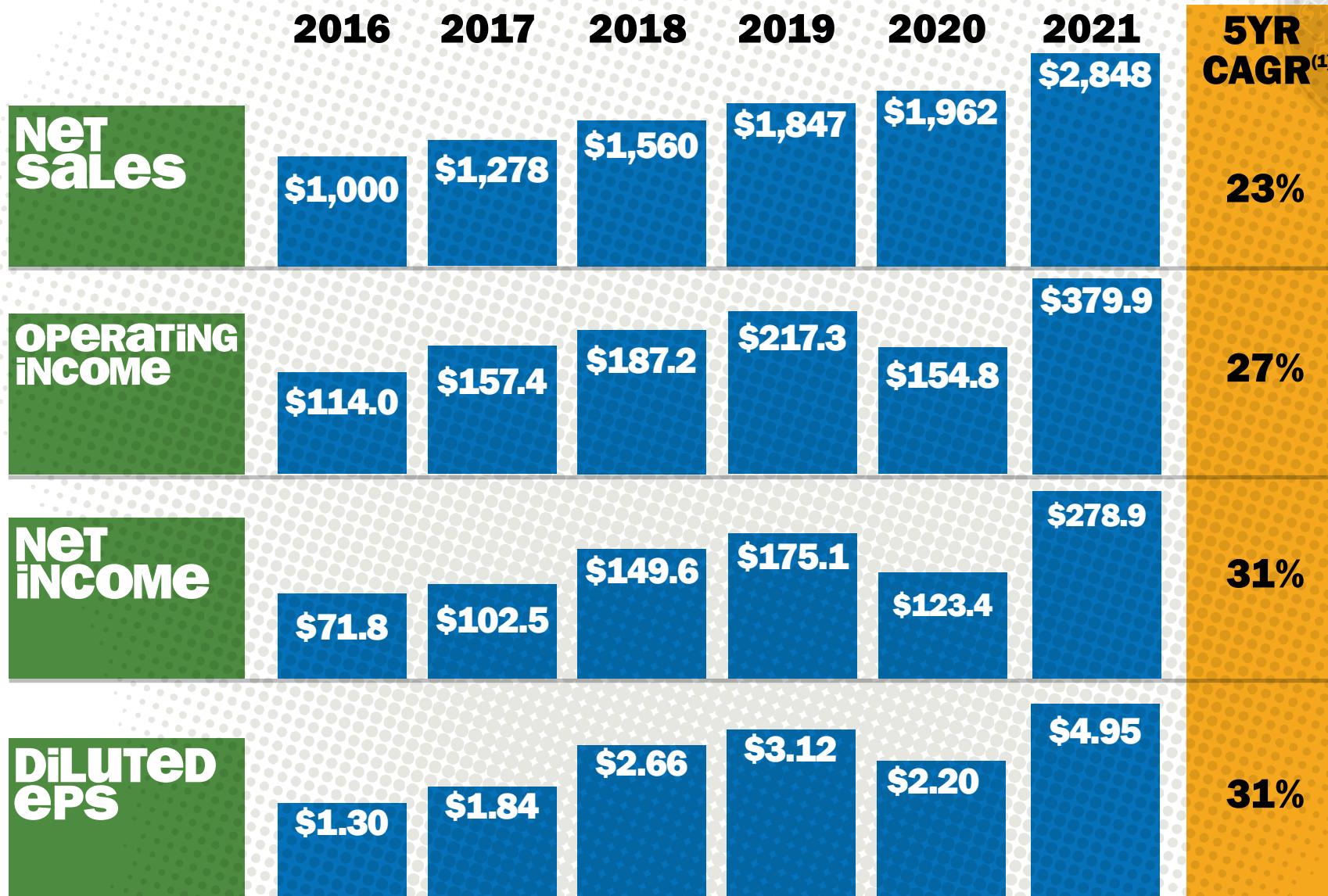
26 (1) Includes stores open as of 2020 except for one existing store that was closed permanently in 2021.

# THE NUMBERS



WE'RE ALL  
ABOUT  
RESULTS!

# DiSCIPLINED AND PROFITABLE GROWTH



dollars in millions.

(1) the results for 2020 were impacted by the temporary store closures due to the COVID-19 pandemic.

# OVER A DECADE OF POSITIVE ANNUAL COMPS

2016

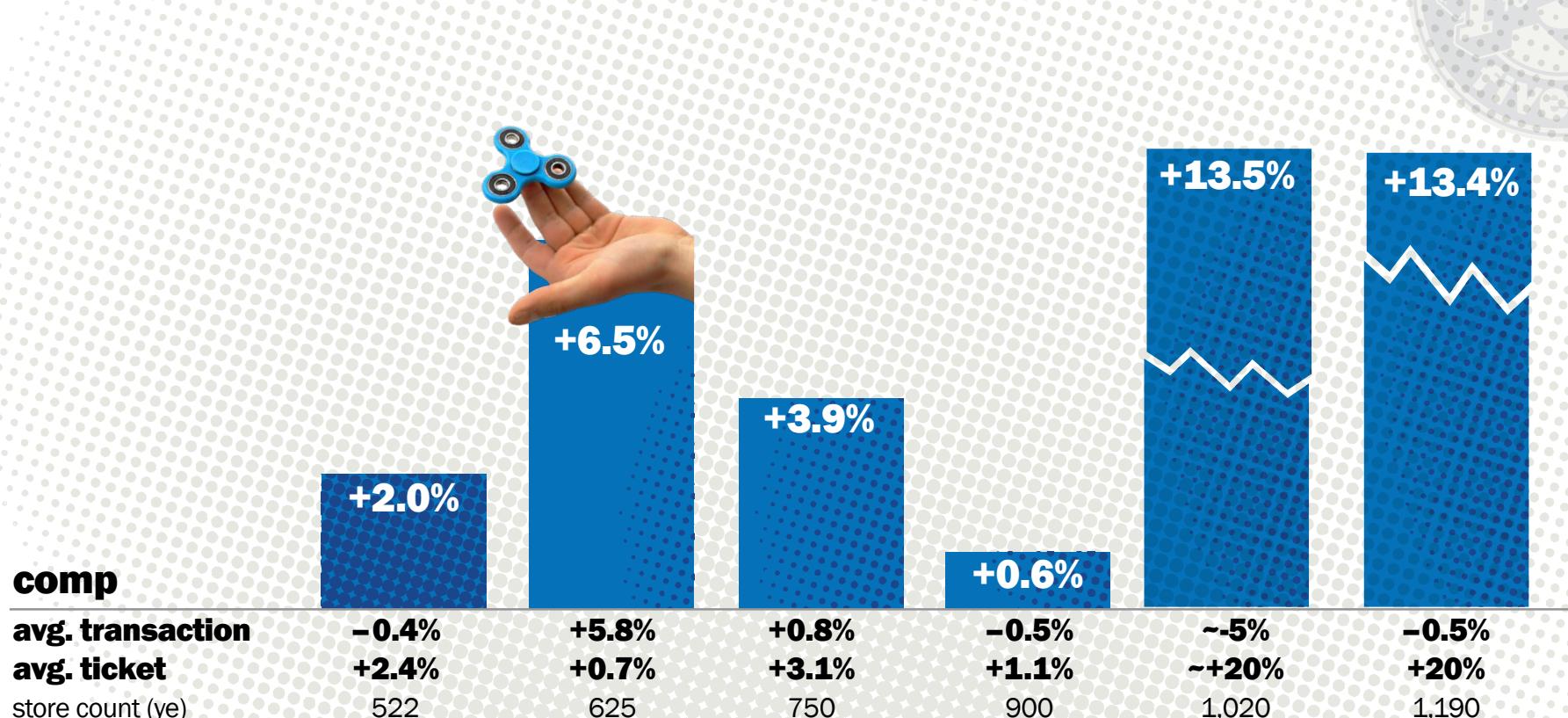
2017

2018

2019

H2'20

H2'21<sup>(1)</sup>



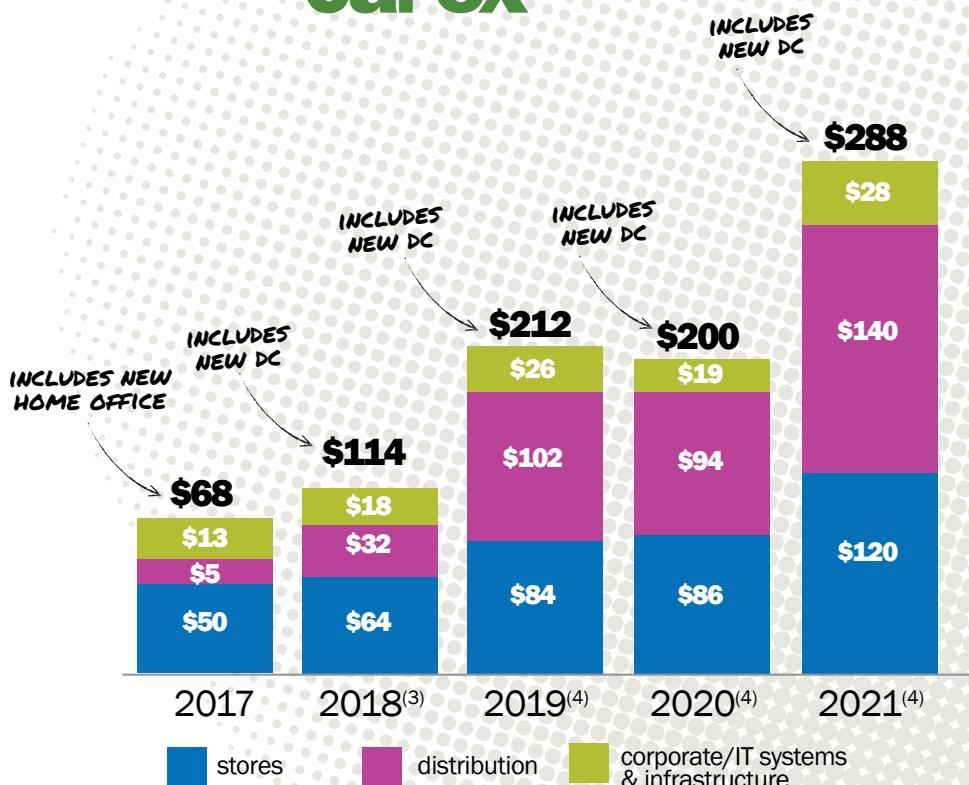
8 PRODUCT WORLDS DRIVE  
FLEXIBILITY + RELEVANCY!

(1) reported comparable sales for FY20 of -5.5% were impacted by store closures due to the COVID-19 pandemic, which artificially inflated FY21 reported comparable sales.

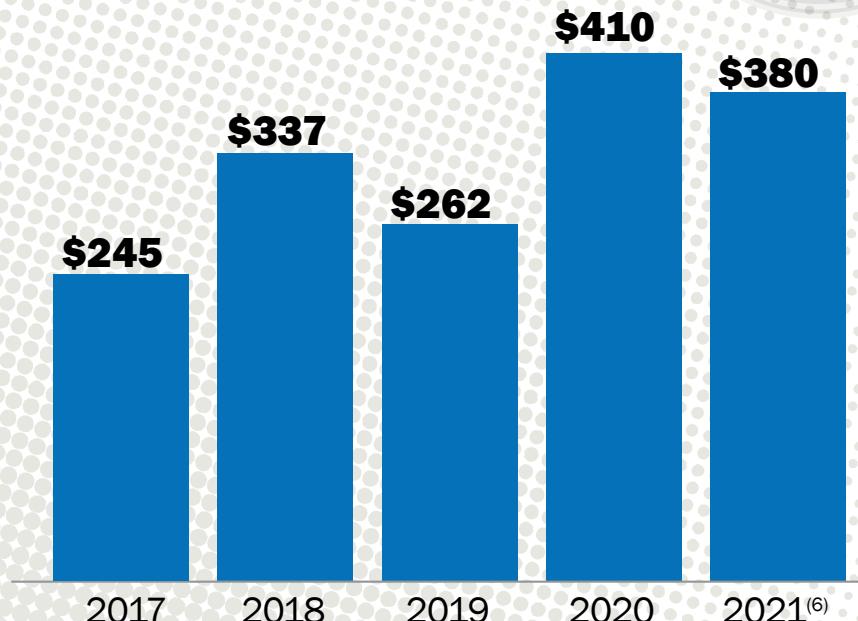
# STRONG BUSINESS MODEL DRIVES SELF-FUNDED GROWTH



## capex<sup>(1)</sup>



## STRONG CASH POSITION<sup>(2)</sup>



- modest capital expenditures for stores
- strong free cash flow generation
- debt free
- \$225M line of credit & room to increase

dollars in millions.

(1) gross capital expenditures, excluding tenant allowances.

(2) cash and short-term investments at EOY.

(3) 2018 includes portion of GA DC under distribution, and POS rollout under stores.

(4) 2019-2021 includes costs for opening new DC's in GA, TX and AZ. 2021 also includes \$66M for IN DC to open in 2022.

# OUR VISION FOR GROWTH.



FUTURE'S  
SO  
BRIGHT...

# ViSiON FOR GROWTH



**five BELOW**



**TRIPLE  
DOUBLE!**

**TRiPLE**  
**U.S. STORE Base**

FROM 1,200  
TO 3,500+  
BY 2030

SALES = DOUBLE  
EPS = DOUBLE+  
BY 2025

**DOUBLE**  
**TOP LiNE & BOTTOM LiNE**

**2025**  
IGNITE THE VISION!

**five BEL°W**

# STRATEGIC GROWTH PRIORITIES



1

GROW OUR STORE BASE –  
OUR LARGEST GROWTH DRIVER

2

REINVEST IN  
“WOW” MERCHANDISE

3

INCREASE  
BRAND  
AWARENESS

4

SCALE  
SYSTEMS &  
INFRASTRUCTURE

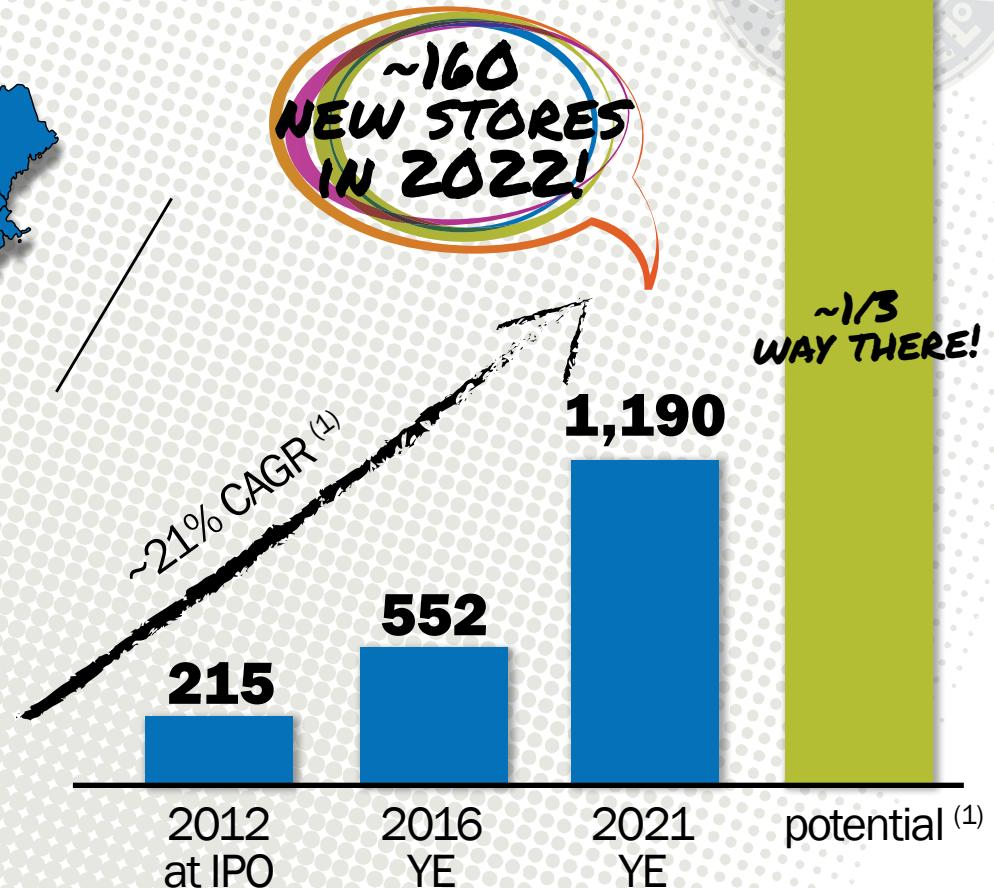
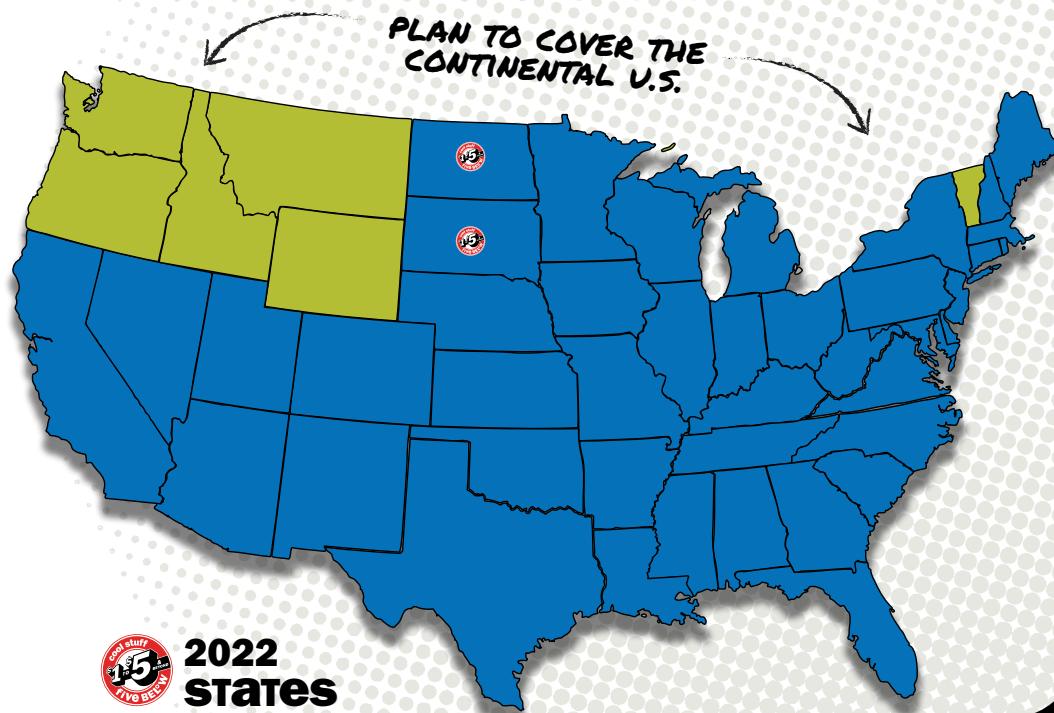
5

BUILD OUR TEAM  
& CULTURE

# 1 - GROW OUR STORE Base



3,500+



- continued focus on densifying existing markets
- largest states planned to be CA, TX, FL, NY and PA

(1) management store count potential estimates in the U.S. based on third party study from 2021.

## 2 - ReINVEST iN “WOW” MERCHANDISE



TREND-DRIVEN MERCHANDISING TEAM

ONGOING ReINVESTMENT iN PRODUCTS

GLOBAL SOURCING WITH OVER 800 VENDORS

LOW-COST OPERATING PHILOSOPHY

BALLS SHIP DEFLATED  
WITHOUT PACKAGING

(WE DON'T SHIP AIR, SO YOU SAVE!)



five BEL°W

## 2 - “WOW” MERCHANDISE INVESTING IN TRENDS & EXTREME VALUE

# PRODUCT TRENDS & VALUE!

### “S” TRENDS!



SQUISHMALLows™



SENSORY TOYS

SLIME LICKER

### anime TREND



### NEW & NOW SEASONAL



### fun FOR JUST a BUCK



SURPRISE &  
DELIGHT WITH  
DISTORTED  
VALUE!

### FIVE BEYOND

it's new, beyond \$5 and still  
WAAAAY BELOW THE REST!



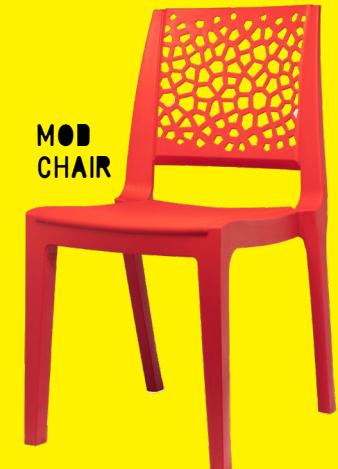
6FT  
BASKETBALL  
HOOP



WIRELESS  
SPEAKER  
TABLE



POP-UP  
PET PLAYPEN



MOD  
CHAIR



ROBOTIC  
VACUUM

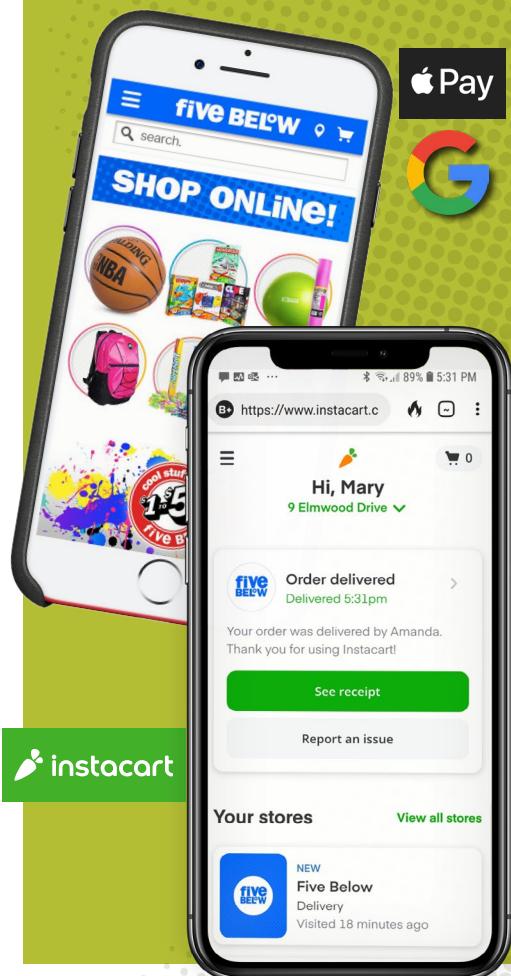


# 3 - iNCREASE BRAND awareness

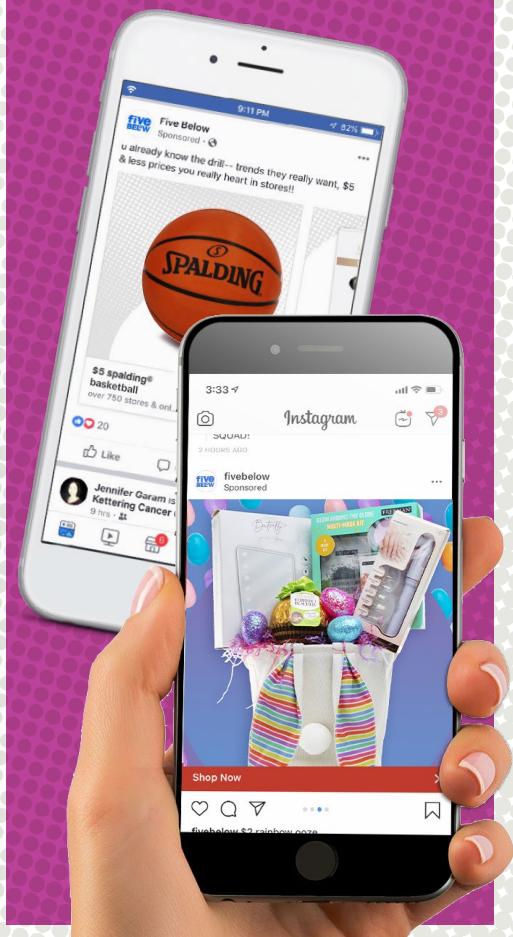


## MOBILE e-COMMERCE

venmo P PayPal



## DIGITAL ADVERTISING



## TV/STREAMING INTEGRATION



## SOCIAL COLLABORATIONS



DCTV

dixie&charli



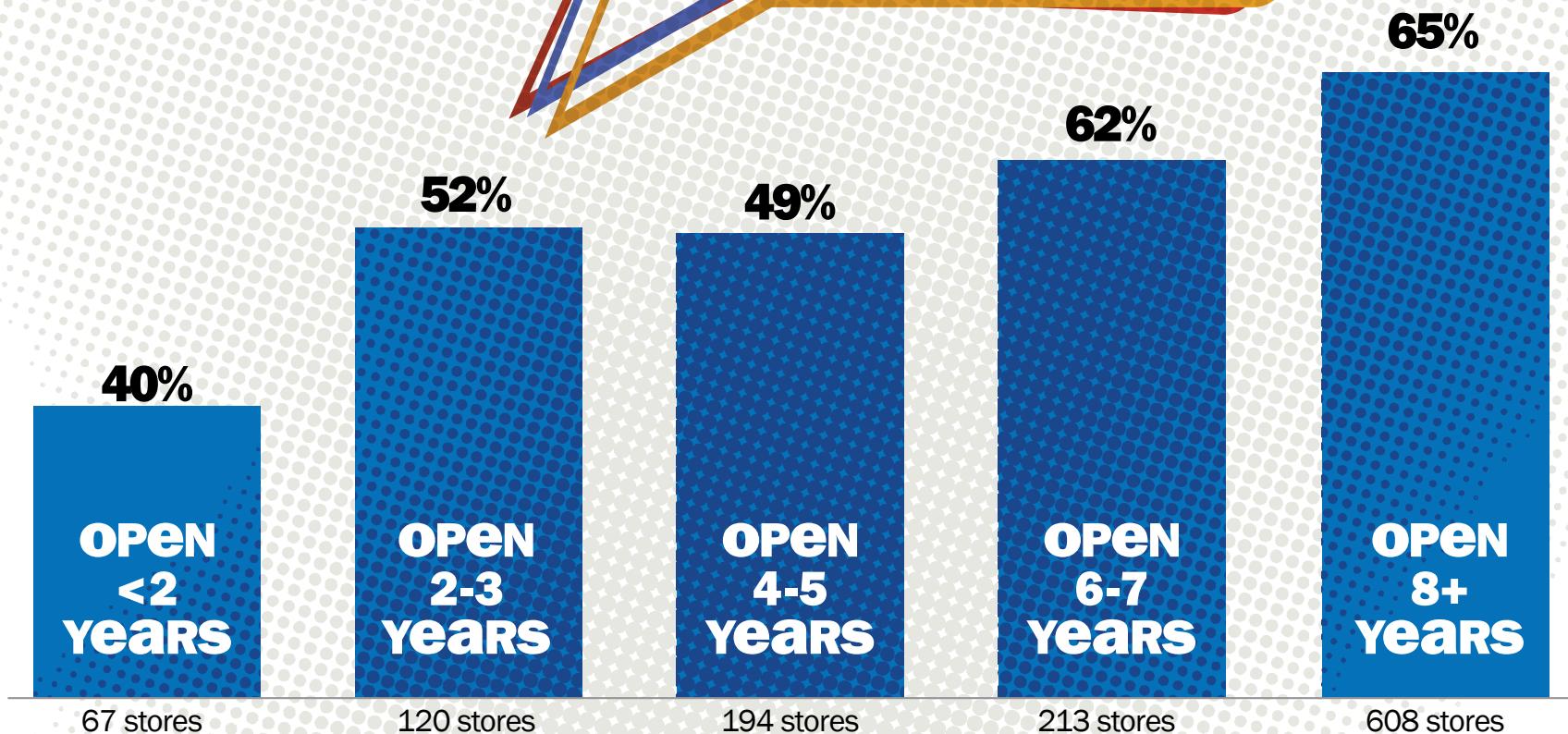
five BEL°W

# 3 - iNCREASE BRAND awARENESS



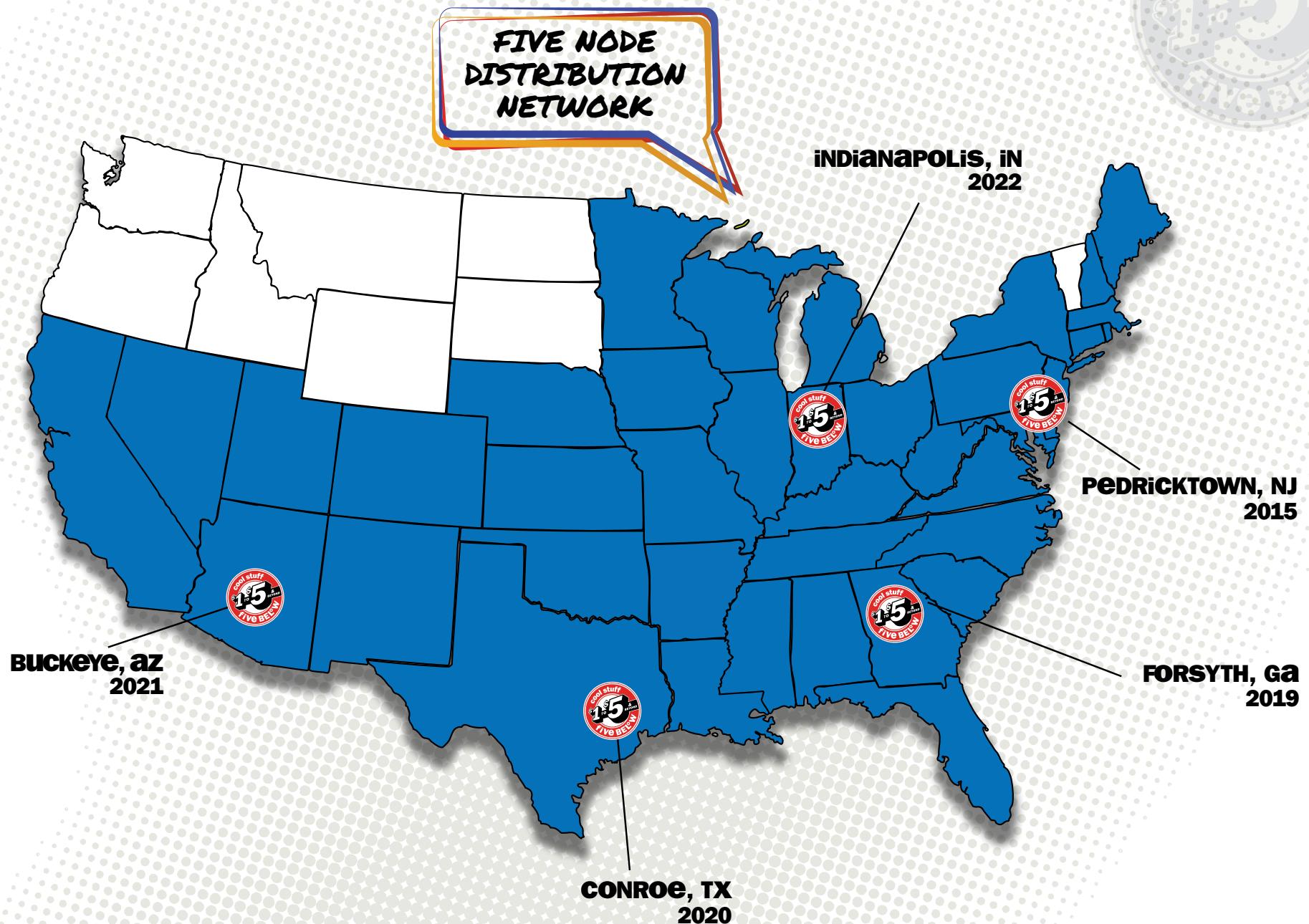
stores open <5 years are  
**UNDER 50%**  
awARENESS\*

BIG  
OPPORTUNITY IN  
NEWER MARKETS!

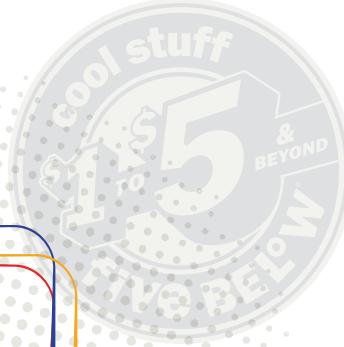


\*aided brand awareness. source: december 2021 3rd party consumer

# 4 - SCALE SYSTEMS & iNFRaSTRUCTURE



# 5 - BUILD OUR TEAM & CULTURE



**CREATE AN AWESOME  
EXPERIENCE TO DELIVER  
LONG-TERM GROWTH!**

## CULTURE. TALENT.

- bring our purpose “let go & have fun” to life
- foster best-in-class environment and values
- live our values each and every day

- attain and retain top-tier leaders throughout the company
- build field organization for sustained growth

## SCALE.

- evolve organizational structure to drive continued growth
- invest in systems and infrastructure

**ALL OF THIS COMBINED MAKES UP THE AMAZING, INSPIRING, AND DOWNRIGHT FUN FIVE BELOW DNA!**

# five BELOW IS A UNIQUE INVESTMENT OPPORTUNITY



**LEADING HIGH GROWTH VALUE RETAILER**

**LONG RUNWAY FOR UNIT GROWTH**

**COMPELLING NEW STORE MODEL**

**CONSISTENT PERFORMANCE**

**BENEFITS FROM SCALE**

LET GO &  
HAVE FUN!

[fivebelow.com](http://fivebelow.com)

