



BUILD-A-BEAR MARKS 25th ANNIVERSARY WITH RECORD-SETTING FIRST HALF RESULTS DRIVEN BY ITS TRANSFORMATIVE STRATEGIC INITIATIVES

October 11, 2022

Build-A-Bear celebrates milestone anniversary throughout the year culminating with New York Stock Exchange Bell Ringing and First-Ever Gala Benefitting Build-A-Bear Foundation

ST. LOUIS, Oct. 11, 2022 /PRNewswire/ -- Build-A-Bear Workshop, Inc. (NYSE: BBW) will honor its 25th anniversary of bringing hearts and hugs to millions of consumers as the year-long celebration culminates with added activities throughout October, the month in which the Company opened its first store in St. Louis, MO.

The Company has delivered the most profitable year in its history in fiscal 2021 followed by a record-breaking first half in fiscal 2022, enabled by a multi-year strategic transformation into a diversified experiential omnichannel entity appealing to a broad range of consumers that is leveraging its powerful brand equity to deliver sustained profitable growth. In addition to a gala hosted by Build-A-Bear Foundation, the Company plans to recognize its silver anniversary by ringing the opening bell at the NYSE on Tuesday, October 11, 2022.

Sharon Price John, Build-A-Bear Workshop President and Chief Executive Officer commented, "Following the best-ever first half financial results in our history, we are thrilled to celebrate 25 years of adding a little more heart to life. Over 200 million furry friends have been made since we opened our first retail-tainment store in 1997. As we usher in our next 25 years, our company has evolved to have a more diversified business model designed to leverage our powerful and beloved brand. We have been systematically executing our strategic initiatives with the goal of driving the business in new ways by implementing a broad-ranging and comprehensive digital transformation and continuing to evolve our retail experience and footprint to take advantage of our expanded omnichannel capabilities and strong brand awareness. At such an important milestone, I want to thank our brand enthusiasts, guests, associates, suppliers, and other business partners for being a part of our transformation."

Leveraging a Multi-Generational Brand

Build-A-Bear has become a multi-generational brand appealing to diverse consumer demographics including teens and adults that now represent nearly 40% of its consumer base. Guests often prefer to shop online which is reflected in the over-indexing of this segment in the Company's e-commerce. The Company's profitable store base which offers an entertaining hands-on step-by-step process, including its now iconic Heart Ceremony, often leaves lasting memories that can become a basis for a lifetime of engagement with its brand, and tends to over-index with kids and their families. Build-A-Bear also now offers multi-dimensional product categories ranging from recently announced expansion into pet toys, [matching family pajamas](#), [gift-giving](#) and [collectible stuffed animal products](#).

Accelerated Digital Transformation

Build-A-Bear has significantly expanded its e-commerce demand compared to pre-pandemic levels in 2019 with initiatives to accelerate its comprehensive digital transformation. The Company initiatives include a recent update to a mobile-first website, enhancing its [Bonus Club loyalty program](#) improving user experiences, and adding analytics to engage users across applications, all with the goal of driving engagement and profitable lifetime value with guests. The company offers multiple e-commerce/digital purchasing experiences on www.buildabear.com including its online "[Bear-Builder](#)" configurator, the animated "[Bear Builder 3D Workshop](#)" and its age-gated adult-focused "[Bear Cave](#)". In addition, the brand recently announced its first steps into Web3 with an [NFT offering](#) as part of the [25th anniversary celebration](#) and the metaverse with the development of a digital game for a leading platform. Build-A-Bear's success in the digital space has been recognized having been named to lists that include America's Best Online Shops, America's Fastest Growing Online Shops and America's Best Trending Online Shops, all awarded by Newsweek and Statista.

Evolving Retail Locations and Model While Leveraging Expanded Omnichannel Capabilities

The Company is on track to open approximately 20 new locations through a combination of its corporately-managed and third-party retail business models in fiscal 2022. The Company has strategically shifted its retail footprint beyond traditional malls to include non-traditional locations that now account for approximately 35% of all sites, in settings such as family-centric tourist areas, amusement parks and resorts with relationships that include Carnival Cruise Lines, Great Wolf Lodge and Landry's.

The Company's omnichannel capabilities allow it to leverage the labor and inventory in its hundreds of store locations to support its digital initiatives that include Buy Online Pickup In Store, Buy Online Ship From Store and same day delivery with Shipt. These added options have been instrumental in efficiently supporting the growth in digital demand, which was up 180% for the first half of 2022 compared to the same period in pre-pandemic 2019.

Content Development and Brand Story-telling

To further extend the power of its brand, the Company creates and delivers content designed to extend its reach and drive consumer engagement. Build-A-Bear's social media and marketing strategy includes the development of short form content delivered on platforms such as TikTok and YouTube which consistently garner millions of views annually.

In addition, the Company's subsidiary, Build-A-Bear Entertainment, works with industry-leading media companies to develop engaging content including the award-winning live action movie, *Honey Girls* now streaming on Netflix, based on the Company's popular proprietary product line, as well as entertaining movies that were presented by Hallmark, *Deliver By Christmas* and *Christmas CEO*.

A partnership between Reese Witherspoon's Hello Sunshine production company and Build-A-Bear Entertainment was recently announced with plans to develop the first feature film in its new kids and animation division that reimagines the story of *Goldilocks and the Three Bears*. A highly anticipated documentary from award-winning director Taylor Morden, chronicling the unconventional journey of Build-A-Bear's rise from a startup to a successful multi-million-dollar public company is currently in post-production, with an expected release in early 2023.

Separately, Build-A-Bear offers a streaming music channel on iHeartRadio, which is consistently one of the top spots for popularity with family demographics.

Special Moments to Celebrate 25 Years

The celebration of Build-A-Bear's 25th anniversary has been a year-long event with the goal of driving interest, engagement and revenue while also shining a spotlight on Build-A-Bear Foundation and the

difference it makes in the lives of kids in need. Highlights include:

- **Much Loved Furry Friends Return for the Silver Celebration**

For the first time in its history, Build-A-Bear opened its vault of proprietary furry friends and collaborated with popular licensed partners, to re-release a selection of 25 [limited edition stuffed animal collectibles](#) throughout the year. This successful campaign will continue with today's introduction of the [Build-A-Bear 25th Silver Celebration Bear](#), in celebration of the Company's Silver Anniversary. The [Vault Collection](#) has sparked nostalgia and passion from guests, loyal collectors and brand enthusiasts.

- **Build-A-Bear Gala Silver Celebration**

Close to 750 attendees are expected to celebrate this momentous occasion on Saturday, October 22, 2022 at St. Louis Union Station to honor Company founder, Maxine Clark. The gala is hosted by Build-A-Bear Foundation and will raise funds to support its mission to share hugs, inspire creativity and support those in need. Build-A-Bear Foundation was established as a 501(c)3 organization, to provide financial and furry friend donations to organizations that support children's health and wellness, disaster relief, and families in need of essential supplies. Since 1997, Build-A-Bear Foundation has donated more than \$22 million and 1.5 million furry friends to charitable causes around the world.

ABOUT BUILD-A-BEAR®

Build-A-Bear is a multi-generational global brand focused on its mission to "add a little more heart to life" appealing to a wide array of consumer groups who enjoy the personal expression in making their own "furry friends" to celebrate and commemorate life moments. Nearly 500 interactive brick-and-mortar retail locations operated through a variety of formats provide guests of all ages a hands-on entertaining experience, which often fosters a lasting and emotional brand connection. The company also offers engaging e-commerce/digital purchasing experiences on [buildabear.com](#) including its online "Bear-Builder", the animated "[Bear Builder 3D Workshop](#)" and its age-gated adult-focused "[Bear Cave](#)". In addition, extending its brand power beyond retail, Build-A-Bear Entertainment, a subsidiary of Build-A-Bear Workshop, Inc., is dedicated to creating engaging content for kids and adults that fulfills the company's mission, while the company also offers products at wholesale and in non-plush consumer categories via licensing agreements with leading manufacturers. Build-A-Bear Workshop, Inc. posted total revenue of \$411.5 million in fiscal 2021. For more information, visit the [Investor Relations section](#) of buildabear.com

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